Golden Tobacco Limited

62nd ANNUAL REPORT 2017-2018

GOLDEN TOBACCO LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri A. K. Joshi	-	Managing Director
Shri Jaskaran S. Khurana	-	Executive Director
Shri Bharat B. Merchant	-	Non Executive Independent Director
Ms. Kokila Panchal	-	Non Executive Independent Director
Shri Vinod Bhatia	-	Non Executive Independent Director

CHIEF FINANCIAL OFFICER

Shri Pawan Kumar Malsaria

COMPANY SECRETARY

Shri Manoj Kumar Srivastava (upto 06.10.2018)

Shri Jaymeen Patel (w.e.f. 29.11.2018)

STATUTORY AUDITORS

M/s. Bagaria & Co. LLP
Chartered Accountants
Mumbai

REGISTERED OFFICE AND WORKS

At Darjipura, Post Amaliyara,
Vadodara - 390 022 Gujarat, India
CIN : L16000GJ1955PLC067605
Tel. (0265) 2540281 Fax : (0265) 2541700
Website : www.goldentobacco.in
E-mail : share@goldentobacco.in

INVESTORS' CELL

Toll Free No. 1800223951
Email : share@goldentobacco.in

REGISTRAR & TRANSFER AGENT

M/s. Link Intime India Pvt. Ltd.
C101, 247 Park,
L.B.S. Marg, Vikhroli West, Mumbai - 400083
Tel. (22) 48186000 Fax (22) 49186060
Email : rnt.helpdesk@linkintime.co.in

BANKERS

Canara Bank

Syndicate Bank

Vijaya Bank

State Bank of India

Allahabad Bank

STOCK EXCHANGE(S)

BSE Ltd.

National Stock Exchange of India Ltd.

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62ND ANNUAL GENERAL MEETING

Day, Date & Time	:	Thursday, December 27, 2018 at 10.30 AM
Venue	:	At Darjipura, Post Amaliyara, Vadodara - 390 022 Gujarat
Book Closure Date	:	December 24, 2018 to December 27, 2018 (Both Days inclusive)

NOTICE

NOTICE is hereby given that the **SIXTY-SECOND ANNUAL GENERAL MEETING** of the Members of **GOLDEN TOBACCO LIMITED** will be held on **Thursday, December 27, 2018 at 10.30 A.M.** at the Registered Office of the Company at Darjipura, Post-Amaliyara, Vadodara - 390022, Gujarat to transact the following business as:

ORDINARY BUSINESS:

1. Adoption of :

a. the Audited Financial Statements of the Company for the financial year ended March 31, 2018 together with the Reports of the Board of Directors' and the Auditors' thereon and

b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2018 together with Reports of the Auditors' thereon.

2. To appoint a Director in place of Shri Jaskaran S. Khurana (DIN:03034960) who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To appoint Shri Vinod Bhatia (DIN: 08235705) as an Independent Director:

To consider and, if thought fit, to pass the following resolution as an ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], and Clause 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shri Vinod Bhatia (DIN : 08235705), who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and who is eligible for appointment, who has appointed as an additional director and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive Independent Director of the Company w.e.f. September 23, 2018 up to September 22, 2023.

4. To Re- appoint Shri A.K. Joshi as Managing Director of the Company and to fix his remuneration:

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and subject to approval of the Members and other requisite authorities including Central Government, **approval,** be and is, hereby accorded to the re appointment of Shri A. K. Joshi as Managing Director of the Company for a period of three years with effect from September 28, 2018 to September 27, 2021 upon the terms and conditions of appointment including remuneration payable as set out in the explanatory statement in the annexed here to with liberty to the Board of Directors to alter and/ or to vary the terms and conditions of the same including the terms of remuneration as may be agreed to between the Board of Directors and Shri A. K. Joshi.

RESOLVED FURTHER THAT in the event of absence of or inadequacy of profit in any Financial Year during the tenure of the office of Managing Director the remuneration shall be governed as provided under Section II of Part II of Schedule V to the Companies Act, 2013, subject to approval of Bankers.

RESOLVED FURTHERTHAT Shri A. K. Joshi shall not be paid any sitting fees for attending meetings of the Board of Directors or its Committees and his appointment shall be liable to retire by rotation "

By order of the Board,
For GOLDEN TOBACCO LIMITED,

Place : Mumbai
Date : December 1, 2018

Jaymeen Patel
Company Secretary

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ('AGM') MAY APPOINT A PROXY TO ATTEND AND VOTE ON HIS BEHALF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

   PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY AT DARJIPURA, POST-AMALIYARA, VADODARA-390022. GUJARAT, NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE AGM I.E. BY 10:30 A.M. ON 27TH DECEMBER, 2018. A PERSON CAN ACT AS A PROXY ON BEHALF OF THE MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL PAID-UP CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER SHAREHOLDERS.

2. Corporate Members are require to send to Registered Office a certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the Annual General Meeting.

3. Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at this Annual General Meeting is annexed.

4. In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rule, 2014, the Resolution proposed at this Annual General Meeting will be transacted through remote e-voting (facility to cast vote from a place other than the venue of the AGM) and also voting through ballot at the AGM, for remote e-voting the Company has engaged the services of Central Depository Services Ltd. (CDSL). The Board of Directors of the Company has appointed Shri CS Devesh A. Pathak (FCS No.4559) Practicing Company Secretary as the Scrutinizer for the purpose.

5. Voting rights will be reckoned on the paid-up value of share registered in the name of the Members as on Thursday, the December 20, 2018 (cut-off date). Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or voting at the Annual General Meeting.

6. The facility for voting by ballot will be available at the AGM venue for those Members who do not cast their votes by remote e-voting prior to the Annual General Meeting. Members, who cast their votes by remote e-voting prior to the Annual General Meeting, may attend the meeting but will not be entitled to cast their votes once again.

7. Members can opt for only one mode of voting i.e. either by ballot form or e-voting. In case members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through ballot form shall be treated as invalid.

8. However Shri Jaskaran S. Khurana (DIN:03034960) Executive Director retires by rotation at the AGM and being eligible, offering himself for reappointment as a retiring director. Brief resume of Director proposed to be re-appointed, nature of his expertise in specific functional areas, names of Companies in which he hold directorships and memberships/chairmanships of Board Committees, shareholding and relationship between directors inter-se as stipulated under Listing Regulations as provided in the corporate governance report forming part of the Annual Report.

9. Members are required to bring their admission/attendance slips to the AGM. Duplicate admission slips and / or copies of the Annual Report will not be provided at the AGM venue.

10. In case of Joint Holders attending the Meeting, only such Joint Holder who is higher in the order of names will be entitled to vote.

11. Relevant documents referred to in the accompanying Notice and the Statements are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays and Sunday, during business hours up to the date of the AGM.

12. The Company has notified closure of Register of Members and Share Transfer Books from **Monday, December 24, 2018 to Thursday, December 27, 2018** (both days inclusive).

13. Members may note that all unpaid/unclaimed dividend up to 1993-94 declared by the Company has been transferred to the General Revenue Account of the Central Government. In accordance with the Scheme approved by BIFR the unpaid/ unclaimed dividend for the year 1994-95 was to be paid by 31st March, 2023 and the unpaid/unclaimed dividend, if any, will be transferred to Investor Education & Protection Fund accordingly.

14. Members, holding shares in dematerialization form are requested to intimate all changes pertaining to their address, bank details, nominations, power of attorneys, change of name, email address, contact numbers etc. to their Depository Participants (DP). Changes intimated to the DP will then be automatically reflected in the Company's record which will help to the Company and Company's RTA, to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to the Company and / or Company's RTA M/s Link Intime India Pvt. Ltd.

15. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be downloaded from the Company's website www.goldentobacco.in under the section Investor Relations.

16. Members holding shares in physical are requested to consider converting their holding to dematerialization form to eliminate all risks associated with physicals and to ease of portfolio management. Members can contact the Company or RTA for assistance in this regard.

17. The physical copies of the Notice of AGM along with Annual Report of 2017-18 is being sent to all the Members of the Company by the permitted mode, and also by electronic mode to those Members whose email addresses are registered with the Company / RTA / DP.

18. To support the "Green Initiative", the Members who have not registered their email address are requested to register the same with the Company's RTA/ DP for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.

19. Members, who wish to obtain information on the Company or view the Financial Statements, may visit the Company's website www.goldentobacco.in or send their queries at least ten days before AGM to the Company Secretary at the Registered Office of the Company.

20. Any person, who acquires Shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off of the date i.e. December 20, 2018 may obtain the login ID and password by sending a request to CDSL at helpdesk.evoting@cdslindia.com. However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote.

21. The e-voting period commences on Monday, December 24, 2018 (9.00 a.m. IST) and ends on Wednesday, December 26, 2018 (5.00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Thursday, December 20, 2018 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by Central Depository Services Ltd (CDSL) for voting thereafter. Once the vote on a resolution is cast by the Member he/she shall not be allowed to change it subsequently or cast vote again.

22. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, would 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 and make, not later than three days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Managing Director /Company Secretary or a person authorized by the Company.

23. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.goldentobacco.in and on the website of Central Depository Services Ltd (CDSL) www.evotingindia.com immediately the result is declared. The Company shall simultaneously forward the results to BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), where the shares of the Company are listed.

PROCEDURE FOR E- VOTING

(i) The shareholders should log on to the e-voting website www.evotingindia.com.

(ii) Click on Shareholders.

(iii) Now Enter your User ID

   a. For CDSL: 16 digits beneficiary ID,

   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

   c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(iv) Next enter the Image Verification as displayed and Click on Login.

(v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

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

For Members holding shares in Demat Form and Physical Form

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	- Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in **the PAN filed. The Sequence Number/default PAN is printed on Address Slip of Annual Report.** - In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. EG. if your name is Ramesh Kumar with sequence number 1 the enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth Details as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. - Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

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

(viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through Central Depository Services Ltd (CDSL) platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the Electronic Voting Sequence Number (EVSN) of Golden Tobacco Limited on which you choose to vote.

(xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvi) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvii) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call Toll Free No. 1800223951. You may also send your quaries to the share@goldentobacco.in

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

The following Statement sets out all material facts relating to the Business mentioned in the accompanying Notice.

ITEM NO. 3

The Board of Directors, in terms of the recommendation of Nomination and Remuneration Committee approved the appointment of Shri Vinod Bhatia at its meeting held on September 23, 2018 w.e.f. September 23, 2018, for the period of five years as a Non-Executive Independent Director

The brief resume of Shri Vinod Bhatia together with other details as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 are provided in the Annexure to this notice. In the opinion of the Board, he fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for appointment as a Non-Executive Independent Director of the Company and is independent of the management. The copy of the draft letter for his appointment as a Non-Executive Independent Director would be available for inspection by the members at the Registered Office of the Company between 2.00 P.M. to 4.00 P.M. on any working day, excluding Saturdays, Sundays and Public Holidays upto the date of the Annual General Meeting.

The Board considers his association would be of immense benefit to the Company and it is desirable to avail his services as a Non-Executive Independent Director. Accordingly, the Board recommends the resolutions in respect of his appointment as a Non-Executive Independent Director, for the approval. The Company has received the proposal for appointment as a Director as per applicable rules and regulations.

Shri Vinod Bhatia does not hold any Equity Shares of the Company.

None of the other Directors, Key Managerial Personnel(s) and their relatives, except Shri Vinod Bhatia have any concern or interest, financial or otherwise, in the resolutions set out at Item no. 3 of the Notice.

ITEM NO. 4

By keeping in view, valuable services being rendered and onerous responsibilities being shouldered by Shri A.K. Joshi, as a Managing Director of the Company and on recommendation of Nomination and Remuneration Committee (NRC) and Board meeting held on September 23, 2018 recommended the re appointment of Shri A. K. Joshi as Managing Director for three years w.e.f. September 28, 2018 to September 27, 2021 on the following major terms and conditions of remuneration :

I. Basic Salary (PM)

` 2,32,490 (in the grade of ` 2,32,490 - ` 1,20,000 - to - ` 6,50,000)

II. Perquisites & Allowances: (PM)

HRA @ 60% of Basic, Servant Allowance @ 15% of Basic, Gas & Electricity @ 8.33% of Basic, Home Maintenance Allowance @ 8.33% of Basic, Children Education Allowance: ` 1,500, Books and Periodicals: up to ` 3,000, Business Promotion: upto ` 3,000, Special Pay: upto ` 1,50,000, Car Scheme: ` 30,000, Personal Pay Allowance up to ` 58,044.

III. Other Perquisites & Allowances:

(i) Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961;

(ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service and Encashment of leave at the end of the tenure;

(iii) Provision of the Company's maintained Car and driver's salary for use of the Company's business and telephone at residence shall not be considered as perquisites;

(iv) Reimbursement of entertainment, traveling and all other actual expenses properly incurred for the purpose of the Company's business shall not be considered as remuneration;

(v) No sitting fees to be paid for attending Meeting of the Board of Directors or any of its Committee;

(vi) Personal accident and medical insurance as per Company policy;

(vii) Use of car for Company's business and telephone at residence;

(viii) Medical expenses incurred for self and all dependent family members subject to a ceiling of one month's basic salary per year;

(ix) Leave Travel Concession (LTC) once in a year from the place of residence to anywhere in the world by air (business class) or by train (AC first class) for self and all dependent family members, subject to a ceiling of one month's basic salary;

(x) Hospitalization reimbursement in accordance with the scheme and rules of the Company;

(xi) Variable Performance Pay (VPP) as per the Company's Policy;

IV. MINIMUM REMUNERATION

Notwithstanding anything to the contrary herein contained, wherein in any financial year, during the currency of the tenure of the appointment, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified above, within the limits as may be allowable in Schedule V of the Companies Act, 2013 from time to time or as approved by the Central Government as the case may be.

V. TERMINATION

The aforesaid reappointment may be terminated by either party giving at least six months' notice in writing in that behalf or notice pay in lieu thereof at the end of which period, termination of the contract shall take effect. Keeping in view of his vast expertise and knowledge, re appointment of Shri A. K. Joshi as a managing Director would be in the best interest of the Company

Documents referred in the resolution will be available to the shareholders for inspection between 11 a.m.to 1 p.m. on all working days (except Saturdays and Sundays) at the registered office of the Company up to the date of the AGM.

Your Directors seek your approval to the resolutions as set out in the item no 4 of the accompanying notice by way of Special Resolution.

ADDITIONAL INFORMATION REQUIRED AS PER SCHEDULE V TO THE COMPANIES ACT, 2013:

I. GENERAL INFORMATION :

(1) Nature of Industry :

The Company's products are classified under Tobacco Industry.

(2) Commencement of Commercial Production :

The Company's plant for manufacturing Tobacco Products (Licensed Capacity of 14500 Million and installed Capacity of 10950 Million) is already in operation.

(3) FINANCIAL PERFORMANCE:

(` in Lacs)

Particulars	Financial Year	
	2017-18	2016-17
Effective Capital	(20775.01)	(20004.39)
Total Income	9297.38	5257.20
Profit /(Loss) (Before Tax)	(356.43)	(2970.69)

(4) Export performance and Net Foreign Exchange Earning:

Particulars	Financial Year	
	2017-18	2016-17
Export (FOB) Value	1315.03	2299.39
Net Foreign Exchange Earned (FOB) Value	1315.03	2299.39

(5) The Company has neither made any foreign investment nor any foreign collaboration during the year.

II. INFORMATION ABOUT THE APPOINTEE :

Background details of the Managerial Personnel:

Shri A. K. Joshi is a fellow member (Membership No.082185) of the Institute of the Chartered Accountants of India. He has a bright academic career and rich experience of about 36 years in the field of Corporate, Banking, Finance and Accounts to his credit. On the recommendation of the Nomination and Remuneration Committee your Directors recommend and seek your approval by way of Special Resolution for his reappointment for three years as Managing Director w.e.f. September 27 2018. The remuneration will be as per section 197 read with schedule V of the Companies Act, 2013 and in accordance with the approval of requisite authorities, if any including Central Government.

(1) Past Remuneration : Per Annum:

(Amount in `)

Particulars	Past Salary	Proposed Salary
	(F.Y.2017-18)	(F.Y.2018-19)
Salary & Perquisites	81,70,046*	81,70,046*

*plus other perquisite and retrial benefits as per Company's Policy and as provided in explanatory statement

(2) Recognition or awards:

The Company has no information to offer.

(3) Job Profile and suitability:

Shri A. K. Joshi is a Managing Director of the Company and vested with, substantial power of the management of the Company subject to the superintendence, direction and control of the Board of Directors. Having regard to the academic and professional background and vast experience of Shri A. K. Joshi, Managing Director your Directors are of the opinion that Shri A. K. Joshi is suitable to hold the position of the Managing Director of the Company.

Neither any of the Directors/ Key Managerial Personnel nor their relatives except Shri A. K. Joshi shall be deemed to be concerned or interested, financially or otherwise, in this resolution. Your Directors recommend and seek your approval to the resolution as set out in item No.4 of the accompanying Notice by way of Special Resolution.

By order of the Board,
For GOLDEN TOBACCO LIMITED,

Jaymeen Patel
Company Secretary

Place : Mumbai
Date : December 1, 2018

Registered Office:
At Darjipura, Post-Amaliyara,
Vadodara – 390022, Gujarat.

Details of Director seeking Appointment /Reappointment at the Annual General Meeting :

Name	Shri Jaskaran S. Khurana	Shri A.K. Joshi	Shri Vinod Bhatia
Date of Birth & Age	22.09.1972 (46 Years)	01.01.1958 (60 Years)	10.09.1947 (71 Years)
Date of Appointment	23.05.2016	25.05.2015	23.09.2018
Qualifications	B.Com.(H), MBA	B.Com.F.C.A.	LLB
Expertise in specific functional area	Wide experience in the field of finance, production and strategy, planning and international business.	Wide experience in the field of corporate banking and finance and accounts.	Wide experience in the field of Legal Matters.
Directorship held in other Public Companies (excluding foreign companies and section 8 companies)	NIL	NIL	NIL
Membership /Chairmanships of Committees other then public companies (including only Audit committee and Stakeholders Relationship committee.)	NIL	NIL	NIL
DIN	03034960	00379820	08235705
PAN	AAEPK6100F	AAGPJ4277Q	AAIPB0981H
No. of Shares held in the Company	NIL	NIL	NIL
Disclosure of relationships between	NIL	NIL	NIL

BOARD'S REPORT

To,
The Members,

Your Directors present the 62nd Annual Report along with the audited financial statements of the Company for the financial year ended March 31, 2018.

FINANCIAL HIGHLIGHTS

(` in Lacs)

Particulars	2017-18	2016-17	2017-18	2016-17
	Standalonoe		Consolidated	
Revenue from Operations (net)	**7,963.45**	3,695.86	**7,967.34**	3,695.86
Profit/(Loss) for the year after charging all expenses but before providing finance costs, Depreciation, Tax and Other Comprehensive Income	**2,169.79**	(144.49)	**2,165.85**	(113.35)
Finance Costs	**2,451.61**	2,739.62	**2,451.61**	2,739.62
Profit/(Loss) before Depreciation and Tax	**(281.82)**	(2,884.11)	**(285.76)**	(2,852.96)
Depreciation and Amortisation Expense	**74.61**	86.58	**74.61**	86.58
Tax Expense for the Current Year	**448.25**	-	**448.25**	-
Profit/(Loss) for the year	**(804.68)**	(2,970.69)	**(808.61)**	(2,939.54)
Other Comprehensive Income (net of tax)	**(20.86)**	729.45	**(27.25)**	735.92
Total Comprehensive Income	**(825.54)**	(2,241.24)	**(835.86)**	(2,203.62)

PERFORMANCE OF THE COMPANY

The cigarette industry volume increase by 2% to 3% in the previous financial year but the Company's volume gone down drastically export as well as domestic sales. The increased grey market and illegal cigarettes activities coupled with steep escalation in tax incidence on cigarettes under the GST regime adversely affected the organized sector of legal cigarette industries at large. However, the export performance of the Company has also gone down compare to previous year. Further the Company has initiated new measures to spread its wings in several other new more international markets with new brands to increase the export sales in coming years. At the domestic front, the Company has launched a few more brands in the previous financial year and is exploring untapped markets to regain the lost volume.

REAL ESTATE BUSINESS

The Company's property situated at Vile Parle Mumbai, the Income Tax Department has lifted its attachment order, However, the attachment made by the excise department is still continued. The management is hopeful to get this lifted as well and thereafter the management will look into the possibilities of dealing the said property in suitable manner. During the year the Company has converted its land situated at Guntur Andhara Pradesh in to stock in trade and initiated actions to develop the said properly in the coming years.

DIVIDEND

Your Directors do not recommend any dividend on equity shares of the Company in view of the carried forward losses,

DIVIDEND DISTRIBUTION POLICY:

The Company does not fall in any of the criteria of Dividend Distribution Policy as specified under the Companies Act, 2013 as well as per the Listing Regulations, therefore, the Company is not required to comply with provisions of same

SHARE CAPITAL:

The paid up Equity Capital of the Company as on March 31, 2018 was ` 17,58,80,212 comprising of 1,76,08,802 equity shares of ` 10 each. During the year under review, the Company has neither bought back nor issued any kind of equity shares either by bonus or by right or stock option or sweat equity or otherwise.

FINANCE:

During the year under review, your Company continues to focus on judicious management of its working capital, receivables and inventories. Working capital parameters and consequent obligation towards its bankers could not be fulfilled and lenders due to accumulated cash losses in the Company. However, the management is taking necessary steps to regularize the same.

DEPOSITS :

The Company has not accepted any deposits within the meaning of section 73 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

Loans, guarantees and investments covered under section 186 of the Act forms part of the Notes to the financial statements

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

Particulars of contracts or arrangements with related parties referred to section188 (1) of the Act, In the prescribed form AOC-2 are annexed as per Annexure-6 of the Board's Report.

CORPORATE SOCIAL RESPONSIBILITY ("CSR"):

The Company does not fall in any of the criteria of Corporate Social Responsibility ("CSR") as specified in section 135 (1) of the Companies Act, 2013 and accordingly, the Company is not required to comply with provisions of section 135 of the Act and rules framed there under.

CORPORATE GOVERNANCE:

The Company is committed to maximize the value of its stakeholders by adopting the principles of good Corporate Governance in line with the Act read with Regulation 24 and other applicable clauses of the Listing Regulations. A separate report of Corporate Governance pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") is annexed with the report and forms part of Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS :

Pursuant to Regulation 34 of the Listing Regulations, the Management Discussion and Analysis Report is annexed with the report and forms part of this Annual Report.

ENVIRONMENT, OCCUPATIONAL HEALTH AND SAFETY :

Good environment as well as safe & healthy working conditions are at the root of the good performance. Your Company has been in a constant quest for providing to its employees, a very congenial work environment which will in turn add to the performance of the Company. Keeping in mind, the dynamism in the environment, your Company is continuously imparting requisite training to its employees in their respective fields of work.

Health and safety of our employees is of prime concern to us. The workplace is designed to abate the hazards naturally prone to our product. No accident or any pollution problem was noticed during the year. Care is taken to ensure that all laws pertaining to environment, pollution, health and safety of employees and other relevant enactments are being scrupulously adhered to. Our commitment towards the society in terms of providing a clean and healthy environment is of utmost concern and we pledge to take active efforts to preserve the same.

KEY MANAGERIAL PERSONNEL ("KMP") :

Shri A. K. Joshi, Managing Director, Shri Pawan Kumar Malsaria, Chief Financial Officer and Shri Manoj Kumar Srivastava, Company Secretary & Compliance Officer of the Company are whole time Key Managerial Personnel (KMP) of the Company pursuant to the Companies Act, 2013.

DIRECTORS AND CHANGE OF DIRECTORS :

Shri A. K. Joshi, Managing Director, Shri Jaskaran S. Khurana Executive Director of the Company and Shri Bharat B. Merchant is the Non Executive Independent Director and Mrs. Kokila Panchal is the Non Executive Independent Director of the Company. Shri V.K. Bhandari the Non executive Independent Director has resigned from the Board of Directors of the Company with effect from March 30, 2018. Pursuant to section 152 of the Companies Act, 2013. Shri Jaskaran S. Khurana will retire by rotation at the ensuing AGM and being eligible ,offer himself for re-appointment. The Board has recommended for his re-appointment.

INTERNAL FINANCIAL CONTROL

The Corporate Governance Policy guides the conduct of the affairs of your Company and clearly delineates the roles, responsibilities at each level of its key functionaries involved in governance. Your Company has in place adequate internal financial controls with reference to the Financial Statements. During the year under review, no reportable material weakness in the operation was observed. Regular audit and review processes ensure that such systems are reinforced on an ongoing basis. Details in respect of internal financial controls and their adequacy are included in the Management Discussion & Analysis Report.

RELATED PARTY TRANSACTIONS:

None of the transactions with related parties falls under the scope of section188 (1) of the Companies Act, 2013. There were no materially significant related party transactions made by the Company with Promoters, Key Managerial Personnel (KMP) or other designated persons which may have potential conflict with interest of the Company at large. All related party transactions that were entered into during the year under review were on arm's length basis and in the ordinary course of the business. Particulars of the transactions are available in the financial statement.

DIRECTORS APPOINTMENT AND REMUNERAION POLICY:

The Company's policy is to have and appropriate mix of executive and non executive and independent director to maintain the independence of the Board and separate its function of governance and management. As on March 31, 2018 the Board consisted of five members, two of whom are executive director and three are independent directors. The Board has on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, senior management and their remuneration including criteria for determining, qualifications, positive attribute independence of a director and other matters as required pursuant to section 178(3) of the Companies Act, 2016. The remuneration policy is stated Corporate Governance report which form of the annual report.

WHISTLEBLOWER POLICY:

Pursuant to Regulation 22 of the Listing Regulations read with the Act, the Company has a Vigil Mechanism/Whistle blower Policy to deal with instance of fraud and mismanagement, if any in the Company. In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected Company's in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility. The Policy provides that the Company investigates such incidents, when reported, in an impartial manner and take appropriate actions to ensure that the requisite standards of the professional and ethical conduct are always upheld. It is the Company's policy to ensure that no employee is victimized or harassed for bringing such incidents to the attention of the Company. The practice of the whistleblower policy is overseen by the Audit Committee of the Board and no employee has been denied access to the Committee. The Whistleblower Policy is available on the Company's website www.goldentobacco.in

POLICY AND DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

The Company has in place in Anti Sexual Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules there under and redressal of complaints of sexual harassment at work place. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year under review, no complaints were reported to the Board.

AUDIT COMMITTEE AND THE AUDITORS

The Composition of the Audit Committee is provided in the section of the Board of Directors in the Committees in the Report separately.

STATUTORY AUDITORS

M/s Bagaria & Co LLP Chartered Accountants were appointed with your approval at the 61st AGM to hold such office till the conclusion of 66th AGM to be held in the calendar year 2022.

The Auditors report for the financial year 2017-18 does not contain any qualifications, reservations, or adverse remark. The Auditor's report is enclosed with the financial statement in this annual report.

SECRETARIAL AUDITOR:

Pursuant to the provisions of Section 204 of the Act and rules framed there under M/s Devesh Pathak and Associates Practising Company Secretaries was appointed as secretarial auditor to conduct the secretarial audit of the Company for the financial year 2017-18. The secretarial audit report does not contain any qualification, reservations or adverse remark. The Secretarial audit

report is enclosed as per **annexure-1** which forms part the Board's report. The Board has appointed M/s Devesh Pathak & Associates as secretarial auditor of the Company for the financial year 2018-19.

EXTRACT OF THE ANNUAL RETURN U/S. 92(3) OF THE ACT AS PER FORM MGT 9:

The Extract of Annual Return as required under Section 92(3) of the Companies Act, 2013 ('the Act') and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 in Form MGT-9 is not required to be annexed to the Board Report pursuant to MCA Notification dated 31.07.2018 and uploaded on website of the Company at below link http://www.goldentobacco.in/images/pdf/MGT-9-2017-18.pdf

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO:

The information on conversation of energy, technology absorption and foreign exchange earnings and outgo stipulated under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 are enclosed as per **annexure-2** of the Board's report

SUBSIDIARY COMPANIES AND ITS ACCOUNTS:

The Company is having four Subsidiary Companies i.e. Golden Realty & Infrastructure Ltd., Golden Investment (Sikkim) Pvt. Ltd., GTC Inc B.V. and Western Express Industries Ltd. and Raigadh Papers Limited, the fellow subsidiary of Western Express Industries Limited as on March 31, 2018.

Pursuant to section 129(3) of the Companies Act, 2013, the Board and the Audit Committee has reviewed the affairs of the subsidiary companies. There is no Associate Company within the meaning of section 2(6) of the Companies Act, 2013. There has been no material change in the nature of the business of the subsidiaries. Pursuant to section 136 of the Companies Act, 2013 the audited financial statement and related information of the Company and audited accounts of each subsidiaries will be provided to any shareholder of the Company on making requisition to the Company Secretary at the registered office of the Company or email share@goldentobacco.in . These documents will be available for inspection during business hours at the registered office of the Company. A statement containing the salient features of the financial statement of subsidiaries in the prescribed format AOC-1 is annexed as per **annexure 3** which forms the Board's report.

CONSOLIDATED FINANCIAL STATEMENTS

Your Company's Board of Director is responsible for the preparation of the consolidated financial statements of your Company and its subsidiaries pursuant to requirement of the Companies Act, 2013 read with Regulation 33 and 34 of Listing Regulations and other applicable provisions, if any. The Company has prepared Consolidated Financial Statements accordance with Accounting Standard 21 of the ICAI for the financial year ended March 31, 2018 annexed to the financial statement of the Company in which forms part of the annual report.

INDUSTRIAL RELATIONS:

Your Company enjoyed cordial relationship with workers and employees at all levels.

BUSINESS RESPONSIBILITY REPORTING :

Pursuant to the Listing Regulations, the Business Responsibility Report (BRR) is applicable only to top 100 Listed Companies, based on the market capitalization of the preceding financial year i.e. March 31, 2018. Accordingly, the same is not applicable to your Company.

HUMAN RESOURCES DEVELOPMENT

Your Company's Human Resources Management Systems and process are aimed to create a responsive market focused and customer centric and endeavors to move ahead with its most valuable resources, its employees. Your Company is engaged with a constructive relationship with employees and always believed that motivated employees are the core source, the competitive advantage and these are the continuous investments providing training and development programs an emphasis on productivity and efficiency and underline safe working practices etc.

PARTICULARS OF EMPLOYEES:

Pursuant to Section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. A statement containing the names of employee in the financial year and in receipt of a remuneration of ` 1.02 crores or more per annum or posted for part of the year and in receipt of ` 8.5 lakhs or more a month enclosed as per **annexure 4** of the Board' report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

During the year under review, no material significant orders were passed by any regulator / Hon'ble Courts etc., which would impact the going concern status of the Company and its future operations. However, under Regulation 30 of the Listing Regulation read with guidance note issued by the SEBI/Stock Exchanges from time to time, the Company has been reporting all the updates /major cases / litigations and other matters etc. from time to time as and when necessary to the Stock Exchanges.

HOSTILE OPEN OFFER :

M/s J.P. Financial Services Pvt. Ltd. has acquired 44,02,201 Equity Shares of ` 10/- each (25%) of the paid up share capital of the Company through Hostile Takeover. The Company has filed petition under section 216 of the Companies Act, 2013 in respect of investigation of Original Beneficial Ownership of the aforesaid acquisition before Hon'ble National Company Law Tribunal, Kolkata, which is pending.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 read with Listing Regulations, the Board carried out an evaluation of its own performance as well as the directors individually. The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as Board composition and structure, effectiveness of Board process, information and functioning etc. The Board and Nomination and Remuneration Committee (NRC) reviewed the performance of the individual directors. The Chairman of the Board /Committee was also evaluated on the key aspects of his roles mainly on Board dynamic and relationship, information flow, decision making, relationship with shareholders, company performance and strategy, tracking Board and Committee effectiveness etc.

In separate meeting of independent directors, performance of Non Independent Directors, performance of the Board as a whole and performance of the Chairman of the Board was evaluated, taking into account the views of Executive and Non Executive Directors including the performance of the Board, its Committees and individual directors. The same was discussed in the Board meeting that followed in the meeting of the Independent Directors.

COMPLIANCE OF CORPORATE GOVERNANCE

Pursuant to requirement of Listing Regulation, a Certificate confirming material compliance by the Company with the provisions of Corporate Governance is given by M/s Bagaria & Co LLP, Chartered Accountants, Mumbai, annexed with the Corporate Governance Report, which forms part of annual report.

MEETING OF THE BOARD OF DIRECTORS:

During the year under review, six meetings of the Board were held i.e. on May 29, 2017, July 18, 2017, September 9, 2017, November 15, 2017, February 9, 2018, and March 30, 2018. Details of meetings of the Board and their attendance are mentioned in the corporate governance report which farms part of annual report.

DECLARTAION BY INEPENDENT DIRECTORS:

The Company has received necessary declaration from each independent directors under section 149(7) of the Companies Act, 2013 that he/she meets the criteria of independent laid down in section 149 (6) of the Companies Act, 2013 and Regulation 25 of the Listing Regulations.

FAMILIARISATION PROGRAME FOR INDEPENDENT DIRECTORS:

The Company believes that a Board, which is well informed /familiarized with the Company, can contribute significantly to effectively discharge its role of trusteeship. All new independent directors inducted into a Board attend an orientation program. The details of familiarization programme are provided in the corporate governance report and also available on the Company's website..www.goldentobacco.in.

CODE OF CONDUCT OF PREVENTAION OF INSIDER TRADING :

The Board of Directors of the Company has adopted the Insider Trading Policy in accordance with requirement of Listing Regulations. The Company has adopted Golden Tobacco Limited - Code of Conduct for Prevention of Insider Trading Policy - 2015 and lays down guidelines and procedure to be followed and disclosure to be made while dealing with shares of the Company. The policy has been formulated to regulate, monitor and ensure reporting of deals of employee and maintain the highest ethical standards of dealing the company's securities. The insider trading policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for Prevention of Insider Trading is available on Company's website.

AUDIT COMMITTEE:

The composition of the Audit Committee is in line with the provisions of Section 177 of the Act read with Regulation 18 of the Listing Regulation. The Chairman of the Audit Committee is an Independent Director. The Audit Committee of the Board provides reassurance to the Board on the existence of an effective internal control environment that ensures the efficiency and effectiveness of the operations of the Company and safeguarding of assets and adequacy of provisions for all liabilities. The details of meetings and their attendance are included in the Corporate Governance Report.

NOMINATION AND REMUNERATION COMMITTEE:

The composition of the Nomination and Remuneration Committee (NRC) is in line with the section 178 of the Companies Act, 2013 read with Listing Regulation. The Committee is to determine overall Company's Policy on remuneration packages and other terms and conditions of the appointment of the Executive Directors and senior management of the Company and sitting fees to the Non Executive Directors of the Company and also to approve payment of remuneration to Managing Directors or Whole Time Directors as decided by the members of the Company and recommends to the Board of Directors for their consideration and approval. The details of meetings and their attendance are included in the Corporate Governance Report.

STAKEHOLDERS RELATIONSHIP COMMITTEE:

The composition of the Stakeholders Relationship Committee (SRC) is in line with the section 178 of the Companies Act, 2013 and Listing Regulation. The Committee is to look after the Stakeholders grievances and redressal of investors' complaints related to transfer of shares, non receipt of balance sheet, non receipt of dividend etc. The details of meetings and their attendance are included in the Corporate Governance Report.

RISK MANAGEMENT COMMITTEE:

The composition of the Risk Management Committee is not applicable to your Company. However, the Company has voluntarily constituted the Risk Management Committee (RMC) which is in line with the section 134(3) of the Companies Act read with regulation 21 of the Listing Regulations. The Company has framed Risk Management Policy which inter-alia covers financials, operational, regulatory and Legal and product and market risk etc. and to formulate a procedure for mitigation of risk which may threaten the existence of the Company. The details of meeting and their attendance are included in the Corporate Governance Report.

DIRECTORS'RESPONSIBILITY STATEMENT:

Pursuant to Section 134 (5) of the Companies Act, 2013, the Board of Directors to the best of their knowledge and ability confirm that:

a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
b) they Director have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the year under review;
c) they Director have 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) they Director have prepared the annual accounts on a going concern basis; and
e) they Director have 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) they Director have devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively;

based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the, internal, statutory and secretarial auditors and the review performed by the management and the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2017-18.

ACKNOWLEDGEMENTS:

Your Directors express their deep gratitude and sincere appreciation for the whole-hearted assistance and co-operation extended to the Company by the Bankers, Financial Institutions, Business associates, Employees and all the Shareholders of the Company who have continued to repose utmost faith in the Company.

For and on behalf of the Board

Place : Mumbai
Date : September 23, 2018

Bharat B. Merchant
Independent Director

A. K. Joshi
Managing Director

ANNEXURE 1 TO THE BOARD'S REPORT

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

(Form No. MR-3)

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

To,
The Members,
Golden Tobacco Limited
Darjipura, Post: Amaliyara
Vadodara

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Golden Tobacco Limited. (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my/our verification of the GOLDEN TOBACCO LIMITED's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made thereunder;

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

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

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

  (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

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

  (f) 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;

  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

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

(vi) Having regard to the products, processes and services of the Company as also having regard to the compliance system prevailing in the Company and on examination of relevant documents and records in pursuance thereof on test check basis, we further report that the Company has complied with following **laws applicable specifically to the Company :**

  (a) The Tobacco Board Act, 1945

  (b) Cigarettes and other Tobacco Products Act, 2003 (COTPA)

  (c) Water (Prevention and Control of Pollution) Act, 1974

  (d) Air (Prevention and Control of Pollution) Act, 1981

(e) Hazardous Waste (Management and Handling) Rules, 1989

(f) The Environment Protection Act, 1986(g) Indian Boiler Regulations Act, 1950

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE Ltd. and National Stock Exchange of India Ltd. {read with SEBI (Listing Obligations & Disclosure Requirements) Regulations,2015}

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

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

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes. We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report (by way of information) that during the audit period, the Company has:

(a) not issued any securities and accordingly
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
- The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
- The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme), Guidelines, 1999 read with SEBI (share Employee Benefits)Regulations, 2014 are not applicable during the audit period.

(b) neither got delisted Equity Shares nor bought back any security of the Company and accordingly
- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and
- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 were not applicable during audit period.

(c) Secretarial Standards (SS-1 and SS-2) issued by the Institute of Company Secretaries of India mandatorily applicable to the audit period were complied with.

(d) made applications to the Central Government in respect of Mr. A.K.Joshi, Managing Director as well as Mr.Jaskaran S. Khurana, executive Director and approval is awaited.

(e) complied with the SEBI (Prohibition of Insider Trading)Regulations ,2015

(f) The Hon'ble Securities Appellate Tribunal (SAT) vide its order dated December 15, 2016 disposed off the appeal and upheld the SEBI order dated February 14, 2014 in the matter of directors for the penalty of Rs. One crore.

(g) approved the issuance of new share certificates with reorganized distinctive numbers against surrender of old share certificates to the physical share certificate holders held on31st March,2017, being the record date for the purpose.

(h) made reference to the then BIFR in view of total erosion of net worth as at 31st March, 2016 consequent to formation of the opinion of theBoard of Directors of the Company under Section 15(1) of SICA for the purpose.

For M/s. Devesh Pathak & Associates
Practising Company Secretaries

Place : Vadodara
Date : September 23, 2018

CS Devesh A. Pathak
FCS: 4559
CP No. 2306

Note: This report is to be read with our letter of even date which is enclosed as per Annexure-A forming integral part of this report.

Annexure - A

To,
The Members,
Golden Tobacco Limited
Darjipura, Post: Amaliyara
Vadodara

Ref. : Secretarial Audit Report dated September 23, 2018 pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. Maintenance of secretarial record is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and the processes as were appropriated to obtain reasonable assurance about the correctness of the contents of the secretarial records, the verification was done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and the practices we followed provided reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and books of Accounts of the Company and have relied upon the reports of designated professionals including Statutory Auditors for the purpose.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules, regulations and happenings of events etc.

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

6. The secretarial Audit Report is neither as assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For M/s. Devesh Pathak & Associates
Practising Company Secretaries

Place : Vadodara
Date : September 23, 2018

CS Devesh A. Pathak
FCS: 4559
CP No. 2306

ANNEXURE 2 TO THE BOARD'S REPORT

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE AND OUTGO:

Pursuant to section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 the details as on March 31, 2018 are as follows :

1. CONSERVATION OF ENERGY :

The Company continues to emphasize on conservation of energy, power and other energy sources. As a part of continuous efforts, the Company has taken following steps on conservation of energy:

i. Implementation of the latest know-how in each stages of production resulting into enhancement in productivity levels.

ii. Planned maintenance and up gradation of machineries and equipments to ensure optimum energy consumption.

The reduction of above energy consumption give impact as reduce the cost of production of goods as well as reduction in specific consumption of electrical energy enhanced the operational efficiency.

2. TECHNOLOGY ABSORPTION:

Following efforts were made towards technology absorption in specific areas in the Research and Development was carried out by the Company:

a. Developing blends of Cigars, Tipped Cigars, Pipe Tobacco and Smoking Mixture as per requirement and quality standard of International market.

b. Developing of Slim & Super Slim Cigarettes of various types for global market.

c. Online monitoring of process control parameters, for achieving high quality of product with optimum yield.

d. Ongoing development in Packaging in enhancing the appearance in line adopting advanced packaging technologies.

e. With international quality and also improving the product durability by improving printing Technology to achieve high quality printed packaging material.

Efforts in brief, made towards technology, adaptation and innovation which are as follows :

i. Use of specific additives for improving product quality and smoke characteristics.

ii. Monitoring each stage of production to ensure a final product.

iii. Continues monitoring at each stage of production to ensure proper cost management with best and highest possible standard in quality parameters.

iv. Offering customer unique products at a competitive price by continuous development work and close monitoring of each stage ensuring control on cost parameters at various stages of production.

v. Benefits derived as a result of above efforts are quality products at optimized production cost.

Benefits derived from Research & Development :

i. An appreciable enhancement in export volume, Cigars, & Cigarillos made in various categories of Fruity Flavors resulted in very wide acceptance in the Global Market.

ii. Resulted a significant entry in the world of highly demanding Slims and Super Slims cigarettes.

iii. Improved product consistency, yield and minimized fluctuations in tobacco chemistry.

iv. Offering the customers products with International pack design/appearance in line with premium International Brands.

FUTURE PLAN OF ACTION:

1. Continuous endeavor to improve the effiecy in terms of creating differentiated / Innovative products for the Cigarette business, thereby healthy offer pipeline.

2. Continuous endeavor on smoke delivery reduction in cigarette brand

3. Develop and establish integrated Vaporiums

4. The Company will carried out the Research & Development on the above mentioned areas.

EXPENDITURE INCURRED ON THE RESEARCH AND DEVELOPMENT

During the year under review the Research and Development Expenditure are as follows

i. Revenue Expenditure : ` 24.16 Lacs.

ii. Research and development Expenditure as Percentage of Total Turnover: 0.26%

iii. Technology Imported : NIL

iv. Capital Expenditure : NIL

ACTIVITIES RELATED TO EXPORTS AND FUTURE OUTLOOK:

Though the export market of cigarettes/cigars is highly competitive and is tough due to various restrictions imposed by different countries / governments, the Company has performed reasonably well in export of its various brands and is hope full to enhance the export volume in the years to come.

During the year under review, the Company has exported assorted brands of cigarettes of about 274 million sticks aggregating to total FOB Value of ` **1310.05 Lacs.**

3. FOREIGN EXCHANGE EARNING AND OUTGO :

` in Lacs

Particulars	F.Y.2017-18	F.Y 2016-17
Foreign Exchange Earnings		
(i) Cigarettes	1315.03	2293.99
(ii) Tobacco	NIL	5.40
Expenditure in foreign currency	11.75	10.48

ANNEXURE 3 TO THE BOARD'S REPORT

Form AOC-1

(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 for the year ended March 31, 2018

Part "A": Subsidiaries

(Amount in `)

Sr. No.	Name of the subsidiary	WESTERN EXPRESS INDUSTRIES LTD.	RAIGADH PAPERS LTD.	GOLDEN INVESTMENT (SIKKIM) P. LTD.	GOLDEN REALTY & INFRASTRUCTURE LTD.	GTC INC B.V.
1.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.	N.A.	N.A.	N.A.
2.	Share capital	750.00	150.00	0.60	5.00	14.55
3.	Reserves & surplus	(1,435.13)	(116.11)	29.03	(4,852.31)	(54.84)
4.	Total Assets	267.21	73.81	33.51	15,752.11	-
5.	Total Liabilities	952.34	40.12	3.88	20,599.42	40.30
6.	Investments	176.26	NIL	2.00	NIL	NIL
7.	Turnover	3.89	NIL	NIL	NIL	NIL
8.	Profit/(Loss) before taxation	(1.21)	(0.20)	(0.12)	(2.41)	-
9.	Provision for taxation	NIL	NIL	NIL	NIL	NIL
10.	Profit after taxation	(1.21)	(0.20)	(0.12)	(2.41)	-
11.	Proposed Dividend	NIL	NIL	NIL	NIL	NIL
12.	% of shareholding	100	100	99.97	100	100
Notes:						
1.	Names of subsidiaries which are yet to commence operations	None	None	None	None	None
2.	Names of subsidiaries which have been liquidated or sold during the year.	None	None	None	None	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

Sr. No.	Name of the subsidiary	WESTERN EXPRESS INDUSTRIES LTD.	RAIGADH PAPERS LTD.	GOLDEN INVESTMENT (SIKKIM) P. LTD.	GOLDEN REALTY & INFRASTRUCTURE LTD.	GTC INC B.V.
1.	Name of Associates/Joint Ventures	None	None	None	None	None
2.	Latest audited Balance Sheet Date	N.A.	N.A.	N.A.	N.A.	N.A.
3.	Shares of Associate/Joint Ventures held by the company on the year end					
	i. No.	N.A.	N.A.	N.A.	N.A.	N.A.
	ii. Amount of Investment in Associates/Joint Venture	N.A.	N.A.	N.A.	N.A.	N.A.
	iii. Extend of Holding %	N.A.	N.A.	N.A.	N.A.	N.A.
4.	Description of how there is significant influence	N.A.	N.A.	N.A.	N.A.	N.A.
5.	Reason why the associate/joint venture is not consolidated	N.A.	N.A.	N.A.	N.A.	N.A.
6.	Networth attributable to Shareholding as per latest audited Balance Sheet	N.A.	N.A.	N.A.	N.A.	N.A.
7.	Profit / Loss for the year					
	i. Considered in Consolidation	N.A.	N.A.	N.A.	N.A.	N.A.
	ii. Not Considered in Consolidation	N.A.	N.A.	N.A.	N.A.	N.A.
Notes:						
1.	Names of associates or joint ventures which are yet to commence operations.	None	None	None	None	None
2.	Names of associates or joint ventures which have been liquidated or sold during the year.	None	None	None	None	None

For and on behalf of the Board

A. K. Joshi	**Bharat B. Merchant**	**Pawan Kumar Malsaria**	**Manoj Kumar Srivastava**
Managing Director	Director	Chief Financial Officer	Company Secretary
DIN : 00379820	DIN : 00300384		

Place : Mumbai
Date : May 30, 2018

ANNEXURE 4 TO THE BOARD'S REPORT

Disclosure on the Remuneration of the Managerial Personnel:

A. 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, the details are as follows:

a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year : Shri A. K. Joshi 1:55 and Shri Jaskaran S. Khurana 1:33. During the financial year no increment was given to any of its employee and Managerial Personnel of the Company.

b. The percentage increase in remuneration of each Director, Managing Director, Chief Financial Officer and the Company Secretary in the financial year : **NIL**

c. The percentage increase in the median remuneration of employees in the financial year: **NIL**

d. The number of permanent employees on the Rolls of Company as on March 31, 2018 : **197**

e. Comparison of the remuneration of the KMP's against the performance of the Company; Remuneration of the KMP's as % of the PAT for financial year 2017-18 is **NIL** (due to accumulated loses). The Company's PAT during the financial year was **NIL**

f. 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 is as follows:

Particulars	**March 31, 2018**	**March 31, 2017**	**% Change**
Market Capitalization (` in lakhs)	**9702.45**	**13188.90**	**(16.43)**
Price Earnings Ratio	**(11.98)**	**(4.73)**	**153.28**

g. 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: **N/A (**as the company never been any public offer)

h. Comparison of remuneration of the Key Managerial Personnel (KMP) against the performance of the Company:

Each KMP is granted salary based on their qualification, experience, nature of job, industry norms earlier salary etc. and some other factors. Accordingly, the comparison of one against other is not feasible. The performance of the Company is not up to the mark and quit not satisfactory during the year under review.

(Amount in `)

Particulars	Shri A. K. Joshi (Managing Director)	Shri Jaskaran S. Khurana (Executive Director)	Shri Pawan Malsaria (Chief Financial Officer)	Shri Manoj Kumar Srivastava (Company Secretary)
Remuneration in FY 17-18 (`)	81,65,086	58,83,099	10,10,717	9,23,418
Revenue (`)	79,67,34,351	79,67,34,351	79,67,34,351	79,67,34,351
Remuneration as % of revenue	1.02	0.74	0.13	0.12

i. The key parameters for any variable component of remuneration availed by the directors:

Upon the recommendation of the NRC and as per the policy of the Company the Executive Directors and Managing Director is entitled to get Variable performance Pay. The detail is provided in the corporate governance report.

j. 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: **NIL**

k. Affirmation that the remuneration is as per the remuneration policy of the Company. The Company affirms remuneration is as per the remuneration policy of the Company.

l. 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: **NIL**

B. Information of employees drawing remuneration of ` 1.02 crores per annum or ` 8.50 Lacs per month for part of the year or more pursuant to Rule 5(2) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Name	Designation	Qualification (yrs.)	Age (in yrs.)	Experience	Date of Joining	Gross remuneration paid (`)	Previous employment and designation
Shri A. K. Joshi	Managing Director	B.Com. F.C.A.	60	36	01.02.1993	101,86,239	Chinar Exports Ltd. Sr. Manager Fin. & A/cs.

ANNEXURE 5 TO THE BOARD'S REPORT

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:

Pursuant to section 188 (1) of the Companies Act, 2013 particulars of contracts/arrangements entered into by the Company with related parties are as follows:

1. Details of contracts or arrangements or transactions not at Arm's length basis. NIL

Sl. No.	Particulars	Details
1	Name (s) of the related party & nature of relationship	NIL
2	Nature of contracts/arrangements/transaction	NIL
3	Duration of the contracts/arrangements/transaction	NIL
4	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
5	Justification for entering into such contracts or arrangements or transactions'	NIL
6	Date of approval by the Board	NIL
7	Amount paid as advances, if any	NIL
8	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NIL

2. Details of contracts or arrangements or transactions with related party at Arm's length basis. NIL

SL. No.	Particulars	Details				
	Name (s) of the related party & nature of relationship	Nature of Transaction	Duration of Contract	Date of Board Approval	Salient feature of contract and Value paid/Payable	Advance paid, if any
1.	Shri Amit Joshi S/o of Shri A.K. Joshi					
2.	Shri Ashwin Joshi S/o Shri A.K. Joshi					
3.	Smt. Ivleen Khurana, W/of Shri Jaskaran Khurana			N/A		
4.	Smt. Ritu Srivastava, W/o Shri Manoj Kumar Srivastava					
5.	Smt. Savita Malsaria, W/o Shri Pawan Kumar Malsaria					

***Note:** Since related party transactions are in the ordinary course of business and on arm length basis, provisions of section 188(1) of the Companies Act, 2013 ("the Act") would not be applicable and accordingly particulars as contemplated under section 134(3)(h) read with section 188(1) of the Act, in the format under Rule 8(2) of the Companies (Accounts) Rules, 2014 are not applicable and accordingly not given.

For and on behalf of the Board

Place : Mumbai
Date : May 30, 2018

Bharat B. Merchant
Independent Director

A. K. Joshi
Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1) Industry Structure and Developments

a) Economic Environment

The global economic recovery continued to be uneven in the year 2017-18, with low inflation turning to deflation in many countries, while advanced economies reported a pick-up in growth. The emerging market and developing economies continued to slow down during the year 2017-18. The financial year 2017-18 was a challenging year for the capital markets which reflects the sluggish business environment, slower progress compared to expectations keeping in view the reforms agenda and muted growth in corporate earnings. On the positive side, Inflation remained well within the comfort zone aided by low global crude oil and commodity prices. The subdued inflation levels provided the much needed space for monetary accommodation, with the RBI reducing policy rates.

b) Tobacco Industry

The Indian cigarettes industry is passing through tough times. Consequently, all the players in cigarette industries are facing pricing and margin pressures. However, the industry has been successful in maintaining a value growth albeit at the cost of volume decline. India's taxation policy and regulatory regime is somewhat skewed against cigarettes over the years. It has led to the share of legal cigarettes on decline from 21% in 1981-82 to 11% in 2017-18 even if overall tobacco consumption has increased in India. According to a study by Euro monitor International, India is now the 4th largest market for illegal cigarettes trade accounts for nearly one-fifth of the overall cigarette industry in India.

c) Regulation and Taxation

The regulatory environment is getting stricter day by day since last four consecutive years.

2) Opportunities, Threats and Future Outlook

The illegal cigarettes continue to be the biggest threat to the organized sector. These units have been set up in most of the states and continue their illegal acts and now account for a sizable volume of the total industry. Anti smoking campaign has been gaining momentum and is now resulting in a decline in the incidence of smoking. Many State Governments have also been strictly no smoking zones in public places etc. as also have banned sale of loose cigarettes mainly in Punjab, Uttar Pradesh and Mumbai, which is likely to impact substantially in the volume of cigarette industry.

3) Segment Wise Performance

Your Company is uni-product Company and accordingly segment wise or product wise performance reporting is not applicable to your Company**.**

4) Risk Management and Concerns

Risk Management forms an integral part of your Company's operations. Your Company continues to focus on a system based approach to business risk management. It broadly involves identification & potential risks, their analysis and impact as also risk mitigation initiatives to address the same. The Company's Risk Management Committee oversees the risk management Process.

5) Internal Control System and their Adequacy

Internal controls encompass a set of rules, policies and procedures to provide reasonable assurance for achievement of the organizational objectives in operational effectiveness and efficiency, reliable financial reporting and compliance with laws, regulations and policies. Your Company's internal control systems are commensurate with the size and nature of its operations, which records transactions and operations; ensures protection against misuse or loss of the Company's assets; ensures efficiency in operations of the plant and facilitates transparency and accuracy of financial reporting. Under the system, the Internal Audit department monitors the effectiveness of the internal control systems and to review the existing financial and operating controls. These reports are placed before the Audit committee. The system is assisted by an Enterprise Resource Planning (ERP) package

6) Discussion on Financial Performance with respect to operational performance

The performance of your Company's operations remained subdued and extremely challenging during the year 2017-18 due to unprecedented pressure on the legal cigarette industry in India on account of the cumulative impact of steep increase in taxation and intense regulatory pressures including other reasons as explained in the Boards' Report has adversely affected the business of the Company. However, the gross turnover for the year 2017-18 was ` 79.67 crores as against ` 36.96 crores of the 2016-17. The net loss for the year was ` 8.09 crores against ` 29.40 crores of the previous year.

7) Material Development in Human Resources/ Industrial Relations

Your Company's Human Resources Management Systems and process are aimed to create a responsive market focused and customer centric and endeavors to move ahead with its most valuable resources, its employees. Your Company is engaged in a constructive relationship with employees with an emphasis on productivity and efficiency and underline safe working practices. As on March 31, 2018 employee strength on roll was 197.

8) Cautionary Statement

The statement made in the Management Discussion and Analysis is a based on the current scenario and inputs available to the Directors and is a forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied and important factors that could make a difference. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent development, information or events or otherwise.

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy of Corporate Governance is the application of continued best management practices assisting the management of the Company in the efficient conduct of its business, continued compliance of law and adherence of highest ethical standards to achieve the Company's objective of enhancing the shareholders values. The Company's philosophy on the Code of Governance is based on the belief that effective Corporate Governance practices constitute a strong foundation of any successful organization and accordingly the Company's actions are governed by principles and values which are enforced at all levels within the Company.

Corporate Governance signifies acceptance by management of the inalienable rights of shareholders as the true owner of the Company and of their own role as trustees on behalf of the shareholders. The Company firmly believes that its affairs shall be conducted by following the best practices and principles, irrespective of its relation to the customers, employees, stakeholders or the community. It endeavors to provide detailed information on various issues concerning the Company's business and financial performance to the shareholders.

Your Company is in compliance with the requirements of Corporate Governance stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

THE BOARD OF DIRECTORS

The Board of Directors ("the Board") of the Company is committed to best and sound principles of Corporate Governance practices in the Company to ensure sustainability and long term values. The Board is that of trusteeship to protect and enhance the shareholders value through strategic direction to the Company. The Board plays crucial role in overseeing how the management serves the short and long terms interest of shareholders and other stakeholders.

DIRECTORS' PROFILE:

The brief profiles of each Director of the Company are as under:

Shri. A. K. Joshi: Managing Director

Shri A. K. Joshi (DOB-01.01.1958) is Managing Director of the Company. He is a graduate in Commerce and fellow member of the Institute of Chartered Accountants of India (ICAI) having more than 36 years of rich experience in the field of Banking, Finance and Accounts. He joined the Company in the year 1993 as Dy. General Manager (Finance & Accounts) and inducted on the Board as Executive Director on October 21, 2003 having over three decades of Industrial and corporate experience in different capacity He was promoted as Acting Managing Director in 2011 and Managing Director in the year 2012 and reappointed in 2015 for three years up to September 2018. He is member of the Audit Committee, and Risk Management Committee of the Board as also director on the Board of the Golden Reality and Infrastructure Ltd. and Western Express Industries Ltd., the subsidiaries of the Company.

Shri Jaskaran S. Khurana : Executive Director

Shri Jaskaran S. Khurana (DOB-22.09.1972) is Executive Director of the Company. He is a B.Com and MBA. He is having more than 22 years of rich experience in the field of Sales and Marketing (Domestic as well as International Business), He joined the Dalmia's Group in the year 2007, and the Company in the year 2010 and inducted on the Board as Whole Time Director on May 23, 2013 for three years and reappointed on May 23, 2016 further three years i.e. up to May 22, 2019 as Executive Director. He is a Member of the Stakeholders Relationship Committee (SRC) and Risk Management Committee (RMC) of the Board.

Shri Bharat B. Merchant: Non Executive Independent Director:

Shri Bharat B. Merchant (DOB-24.06.1948) is a Non-Executive Independent Director (NED) of the Company. He is graduate in Arts and did Master of Laws (LL.M) from Cornell University, USA. He is Solicitor and Advocate practicing since 1972. He is a Sole Proprietor of the firm M/s Thakordas and Madgavkar, Advocates & Solicitors, one of the leading legal firms in Mumbai and is actively engaged over forty seven years in conducting arbitration, commercial litigation and attending corporate and property matters. He is a Member of the Bombay Incorporated Law Society. He was inducted on the Board on July 26, 2009 as NED of the Company and reappointed as Non Executive Independent Director for five years in the year 2014. He is a Member of Board of Directors of the Company as also member/ Chairman of the Audit Committee, Stakeholders Relationship Committee (SRC) and Nomination and Remuneration Committee (NRC) of the Company.

Ms. Kokila Panchal: Non Executive Independent Director

Ms. Kokila Panchal (DOB-06.10.1947) is a Non-Executive Independent Director of the Company. She is Bachelor of Arts and Laws. She is an Advocate practicing over thirty one years in the High Court Mumbai with an expertise in the Property matters. She was inducted on the Board of the Company w.e.f. March 31, 2015 and appointed as Non Executive Independent Director by it Members on September 25, 2015 for five year which on 2020. She is also Member of the Nomination and Remuneration Committee of the Company.

INDEPENDENT DIRECTORS

The Companies Act, 2013 ('the Act') and the Listing ("Listing Regulations") define an Independent Director' as a person who is neither a promoter nor employee nor one of the Key Managerial Personnel of the Company or its subsidiaries. The law also states that the person should not have a material pecuniary relationship or transactions with the Company or its subsidiaries apart from receiving remuneration as an independent director. The Company abides by the said definitions of independent directors. The Board of the Company is independent in making its decision and committed to address conflict of interest and impress upon the functionaries of the Company to focus on transparency, accountability, integrity equality and responsibility.

BOARD COMPOSITION:

The Board of the Company comprises an optimum combination of executive and non executive independent directors. The Board is headed by the non executive independent Chairman of the Board. The Board is in conformity with regulation 17 of the Listing Regulations .Listing regulations mandate that a company with a non executive (non promoter unrelated) chairman shall have at least one third of the Board as independent directors. The composition of the Board and directorship held, as on March 31, 2018 are as follows:

Sr. No.	Name of Director	Designation	Age	Listed Companies	All other Public Companies	Committee Members	Chairperson of the Committees
1.	Shri A. K. Joshi *	Managing Director	60	1	-	1	-
2.	Shri Jaskaran S. Khurana *	Executive Director Independent Director	46	1	-	1	-
3.	Shri Bharat B. Merchant	Non Executive Independent Director	70	3	2	6	4
4.	Shri V.K. Bhandari**	Non Executive Independent Director	74	4	4	5	1
5.	Ms. Kokila Panchal	Non Executive Independent Director	69	1	-	1	-

*Note :

*including Golden Tobacco Ltd. & its subsidiary Companies. 2. Memberships in unlisted public companies are excluded.
**ceased to be a director w.e.f. 30.03.2018.

BOARD MEETINGS:

The Board of Directors oversees the overall functioning of the Company. The Board meetings are governed by the structured agenda. The Company Secretary drafts the agenda of each meeting along with explanatory note in consultation with Managing Director and circulates at least seven days prior to the Board meeting to all its directors. All agenda items are backed up with comprehensive background information to enable the Board to take informed decisions. The Board Members in consultation with the Chairman of the meeting may bring up any matter for the consideration of the Board. The dates of Board meetings are fixed in advance in consultation with all the directors individually as per their convenience with objective to ensure the presence of all the independent directors in the Board Meetings. The Board meets at least once in a quarter to review the quarterly results and other items on the agenda and also on the occasion of the AGM. The gap of each Board meeting is not more than 120 days as prescribed under Listing Regulations read with the Companies Act. Additional meetings are held when necessary. Independent Directors are expected to attend at least four Board meeting in the year. Six Board meetings were held during the year ended March 31, 2018 on May 29, 2017, July 18, 2017, September 9, 2017, November 15, 2017, February 9, 2018 and March 30, 2018. The attendance of the directors at the Board meetings and previous AGM are as follows:

The attendance of the directors at the Board meetings and previous AGM are as follows:

Name of Director	Previous AGM held on 28.07.2017	Meeting held on						% of attendance
		29.5.17	18.7.17	9.9.17	15.11.17	9.02.18	30.03.18	
Shri A.K.Joshi	Yes	Yes	Yes	Yes	Yes	Yes	Yes	100
Shri Jaskaran S. Khurana	Yes	Yes	Yes	Yes	No	No	Yes	80
Shri Bharat B. Merchant	No	Yes	No	Yes	Yes	Yes	No	70
Shri V. K. Bhandari*	Yes	Yes	Yes	Yes	Yes	Yes	Yes	100
Ms. Kokila Panchal	Yes	Yes	Yes	Yes	Yes	Yes	Yes	100

*Ceased to be a director w.e.f.30.03.2018

None of the directors is a director in more than ten public companies or acts as independent director in more than seven listed companies as also none of the directors on the Board is a member of more than ten committees and chairman of the five committees across all the companies (listed and public co.) in which he/she is a director as per the Listing Regulations.

During the year under review, the Company has not entered into any material transactions with its Non-Executive Directors except related party transactions reported in the financial report. The Company has received the declaration from independent directors of the Company confirming their independence pursuant to requirement of the Listing Regulations.

COMMITTES OF THE BOARD

Presently, the Board has four committees i.e Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee. The quorum for meeting is either two members or one third of the total number of members of the committee present in the meeting, whichever is higher. The necessary quorum was present in the Board and its Committee meetings. The compositions of the Board and its Committee are as follows:

Name	**Designation**	**Board**	**Audit Committee**	**Nomination & Remuneration Committee**	**Stakeholders Relationship Committee**	**Risk Management Committee**
Shri Bharat B. Merchant	Non Executive Independent Director	Yes	Yes	Yes	Yes	-
Shri V. K. Bhandari*	Non Executive Independent Director	Yes	Yes	Yes	Yes	-
Ms. Kokila Panchal	Non Executive Independent Director	Yes	-	Yes	-	-
Shri A.K. Joshi	Managing Director	Yes	Yes	-	-	Yes
Shri Jaskaran S. Khurana	Executive Director	Yes	-	-	Yes	Yes

***** cased to be a director w.e.f. 30.03.2018.

INFORMATION PLACED BEFORE THE BOARD:

The Board has unrestricted access to all Company's related information. In addition to the information required to be place before the Board, the following are also placed before the Board for quarterly / yearly review information:

i. Annual operating plans and budgets and any updates
ii. Capital budgets and any updates.
iii. Quarterly / Annual results of the Company.
iv. Minutes of meetings of audit committee and other committees of the Board of directors.
v. The Information on recruitment and remuneration of senior officers just below the level of Board of directors.
vi. Show cause, demand, prosecution notices and penalty notices, which are materially important.
vii. Fatal or serious accidents, dangerous occurrences, and material effluents or pollution problems.

viii. Any material relevant defaults in financial obligation to and by the Company, or substantial non-payment for goods sold by the Company.

ix. Any issue, which involves possible public or product liability claims of substantial nature, including any Judgment or order which, may have passed strictures on the conduct of the listed entity or taken an adverse view regarding another enterprise that may have negative implications on the Company

x. Details of any joint venture or collaboration agreement.

xi. Transactions that involve substantial payment towards goodwill, brand equity or Intellectual Property.

xii. Significant labour problems and their proposed solutions. Any significant development in Human Resource management/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.

xiii. Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business.

xiv. Quarterly details of foreign exchange exposure and the steps taken by the Managements to limit risks of adverse exchange rate movement, if material.

xv. Non-compliance of any regulatory, statutory or listing requirements and shareholder services such as non-payment of dividend, delay in share transfer etc.

The Board, in consultation with the Nomination and Remuneration Committee, is responsible for assigning and fixing terms of service for committee members. It delegates these powers to the Nomination and Remuneration Committee.

The non-executive chairman of the Board, in consultation with the Company Secretary and the committee chairperson, determines the frequency and duration of the committee meetings. Normally, all the committees meet four times a year. Recommendations of the committees are submitted to the entire Board for approval.

A. AUDIT COMMITTEE

Constitution of the Audit Committee of the Company as well as its terms of reference are in line with the provisions of Regulation 18 of the Listing Regulations read with section 177 of the Act as also other matters referred to it by the Board of Directors from time to time.

COMPOSITION

The committee is comprised of three directors as on March 31, 2018 viz. Shri Bharat B. Merchant, Shri A.K. Joshi, Shri V.K.Bhandari (upto 30.03.2018) Ms. Kokila Panchal, w.e.f. 26.05.2018.

Four meetings of the Audit Committee were held during the financial year ended March 31, 2018 on May 29, 2017, September 9, 2017, November 15, 2017, and February 9, 2018. The composition & attendance details of the audit committee meetings are as follows:

Name	Designation	Meeting held on				% of attendance
		1	2	3	4	
Shri Bharat B. Merchant	Chairman	Yes	Yes	Yes	Yes	100
Shri V. K. Bhandari*	Member	Yes	Yes	Yes	Yes	100
Ms. Kokila Panchal**	Member	N/A	N/A	N/A	N/A	N/A
Shri A.K. Joshi	Member	Yes	Yes	Yes	Yes	100

* ceased to be director & Committee member w.e.f.30.03.2018
**w.e.f.26.05.2018

Majority of members of the committee are Independent Director except Shri A.K. Joshi, Managing Director. Each member possesses adequate knowledge of accounts, audit, banking and finance. The Independent directors are independent and working pursuant to section 149 of the Companies Act, 2013 read with Regulation 18 of the Listing Regulations. The Committee invites such of the executives/officers/managers as it considers appropriate to be present at its meetings. Shri Pawan Kumar Malsaria, CFO and the statutory auditors M/s Bagaria & Co. attended all the Audit committee meetings. Shri Manoj Kumar Srivastava, Company Secretary, attended all the meetings and acts as Secretary of the Audit Committee.

The Management is responsible for the Company's internal control over financial reporting and the financial reporting process. The independent auditors are responsible for performing an independent audit of the Company's financial statement and for issuing report thereof. The Committee's responsibility is to monitor these process. The Committee is also responsible

for overseeing the process related to financial reporting and information decimation. All recommendations made by the Audit committee during the year were accepted by the Board. Major terms of reference of Audit committee are as follows:

Terms of Reference :

(i) Overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial information reflects a true and fair position and that sufficient and credible information is disclosed.

(ii) Recommending the appointment and removal of Statutory Auditors, fixation of audit fee and also approval for payment for any other services.

(iii) Discussion with Statutory Auditors before the audit commences, nature and scope of audit as well post-audit discussion to ascertain any area of concern.

(iv) Reviewing the financial statement and draft audit report including the quarterly financial information and reports.

(v) Review of the annual financial statement before submission to the Board, focusing primarily on any change in accounting policies, qualifications in draft auditors' report, Compliance with Accounting Standard, Compliance with the stock exchanges and legal requirement concerning financial statements.

(vi) Any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relative etc. that may have potential conflict with the interest of the Company at large.

(vii) Reviewing the Company's financial and risk policies.

(viii) Disclosure of contingent liabilities.

(ix) Reviewing, with the Management, external and internal auditors, the adequacy of internal control system.

(x) Review and discussion with the Internal Auditors regarding the adequacy of the internal audit function, approval of the audit plan and its execution, structure, coverage and frequency of internal audit.

B. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee (NRC) of the Company is constituted in line with the provisions of Regulation 19 of Listing Regulations read with section 178 of the Act.

COMPOSITION :

The committee is comprised of all Independent directors as on March 31, 2018 viz. Shri Bharat B. Merchant, Shri V.K. Bhandari and Ms. Kokia Panchal. During the financial year ended March 31, 2018 two meeting were held i.e. May 29, 2017 and February 9, 2018. The designation & attendance details are as follows:

Name	Designation	Meeting held on		% of attendance
Shri Bharat B. Merchant	Chairman	Yes	Yes	100
Shri V. K. Bhandari*	Member	Yes	Yes	100
Ms. Kokila Panchal	Member	Yes	Yes	100

*ceased to be a director w.e.f.30.03.2018.

Terms of reference:

The purpose of the committee is to screen and to review individuals qualified to serve as executive directors, Non Executive Director and Independent directors, in line with the criteria approved by the Board. The Committee also to determine Company's Policy on Remuneration Packages and other terms and conditions of the appointment of the Managing Director Executive Directors Non Executive Director and senior management personnel of the Company within the overall ceiling pursuant applicable provisions of the Companies Act, 2013 and Rules made there under and recommend to the Board. The broad terms of reference of the Committee are as follows:

i. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and carry out evaluation of every director's performance.

ii. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employee of the Company.

iii. Formulate the criteria for evaluation of Independent director and the Board.

iv. Devising the policy on Board diversity.

v. Recommendation to the Board for appointment of Key Managerial Personnel as defined by the Act and other senior management of the Company.

C. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee (SRC) of the Company is constituted in line with the provisions of Regulation 20 of Listing Regulations and section 178 of the Act. The Committee has the mandate to review and redress shareholder grievances relating to transfer of shares, non receipt of balance sheet, non receipt of dividend etc. and inter-alia approves transmission of shares, sub division/consolidation / renewal /issue of duplicate share certificate etc.

COMPOSITION

The Committee is comprised of three Members as on March 31, 2018 viz. Shri Bharat B. Merchant, Shri V.K. Bhandari and Shri Jaskaran S. Khurana. Four meetings were held during the financial year ended March 31, 2018 on May 29, 2017, September 9, 2017, November 15, 2017 and February 9, 2018. The designation & attendance details are as follows:

Name	Designation	Meeting held on				% of attendance
		1	2	3	4	
Shri Bharat B. Merchant	Chairman	Yes	Yes	Yes	Yes	100
Shri V. K. Bhandari*	Member	Yes	Yes	Yes	Yes	100
Ms. Kokila Panchal**	Member	N/A	N/A	N/A	N/A	N/A
Shri Jaskaran S. Khurana	Member	Yes	Yes	No	No	80

* ceased w.e.f.30.03.2018 ** w.e.f.26.05.2018

Terms of Reference:

The broad terms and reference of the Committee are as follows:

i. To review the report submitted by the Registrar and Share Transfer Agents (RTA) of the Company on quarterly basis.

ii. To interact periodically with the Registrars and Share Transfer Agents (RTA) to ascertain and look into the quality of the Company's Shareholders/ Investors grievance redressal system and to review the report on the functioning of the said Investor grievances redressal system.

iii. To follow-up on the implementation of suggestions for improvement.

iv. To periodically report to the Board about serious concerns if any.

v. To consider and resolve the grievances of the security holders of the company.

The Committee expressed satisfaction with the company's performance in dealing with investor grievance and its share transfer system. The details of complaints resolved year ended March 31, 2018 are as follows:

Nature of complaint	Opening	Received	Resolved	Closing
Non receipt of Annual Report, Dividend etc.	NIL	2	2	NIL

D. SHARE TRANSFER COMMITTEE:

In addition to the Stakeholders Relationship Committee, the Board has constituted another committee referred as the Share Transfer Committee comprising of Shri Manoj Kumar Srivastava, Company Secretary and Shri Pawan Kumar Malsaria, Chief Financial Officer of the Company to approve the share transfer of equity shares of the company. There were 9 meetings were held during the year ended March 31, 2018.

E. RISK MANGAEMENT COMMITTEE:

The composition of the Risk Management Committee (RMC) is not applicable to the Company. However, the Company has voluntarily constituted the Risk Management Committee which is in line with the section 134(3) of the Act read with Regulation 21 of the Listing Regulations. The Company has framed Risk Management Policy which inter-alia covers financials, operational, regulatory and Legal and product and market risk etc. and to formulate a procedure for mitigation of risk which may threaten the existence of the Company.

COMPOSITION

The Committee is comprised of two Members as on March 31, 2018 viz. Shri A.K. Joshi, Managing Director and Shri Jaskaran S. Khurana, Executive Director. During the financial year ended March 31, 2018 one meeting was held on February 9, 2018. The designation & attendance details are as follows:

Name	Designation	No. of Meeting held	% of attendance
Shri A.K.Joshi	Chairman	Yes	100
Shri Jaskaran S. Khurana	Member	Yes	100

Terms of Reference:

The broad terms and reference of the Risk Management Committee are as follows:

The rationale of the constitution of Risk Management Committee is to assist to the Board in fulfilling its corporate governance duties by overseeing the responsibilities with regard to identification, evaluation and mitigation of operational strategic and environmental risks. The Committee has an overall responsibility of monitoring and approving the risk policies and associated practices of the Company.

The trend line of the top risks in terms of the exposure risk level, potential impact and progress of mitigation plans are reviewed along with key operational risks.

REMUNERATION POLICY:

The Company's Remuneration Policy is driven by the success and performance of the individual employee and the Company. The major objective of the remuneration policy of the Company for directors and senior management are to focus on enhancing the value, to attract and retain talent for achieving objective of the Company. The Remuneration Policy of the Company is available on the Company's website: www.goldentobacco.in.

Guidelines for formulation of remuneration policy:

i. Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.
ii. Motivate KMP and Senior Management to achieve excellence in their performance.
iii. Relationship of remuneration to performance is clear and meets appropriate performance.
iv. Ensuring that the remuneration to Directors, KMP and Senior Management involves a balance between fixed & incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The Company pays remuneration by way of salary, benefits, perquisites and other allowances i.e. contribution to provident fund, superannuation fund and gratuity and encashment of leave etc. as per the policy and relevant applicable laws if any at the end of services/tenure to its Managing Director and the Executive Directors and senior management personnel of the Company. The remuneration payable to the Managing Director and Executive Directors is governed by the Remuneration package approved by the Board and Members of the Company. The Annual increment is decided by the Nomination and Remuneration Committee within the salary scale approved by the members of the Company. However, the Managing Director and Executive Directors of the Company is entitled to get a Variable Performance Pay (VPP) based on their performance and as per the Company's Policy. During the year under review Shri Jaskaran S. Khurana was eligible to get 50% of its VPP as he achieved the export target during the year.

The Non-Executive Independent Directors are paid remuneration by way of sitting fees. No other remuneration is being paid to them. The Company did not have any pecuniary relationship or transactions with Non-Executive Directors. The remuneration paid/payable to the Executive Directors and Non-Executive directors for the financial year ended March 31, 2018 are as follows:

Name	Basic Salary	Perquisites & Allowances	Sitting Fees	VPP	Total
Shri A.K. Joshi *	27,89,880	49,91,515	-	-	77,81,395
Shri Jaskaran S. Khurana*	16,99,668	39,27,882	-	-	62,27,550
Shri Bharat B. Merchant	-	-	1,50,000	-	1,50,000
Shri V.K. Bhandari **	-	-	1,70,000	-	1,70,000
Ms. Kokila Panchal	-	-	90,000	-	90,000

*excluding retrial benefits i.e PF, LTA, superannuation fund and gratuity payable at the end of tenure
**ceased to be directorship w.e.f.30.03.2018.

INDEPENDENT DIRECTORS SEPARATE MEETING :

Pursuant to the Schedule IV and other applicable provisions of the Act and Rules made there under, it is mandatory that the independent directors of the Company hold at least one separate meeting in a year, without the attendance of non-independent directors and members of the Management and it is recommended that all the independent directors of the Company be present at such meetings. These meetings are expected to review the performance of the non-independent directors and the Board as a whole, as well as the performance of the chairman of the Board, taking into account the views of the executive directors and non-executive directors; assess the quality, quantity and timeliness of the flow of information between the Management and the Board that is necessary for it to effectively and reasonably perform its duties. The independent directors separate meeting was held on February 9, 2018 where all the independent directors were present.

DIRECTORS' FAMILIARISATION PROGRAMME :

The Company believes that a Board, which is well informed /familiarized with the Company, can contribute significantly to effectively discharge its role of trusteeship. In pursuit to this, the Board members are provided with necessary documents, reports, internal policies and plant visit to enable them to familiarize with the Company's operations its procedures, policies, practices and other updates on a continuing basis on changes/ development in the corporate and the industry as well including the changes in legal and economic environment, to enable them to take well informed and timely decisions. The familiarization program was held on February 9, 2018 and the same is available on the Company's website www.goldentobacco.in.

RELATED PARTY TRANSACTIONS:

There have been no materiality related party transactions, monitory transactions or relationship between the Company and its directors, the management, subsidiaries, or relatives which have potential conflicts with the interest of the Company. Members may refer to disclosures/transaction made in the financial statements in compliance of Regulation 23 of Listing Regulations read with Accounting Standard 18. All the related party transactions have been done at arm's length price and in the ordinary course of business.

COMPANY SECRETARY & COMPLIANCE OFFICER:

Shri Manoj Kumar Srivastava, Company Secretary is a Compliance Officer of the Company in terms of the Listing Regulations. Shareholder'/Investors' may contacted him at the Registered Office of the Company on Phone.No.0265-2540281, Fax-0265-2541700,Email:share@goldentobacco.in,csmanoj@goldentobaacco.in website: www.goldentobacco.in

DISCLOSURE REGARDING THE APPOINTMENT /REAPPOINTMENT OF DIRECTORS:

Pursuant to the provisions of the Act, Shri A.K. Joshi retires at ensuing AGM and being eligible seeks reappointment. The Board recommended his reappointment as retiring director. Pursuant to Regulation 36 of the Listing Regulations, the details of directors seeking appointment /re-appointment are given in the annexure to the notice of the 62nd AGM to be held on December 27, 2018.

The Companies Act, 2013 provides for appointment of independent directors pursuant to section 149(10) of the Act. Independent Directors hold office for a term of up to five years on the Board of the Company and are eligible for reappointment on the passing of special resolution by the shareholders of the Company. Accordingly Shri Bharat B. Merchant Independent Directors of the Company have been appointed for five consecutive years at the 58th AGM of the Company held on September 22, 2014 up to 63rd AGM to be held in the calendar year 2019 and Ms. Kokila Panchal Independent Director have been appointed for five consecutive years at the 59th AGM held on September 25, 2015 to hold office up to the 64th AGM to be held in the calendar year 2020. The appointment letter including the terms and conditions of appointment pursuant to schedule V of the Act, has also been placed in the Company's website.

Further, section 149(11) states that no independent director shall be eligible to serve on the Board of more than two consecutive terms of five years. section 149(13) states that the provisions of retirement by rotation as defined in sub clause (7) and (6) of the Act shall not apply to such independent director. Therefore, none of the independent directors shall be retire in the ensuing AGM.

During the year under review, the non executive Independent Directors of the Company had no pecuniary relationship or transactions with the Company.

COMMUNICATION TO THE SHAREHOLDERS

The quarterly financial results of the Company are forwarded to the Stock Exchanges immediately on being approved by the Board of Directors and are also published in widely circulated National Daily and Local Gujarati Daily. The Financial results

are also displayed on the Company's website www.goldentobacco.in. under the Investor column. The details of communications are as under:

Sl. No.	Particulars	Name of Newspaper	Quarter-I (Unaudited)	Quarter-II (Unaudited)	Quarter-III (Unaudited)	Quarter and Year ended March 31, 2018 (Audited)
1	English Newspapers in which quarterly results were published.	Business Standard (Ahmedabad edition)	11.09.2017	16.11.2017	10.02.2018	30.05.2018
2	Vernacular Newspapers in which quarterly results were published.	Loksatta - Gujarati (Vadodara edition)	11.09.2017	16.11.2017	10.02.2018	30.05.2018
3	Name of Stock Exchange(s)	BSE Ltd. & National Stock Exchange of India Ltd	09.09.2017	15.11.2017	09.02.2018	30.05.2018

GOVERNANCE AND COMPLIANCE:

1. Code of Conduct :

In compliance as on Regulations 26 (3) of The Listing Regulations, the Company has framed and adopted a Code of Conduct ("the Code") The Company's the Code as adopted by the Board of Directors, is applicable to its directors and senior management, executive officers and all employees of the Company. The Code is derived from the three interlinked fundamental principles i.e. Good Corporate Governance, Good Corporate Citizenship and extremely personnel conduct in relation to the Company's business and reputation. The Code is available on www.goldentobacco.in

All members of the Board, executive and officers have affirmed compliance to the code as on March 31, 2018. A declaration to that effect, signed by the CEO/MD forms part of the annual report

2. Code for Prevention of Insider Trading Practices

Pursuant to SEBI (Prohibition of insider Trading) Regulations, 2015 which came into effect from May 15, 2015, the Company has formulated and adopted a revised Code for Insider Trading Policy i.e Golden Tobacco Limited - Code for Prevention of Insider Trading - 2015 to regulate, monitor and report trading by the insider under the Listing Regulations, of the Board of Directors of the Company. This policy also includes practices and procedure for fair disclosure of unpublished price sensitive information for initial and on continual basis disclosure. Shri Manoj Kumar Srivastava, Company Secretary has been designated as the Compliance Officer for this Code.

The Company has automated the declarations and disclosure to identify designated persons. The Board reviews the policy from time to time as and when necessary.

3. Compliance of Corporate Governance :

The Company's compliance systems cover a multitude of statutory obligations and ensure adherence to all applicable laws and regulations. During the financial year 2017-18, the Company has complied with all the mandatory requirements of the Listing Regulation which prescribes various corporate governance and other compliances. We have always believed in maximization of transparency and timely disclosure and adherances to the same from time to time.

4. Non Compliance:

No penalties and strictures have been imposed on the Company by Stock Exchanges or SEBI or any other statutory authority on any matters relating to the capital markets during the last three years. No material and uncontested financial or non monetary sanctions were imposed upon the Company.

5. Disclosure of commodity price risk and commodity hedging activity :

The Company is not dealing in commodities and hence, disclosure relating to commodity price risk and commodity hedging activities is not required.

6. Disclosure under Regulation 30 of Listing Regulations :

Pursuant to Regulation 30 of the Listing Regulations, the Company has made disclosure and updated Stock Exchanges from time to time as and when required. The Company has not entered any agreement with any media companies or their associates which has regulated /will result in any kind of shareholding in the Company and consequently any other related disclosure, if any in relation to the media companies is not applicable to the Company.

7. Certificate on Corporate Governance:

Pursuant to Regulation 34(3) and Part E of Schedule V of the Listing Regulations a certificate from M/s Bagaria & Co.LLP the Statutory Auditors of the Company regarding the compliance of the Conditions of the Corporate Governance is provided and forms part of the annual report.

8. CEO and CFO Certification:

Pursuant to requirement of Regulation 17(8) of the Listing Regulations, the Managing Director and Chief Financial Officer of the Company have submitted a compliance Certificate for the financial year ended March 31, 2018, which is annexed in this report.

9. Disclosure of Accounting Treatment in Preparation of Financial Statement:

The Company's follows the guidelines of accounting Standard referred to in the section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 together with applicable Accounting Standard issued by the ICAI of India.

10. Pledge of Equity Shares & Promoters Holding of Shares:

During the financial year 2017-18 the Promoters of the Company has not pledge any of its shares. The aggregate Shareholding of the Promoters and Promoters Group as on March 31,2018 was 45,52,965 equity shares of ` 10 each representing 25.85% of the paid up Equity Share Capital of the Company.

11. GDR's/ADR's /Warrants/Options :

The Company has not issued any GDR's/ADR's and there was no warrant or any convertible instruments outstanding.

12. Dividend :

Due to carry forward losses no dividend has been declared. The last dividend was declared in the year 1994-1995. All the unpaid /unclaimed dividend up the year 1993-94 has been transferred to General Revenue Account of the Central Government. In accordance with the Scheme approved by BIFR the unpaid/unclaimed dividend for the year 1994-95 was to be paid by 31st March, 2011 and the unpaid/unclaimed dividend, if any, will be transferred to Investor Education & Protection Fund in due course.

13. Investor Grievance and Share Transfer System :

The Company is having Board level Stakeholders Relationship Committee to examine and redress the complaints by shareholders and investors. The status of the complaints and share transfers is reported to the entire Board. Upon receipt of the applications for transfers, deletion of names, transmission etc. in physical form and if the same are found to be in order are, normally registered by our Registrar and Transfer Agent (RTA) within the stipulated period as mentioned in the Listing Regulations and in case of any discrepancies in relation to the transfers the shares are returned under objections within the stipulated timeframe.

14. Dematerialization of Shares and Liquidity :

The process of conversion of Shares from physical form to electronic form known as dematerialization. For dematerialization of shares, the shareholders have to open a Demat account with Depository Participant (DP). The shareholder is required to fill in a Demat Request Form (DRF) and submit the same along with Share Certificate(s) to the DP. The DP will allocate a Demat request number and shall forward the request, both physically and electronically, through NSDL/CDCL to the R & T A. On receipt of the Demat request electronically and after verification, the shares are dematerialized and an electronic credit of shares is given in the account of the shareholder. As on March 31, 2018, 16175863 i.e. 91.86% of the shares of the Company are in dematerialized form.

Share Transfer simpler and faster in electronic form. After a confirmation of a sale/purchase transaction from the broker, shareholder should approach the depository participants with a request to debit or credit the account for the transaction. The depository participants will immediately arrange to complete the transaction by updating the account. There is no need for a separate communication to the company to register the transfer.

15. Registrar and Transfer Agent (RTA) :

Share Transfer and all other Investor's /Shareholder's related activities are attended and processed by our Registrar and Transfer Agent. For lodgment of transfer deeds and any other documents with M/s. Link Intime India Pvt. Ltd., C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai 400 083. Tel. No.(022) 49186000 Fax: (022) 49186060.

Email: rnt.helpdesk@linkintime.co.in. However, shareholders holding shares in the electronic mode should address all correspondence to their respective Depository Participants.

16. Registered Office and Plant Location of the Company :

The Company's Registered Office and manufacturing plant is located at Darjipura, Post – Amaliyara, Vadodara, Gujarat-390022 INDIA.

17. Correspondence address :

Shareholder's correspondence should be addressed to the Company's RTA at the address mentioned above. The Shareholders having securities in the dematerialized form should give instruction relating to change of address, nomination and/or power of attorney executed by the shareholders directly to their respective Depository Participants. Alternatively shareholders may contact to the Company Secretary at the registered office of the Company or email at share@goldentobacco.in, csmanoj@goldentobacco.in

18. Functional Website of the Company :

Pursuant to Regulation 46 of the Listing Regulations, the Company has maintained a functional website of the Company i.e. www.goldentobacco.in which provides basic details of the Company, and its business, financial information, policies and other updates from time to time.

DECLARATION UNDER REGULATION 34 (3) AND SCHEDULE V OF THE LISTING REGULATIONS:

All Board Members and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct for the financial year ended March 31, 2018.

For Golden Tobacco Limited

A. K. Joshi
Managing Director

General Shareholders Information:

General Body Meetings:

(a) Annual General Meeting (AGM) :

The details of last three Annual General Meetings are as under:

Financial Year	Date	Day	Time	Venue	Special Resolution
2014-15	September 25, 2015	Friday	12.15 P.M.	Registered Office	3
2015-16	September 21, 2016	Wednesday	12.15 P.M.	Registered Office	2
2016-17	July 18, 2017	Tuesday	12.15 P.M.	Registered Office	0

I. Special Resolution:

All the resolutions, including Special Resolutions set out in the respective notice were passed by the Shareholders.

II. Postal Ballot :

No Postal Ballot was held during the financial year 2017-18.

III. Remote e-voting and ballot voting:

The Company has facilitated the shareholders of the Company to vote on the resolutions proposed at the AGM. The Company has engaged CDSL for remote e-voting and accordingly, arranged remote e-voting facility to all the members of the Company whose names appear on the register of members as on December 20, 2018 (cutoff date) who shall be eligible to participate in the remote e-voting.

The facility for voting through ballot will also be made available at the AGM and the members who have not already cast their vote by remote e-voting can exercise their vote at the AGM.

(b) Extra Ordinary General Meeting (EOGM) :

No Extra Ordinary General Meeting of the members was held during the year 2017-18.

(c) Additional Shareholders Information

62nd Annual General Meeting : Day, Date and Time	Thursday, December 27, 2018 at 10.30 A.M.
Venue	Registered Office of the Company at Darjipura, Post- Amaliyara, Vadodara, 390022. Gujarat.
Book Closure / Record Date	Monday, December 24, 2018 to Thursday, December 27, 2018.
Dividend	NIL (last declared in the year 1994-95 financial year)
Registered Office	At Darjipura, Post - Amaliyara, Vadodara, 390022. Gujarat
Financial Year	April 1, 2017 - March 31, 2018
Cut Off Date for Remote e-voting	Thursday 20, 2018
Remote e-voting period	December 24, 2018 to December 26, 2018
Listing of Stock Exchange & Stock Codes/ Symbol	BSE Ltd. (500151) National Stock Exchange of India Ltd. (GOLDENTOBC)
Corporate Identity Number (CIN) of the Company	L16000GJ1955PLC067605
ISIN	INE973A01010

Financial Calendar for the year 2018-19 is as follows:

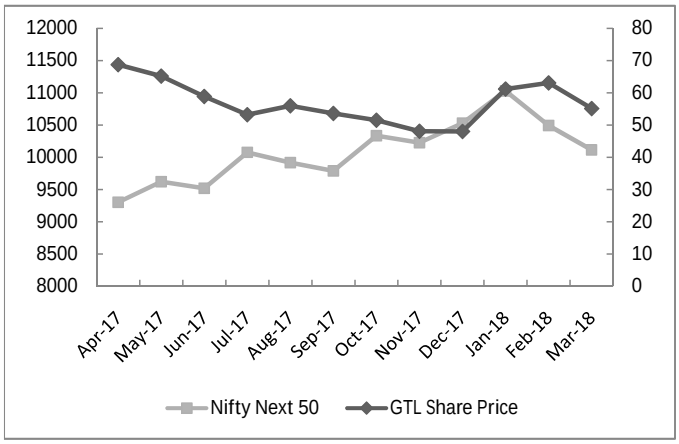
Nature of event	**2018-19 (tentative date)**
Audited annual financial results for the year ended March 31, 2018	On May 30, 2018 (actual)
Un audited financial results for the quarter ended June 30, 2018	By August 15, 2018
Un-audited financial results for the quarter ended Sep.30, 2018	By November 15, 2018
Un audited financial results for the quarter ended December 31, 2018	By February 15, 2019
Audited financial results for the year ended March 31, 2019	By May 30, 2019

(d) Market Price Data for the financial year 2017-18

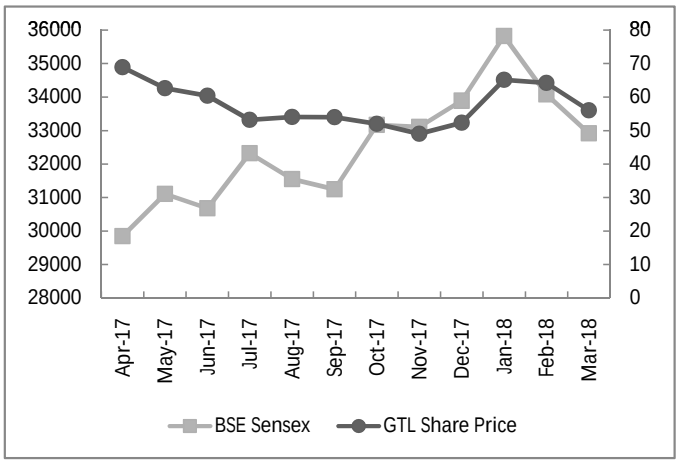
High, Low (based on the closing prices) during each month of the year 2017-18 on the National Stock Exchange of India Ltd. and BSE Ltd. is as follows:

Month	BSE		BSE - SENSEX		NSE		NSE - NIFT	
	High (`)	**Low (`)**	**High (`)**	**Low (`)**	**High (`)**	**Low (`)**	**High (`)**	**Low (`)**
29-Apr-17	70.50	68.10	30067.64	29848.21	70.00	68.00	9342.65	9282.25
31-May-17	64.95	62.10	31255.28	31107.48	65.20	62.00	9649.60	9609.25
30-Jun-17	60.35	54.85	30965.45	30680.66	59.00	58.90	9535.80	9448.75
31-Jul-17	53.25	53.20	32546.50	32324.45	53.20	53.20	10085.90	10016.95
28-Aug-17	57.05	54.00	31757.18	31551.85	56.50	54.00	9925.10	9856.95
25-Sep-17	54.00	51.10	31523.87	31243.71	54.20	50.00	9854.00	9775.35
31-Oct-17	55.40	52.00	33294.30	33164.28	51.50	51.50	10367.70	10323.95
30-Nov-17	49.00	48.10	33576.20	33108.72	48.10	48.00	10332.70	10211.25
26-Dec-17	52.35	52.35	34086.05	33889.39	48.15	48.00	10538.70	10488.65
29-Jan-18	66.65	60.50	36050.69	35818.41	61.15	61.15	11058.50	10979.30
26-Feb-18	67.10	64.00	34302.74	34076.45	63.10	63.10	10535.50	10461.55
26-Mar-18	61.70	56.00	33104.11	32917.66	55.10	54.85	10158.35	10096.90

Performance of Share Price in comparison to Nifty Next 50:



Performance of Share Price in comparison to BSE Sensex:



(e) Distribution of Shareholding as on March 31, 2018 is as follows:

No. of Shares	No. of Shareholders	% of shareholders	No. of shares	% of shareholding
001-500	25976	94.65	2585422	14.68
501-1000	730	2.66	565648	3.21
1001 – 2000	334	1.22	498534	2.83
2001 – 3000	119	0.43	305848	1.74
3001 – 4000	56	0.20	198704	1.13
4001 – 5000	46	0.17	215964	1.23
5001 – 10000	74	0.27	560442	3.18
10001 – Above	108	0.39	12678240	72.00
TOTAL	**27443**	**100.00**	**17608802**	**100.00**

(f) Shareholding Pattern as on March 31, 2018 is as follows:

Sr.No.	Shareholders	No. of Demat Shares	No. of Physical Shares	Total	% Shares
1.	Promoters	4552965	-	4552965	25.86
2.	Financial Institutions / Banks	145	9015	9160	0.05
3.	Mutual Funds	190	850	1040	0.01
4.	FIIs	3917	-	3917	0.02
5.	Bodies Corporate	6397712	18304	6416016	36.44
6	Non-Resident	18796	14620	33416	0.19
7	General Public	5202138	1390150	6592288	37.43
8	Trusts	750	-	-	0.00*
	Total	**16175863**	**1432939**	**17608802**	**100.00**

*** Negligible**

CEO & CFO CERTIFICATE

(under regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Board of Directors,
Golden Tobacco Ltd.

We to the best of our knowledge and belief, certify that:

1. We have reviewed the balance sheet, statement of profit and loss, and cash flow statement of the Company and all the notes on accounts for the year ended March 31, 2018.
2. These statement do not contain any materially untrue statement or omit any material fact or contain Statement that might be misleading;
3. 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, if any.
4. There are no transaction entered into by the Company during the year that are fraudulent, illegal or violative of the Company's Code of conduct and ethics, except as disclosed.
5. We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company and we have :
   (i) Designed such disclosure controls and procedure or caused such disclosure control and procedure to be designed under our supervision to ensure that the material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared.
   (ii) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements.
   (iii) Evaluated the effectiveness of the Company's disclosure, controls and procedures.
   (iv) Disclosed in this report, changes, if any, in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.
6. We have disclosed, based on our most recent evaluation of the Company's internal control over financial reporting, wherever applicable, to the Company's auditors and the audit committee of the Company's Board (and persons of the equivalent functions):
   a. Any deficiencies in the design or operation of internal controls, that could adversely affect the Company's ability to record, process, summarize and report financial data, and have confirmed that there has been no material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.
   b. Any significant changes in internal controls during the year covered by this report.
   c. All significant changes in accounting policies during the year, if any, and there have been disclosed in the notes to the financial statements.
   d. Any instances of significant fraud of which we are aware, that involve the Management or other employees who have a significant role in the Company's internal control system.
7. We affirm that we have not denied any personnel access to the Audit committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to whistleblowers from unfair termination and other unfair or prejudicial employment practices.
8. We further declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct and Ethics for the year covered by this report.

For Golden Tobacco Limited

Place : Mumbai
Date : May 30, 2018

A. K. Joshi
Managing Director

Pawan Kumar Malsaria
Chief Financial Officer

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

TO
THE MEMBERS OF
GOLDEN TOBACCO LIMITED

1. This certificate is issued in accordance with our engagement letter dated September 15, 2017
2. This certificate contains details of compliance of conditions of corporate governance by **Golden Tobacco Limited** ('the Company') for the year ended 31st March 2018 as stipulated in Regulations 17-27, clause (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations) and pursuant to the Listing Agreement of the Company with Stock exchanges.

Management's Responsibility for compliance with the conditions of Listing Regulations

3. The compliance with the terms and conditions contained in the corporate governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

Auditor's Responsibility

4. 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.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March, 2018.
6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI''). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC), Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on Use

10. The certificate is addressed to and provided to the Members of the Company solely for the purpose to enable the Company to comply with requirement of aforesaid Regulations, and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Bagaria and Co. LLP
Chartered Accountants
FRN. – 113447W

Vinay Somani
Partner
Membership No. 143503

Place : Mumbai
Date : September 23, 2018

INDEPENDENT AUDITOR'S REPORT

To
The Members of
GOLDEN TOBACCO LIMITED

Report on the Standalone Financial Statements

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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) 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 judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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

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

Opinion

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

(i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2018;

(ii) in the case of the Statement of Profit and Loss, of the loss including other comprehensive income of the Company for the year ended on that date;

(iii) in the case of the Statement of Changes of Equity, of the changes in equity for the year ended on that date and

(iv) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Emphasis of Matter:

Without qualifying, we draw attention regarding excess Managerial Remuneration of ` 22.27 Lakhs paid for the period from September 27, 2015 to September 12, 2016 for which the Company has made necessary application to the Central Government for its approval. The management, as explained, is confident of receiving the same in due course.

Other Matter:

Opening balances have been considered based on the audited financial statements prepared under previous Generally Accepted Accounting Practices (Previous GAAP) issued by the predecessor auditor whose un-qualified audit report dated May 29, 2017 have been furnished to us. The differences arising from transition from previous GAAP to Ind AS have been derived from such audited financial statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
   i. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   ii. 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.
   iii. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
   iv. 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.
   v. As required by Section 143 (3) of the Act with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give in 'Annexure B' a separate report on the same.
   vi. On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
   vii. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      (a) The Company has disclosed the impact of pending litigations on its financial position in the standalone financial statements (Refer Note 37);
      (b) The Company did not have any long-term contracts including derivative contracts for which there are any material foreseeable losses and
      (c) There were no amounts, including unpaid dividend declared in the year 1994-95 of ` 71.15 Lakhs (based on the expert opinion obtained in this regard) which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018.

For BAGARIA and CO. LLP
Chartered Accountants
FRN - 113447W

Vinay Somani
Partner
M. No. 143503

Place : Mumbai
Date : May 30, 2018

"Annexure A"

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

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we state that:

1. a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   b) The Company has carried out physical verification of its fixed assets during the year. In our opinion, the frequency of verification is reasonable considering the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification *except the following :*

      (i) a Flat having net carrying amount of ` 32.09 Lakhs *as on March 31, 2018 which, as explained by the Management, is in the wrongful possession of the family member of an ex- employee for a long time. The Company had already initiated legal proceedings against the said ex- employee and on his demise; the names of his family members were substituted. The Company is pursuing litigation so that the flat can be vacated at the earliest. We are, however, unable to comment as to when the said flat would be released to the Company and on the ultimate realisability of the carrying value thereof.*

      (ii) certain Plant and Equipment having original cost of ` 1,765.70 Lakhs in 1994-95 and no carrying amount as at March 31, 2018 lying with third party which could neither be physically verified nor confirmed in view of dispute with the said party.

   c) Based on the verification and examination of records, title deeds of the immovable properties are in the name of the Company. However, there are certain disputes on the Company's immovable properties which have been summarised below :

Location of the Property	Nature	Carrying Value as at March 31, 2018 ` in Lakhs	Remarks	Reference to Note no. in the accompanying financial statements
Vile Parle- Mumbai	Stock in Trade – Immovable Property	12.43	Title deeds is lying in Escrow account/ Attachment by the excise department and restrainment by Gujarat High Court	39(a)
Vadodara	Property, Plant and Equipment- Land and Building	426.99	Dispute with Gujarat Government regarding unutilised land	2(f)
Guntur	Stock in Trade – Immovable Property	0.00	Part of the land claimed by WAQF Board	39(d)
Flat at Mumbai	Property, Plant and Equipment- Land and Building	32.09	In the wrongful possession of the family member of an ex- employee for a long time	2(d)

2. The inventories of the Company have been physically verified by the management at reasonable intervals during the year. No material discrepancies were noticed on such physical verification.

3. During the year, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Act. Therefore, Para 3 (iii) of the Order is not applicable to the Company.

4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act with respect to the loans given and investments made and security provided.

5. No deposits within the meaning of directives issued by RBI (Reserve Bank of India) and Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder have been accepted by the Company.

6. According to the information and explanations given to us, the maintenance of cost records has not been prescribed by the Central Government under Section 148 (1) of the Act for any of the products manufactured by the Company. Therefore, Para 3 (vi) of the Order is not applicable to the Company.

7. a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues applicable to the Company with the appropriate authorities except delays upto 52 days in payment of Excise Duty and amount involved ` 395.21 Lakhs (being maximum amount) and Goods and Service Tax delays upto 22 days and amount involved ` 606.76 Lakhs (being maximum amount). No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for more than six months from the date they became payable except Excise Duty and interest thereon aggregating to ` 1,515.07 Lakhs and Surcharge on VAT (State of Bihar) ` 16.08 Lakhs (since paid ` 13.35 Lakhs).

   b) According to the records of the Company, there are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute except the following :

NAME OF THE STATUTE	NATURE OF DUES	PERIOD TO WHICH IT RELATES	DISPUTED UNPAID AMOUNT (` IN LAKHS)	FORUM WHERE DISPUTE IS PENDING
The Kerala Value Added Tax Act, 2003	Sales Tax	2008-09 to 2011-12	83.97	Commissioner Sales Tax
The Gujarat Value Added Tax Act, 2003	Sales Tax	2013-14	11.50	Commissioner Sales Tax
The Bihar Tax on Entry of Goods into Local Areas for Consumption, Use or Sale therein Act, 1993	Entry Tax	2003 to 2011	1, 370.40	High Court- Bihar
The Tamilnadu Tax on Entry of Goods into Local Areas Act, 2001	Entry Tax	Various Years	303.59	Supreme Court
The Uttar Pradesh Tax on Entry of Goods into Local Areas Act, 2007	Entry Tax	2006-07 to 2010-11	233.73	High Court/ Appellate Authorities
The Income Tax Act, 1961	Penalty	Assessment Year 1987-88, from 1991-92 to 1992-93 and from 1994-95 to 1995-96	1,62.11	Commissioner of Income Tax-Appeal
The Central Excise Act, 1944	Excise Duty	1979, 1997 and 1998	244.08	Supreme Court of India
		2000,2003 and 2004	79.85	High Courts
		1983,1994,1995,1999, 2002,2003,2007 and 2011	136.00	Customs, Excise, Service Tax Appellate Tribunal
		1979 to 2011	12305.04	Commissioner of Central Excise-Appeal

8. The Company has defaulted in repayment of dues to following Banks and financial institution :

Name of the Banks	Amount of Default in ` (Principal and Interest) ` In Lakhs	Maximum period of Default
Canara Bank	2401.30	Upto 36 months
Allahabad Bank	442.70	Upto 30 months
Syndicate Bank	1217.41	Upto 36 months
State Bank of India (SBI) (State Bank of Bikaner and Jaipur merged with SBI)	960.62	Upto 39 months
Vijaya Bank	858.95	Upto 39 months
Indiabulls Housing Financial Services Limited	1,1260.49	Upto 60 months
Total	**17141.47**	

The Company has not taken any loan from government or debenture holders during the year or in the recent past.

9. During the year, the Company has not raised any money by way of initial public offer or further public offer and term loan. Therefore, Para 3 (ix) of the Order is not applicable to the Company

10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing standards in India and according to the information and explanations given to us, we have neither come across any instance of fraud by officers or employees of the Company, noticed or reported during the year, nor have we been informed of such case by the management.

11. In respect of excess managerial remuneration aggregating to ` 22.27 Lakhs paid for the period from September 27, 2015 to September 12, 2016 for which the Company has made necessary application to the Central Government for its approval. The management, as explained, is confident of receiving the same in due course.

12. In our opinion, the Company is not Nidhi Company. Therefore, Para 3 (xii) of the Order is not applicable to the Company.

13. All transactions with the related parties are in compliance with section 177 and 188 of Act and the details have been disclosed in the Financial Statements (Refer note 40) as required by the applicable accounting standards.

14. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures or in the recent past.

15. The Company has not entered into any non-cash transactions with directors or persons connected with him under section 192 of the Act. Therefore, Para 3 (xv) of the Order is not applicable to the Company.

16. The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Therefore, Para 3 (xvi) of the Order is not applicable to the Company.

For BAGARIA and CO. LLP
Chartered Accountants
FRN - 113447W

Vinay Somani
Partner
M. No. 143503

Place : Mumbai
Date : May 30, 2018

'Annexure B'

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

We have audited the internal financial controls over financial reporting of **Golden Tobacco Limited** ("the Company") as of March 31, 2018 in conjunction with our audit of 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 Act.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has broadly, 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 March 31, 2018 , based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For BAGARIA and CO. LLP
Chartered Accountants
FRN - 113447W

Vinay Somani
Partner
M. No. 143503

Place : Mumbai
Date : May 30, 2018

BALANCE SHEET AS AT MARCH 31, 2018

(` in Lakhs)

Particulars	Notes	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
ASSETS				
(1) NON - CURRENT ASSETS				
(a) Property, Plant and Equipment	2	1,511.04	1,740.29	1,825.74
(b) Intangible Assets under development	3	20.00	-	-
(c) Financial assets				
(i) Investments in subsidiaries	4	247.69	247.69	247.69
(ii) Other Investments	4	1,120.89	1,154.96	531.90
(iii) Other financial assets	5	17,353.65	17,299.52	17,437.24
(d) Income Tax Assets	6	151.51	206.90	1,087.01
(e) Other non-current assets	7	3,192.17	2,455.86	2,417.04
		23,596.95	**23,105.22**	**23,546.62**
TOTAL NON - CURRENT ASSETS				
(2) CURRENT ASSETS				
(a) Inventories	8	3,006.37	6,406.88	6,605.06
(b) Financial assets				
(i) Trade receivables	9	962.18	867.53	892.44
(ii) Cash & Cash equivalents	10	167.06	93.95	46.09
(iii) Other bank balances	11	526.88	136.19	131.17
(iv) Other financial assets	12	10.04	10.51	8.15
(c) Other current assets	13	81.42	2,065.92	240.24
TOTAL CURRENT ASSETS		**4,753.95**	**9,580.98**	**7,923.15**
TOTAL ASSETS		**28,350.90**	**32,686.20**	**31,469.77**
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital	14	1,758.80	1,758.80	1,758.80
Other Equity		(19,406.90)	(18,413.18)	(16,171.94)
TOTAL EQUITY		**(17,648.10)**	**(16,654.38)**	**(14,413.14)**
LIABILITIES				
(1) NON - CURRENT LIABILITIES				
(a) Financial liabilities				
(i) Borrowings	15	-	311.28	942.90
(ii) Other financial Liabilities	16	-	-	662.41
TOTAL NON - CURRENT LIABILITIES		**-**	**311.28**	**1,605.31**
(2) CURRENT LIABILITIES				
(a) Financial liabilities				
(i) Borrowings	17	2,428.33	3,743.26	3,743.26
(ii) Trade Payables	18	3,121.73	3,127.81	2,854.32
(iii) Other financial liabilities	19	36,964.36	38,182.61	34,672.98
(b) Other Current liabilities	20	3,098.07	3,523.61	2,512.86
(c) Provisions	21	386.51	452.01	494.18
TOTAL CURRENT LIABILITIES		**45,999.00**	**49,029.30**	**44,277.60**
TOTAL EQUITY AND LIABILITIES		**28,350.90**	**32,686.20**	**31,469.77**
Significant Accounting Policies	1			

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

For BAGARIA and CO. LLP
Chartered Accountants
FRN - 113447W

Vinay Somani
Partner
M. No. 143503

Place : Mumbai
Date : May 30, 2018

For and on behalf of the Board

A. K. Joshi
Managing Director
DIN : 00379820

Bharat B. Merchant
Director
DIN : 00300384

Manoj Kumar Srivastava
Company Secretary

Pawan Kumar Malsaria
Chief Financial Officer

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2018

Particulars	Note	For the year ended March 31, 2018	(` in Lakhs) For the year ended March 31, 2017
Income			
Revenue from operations	22	7,963.45	3,695.86
Other income	23	1,333.93	1,561.34
Total Income		**9,297.38**	**5,257.20**
EXPENSES			
Cost of materials consumed	24	1,856.94	2,453.32
Manufacturing and Operating Expenses	25	120.96	150.44
Changes in inventories of finished goods, work-in-progress and traded goods	26	2,517.24	52.22
Employee benefits expense	27	859.38	1,170.71
Finance costs	28	2,451.61	2,739.62
Depreciation and amortisation expense	2	74.61	86.58
Other expenses	29	1,773.07	1,575.00
Total Expenses		**9,653.81**	**8,227.89**
Loss for the year		**(356.43)**	**(2,970.69)**
Tax Expense for earlier years	30	448.25	-
		(804.68)	**(2,970.69)**
OTHER COMPREHENSIVE INCOME (OCI)			
Items that will be reclassified subsequently to Profit or loss			
Gain/(loss) on Re-measurement of investment in equity (FVTOCI)		(34.06)	623.05
Items that will not be reclassified subsequently to Profit or loss			
Gain/(loss) on Remeasurement of net defined benefit plans		13.20	106.40
TOTAL OTHER COMPREHENSIVE INCOME		**(20.86)**	**729.45**
TOTAL COMPREHENSIVE INCOME		**(825.54)**	**(2,241.24)**
EARNINGS PER SHARE			
Basic & Diluted Earning Per Share (Face value of Rs. 10 each)	36	(4.57)	(16.89)
Significant Accounting Policies	1		
The accompanying notes are an integral part of the standalone financial statements			

As per our report of even date
For BAGARIA and CO. LLP
Chartered Accountants
FRN - 113447W

Vinay Somani
Partner
M. No. 143503

Place : Mumbai
Date : May 30, 2018

For and on behalf of the Board

A. K. Joshi
Managing Director
DIN : 00379820

Bharat B. Merchant
Director
DIN : 00300384

Manoj Kumar Srivastava
Company Secretary

Pawan Kumar Malsaria
Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH' 2018

(` in Lakhs)

EQUITY SHARE CAPITAL :	Balance as at 1st April, 2016	Changes in equity share capital during the year	Balance as at 31st March' 2017	Balance as at 1st April' 2017	Changes in equity share capital during the year	Balance as at 31st March' 2018
Equity share Capital	1,758.80	-	1,758.80	1,758.80	-	1,758.80

OTHER EQUITY :

Rs. in Lakhs

Particulars	Reserve and Surplus			Other Comprehensive Income		Total
	Securities Premium Reserve on issue of equity shares	Surplus arising on ravaluation of PPE prior to April 1, 2016	Retained earnings	Remeasure-ment of net defined benefit plans	Re-measure-ment of investment in equity	
Balances as at 1st April' 2016	**5,336.21**	**1,217.91**	**(22,726.06)**	**-**	**-**	**(16,171.94)**
Loss for the year	-	-	(2,970.69)	-	-	(2,970.69)
Other Comprehensive Income for the year	-	-	-	106.40	623.05	729.45
Balance as at 31st March' 2017	**5,336.21**	**1,217.91**	**(25,696.75)**	**106.40**	**623.05**	**(18,413.18)**
Balance as at 31st March' 2017	**5,336.21**	**1,217.91**	**(25,696.75)**	**106.40**	**623.05**	**(18,413.18)**
Add :Loss for the year	-	-	(804.68)	-	-	(804.68)
Less : Withdrawn on sale of land	-	(9.47)	-	-	-	(9.47)
Less : Withdrawn on conversion of land into stock in trade	-	(158.71)	-	-	-	(158.71)
Add :Other Comprehensive Income for the year	-	-	-	13.20	(34.06)	(20.87)
Balance as at 31st March' 2018	**5,336.21**	**1,049.73**	**(26,501.43)**	**119.60**	**588.99**	**(19,406.90)**

Significant Accounting Policies **1**

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date
For BAGARIA and CO. LLP
Chartered Accountants
FRN - 113447W

Vinay Somani
Partner
M. No. 143503

Place : Mumbai
Date : May 30, 2018

For and on behalf of the Board

A. K. Joshi
Managing Director
DIN : 00379820

Bharat B. Merchant
Director
DIN : 00300384

Manoj Kumar Srivastava
Company Secretary

Pawan Kumar Malsaria
Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

(` in Lakhs)

	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
A	**Cash flow from Operating Activities:**		
	Net loss as per statement of profit & loss before tax and OCI	(356.43)	(2,970.69)
	Add: Adjustments for :		
	Depreciation & amortisation expenses	74.61	86.58
	Interest Expenses	2,350.00	2,739.62
	Provision for doubtful debts provided for/(written back)	113.92	248.50
	Interest received	(631.31)	(1,396.52)
	Dividend received	(15.27)	(21.62)
	Liabilities no longer payable written back	(213.82)	1.12
	Profit on sale of Property, Plant and Equipment	(170.82)	-
	Operating Profit/(Loss) before Working Capital changes	1,150.88	(1,313.01)
	Adjustments for changes in Working Capital :		
	- Trade Receivables	(1,333.84)	17.90
	- Inventories	3,400.51	198.18
	- Trade and Other Payable	1,521.48	1,356.53
	Cash generated from Operations	4,739.03	259.60
	Income Taxes Refund/(Paid)-net	1,586.24	(32.82)
	Net cash from/(used in) Operating Activities - A	6,325.27	226.78
B	**Cash flow from Investing Activities:**		
	Purchase of Property, Plant and Equipment	(33.89)	(1.13)
	Capital Advance	(25.00)	-
	Sale of Property Plant and Equipment	171.17	-
	Interest received (other than Investment)	631.31	22.45
	Dividend received	15.27	21.62
	Net Cash from/(used in) Investing Activities - B	758.86	42.94
C	**Cash flow from Financing Activities:**		
	Repayment of borrowings- net	(6,713.93)	(0.09)
	Interest paid	(297.10)	(221.78)
	Net cash from/(used in) Financing Activities - C	(7,011.03)	(221.87)
	Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	73.11	47.86
	Opening Cash and Cash Equivalents	93.95	46.09
	Closing Cash and Cash Equivalents	167.06	93.95

As per our report of even date
For BAGARIA and CO. LLP
Chartered Accountants
FRN - 113447W

Vinay Somani
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M. No. 143503

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A. K. Joshi
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Manoj Kumar Srivastava
Company Secretary

Pawan Kumar Malsaria
Chief Financial Officer

Company Overview :

Golden Tobacco Limited ("the Company") is public limited company incorporated and domiciled in India and has registered office at Darjipura, Post - Amaliya Vadodara. It is incorporated under the Companies Act, 1956 Corporate Identification Number is (CIN) L16000GJ1955PLC067605 and its shares are listed on the Bombay Stock Exchange Limited and National Stock Exchange in India. The Company is engaged in the business of manufacturing of Tobacco Products and Real Estate.

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 BASIS OF ACCOUNTING

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under the Companies (Indian Accounting standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendments Rules 2016 prescribed under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014.

The financial statements are prepared and presented on accrual basis and under the historical cost convention, except for the following material items that have been measured at fair value as required by the relevant Ind AS:

- Ø Certain financial assets and liabilities are measured at Fair value (refer accounting policy on financial instruments - Refer note 1.8 below
- Ø Defined Benefit and other Long term Employee Benefits - Refer note 1.9 below

1.2 USE OF ESTIMATES AND JUDGEMENTS

The preparation of the financial statements requires that the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates.

The estimates and judgements used in the preparation of the financial statements are continuously evaluated and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

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

1.3 PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSETS

Property, Plant and Equipment

Certain Land & Buildings and Plant & Equipment were revalued from time to time and are stated at updated book values less depreciation, where applicable. All other items are measured at cost less accumulated depreciation and impairment losses, if any. Costs include freight, import duties, non-refundable purchase taxes and other expenses directly attributable to the acquisition of the asset.

Depreciation/amortisation:

Depreciation on Fixed Assets is provided on written down value method over the useful lives of assets as prescribed under Part C of Schedule II of the Companies Act, 2013 (hereinafter referred to as the 'Act').

Gains/Losses on disposals/de-recognition of property, plant and equipment are determined by comparing proceeds with carrying amount and these are recognized in statement of profit & Loss.

1.4 IMPAIRMENT OF NON FINANCIAL ASSETS

The Company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets are impaired. If any such indication exists, the Company estimates the amount of impairment loss. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

1.5 REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be measured reliably.

Sale of goods:

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have been transferred to the buyer either at the time of dispatch or delivery or when the risk of loss transfers. Export sales are recognized based on the shipped on board date as per bill of lading, which is when substantial risks and rewards of ownership are passed to the customers.

Revenue from sale of goods is net of taxes and recovery of charges collected from customers like transport, packing etc. Provision is made for returns when appropriate. Revenue is measured at the fair value of consideration received or receivable and is net of price discounts, allowance for volume rebates and similar items.

Claims / Refunds not ascertainable with reasonable certainty are accounted for, on final settlement and are recognized as revenue on certainty of receipt on prudent basis.

Rendering of services:

Revenue from sale of services are recognized when the services are rendered.

Other Income

Dividend income on investments is recognised when the right to receive dividend is established.

Interest income is recognized on a time proportionate basis taking into account the amounts invested and the rate of interest. For all financial instruments measured at amortised cost, interest income is recorded using the Effective interest rate method to the net carrying amount of the financial assets.

1.6 INVENTORIES

a) (i) Stock in Trade-Immovable Properties is valued at lower of estimated market value at the time of conversion as per the expert opinion received in the matter and estimated net realisable value.

(ii) Other Inventories are valued at lower of cost and estimated net realisable value. Obsolete, defective and unserviceable stocks are provided for.

b) Cost of Inventories is computed on moving weighted average /FIFO basis.

c) Cost of finished goods, work-in-progress and other materials includes conversion and other costs incurred in bringing the inventories to their present location and condition.

d) Advertisement and Sales promotion materials/items are charged to revenue as and when purchased.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.

Adequate allowance is made for obsolete and slow moving items.

1.7 FINANCIAL INSTRUMENTS

Financial assets - Initial recognition

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

Subsequent measurement

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

(a) the entity's business model for managing the financial assets and

(b) the contractual cash flow characteristics of the financial asset.

(a) Measured at amortised cost:

A financial asset is measured at amortised cost, if it is held under the hold to collect business model i.e. held with an objective of holding the assets to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest on the principal outstanding. Amortised cost is calculated using the effective interest rate ("EIR") method by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, gain or loss, if any, is recognised to Statement of Profit and Loss.

(b) Measured at fair value through other comprehensive income (FVOCI):

A financial asset is measured at FVOCI, if it is held under the hold to collect and sell business model i.e. held with an objective to collect contractual cash flows and selling such financial asset and the contractual cash flows are solely payments of principal and interest on the principal outstanding. It is subsequently measured at fair value with fair value movements recognised in the OCI, except for interest income which recognised using EIR method. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in the OCI is reclassified from the equity to Statement of Profit and Loss.

(c) Measured at fair value through profit or loss (FVTPL):

Investment in financial asset other than equity instrument, not measured at either amortised cost or FVOCI is measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised in the Statement of Profit and Loss.

Equity Instruments:

All investments in equity instruments classified under financial assets are subsequently measured at fair value. Equity instruments which are held for trading are measured at FVTPL.

For all other equity instruments, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument shall be recognised in Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in the OCI. Amounts recognised in Other Comprehensive Income (OCI) are not subsequently transferred to Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised in Statement of Profit and Loss.

Impairment

The Company recognises a loss allowance for Expected Credit Losses (ECL) on financial assets that are measured at amortised cost and at FVOCI. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forward-looking.

The Company's trade receivables or contract revenue receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

Under simplified approach, the Company does not track changes in credit risk. Rather it recognizes impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables.

The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For financial assets other than trade receivables, the Company recognises 12–month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12 months ECL.

The impairment losses and reversals are recognised in Statement of Profit and Loss. For equity instruments and financial assets measured at FVTPL, there is no requirement for impairment testing.

De-recognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial Liabilities

Initial Recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss.

The Company's financial liabilities includes trade and other payables, loans and borrowings including bank overdrafts and derivative instruments.

Subsequent measurement

Financial liabilities measured at amortised cost are subsequently measured at using EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Loans & Borrowings:

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using EIR method. Gains and losses are recognized in profit & loss when the liabilities are derecognized as well as through EIR amortization process.

Financial Guarantee Contracts

Financial guarantee contracts issued by the Company are those contracts that requires a payment to be made or to reimburse the holder for a loss it incurs because the specified debtors fails to make payment when due in accordance with the term of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

Subsequently the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative adjustments.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

1.8 FAIR VALUE MEASUREMENT:

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ü In the principal market for the asset or liability, or
- ü In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- ü Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ü Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- ü Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

1.9 EMPLOYEE BENEFITS

The Company has provides following post-employment plans such as:

(a) Defined benefit plans such a gratuity and

(b) Defined contribution plans such as Provident fund & Superannuation fund

a) Defined-benefit plan:

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of defined benefit obligations at the end of the reporting period less fair value of plan assets. The defined benefit obligations is calculated annually by actuaries through actuarial valuation using the projected unit credit method.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

(a) Service costs comprising current service costs, past-service costs, gains and losses on curtailment and non-routine settlements; and

(b) Net interest expense or income

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in employee benefit expenses in the statement of the profit & loss.

Re-measurement comprising of actuarial gains and losses arising from

(a) Re-measurement of Actuarial(gains)/losses

(b) Return on plan assets, excluding amount recognized in effect of asset ceiling

(c) Re-measurement arising because of change in effect of asset ceiling are recognised in the period in which they occur directly in Other comprehensive income. Re-measurement are not reclassified to profit or loss in subsequent periods.

Ind AS 19 requires the exercise of judgment in relation to various assumptions including future pay rises, inflation and discount rates and employee and pensioner demographics. The Company determines the assumptions in conjunction with its actuaries, and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the income statement, other comprehensive income and balance sheet. There may be also interdependency between some of the assumptions.

b) Defined-contribution plan:

Under defined contribution plans, provident fund, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident fund with the government, superannuation fund and certain state plans like Employees' State Insurance and Employees' Pension Scheme. The Company's payments to the defined contribution plans are recognised as expenses during the period in which the employees perform the services that the payment covers.

c) Other employee benefits:

(a) Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the obligation as at the Balance sheet date determined based on an actuarial valuation.

(b) Undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the period when the employee renders the related services.

d) Expenses incurred towards voluntary retirement scheme are charged to the statement of profit and loss as and when incurred.

e) Other benefits comprising of discretionary long service awards are recognized as and when determined.

1.10 LEASES

A lease is classified at the inception date as a finance lease or an operating lease. Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss

Other leases are treated as operating leases, with payments are recognised as expense in the statement of profit & loss on a straight-line basis over the lease term.

1.11 FOREIGN CURRENCY TRANSACTIONS

a) Initial Recognition

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss of the year.

b) Measurement of Foreign Currency Items at the Balance Sheet Date

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these transactions are charged to the Statement of Profit and Loss.

1.12 TAXES ON INCOME

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

Current tax is based on taxable profit for the year. Taxable profit is different from accounting profit due to temporary differences between accounting and tax treatments, and due to items that are never taxable or tax deductible. Tax provisions are included in current liabilities. Interest and penalties on tax liabilities are provided for in the tax charge. The Company offsets, the current tax assets and liabilities (on a year on year basis) where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis or to realise the assets and liabilities on net basis.

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements. Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax assets are not recognised where it is more likely than not that the assets will not be realised in the future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Minimum Alternative Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

1.13 RESEARCH AND DEVELOPMENT EXPENDITURE

Research costs are expensed as incurred. Product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, further economic benefits are probable, the Company has an intention and ability to complete and use or sell the product and the costs can be measured reliably.

1.14 PROVISIONS AND CONTINGENCIES

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

1.15 CASH AND CASH EQUIVALENTS

Cash and Cash equivalents include cash and Cheque in hand, bank balances, demand deposits with banks and other short-term highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value where original maturity is three months or less.

1.16 CASH FLOW STATEMENT

Cash flows are reported using the indirect method where by the profit before tax is adjusted for the effect of the transactions of a non-cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

1.17 BORROWING COST

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of Cost of that assets, during the period till all the activities necessary to prepare the Qualifying assets for its intended use or sale are complete during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

1.18 EARNINGS PER SHARE

Basic EPS is arrived at based on net profit after tax available to equity shareholders to the weighted average number of equity shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless impact is anti-dilutive.

1.19 SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker (CODM).The Company has identified its Managing Director as CODM which assesses the operational performance and position of the Company and makes strategic decisions.

Recent Accounting pronouncements

IND AS 115 - Revenue from Contracts with Customers

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers effective from April 1, 2018. The core principle of the new standard is that an entity should recognize revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service (ie an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

Control of an asset refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, the asset. Control includes the ability to prevent other entities from directing the use of, and obtaining the benefits from, an asset.

Ind AS 21, Foreign currency transactions and advance consideration:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 effective from April 1, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The standard is applicable from 1st April 2018 i.e. Financial Year 2018-19 and there is no impact on the financial statements

2 Property, Plant and Equipment (PPE) ` in Lakhs

	Freehold Land and Buildings	Plant and Equipment	Computers	Vehicles	Office Equipment	Total
Gross carrying amount						
Balance as at 1st April 2016	**1,649.76**	**171.02**	**2.41**	**2.05**	**0.50**	**1,825.74**
Additions	-	-	1.13	-	-	1.13
Deductions/ Adjustment	-	-	-	-	-	-
Balance as at 31st March 2017	**1,649.76**	**171.02**	**3.54**	**2.05**	**0.50**	**1,826.87**
Accumulated Depreciation						
Balance as at 1st April 2016	**-**	**-**	**-**	**-**	**-**	**-**
Additions	44.19	39.34	1.91	0.64	0.50	86.58
Deductions/ Adjustment	-	-	-	-	-	-
Balance as at 31st March 2017	**44.19**	**39.34**	**1.91**	**0.64**	**0.50**	**86.58**
Net carrying amount as at 1st April 2016	**1,649.76**	**171.02**	**2.41**	**2.05**	**0.50**	**1,825.74**
Net carrying amount as at 31st March 2017	**1,605.57**	**131.67**	**1.63**	**1.41**	**-**	**1,740.29**
Gross carrying amount						
Balance as at 31st March 2017	**1,649.76**	**171.02**	**3.54**	**2.05**	**0.50**	**1,826.87**
Additions	-	12.61	1.28	-	-	13.89
Deductions	9.78	-	-	-	-	9.78
Adjustment (Refer Note 39(d))	158.76	-	-	-	-	158.76
Balance as at 31st March 2018	**1,481.23**	**183.63**	**4.82**	**2.05**	**0.50**	**1,672.23**
Accumulated Depreciation						
Balance as at 31st March 2017	**44.19**	**39.34**	**1.91**	**0.64**	**0.50**	**86.58**
Additions	40.13	32.20	1.84	0.44	-	74.61
Deductions/ Adjustment	-	-	-	-	-	-
Balance as at 31st March 2018	**84.31**	**71.55**	**3.75**	**1.08**	**0.50**	**161.19**
Net carrying amount as at 31st March 2017	**1,605.57**	**131.67**	**1.63**	**1.41**	**-**	**1,740.29**
Net carrying amount as at 31st March 2018	**1,396.91**	**112.08**	**1.07**	**0.97**	**-**	**1,511.04**

NOTES:

(a) Gross value of Land and Building includes a sum of ` 25.30 Lakhs (as at March 31, 2017 ` 25.30 Lakhs; as at April 1, 2016 ` 25.30 Lakhs) being the cost of Land/Premises on ownership basis acquired in terms of agreement to purchase.

(b) Gross value of Land and Building includes a sum of ` 0.00 Lakhs (as at March 31, 2017 ` 0.00 Lakhs; as at April 1, 2016 ` 0.00 Lakhs) being the cost of shares in Co-operative Societies.

(c) Bifurcation of the Book value of Land and Building is not possible in view of the non-availability of separate value of certain Land and Building.

(d) Land and Building includes a Flat of having Net carrying value of ` 32.09 Lakhs (as at March 31, 2017 ` 33.73 Lakhs; as at April 1, 2016 ` 35.45 Lakhs) is in the possession of a legal heir of an Ex-Employee.

(e) Plant and Equipment includes having original cost of ` 1,765.70 Lakhs in 1994-95 and no carrying amount as at March 31, 2018 lying with third party which could neither be physically verified nor confirmed in view of dispute with the said party.

(f) Land and Building includes a freehold land of ` 426.99 Lakhs (as at March 31, 2017 ` 426.99 Lakhs; as at April 1, 2016 ` 426.99 Lakhs) at Baroda, in respect of which the Company has received order of the local collector to handover unutilised land admeasuring 1,00,000 sq m out of total area 1,98,000 sq m.to the Gujarat Government. However, the Company has challenged the said order before chief secretary of revenue of Gujarat and got the order to maintain the status quo.

(g) Land and Building includes land of ` Nil (as at March 31, 2017 ` 128.53 Lakhs; as at April 1, 2016 ` 128.53 Lakhs) at Guntur which has been charged in favor of consortium Bankers.The Company has received a Show Cause Notice dated 28.06.2017 from WAQF Board, Vijayawada, Andhra Pradesh, claiming 11.57 acres out of total 14.29 acres Company's land situated at Guntur. The Company, however has challenged the same before the Division bench of Hon'ble Hyderabad High Court which is pending. However, based on legal advice and favourable orders in similar cases, the Company is expecting favourable order.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

3 Intangible Assets under development **(` in Lakhs)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Computer Software	20.00	-	-
	20.00	**-**	**-**

4 NON CURRENT INVESTMENTS

	Numbers			` in Lakhs		
	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
EQUITY SHARES FULLY PAID UP In Subsidiaries (Unquoted-at cost)						
Golden Realty & Infrastructure Limited	50000	50000	50000	5.00	5.00	5.00
Golden Investment (Sikkim) Private Limited#	5998	5998	5998	0.60	0.60	0.60
Western Express Industries Limited (Refer Note No. 5.1)	7500000	7500000	7500000	231.20	231.20	231.20
Raigadh Papers Limited (at FVTOCI)	10000	10000	10000	0.00	0.00	0.00
GTC Inc., B.V.	40	40	40	10.89	10.89	10.89
				247.69	**247.69**	**247.69**
Other Invetsments (FVTOCI)						
Quoted						
GHCL Limited	416578	416578	416578	1,080.19	1,107.89	479.48
ITC Limited	11520	11520	7680	29.48	32.31	37.81
Godfrey Phillips India Limited	1140	1140	1140	9.36	12.92	13.55
VST Industries Limited	64	64	64	1.87	1.84	1.06
				1,120.89	**1,154.96**	**531.90**
Unquoted						
In Other Body Corporates						
General Exports & Credit Limited	158400	158400	158400	0.00	0.00	0.00
Bharat Explosive Limited	1050000	1050000	1050000	0.00	0.00	0.00
World Growth Fund Limited *	10000	10000	10000	0.00	0.00	0.00
WGF Financial Services Limited	200000	200000	200000	0.00	0.00	0.00
Filter and Filteraids Limited#	1800	1800	1800	0.00	0.00	0.00
J K Cigarettes Limited#	20000	20000	20000	0.00	0.00	0.00
Total				**1,368.59**	**1,402.65**	**779.60**
Aggregate value of Quoted investments (cost)				495.93	495.93	495.93
Aggregate carrying value of Unquoted investments				**247.69**	**247.69**	**247.69**

#shares lying with the Income Tax Department
*share certificate are yet to be received

5 NON CURRENT-OTHER FINANCIAL ASSETS **(` in Lakhs)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
(Unsecured, Considered good unless otherwise stated)			
Advance to Subsidiaries (refer note no. 5.1 and 5.2 below)	17,239.26	17,233.31	17,367.73
Security Deposits	114.39	66.21	69.51
Advances considered Doubtful	606.72	570.14	383.48
Less: Provision for doubtful advances	606.72	570.14	383.48
	-	-	-
Total	17,353.65	17,299.52	17,437.24

5.1 The Company has given an advance of **` 846.16 Lakhs** (as at March 31, 2017 ` 843.53 Lakhs; as at April 1, 2016 ` 843.53 Lakhs) to and made an investment of ` 231.20 Lakhs (as at March 31, 2017 ` 231.20 Lakhs ; as at April 1, 2016 ` 231.20 Lakhs) in Western Express Industries Limited (WEIL), a wholly owned subsidiary Company, which has accumulated losses far in excess of its paid up capital and reserves & surplus. As explained, the management is hopeful of recovering / realising the same in due course of time in view of expected revival of activities / developments in the said subsidiary.
Further, as a nominee of the Company, WEIL had acquired 100% ownership of Raigadh Papers Limited (RPL) for a consideration of ` 120 Lakhs in the year 2007. RPL is having extensive land at Raigadh, whose value, based on an independent valuer's opinion exceeds the aggregate amount of advance given/investment made. The acquisition of ownership of RPL has strengthened the asset base of WEIL significantly and has provided adequate financial coverage to the aforesaid advance and investment by the Company in WEIL. In view of what is stated above, no provisioning has been considered necessary.

5.2 Refer Note no. 39(c) regarding advances to a subsidiary of **` 16,393.10 Lakhs** (as at March 31, 2017 ` 16,389.78 Lakhs; as at April 1, 2016 ` 16,484.78 Lakhs) towards realty activity.

6 INCOME TAX ASSETS **(` in Lakhs)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Payment of Tax (Net of Provision of ` Nil; as at March 31, 2017 ` 563.01 Lakhs; as at April 1, 2016 ` 3,273.11 Lakhs)	151.51	206.90	1,087.01
Total	**151.51**	206.90	1,087.01

7 OTHER NON CURRENT ASSETS **(` in Lakhs)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Balances with Excise/Sales tax authorities	2,624.78	2,113.80	2,088.05
Advances recovarable in cash or in kind or for value to be received	307.39	342.06	328.99
Advance towards market research	235.00	-	-
Capital Advance	25.00	-	-
Total	**3,192.17**	2,455.86	2,417.04

8 INVENTORIES* **(` in Lakhs)**

(Cost or Net realisable value whichever is lower)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Raw Materials	906.24	924.31	1,382.79
Packing Materials	403.56	399.18	430.08
Work-in-progress	260.72	265.01	292.37
Finished Goods (Refer Note.8.1)	105.17	995.92	675.94
Stores, Spare parts and consumables	299.81	300.47	301.89
Stock in Trade (Immovable Properties) - (Refer Note 39(d) and 42(e))	1,030.87	3,521.99	3,521.99
Total	**3,006.37**	**6,406.88**	**6,605.06**

*Refer Note 42

8.1 The Company has provided excise duty of ` Nil (as at March 31, 2017 ` 813.54 lakhs: as at April 1, 2016 ` 429.82 lakhs) on the goods lying in the bonded premises as on the balance sheet date and included the same in the inventory valuation of finished goods.

9 TRADE RECEIVABLES **(` in Lakhs)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Secured, considered good#	20.84	20.84	20.84
Unsecured, considered good	941.34	846.69	871.60
Unsecured, considered doubtful	576.11	498.76	397.50
	1,538.29	1,366.29	1,289.94
Less: Provision for doubtful trade receivables	576.11	498.76	397.50
Total	**962.18**	867.53	892.44

#secured against the Plant and Equipment in the Company's possession
*Refer Note 42

10 CASH AND CASH EQUIVALENTS **(` in Lakhs)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Balance with banks in current accounts	152.91	83.94	38.28
Cash on hand	14.16	10.01	7.81
Total	**167.06**	93.95	46.09

11 OTHER BANK BALANCES **(` in Lakhs)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Fixed Deposit with Banks (Earmarked)*	192.78	136.19	131.17
Balances in Escrow accounts for One Time Settlement (OTS) with the banks	334.10	-	-
Total	**526.88**	136.19	131.17

*pledged with banks against Guarantees and Credit facilities and with Government authorities for VAT/Entry Tax registration

12 CURRENT - OTHER FINANCIAL ASSETS **(` in Lakhs)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Interest accrued but not due on fixed deposits*	10.04	10.51	8.15
Total	**10.04**	**10.51**	**8.15**

*pledged with banks against Guarantees and Credit facilities and with Government authorities for VAT/Entry Tax registration

13 OTHER CURRENT ASSETS **(` in Lakhs)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Balances with Excise authorities	-	11.42	20.08
Export Incentive receivable	0.19	2.15	-
Income Tax receivable including interest receivable thereon	-	1,979.10	-
Advances to suppliers and Others	75.19	68.18	212.38
Prepaid Expenses	6.04	5.07	7.78
Total	**81.42**	**2,065.92**	**240.24**

14 EQUITY SHARE CAPITAL **(` in Lakhs)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
AUTHORISED			
25000000 Equity Shares of ` 10 each	2,500.00	2,500.00	2,500.00
1000000 Preference Shares of ` 100 each	1,000.00	1,000.00	1,000.00
	3,500.00	3,500.00	3,500.00
ISSUED			
17608802 Nos. Equity Shares of ` 10 each	**1,760.88**	**1,760.88**	**1,760.88**
SUBSCRIBED AND PAID UP			
17598016 Nos. Equity Shares of Rs. 10 each	1,759.80	1,759.80	1,759.80
Less : Allotment/Call money unpaid - other than Directors	1.00	1.00	1.00
TOTAL SHARE CAPITAL	1,758.80	1,758.80	1,758.80

The reconciliation of the number of equity shares outstanding

	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	Numbers	` in Lakhs	Numbers	` in Lakhs	Numbers	` in Lakhs
Equity Shares at the beginning of the year	17,608,802	1,760.88	17,608,802	1,760.88	17,608,802	1,760.88
Equity Shares at the end of the year	17,608,802	1,760.88	17,608,802	1,760.88	17,608,802	1,760.88

Terms/rights attached to Equity shares :

The Company has only one class of issued Equity Shares having a par value of ` 10 per share. Each Shareholder is eligible for one vote per share held.

The Dividend proposed by the Board of Directors if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend. In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

The details of Shareholders holding more than 5% shares:

Name of the Shareholders	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	No. of Equity Shares	% of Holding	No. of Equity Shares	% of Holding	No. of Equity Shares	% of Holding
J. P. Financial Services Pvt Ltd	-	-	8,550	0.00	1,090,000	6.19%
WGF Financial Services Ltd	959,232	5.45	959,232	5.45	159,232	0.90%

In the Period of five years immediately preceding March, 2018:

The Company has not allotted any equity shares as fully paid up without payment being received in cash or as Bonus Shares or Bought back any equity shares.

15 BORROWINGS- NON CURRENT **(` in Lakhs)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
SECURED			
Term Loans from Body Corporates	-	61.28	692.90
UNSECURED			
From Body Corporate (Interest free)	-	250.00	250.00
TOTAL	**-**	311.28	942.90

16 OTHER FINANCIAL LIABILITIES **(` in Lakhs)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Other Liabilities	-	-	662.41
TOTAL	**-**	**-**	662.41

17 BORROWINGS-CURRENT **(` in Lakhs)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
SECURED			
Working Capital Loans:			
From Banks (Overdue Cash Credit Accounts)	2,428.33	3,743.26	3,743.26
TOTAL	**2,428.33**	**3,743.26**	**3,743.26**

18 TRADE PAYABLES **(` in Lakhs)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Micro, Small and Medium Enterprises*	-	-	-
Others	3,121.73	3,127.81	2,854.32
TOTAL	**3,121.73**	3,127.81	2,854.32

*There are no Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

19 OTHER FINANCIALS LIABILITIES **(` in Lakhs)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Current maturities of long term debt - Bank	-	-	-
- Others	-	685.36	204.02
Interest accrued and due on borrowings : Bank	2,672.21	1,651.73	680.01
: Others	6,808.78	5,776.36	4,312.28
Interest accrued but not due	-	-	97.04
Overdue borrowings : Bank	780.44	780.44	780.53
: Others	4,451.71	8,854.07	8,703.78
Security deposits (Refer note 39(b))	1,511.54	1,368.20	1,280.39
Due to a subsidiary company	31.04	31.04	31.04
Unpaid Dividends	71.15	71.15	71.15
Advance Received Towards Property Development- Vile Parle, Mumbai (Refer Note 39(a))	13,200.00	13,200.00	13,200.00
Advance Received Towards Project Development- Vile Parle, Mumbai (Refer Note 39(a))	4,075.00	4,075.00	4,075.00
Advance Received Towards Project Development- Guntur (Refer Note 39(d))	1,875.00	-	-
Book Overdraft in Current Account with a Bank	-	108.01	178.63
Due to Employees	554.67	454.17	365.48
Other Payables	932.82	1,127.08	693.63
Total	36,964.36	38,182.61	34,672.98

20 OTHER CURRENT LIABILITIES **(` in Lakhs)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Statutory dues payable	1,268.11	994.92	528.38
Undisputed Excise dues payable including Interest (Refer note 37(b)(ii))	1,368.42	1,277.57	1,186.72
Excise duty accrued but not due on finished goods	-	813.54	429.82
Unearned Income- Rent received in advance	8.10	-	-
Advances from customers	453.45	437.58	367.94
Total	**3,098.07**	3,523.61	2,512.86

21 PROVISIONS **(` in Lakhs)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Provision for employee benefits:			
Compensated Absences	121.48	126.40	104.49
Gratuity (Refer note 34)	265.03	325.60	389.69
Total	**386.51**	452.01	494.18

22 **REVENUE FROM OPERATIONS** **(` in Lakhs)**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Sale of Manufactured goods -Ciggarette	9,512.70	8,993.92
Less : Excise Duty	1,104.30	5,318.00
Less : Goods and Service Tax	5,664.61	-
Sale of real estate*	5,201.00	-
	7,944.79	3,675.92
Other Operating Income :		
Sale of Scrap	17.24	12.31
Export Incentives	1.42	7.63
Total	7,963.45	3,695.86

*represents ` 5201 lakhs being sale consideration in respect of Company's Marol land situated in Mumbai had (included in stock in trade having carrying value of ` 2491.16 lakhs) e-auctioned by the secured lender

23 **OTHER INCOME** **(` in Lakhs)**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest Income on fixed deposit and others	22.65	22.45
Interest Income on Income tax refund	608.66	1,374.07
Dividend income on FVTOCI	15.27	21.62
Liabilities no longer payable written back*	213.82	1.12
Provision for doubtful debts written back	-	1.30
Rental Income	299.91	140.74
Profit on sale of Property, Plant and Equipment (fixed assets)	170.82	-
Miscellaneous Income	2.80	0.04
Total	**1,333.93**	**1,561.34**

*includes ` 169.94 Lakhs (Previous Year ` Nil) being liability no longer required written back on settlement with the workers Union at Vadodara.

24 **COST OF MATERIALS CONSUMED** **(` in Lakhs)**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Raw materials consumed	1,273.07	1,758.41
Packing materials consumed	583.87	694.91
Total	1,856.94	2,453.32

25 **MANUFACTURING AND OPERATING EXPENSES** **(` in Lakhs)**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Consumption of stores, spare parts and consumbales	30.26	41.23
Repairs to Plant and Equipment	8.99	12.08
Power and fuel	81.71	97.13
Total	120.96	150.44

26 **CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS** **(` in Lakhs)**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Opening Stock:		
Finished Goods	995.92	675.94
Work in Progress	265.01	292.37
Stock in Trade(Immovable Property)	3,521.99	3,521.99
Total	**4,782.92**	**4,490.30**
Closing Stock		
Finished Goods	105.17	995.92
Work in Progress	260.72	265.01
Stock in Trade (immovable Property)	1,030.87	3,521.99
Total	**1,396.76**	**4,782.92**
Add / (Less):- Variation in excise duty on opening and closing stock of finished goods	(868.96)	344.84
Less : Immovable Property converted into stock in Trade	0.04	-
Total	**2,517.24**	**52.22**

27 **EMPLOYEE BENEFITS EXPENSE** **(` in Lakhs)**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries and wages	717.00	1,013.45
Contributions to provident and other funds	54.70	65.22
Staff welfare expenses	87.68	92.04
Total	859.38	1,170.71

28 **FINANCE COSTS** **(` in Lakhs)**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest Expenses	2,074.06	2,514.76
Interest on Statutory dues	275.94	136.43
Interest paid to others	7.49	6.41
Impact of Fair valuation of financial liabilities	94.12	82.02
Total	**2,451.61**	**2,739.62**

29 **OTHER EXPENSES** **(` in Lakhs)**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Rent	66.05	59.97
Repairs & Maintenance - building	186.41	46.50
Repair-others	18.18	17.66
Insurance	11.66	11.47
Rates and Taxes	18.17	142.23
Travelling & Conveyance Expenses	148.05	163.93
Legal & Professional charges	738.35	389.04
Directors sitting Fees	4.20	3.72
Loss on Variation in Foreign Exchange Rates (Net)	5.00	3.43
Selling and Distribution Expenses	117.22	146.33
Provision for Doubtful Debts/Advances	113.92	249.80
Commission expenses	8.06	0.95
Communication expenses	13.46	16.35
Auditors' Remuneration (Refer Note 45)	16.33	18.65
Bank Charges	3.71	5.36
Printing and stationery	16.99	15.10
Miscellaneous Expenses	287.31	284.51
Total	**1,773.07**	**1,575.00**

30 INCOME TAXES **(` in Lakhs)**

Tax expense recognised in the statement of Profit and Loss:	**2017-18**	**2016-17**
Current tax- for earlier years	448.25	-
Deferred Tax	-	-
Total Tax Expense	**448.25**	**-**

In view of the losses, the Company has not recognised tax expense for current year as well as for previous year except tax expense pertaining to earlier years. Hence reconciliation of the income tax amount between the enacted income tax rate and the effective income tax has not been given.

The movement in deferred tax assets and liabilities during the year ended March 31, 2017 and March 31, 2018:

` in Lakhs

Particulars	As at 1st April, 2016	(Credit)/ charge for the year	As at 31st March, 2017	(Credit)/ charge for the year	As at 31st March, 2018
Deferred tax assets					
Expenses allowable on payment basis and others	1,425.07	389.36	1,814.43	(345.18)	2,159.61
Provision for Doubtful debts	201.10	74.14	275.24	(29.33)	304.58
Unabsorbed losses and depreciation	5,888.20	(1,010.54)	4,877.67	568.56	4,309.11
	7,514.37	(547.03)	6,967.34	194.05	6,773.29
Deferred Tax Liability					
Differences in written down value of Property, Plant and Equipment	298.03	0.03	298.01	42.91	255.10
	7,216.34	(547.01)	6,669.33	151.14	6,518.19
Less : Deferred Tax Asset not recognised	7,216.34	(547.01)	6,669.33	151.14	6,518.19
Total	**-**	**-**	**-**	**-**	**-**

31 FINANCIAL INSTRUMENTS

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The carrying amounts and fair values of financial instruments by category are as follows:

a. Financial assets

` in Lakhs

	Note	Instruments carried at fair value		Instruments carried at amortized cost Carrying amount	Total carrying amount	Total fair value	
		At Cost	FVTOCI				
As at 1st April, 2016							
Investment in subsidiaries	4	247.69	-	-	247.69	247.69	
Other investments	4	-	531.90	-	531.90	531.90	Level 1
Trade receivables	9	-	-	892.44	892.44	892.44	
Cash & cash equivalents	10	-	-	46.09	46.09	46.09	
Other bank balances	11	-	-	131.17	131.17	131.17	
Other financial assets	5, 12	-	-	17,445.39	17,445.39	17,445.39	
Total		247.69	531.90	18,515.09	19,294.68	19,294.68	
As at 31st March, 2017							
Investment in subsidiaries	4	247.69	-	-	247.69	247.69	
Other investments	4	-	1,154.96	-	1,154.96	1,154.96	Level 1
Trade receivables	9	-	-	867.53	867.53	867.53	
Cash & cash equivalents	10	-	-	93.95	93.95	93.95	
Other bank balances	11	-	-	136.19	136.19	136.19	
Other financial assets	5, 12	-	-	17,310.03	17,310.03	17,310.03	
Total		247.69	1,154.96	18,407.70	19,810.35	19,810.35	
As at 31st March, 2018							
Investment in subsidiaries	4	247.69	-	-	247.69	247.69	
Other investments	4	-	1,120.89	-	1,120.89	1,120.89	Level 1
Trade receivables	9	-	-	962.18	962.18	962.18	
Cash & cash equivalents	10	-	-	167.06	167.06	167.06	
Other bank balances	11	-	-	526.88	526.88	526.88	
Other financial assets	5, 12	-	-	17,363.70	17,363.70	17,363.70	
Total		**247.69**	**1,120.89**	**19,019.82**	**20,388.40**	**20,388.40**	

b. Financial liabilities ` in Lakhs

	Note	Instruments carried at fair value		Instruments carried at amortized cost		
		FVTPL	Total carrying amount and fair value	Carrying amount	Total carrying amount	Fair value
As at 1st April, 2016						
Borrowings	15,17	-	-	4,686.16	4,686.16	4,686.16
Trade payables	18	-	-	2,854.32	2,854.32	2,854.32
Other financial liabilities	16,19	556.00	-	34,779.39	35,335.39	35,335.39
Total		556.00	-	42,319.87	42,875.87	42,875.87
As at 31st March, 2017						
Borrowings	15,17	-	-	4,054.54	4,054.54	4,054.54
Trade payables	18	-	-	3,127.81	3,127.81	3,127.81
Other financial liabilities	16,19	683.03	-	37,499.58	38,182.61	38,182.61
Total		683.03	-	44,681.93	45,364.96	45,364.96
As at 31st March, 2018						
Borrowings	15,17	-	-	2,428.33	2,428.33	2,428.33
Trade payables	18	-	-	3,121.73	3,121.73	3,121.73
Other financial liabilities	16,19	732.15	-	36,232.21	36,964.36	36,964.36
Total		**732.15**	**-**	**41,782.28**	**42,514.43**	**42,514.43**

32 RISK MANAGEMENT

Financial risk management objectives and policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's activity expose it to market risk, liquidity risk, commodity risk and credit risk. The Company's financial risk management policy is set by the Managing Director and governed by overall direction of Board of Directors of the Company.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits , foreign currency receivables, payables and loans and borrowings.

S. No.	Risk	Exposure arising from	Measurement	Management
A	Credit risk	Cash and cash equivalents and trade receivables.	Ageing analysis Credit ratings	Credit limits and letters of credit and Performance guarantees, taking security Deposits.
B	Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities and monetization of the remaining unsold land in near future.
C	Market risk – interest rate	Short Term borrowings at variable rates	Sensitivity analysis Cash	Repayment through receivables
D	Market risk – foreign exchange	Future commercial transactions recognised financial assets and liabilities not denominated in INR.	flow forecasting Sensitivity analysis	The Company monitors the exchange rates and accordingly placed the orders,
E	Commodity risk	Purchase of Raw Material and packing materials	Production plans and lead time	Procurement and inventory strategy

A. CREDIT RISK

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assess financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business

ii) Actual or expected significant changes in the operating results of the counterparty

iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations

iv) Significant increase in credit risk on other financial instruments of the same counterparty

The company catogarises financial assets based on the assumptions, inputs and factors specific to the class of financial assets into High-quality assets, negligible credit risk; Quality assets, low credit risk; Standard assets, moderate credit risk; Substandard assets, relatively high credit risk; Low quality assets, very high credit risk; Doubtful assets, credit-impaired.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than one year past due. Where loans or receivables have been written off, the Company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

a. Expected credit loss for trade receivables under simplified approach **(` in Lakhs)**

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Due from the date of invoice			
0-6 months	844.20	813.74	747.10
more than 6 months	694.10	552.55	542.84
Total	1,538.29	1,366.29	1,289.94

b. Reconciliation of loss allowance provision - Trade receivables **(` in Lakhs)**

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Opening provision	498.76	397.50	397.50
Additional provision made- net	77.35	101.26	-
Closing provisions	576.11	498.76	397.50

LIQUIDITY RISK

B. Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.The Company also expects monetization of the remaining unsold land in near future which shall further strengthen the cash flow of the Company.

Financing arrangements **(` in Lakhs)**

The Company had access to following undrawn Borrowing facilities at end of reporting period:

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Variable Borrowing -Cash Credit expires within 1 year	Nil	Nil	Nil

Contractual maturity patterns of borrowings **(` in Lakhs)**

	As at 31st March'18		
	0-1 years	1-5 years	Total
Long term borrowings (Including current maturity of long tern debt and overdue)	5,232.15	-	-
Short term borrowings	2,428.33	-	-
Total	**7,660.48**	**-**	**-**

	As at 31st March'17		
	0-1 years	1-5 years	Total
Long term borrowings (Including current maturity of long tern debt and overdue)	10,319.86	311.28	10,631.14
Short term borrowings	3,743.26	-	3,743.26
Total	14,063.12	311.28	14,374.40

	As at 1st April'16		
	0-1 years	1-5 years	Total
Long term borrowings (Including current maturity of long tern debt and overdue)	10,368.34	942.90	11,311.24
Short term borrowings	3,743.26	-	3,743.26
Total	**14,111.60**	**942.90**	**15,054.50**

Maturity patterns of Financial Liabilities **(` in Lakhs)**

	As at 31st March 2018 0-12 Months	As at 31st March 2017 0-12 Months	As at 1st April 2016 0-12 Months
Trade Payable	3,121.73	3,127.81	2,854.32
Other Financial liabilities	36,964.36	38,182.61	35,335.39
Total	**40,086.09**	**41,310.42**	**38,189.71**

C. MARKET RISK- INTEREST RATE RISK

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Exposure to interest rate risk **(` in Lakhs)**

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Borrowings bearing fixed rate of interest	4,451.71	9,600.70	9,600.70
Borrowings bearing variable rate of interest	3,208.78	4,523.70	4,727.81

Interest rate sensitivity

A change of 50 bps in interest rates would have following Impact on profit before tax **(` in Lakhs)**

	2017-18	2016-17
50 bp increase- decrease in profits	19.33	23.13
50 bp decrease- Increase in profits	19.33	23.13

D. MARKET RISK- FOREIGN CURRENCY RISK.

The Company is exposed to foreign exchange risk mainly through its export sales.

Foreign Currency Exposure

Name of the Instrument	2017-18		2016-17	
	In USD	` In Lakhs	In USD	` In Lakhs
Open Foreign Exchange Exposures - Receivable	**16,349**	**10.63**	6,099	3.95
Open Foreign Exchange Exposures - Payable	**370,649**	**241.09**	485,249	314.63

Foreign Currency Risk Sensitivity

A change of 1% in Foreign currency would have following Impact on loss for the year:

` In Lakhs

	2017-18		2016-17	
Particulars	1% Increase	1% decrease	1% Increase	1% decrease
USD	**23**	**(23)**	31.75	(31.75)
Increase / (decrease) in profit or loss	**23**	**(23)**	31.75	(31.75)

Derivative financial instruments

The Company has not entered into any derivative financial instruments during the current year and previous year.

E. COMMODITY RISK

Principal Raw Material for Company's products is variety of Tobacco (a product prepared from the leaves of the tobacco plant by curing them) which are procured from the Tobacco Board on auction basis once in year and partly is from local traders. The Company sources its most of the raw material requirement from Andhra Pradesh where the agriculture of tobacco leaf is cultivated. The prices of the tobacco may fluctuate depending upon the monsoon in the season.The Company effectively manages deals with availability of material as well as price volatility through:

1. Widening its sourcing base
2. Appropriate contracts and commitments
3. Well planned procurement & inventory strategy

33 CAPITAL RISK MANAGEMENT

Presently, the Company has overdue borrowings and in the process of settlement with the lenders as refer in note no 42(d) by monetization of the remaining unsold real estate in near future.Due to stressed financial position, the Company has already breached the financial covenants.

34 DISCLOSURE PURSUANT TO IND AS - 19 "EMPLOYEE BENEFITS"

i) Gratuity:

In accordance with the applicable laws, the Company provides for gratuity, a defined benefit retirement plan ("The Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date.

The disclosure in respect of the defined Gratuity Plan are given below:

Rs. in Lakhs

A. Balance Sheet

	Defined benefit plans		
	As at 31st March 2018	**As at 31st March 2017**	**As at 1st April 2016**
Present value of plan liabilities	**265.03**	325.60	389.69
Fair value of plan assets	-	-	-
Asset/(Liability) recognised	**(265.03)**	(325.60)	(389.69)

B.

Movements in plan assets and plan liabilities	**Present value of obligations**	**Fair Value of Plan assets**
As at 1st April 2017	325.60	-
Current service cost	10.85	-
Past service cost	-	-
Interest Cost/(Income)	23.51	-
Return on plan assets excluding amounts included in net finance income/cost	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	(3.81)	-
Actuarial (gain)/loss arising from experience adjustments	(9.38)	-
Employer contributions	-	-
Benefit payments	(81.74)	-
As at 31st March 2018	**265.03**	**-**
	Present value of obligations	**Fair Value of Plan assets**
As at 1st April 2016	389.69	-
Current service cost	13.10	-
Past service cost	-	-
Interest Cost/(Income)	30.39	-
Return on plan assets excluding amounts included in net finance income/cost	-	-
Actuarial (gain)/loss arising from changes in demographic assumptions	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	5.03	-
Actuarial (gain)/loss arising from experience adjustments	(111.43)	-
Employer contributions	-	-
Benefit payments	(1.18)	-
As at 31st March 2017	**325.60**	**-**

The liabilities are split between different categories of plan participants as follows:
• active members - 196 (2016-17: 238)

C.

Statement of Profit and Loss	**2017-18**	**2016-17**
Employee Benefit Expenses:		
Current service cost	10.85	13.10
Interest cost/(income)	23.51	30.39
Total amount recognised in Statement of profit & loss	**34.36**	**43.49**
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in net finance income/(cost)	**-**	**-**
Experience gains/(losses)	13.20	106.40
Total amount recognised in Other Comprehensive Income	**13.20**	106.40

D. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.
The significant actuarial assumptions were as follows:

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Financial Assumptions			
Discount rate	7.71%	7.22%	7.80%
Expected Rate of Return on plan assets	N.A.	N.A.	N.A.
Salary Escalation Rate	5.00%	5.00%	5.00%
Attrition Rate	2.00%	2.00%	2.00%

Demographic Assumptions

Mortality in Service : Indian Assured Lives Mortality (2006-08)

E. Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

Impact on defined benefit obligation	As at 31st March, 2018		
	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	+/(-)1%	(7.15)	8.03
Salary Escalation Rate	+/(-)1%	8.17	(7.39)
Attrition Rate	+/(-)1%	1.42	(1.58)

Impact on defined benefit obligation	As at 31st March, 2017		
	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	+/(-)1%	(8.49)	9.47
Salary Escalation Rate	+/(-)1%	9.58	(8.74)
Attrition Rate	+/(-)1%	1.21	(1.35)

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

F. The defined benefit obligations shall mature as follows:

Particulars	As at 31st March, 2018	As at 31st March, 2017
Within 1 year	194.52	125.95
1-2 year	34.30	54.28
2-3 year	40.86	46.39
3-4 year	29.98	36.86
4-5 year	15.10	28.93
5-10 year	38.01	41.32

ii) Compensated Absences:

The Company permits encashment of compensated absence accumulated by their employees on retirement, separation and during the course of service. The liability in respect of the Company, for outstanding balance of leave at the balance sheet date is determined and provided on the basis of actuarial valuation as at the balance sheet date performed by an independent actuary. The Company doesn't maintain any plan assets to fund its obligation towards compensated absences.

35 FIRST-TIME ADOPTION OF IND AS

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from April 1st, 2017, with a transition date of April 1st, 2016. The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements for the year ended 31st March, 2018, be applied retrospectively and consistently for all financial years presented. However, in preparing these Ind AS financial statements, the Company has availed of certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity).

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A. Optional Exemptions

(a) Deemed Cost

Ind AS 101 permits to measure all its property, plant & equipments at their previous GAAP carrying value i.e. being deemed cost represented by Gross Block reduced by accumulated depreciation on April 1, 2016.

(b) Investments in subsidiaries

The Company present separate financial statement wherein Ind AS 27 requires it to measure its investment in subsidiaries and associate either at cost or in accordance with the Ind AS 109. The Company at first time adoption has measured such investment at cost in accordance with the Ind AS 27, wherein it has option to measure the investments in its separate opening Ind AS balance sheet at cost as determined in accordance with Ind AS 27 or deemed cost. Deemed cost shall be fair value at the entity's date of transition to Ind AS in its separate financial statement or previous GAAP carrying amount as on that date. The Company has adopted deemed cost being previous GAAP carrying amount as on date of transition.

B. Mandatory Exceptions

(a) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:- Investment in equity instruments carried at FVTPL or FVOCI; and- Impairment of financial assets based on expected credit loss model.

(b) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

C. Transition to Ind AS - Reconciliations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS in accordance with Ind AS 101:

I. Reconciliation of Balance sheet as at April 1, 2016 and March 31, 2017

II. Reconciliation of Statement of Profit and Loss for the year ended March 31, 2017

III. Reconciliation of Equity as at April 1, 2016 and March 31, 2017

The presentation requirements under Previous GAAP differs from Ind AS and hence Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

I **Reconciliation of Balance sheet as at April 1, 2016 and March 31, 2017**

` in Lakhs

ASSETS	Notes	As At 31-Mar-17 (Previous GAAP)	Ind AS Adjust-ments	As At 31-Mar-17 (IND AS)	As At 1-Apr-16 (Previous GAAP)	Ind AS Adjust-ments	As At 1-Apr-16 (IND AS)
(1) NON - CURRENT ASSETS							
(a) Property, Plant & Equipment	**2**	1,740.29	-	1,740.29	1,825.74	-	1,825.74
(b) Financial assets							
(i) Investments in Subsidiaries	**4**	247.69	-	247.69	247.69	-	247.69
(ii) Other investments	**4**	616.77	538.19	1,154.96	616.77	(84.86)	531.90
(iii) Other financial assets	**5**	17,299.52	-	17,299.52	17,437.24	-	17,437.24
(c) Income tax assets	**6**	206.90	-	206.90	1,087.01	-	1,087.01
(d) Other non-current assets	**7**	2,455.86	-	2,455.86	2,417.04	-	2,417.04
TOTAL NON - CURRENT ASSETS		**22,567.03**	**538.19**	**23,105.22**	**23,631.49**	**(84.86)**	**23,546.63**
(2) CURRENT ASSETS							
(a) Inventories	**8**	6,406.88	-	6,406.88	6,605.06	-	6,605.06
(b) Financial assets							
(i) Trade receivables	**9**	867.53	-	867.53	892.44	-	892.44
(ii) Cash & cash equivalents	**10**	93.95	-	93.95	46.09	-	46.09
(iii) Other bank balances	**11**	136.19	-	136.19	131.17	-	131.17
(iv) Other financial assets	**12**	10.51	-	10.51	8.15	-	8.15
(c) Other current assets	**13**	2,065.92	-	2,065.92	240.24	-	240.24
TOTAL CURRENT ASSETS		**9,580.98**	**-**	**9,580.98**	**7,923.15**	**-**	**7,923.15**
TOTAL ASSETS		**32,148.00**	**538.19**	**32,686.20**	**31,554.64**	**(84.86)**	**31,469.78**
EQUITY AND LIABILITIES							
EQUITY							
Equity share capital	**14**	1,758.80	-	1,758.80	1,758.80	-	1,758.80
Other equity		(19,213.34)	800.16	(18,413.18)	(16,431.07)	259.14	(16,171.94)
TOTAL EQUITY		**(17,454.54)**	**800.16**	**(16,654.38)**	**(14,672.27)**	**259.14**	**(14,413.14)**
LIABILITIES							
(1) NON - CURRENT LIABILITIES							
(a) Financial liabilities							
(i) Borrowings	**15**	311.28	-	311.28	942.90	-	942.90
(ii) Other Financial Liabilities	**16**	**-**	**-**	662.41	-	-	662.41
TOTAL NON - CURRENT LIABILITIES		**311.28**	**-**	**311.28**	**1,605.31**	**-**	**1,605.31**
(2) CURRENT LIABILITIES							
(a) Financial liabilities							
(i) Borrowings	**17**	3,743.26	-	3,743.26	3,743.26	-	3,743.26
(ii) Trade payables	**18**	3,127.81	-	3,127.81	2,854.32	-	2,854.32
(iii) Other financial liabilities	**19**	38,444.58	(261.97)	38,182.61	35,016.98	(344.00)	34,672.98
(b) Other current liabilities	**20**	3,523.61	-	3,523.61	2,512.86	-	2,512.87
(c) Provisions	**21**	452.01	-	452.01	494.18	-	494.18
TOTAL CURRENT LIABILITIES		**49,291.26**	**(261.97)**	**49,029.30**	**44,621.60**	**(344.00)**	**44,277.60**
TOTAL EQUITY AND LIABILITIES		**32,148.00**	**538.19**	**32,686.20**	**31,554.64**	**(84.86)**	**31,469.78**

Rs in Lakhs

II Reconciliation of Statement of Profit and Loss for the year ended March 31, 2017

Particulars	Notes	For the year ended March 31, 2017 (Previous GAAP)	Ind AS Adjustments	(IND AS)
INCOME				
Revenue from operations	**22**	3,695.86	-	3,695.86
Other income	**23**	1,561.34	-	1,561.34
TOTAL INCOME		5,257.20	-	5,257.20
EXPENDITURE				
Cost of materials consumed	**24**	2,453.32	-	2,453.32
Manufacturing and Operating Expenses	**25**	150.44	-	150.44
Changes in inventories of finished goods, work-in-progress and traded goods	**26**	52.22	-	52.22
Employee benefits expenses	**27**	1,064.31	106.40	1,170.71
Finance costs	**28**	2,657.59	82.03	2,739.62
Depreciation and amortisation expense		86.58	-	86.58
Other expenses	**29**	1,575.00	-	1,575.00
TOTAL EXPENSES		8,039.46	188.43	8,227.89
LOSS FOR THE YEAR		(2,782.26)	(188.43)	(2,970.69)
OTHER COMPREHENSIVE INCOME				
Items that will reclassified subsequently to Profit or loss				
Gain/(loss) on Re-measurement of investment in equity		-	623.05	623.05
Items that will not be reclassified to profit or loss				
Gain/(loss) on Remeasurment of net defined benefit plans		-	106.40	106.40
TOTAL OTHER COMPREHENSIVE INCOME				
Income tax relating to net defined benefit plans				
TOTAL COMPREHENSIVE INCOME		**(2,782.26)**	**541.02**	**(2,241.24)**

III Reconciliation of Equity

` in Lakhs

Particulars	As at 31-Mar-17	As at 1-Apr-16
Total equity under previous GAAP	**(17,454.54)**	**(14,672.28)**
Adjustments impact: Gain/ (Loss)		
Loss on Fair Valuation of Investments and Financial assets through Profit & Loss	538.19	(84.86)
Gain/(loss) on Fair Valuation of financial liabilities at amortised cost	261.97	344.00
Total IND AS adjustment	**800.16**	**259.14**
Total equity under Ind AS	**(16,654.38)**	**(14,413.14)**

Notes to first time adoption

Note 1: Remeasurements of post employment benefit obligations

Under the previous GAAP, cost relating to post employment benefit obligations including actuarial gain/losses were recognised in Profit & Loss. Under Ind AS, actuarial gain/losses on the net defined benefit liability are recognised in other comprehensive income instead of profit & loss.

Note 2: Deposit

Under the previous GAAP, interest free refundable security deposits are recorded at transaction price. Under Ind AS All financial liabilities are required to be recognised at fair value. Accordingly, the Company has fair valued the security deposits and the difference between the fair value and transaction value of the security deposit has been recognised in the retained earnings.

Note 3: Fair Valuation of Investments

Under previous GAAP, investment in equity instruments were classified into long term and current investments. Long term investments were carried at cost less provision other than temporary in nature. Current investments were carried at lower of cost or fair value. Under Ind AS, these investments are require to be measured at fair value either through OCI (FVTOCI) or through Profit & loss (FVTPL). The Company has opted to fair value these investments through Profit & loss (FVTOCI). Accordingly, resulting fair value change of these investments have been recognised in retained earnings as at the date of transition and subsequently in the profit & loss account (FVTOCI).

Note 4: Discount

Under previous GAAP, the Company accounted for revenue net of trade discounts, sales taxes and excise duties. Under Ind AS, the Company will recognise revenue at fair value of consideration received or receivable. Any sales incentive or rebates in any form given to customers will be considered as reductions from revenue.

Note 5: Deferred Tax

Under previous GAAP, deferred taxes were recognised based on Profit & loss approach i.e. tax impact on difference between the accounting income and taxable income. Under Ind AS, deferred tax is recognised by following balance sheet approach i.e. tax impact on temporary difference between the carrying value of asset and liabilities in the books and their respective tax base.The impact of the aforesaid change has been adjusted in unrecognised deferred tax asset (Refer note 30).

36	**EARNINGS PER SHARE (EPS)**	**2017-18**	**2016-17**
	Net Loss as per Statement of profit and loss (` in Lakhs)	(804.68)	(2,970.69)
	Weighted average number of equity Shares	17588021	17588021
	Nominal value of equity Shares (In nos.)	10.00	10.00
	Basic and diluted earning per share (`)	(4.57)	(16.89)

` in Lakhs

37	Pending Litigations/contingent liabilities not provided for in respect of :	2017-18	2016-17
	(a) Disputed Excise matters : Disputed Excise claims/demands excluding interest liability, if any, against and/or relating to the Company and counter claims by the Company are pending or otherwise being contested before the various Excise Authorities /Courts against which the Company has paid **` 102.39 Lakhs** (as at March 31, 2017 **` 1,220.63 Lakhs; as at April1, 2016 ` 1218.42 Lakhs**) (included in Loans & Advances) under protest. In the opinion of the management, appropriate provisions have been made in the books of account in respect of Excise claims/ demands that may become payable based on the legal advice /present status of various matters. Further, various show cause notices/ show cause-cum-demand notices/attachment notice have been received including remanded back from Excise Authorities by the Company and/or in relation to the Company. Since these notices are in the nature of explanations required, the Company does not consider them to constitute any liability. All these notices have appropriately been replied/attended to	12,867.36	35,311.28
	(b) Disputed Income Tax matters : **(i)** Income Tax in respect of earlier years under dispute for which appeals/ rectification petitions have been / are being preferred by the Company before the various appellate authorities and / or pending final assessments including interest and penalties against which the Company has paid ` Nil (as at March 31, 2017 ` 2165.36 Lakhs ; as at April1, 2016 ` 1078.26 Lakhs) (included in Loans & Advances).	162.11	11,322.98
	(ii) Pursuant to Hon'ble Supreme Court vide its order dated May 12, 2016, the Income Tax Department vide an Order of Attachment of Immovable Property dated July 13, 2016 has prohibited and restrained the Company from transferring or charging its Vile Parle property to recover principal amount of tax demand. The Hon'ble court further held that such attachment and sale shall be subject to the rights of the secured creditors in respect of the mortgaged properties. Out of the proceeds, the principal amount of tax due to the income tax department and the admitted excise dues shall be paid.Consequent to the favourable Judgements received during the year, the said attachment has been withdrawn by the Income Tax Departement.		
	(c) Other disputed amounts for which the Company is contingently liable :		
	Demands of employees/ex-employees	385.66	339.88
	Sales Tax	142.40	134.03
	Entry Tax	2,661.11	2,655.29
	Land Revenue Tax	3.78	3.15
	E.S.I.C.	18.86	18.86
	Service Tax	3.86	-
	-Services/material suppliers/advance forfeited and other business related disputed matters	7,273.74	5,137.48
	(d) The Company has received notices from certain States in USA with regard to claims against cigarettes sold in those States. However, as per an expert legal opinion obtained, the Company is not liable for claims, whatsoever-amount unascertainable		
	(e) Guarantees and counter guarantees given by the Company to Banks/Financial Institutions / Others in respect of loans / guarantees to / for other companies plus interest, if any .	1,048.23	1,048.23

The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial statements

38 COMMITMENTS

a) Capital committment of Rs. 110 Lakhs (as at March 31, 2017 Rs.Nil; as at April 1, 2016 Rs.Nil) net of advance of Rs. 25 Lakhs (as at March 31, 2017 Rs. Nil and as at April1, 2016 Rs. Nil)

b) The Company has taken various residential / commercial premises under cancelable Operating Leases. The Lease Agreements are usually renewable by mutual consent on mutually agreeable terms

c) The rental expense in respect of Operating Leases is charged as rent under Note 29

39 The Company as a part of development activities of Realty Division :-

a) Vile Parle-Mumbai

The Company had entered into Memorandum of Understanding (MOU) in December, 2009 with M/s Sheth Developers Pvt. Ltd. and Suraksha Realty Ltd. (Developers) and had received advances in earlier years aggregating to Rs. 13,200 Lakhs (as at March 31, 2017 Rs. Rs. 13,200 Lakhs; as at April1, 2016 Rs.Rs. 13,200 Lakhs) to jointly develop its Vile Parle property. However, on Intervention Application filed by Sheth Developers Pvt Ltd and Suraksha Realty Ltd (the interveners), in the SLP filed by the Income Tax Department before the Hon'ble Supreme Court, the Hon'ble Court vide its order dated 12.05.2016 held that MOU entered into by the Company with them was in violation of the Sanctioned BIFR Scheme 2002. Therefore, such MOU with the aforesaid interveners entered into by the Company loses its legal force and no right would accrue to these interveners on the basis of said MOU. Thus the Hon'ble Court dismissed their plea. Consequently the title deeds of the property lying in Escrow Account with the Solicitor will be released in due course.The said developers have also filed an appeal u/s 9 and 11 of the Arbitration and Conciliation Act before the Hon'ble Bombay High Court which is pending.The Hon'ble High Court Gujarat at Ahmedabad vide it's order dated 05-05-2015 restrained the Company from transferring its Vile Parle property pursuant to a petition filed by a group of minority shareholders pending with NCLT. The Company had received advances of Rs.4075 Lakhs (as at March 31, 2017 Rs. 4075 Lakhs; as at April1, 2016 Rs. 4075 Lakhs) from a strategic investor for development of the said property. The strategic investor, however, has filed a recovery suit along-with interest before Hon'ble Bombay High Court against which the Company has filed counter claim for more than their recovery amount which is pending

b) Hyderabad

The Company had entered into a development agreement in September, 2007 and supplemental agreement in October, 2008, March, 2014 and September, 2016 with a developer to jointly develop its Hyderabad property. The Company has received an interest free security deposit, balance as on March 31, 2018 Rs. 732.15 Lakhs (as at March 31, 2017 Rs. 638.02 Lakhs; as at April1, 2016 Rs.556.00 Lakhs). The project's construction activities are in full swing and are expected to be completed in stipulated time frame in due course.

c) Chattarpur-New Delhi

The Company had given advances aggregating to Rs. 16,393.10 Lakhs (as at March 31, 2017 Rs. 16,389.78 Lakhs; as at April1, 2016 Rs.16,484.78 Lakhs) to Golden Realty and Infrastructure Limited (a subsidiary of the Company) which in turn has utilized the same to acquire certain development rights in a plot of land situated in Chattarpur - New Delhi for Joint Development pursuant to Development Agreement in this regard.

d) Guntur- Andhra Pradesh

In March 2018, land situated at Guntur, Andhra-Pradesh hitherto held as fixed assets was converted into "Stock in Trade" at the book value of Rs. 3969. Further, the Company has received an advance of Rs.1,875 Lakhs towards proposed MOU to be entered in respect of the said land. In respect of the said land, the Company has received a Show Cause Notice dated 28.06.2017 from WAQF Board, Vijayawada, Andhra Pradesh, claiming 11.57 acres Company's land situated at Guntur having book value of Rs.3,234. The Company, however has challenged the same before the Division bench of Hon'ble Hyderabad High Court which is pending. However, based on the legal advice and favorable orders in similar cases, the Company is expecting favorable decisions

40 DISCLOSURE ON RELATED PARTY TRANSACTIONS

Names of related parties and description of relationship:

Parties where controls exists :Subsidiaries

Western Express Industries Limited, Golden Investment (Sikkim) Private Limited, Golden Realty & Infrastructure Limited

GTC Inc B.V, Netherland

Raigarh Papers Limited –Step Down Subsidiary

Key Managerial Personnel and their relatives:

Shri. A. K. Joshi	Managing Director
Shri. Jaskaran S Khurana	Executive Director
Shri Bharat B Merchant	Non Executive Director
Shri V. K. Bhandari (upto 30th March, 2018)	Non Executive Director
Smt. Kokila Panchal	Non Executive Director
Shri Manoj Kumar Srivastava	Company Secretary
Shri Pawan Kumar Malsaria	Chief Financial Officer

Relatives : Shri Amit Joshi, Shri Ashwin Joshi, Smt. Ivleen Khurana,Smt. Ritu Srivastava,Smt. Savita Malsaria

During the year, the following transactions were carried out with the above related parties in the ordinary course of business and outstanding balances as on March 31, 2018

` in Lakhs

Nature of Transactions	For the year ended March 31, 2018	For the year ended March 31, 2017
Golden Realty & Infrastructure Limited :		
Advances received back	-	95.00
Advances given	3.33	-
Managerial Remuneration* :		
Shri. A. K. Joshi	81.65	81.63
Shri. Jaskaran S Khurana	58.83	63.26
Remuneration :		
Shri. Manoj Kumar Srivastava	9.23	9.38
Shri. Pawan Kumar Malsaria	10.11	10.90
Car Hire Charges		
Shri. Amit Joshi	1.80	1.80
Shri. Ashwin Joshi	1.80	1.80
Smt. Ivleen Khurana	3.60	3.60
Smt. Ritu Srivastava	0.96	0.96
Smt. Savita Malsaria	0.96	0.96
Directors sitting fees :		
Shri Bharat B Merchant	1.60	1.50
Shri V. K. Bhandari	1.70	1.50
Smt. Kokila Panchal	0.90	0.70

*In respect of excess managerial remuneration aggregating to ` 22.27 Lakhs paid or provided during the period from 27 September 2015 to September 12, 2016, the Company has made necessary application to the Central Government for its approval. The Management is confident of receiving the same in due course.

` in Lakhs

Party Name	Nature of Balances	As at March 31, 2018	As at March 31, 2017
Golden Realty & Infrastructure Limited	Receivable	16,393.10	16,389.78
	Investments	5.00	5.00
Western Express Industries Limited	Receivable	846.16	934.90
	Investments	231.20	231.20
Golden Investment (Sikkim) P Ltd	Payable	31.04	31.04
	Investments	0.60	0.60
GTC Inc. B.V	Receivable	39.42	39.42
	Investments	10.89	10.89
	Provision for doubtful receivable	39.42	39.42
Shri. A. K. Joshi	Payable	6.79	6.79
Shri. Jaskaran S Khurana	Payable	4.65	10.65
Shri. Manoj Kumar Srivastava	Payable	0.74	0.74
Shri. Pawan Kumar Malsaria	Payable	0.83	0.83
Shri. Amit Joshi	Payable	0.30	0.15
Shri. Ashwin Joshi	Payable	0.30	0.15
Smt. Ivleen Khurana	Payable	0.59	0.30
Smt. Ritu Srivastava	Payable	0.16	0.08
Smt. Savita Malsaria	Payable	0.16	0.08

Notes:

a) Related party relationship is as identified by the management and relied upon by the auditors.

b) No amounts in respect of related parties have been written off/ written back during the year and no provision has been made for doubtful debts/ receivable except as disclosed above

41 In terms of Ind As 108 “Operating Segments”, segment information has been provided in the notes to Consolidated Financial Statements.

42 Assets provided as security

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

` in Lakhs

	As at 31 March, 2018	As at 31 March, 2017	As at April 1, 2016
Current Assets			
Financial Assets			
Trade receivables	962.18	867.53	892.44
Fixed Deposit with Banks	192.78	136.19	131.17
Interest accrued but not due on fixed deposits	10.04	10.51	8.15
Non Financial Assets			
Inventories Stock in Trade- immovable properties	0.43	2,491.55	2,491.55
Inventories- others	1,975.50	2,884.89	3,083.07
Total Current assets provided as security	3,140.93	6,390.67	6,606.38
Non Current Assets			
Plant and Equipment	112.08	131.67	171.02
Land and Buildings	960.33	1,119.09	1,119.09
Total non-current assets provided as security	**1,072.41**	1,250.76	1,290.10
Total assets provided as security	**4,213.35**	7,641.43	7,896.48

Note:

Working Capital Facilities are secured by way of :

(a) Working capital facilities and non fund based limits of ` 1000 Lakhs (Previous Year ` 1000 Lakhs) are secured by hypothecation of inventories and book debts and further secured by way of mortgage of second charges on immovable property at Baroda and first charge on immovable property at Guntur.

(b) Guarantees given by the Company's Bankers are secured/to be secured by hypothecation of stocks, book debts, fixed deposits with banks and certain machineries, equitable mortgage of certain immovable properties at Baroda subject to prior charge in favour of Trustees for the debenture holders and /or pledge of fixed deposit receipts.

(c) In respect of 12% Secured Redeemable Non-Convertible Debentures privately placed with IFCI Limited Company had in the previous year repaid the entire amount of debentures. However, till date the Company has not received the "No Due Certificate" from IFCI in view of their unsustainable claim, therefore, the Company could not file the form for satisfaction of charge which was created on Company's property situated at village Dhanot in the State of Gujarat and a first charge by way of hypothecation of the Company's movable properties subject to prior charge on specified movables in favour of the Company's Bankers for Working Capital facilities and was further secured by equitable mortgage of the Company's immovable properties at Baroda, Gujarat ranking pari passu with the Bankers who have given working capital term loan.

(d) Canara Bank, lead banker on behalf of the consortium bankers has initiated action u/s 13(4) of the SARFAESI Act for recovery of their dues in respect of Company's properties situated at Guntur (where 1st charge was provided) and Vadodara property (where 2nd charge was provided). The Company has challenged the said action of the bankers before the DRT, Mumbai which is pending. Further, Allahabad Bank has also taken action u/s 13(4) of the SARFAESI Act for recovery of their dues in respect of Palghar property where they have been provided security as first charge. The Company has challenged the said action of the bankers before the DRT, Mumbai which is also pending.Now, the Company's offer for One Time Settlement (OTS) was accepted by the secured bank lenders for ` 4,603.36 Lakhs on the different dates of becoming NPA as against their dues of ` 7,195.99 Lakhs. In compliance with the terms and conditions, the Company has paid ` 1315 Lakhs till 31st March, 2018 and the balance dues are to be paid upto July, 2018. Certain lenders are yet to provide necessary approvals. Pending compliance of the remaining terms and conditions as also receipt of approvals, no impact of the waiver has been accounted for.One of member of the consortium bank (namely vijaya bank) has filed a petition under Insolvency and Bankruptcy Code before the NCLT, Ahmedabad prior to the Company's offer of OTS. Subsequently OTS has been accepted by the said bank. The Bank has confirmed that the said petition will be withdrawn.

(e) Indiabulls Housing Finance Limited has initiated action u/s 13(4) of the SARFESI Act in respect of property to be constructed at Hyderabd land included in Stock in Trade for availing loan facility and the same is being challanged before DRT.

43 The Company's net worth had been entirely eroded. The Company has prepared these financial statements on a going concern basis as the management is hopeful to turn around the Company's business performance especially in the realty business segment where one of the project's construction activities has commenced and is expected to be completed in stipulated time frame in due course.

44 Income Tax proceedings in respect of earlier years decided in the Company's favour by the Appellate Authorities against which the Department is in further appeals is exempted from disclosure of contingent liabilities in terms of para 28 of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets.

` in Lakhs

45

PAYMENT TO AUDITORS	**2017-18**	**2016-17**
Audit fees	9.75	9.89
Tax audit fees	-	1.58
Limited review and certification fees	3.50	3.30
Reimbursement of expenses	1.59	1.76
Service Tax/Goods and Service Tax	1.49	2.11
TOTAL	**16.33**	**18.64**

46 In the opinion of the management, assets other than fixed assets and non-current investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.The Accounts of certain Trade Receivables, Trade Payables, Non-operative Banks / Lenders and Loans & Advances are however, subject to formal confirmations / reconciliations and consequent adjustments, if any. The management does not expect any material difference affecting the current year's financial statements.

Signature to Notes 1 to 46

For and on behalf of the Board

A. K. Joshi
Managing Director
DIN : 00379820

Bharat B. Merchant
Director
DIN : 00300384

Manoj Kumar Srivastava
Company Secretary

Pawan Kumar Malsaria
Chief Financial Officer

Place : Mumbai
Date : May 30, 2018

INDEPENDENT AUDITOR'S REPORT

To
The Members of
GOLDEN TOBACCO LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Golden Tobacco Limited** ("the Parent Company") and its subsidiaries collectively referred to as 'the Group, which comprise the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income) the Consolidated Statement of Changes in Equity and 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

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

Auditor's Responsibility

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

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

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

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

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

Opinion

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

(i) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2018;

(ii) in the case of the Consolidated Statement of Profit and Loss, of the loss including other comprehensive income of the Group for the year ended on that date ;

(iii) in the case of the Consolidated Statement of Changes of Equity, of the changes in equity for the year ended on that date and

(iv) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Emphasis of Matter:

Without qualifying, we draw attention regarding excess Managerial Remuneration of Rs. 22.27 Lakhs paid for the period from September 27, 2015 to September 12, 2016 for which the Group has made necessary application to the Central Government for its approval. The management, as explained, is confident of receiving the same in due course.

Other Matters:

(a) We did not audit the financial statements of 5 subsidiaries, whose financial statements reflect total assets of Rs. 161,26.64 Lakhs as at March 31, 2018 (Rs. 1,07.34 Lakhs as at March 31, 2017), total revenues Rs. 4.53 Lakhs and net cash flow of Rs.4.11 Lakhs for the year ended March 31, 2018 (total revenues and net cash flows of Rs. Nil and Rs. 0.80 Lakhs respectively for the year ended March 31, 2017), as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

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

(b) Opening balances have been considered based on the audited financial statements prepared under previous Generally Accepted Accounting Practices (Previous GAAP) issued by the predecessor auditors whose un-qualified audit report dated May 29, 2017 have been furnished to us. The differences arising from transition from previous GAAP to Ind AS have been derived from such audited financial statements.

Report on Other Legal and Regulatory Requirements

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

i. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
ii. In our opinion, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books;
iii. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, consolidated statement of changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account;
iv. In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
v. As required by Section 143 (3) of the Act with respect to the adequacy of the internal financial controls over financial reporting of the Parent Company and its subsidiaries incorporated in India and the operating effectiveness of such controls, we give in 'Annexure A' a separate report on the same";
vi. On the basis of the written representations received from the directors of the Parent Company and its subsidiaries incorporated in India as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
vii. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    a) The Group has disclosed the impact of pending litigations on its consolidated financial position in the aforesaid consolidated financial statements (Refer note 35);
    b) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses and
    c) There were no amounts, including unpaid dividend declared in the year 1994-95 of Rs. 71.15 Lakhs (based on the expert opinion obtained in this regard) which were required to be transferred to the Investor Education and Protection Fund by the Group during the year ended March 31, 2018.

For BAGARIA and CO. LLP
Chartered Accountants
FRN - 113447W

Vinay Somani
Partner
M. No. 143503

Place : Mumbai
Date : May 30, 2018

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

We have audited the internal financial controls over financial reporting of **Golden Tobacco Limited** ("the Parent Company") and its subsidiaries incorporated in India (collectively referred to as 'the Group') as of March 31, 2018 in conjunction with our audit for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Parent Company's management 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Group'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 deemed to be prescribed under section 143(10) of the Act 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Other Matter

Our opinion in respect of adequate internal financial controls system over financial reporting on the subsidiaries audited by other auditors is based solely on the reports of the other auditors.

Opinion

In our opinion, the Group has broadly, 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 March 31, 2018, 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.

For BAGARIA and CO. LLP
Chartered Accountants
FRN - 113447W

Vinay Somani
Partner
M. No. 143503

Place : Mumbai
Date : May 30, 2018

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

(` in Lakhs)

Particulars	Notes	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
ASSETS				
(1) NON - CURRENT ASSETS				
(a) Property, Plant and Equipment	2	1,577.86	1,807.12	1,892.57
(b) Intangible Assets under development	3	20.00	-	-
(c) Financial assets				
(i) Investments	4	1,171.73	1,212.18	582.66
(ii) Other financial assets	5	173.83	125.66	128.95
(d) Income Tax Assets	6	153.11	206.95	1,124.76
(e) Other non-current assets	7	18,859.04	18,122.72	18,183.90
		21,955.57	**21,474.63**	**21,912.84**
TOTAL NON - CURRENT ASSETS				
(2) CURRENT ASSETS				
(a) Inventories	8	3,006.37	6,406.88	6,605.05
(b) Financial assets				
(i) Trade receivables	9	962.53	867.53	892.44
(ii) Cash & Cash equivalents	10	169.04	99.94	52.02
(iii) Other bank balances	11	526.88	136.19	131.17
(iv) Other financial assets	12	10.04	10.51	8.15
(c) Other current assets	13	81.44	2,065.92	240.24
TOTAL CURRENT ASSETS		**4,756.30**	**9,586.97**	**7,929.07**
TOTAL ASSETS		**26,711.87**	**31,061.60**	**29,841.91**
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital	14	1,758.80	1,758.80	1,758.80
Other Equity		(25,251.25)	(24,247.05)	(22,043.25)
Attributable to the owners of the Parent		(23,492.45)	(22,488.25)	(20,284.45)
Non - controlling Interests		0.01	0.01	0.01
TOTAL EQUITY		**(23,492.44)**	**(22,488.24)**	**(20,284.44)**
LIABILITIES				
(1) NON - CURRENT LIABILITIES				
(a) Financial liabilities				
(i) Borrowings	15	-	311.28	942.90
(ii) Other financial Liabilities	16	-	-	662.41
TOTAL NON - CURRENT LIABILITIES		**-**	**311.28**	**1,605.31**
(2) CURRENT LIABILITIES				
(a) Financial liabilities				
(i) Borrowings	17	2,428.33	3,743.26	3,743.26
(ii) Trade Payables	18	3,121.73	3,127.82	2,854.32
(iii) Other financial liabilities	19	41,169.25	42,391.36	38,908.73
(b) Other Current liabilities	20	3,098.49	3,524.11	2,520.55
(c) Provisions	21	386.51	452.01	494.18
TOTAL CURRENT LIABILITIES		**50,204.31**	**53,238.56**	**48,521.04**
TOTAL EQUITY AND LIABILITIES		**26,711.87**	**31,061.60**	**29,841.91**
Significant Accounting Policies	1			

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For BAGARIA and CO. LLP
Chartered Accountants
FRN - 113447W

Vinay Somani
Partner
M. No. 143503

Place : Mumbai
Date : May 30, 2018

For and on behalf of the Board

A. K. Joshi
Managing Director
DIN : 00379820

Bharat B. Merchant
Director
DIN : 00300384

Manoj Kumar Srivastava
Company Secretary

Pawan Kumar Malsaria
Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2018

(` in Lakhs)

Particulars	Note	For the year ended March 31, 2018	For the year ended March 31, 2017
Income			
Revenue from operations	22	7,967.34	3,695.86
Other income	23	1,334.57	1,562.20
Total Income		**9,301.91**	**5,258.06**
EXPENSES			
Cost of materials consumed	24	1,860.60	2,453.32
Manufacturing and Operating Expenses	25	120.96	150.44
Changes in inventories of finished goods, work-in-progress and traded goods	26	2,517.24	52.22
Employee benefits expense	27	859.38	1,170.71
Finance costs	28	2,451.61	2,739.62
Depreciation and amortisation expense	2	74.61	86.58
Other expenses	29	1,777.87	1,544.71
Total Expenses		**9,662.27**	**8,197.60**
Loss for the year before tax		**(360.36)**	**(2,939.54)**
Tax Expense	30	448.25	-
Loss for the year		**(808.61)**	**(2,939.54)**
OTHER COMPREHENSIVE INCOME (OCI)			
Items that will be reclassified subsequently to Profit or loss			
Gain/(loss) on Re-measurement of investment in equity		(40.45)	629.52
Items that will not be reclassified subsequently to Profit or loss			
Gain/(loss) on Remeasurement of net defined benefit plans		13.20	106.40
TOTAL OTHER COMPREHENSIVE INCOME		**(27.25)**	**735.92**
TOTAL COMPREHENSIVE INCOME		**(835.86)**	**(2,203.62)**
Loss for the year attributable to :			
Owners of the parent		(808.61)	(2,939.54)
Non-controlling interests		(0.00)	(0.00)
Total comprehensive income/(Loss) attributable to :			
Owners of the parent		(835.86)	(2,203.62)
Non-controlling interests		(0.00)	(0.00)
EARNINGS PER SHARE (FOR CONTINUING OPERATIONS)			
Basic & Diluted Earning Per Share (Face value of Rs. 10 each)	34	(4.60)	(16.71)
Significant Accounting Policies	1		
The accompanying notes are an integral part of the consolidated financial statements			

As per our report of even date
For BAGARIA and CO. LLP
Chartered Accountants
FRN - 113447W

Vinay Somani
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M. No. 143503

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Company Secretary

Pawan Kumar Malsaria
Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH' 2018

` in Lakhs

EQUITY SHARE CAPITAL :	Balance as at 1st April, 2016	Changes in equity share capital during the year	Balance as at 31st March' 2017	Balance as at 1st April' 2017	Changes in equity share capital during the year	Balance as at 31st March' 2018
Equity share Capital	1,758.80	-	1,758.80	1,758.80	-	1,758.80

OTHER EQUITY : ` in Lakhs

	Reserve and Surplus					Other Comprehensive Income			
Particulars	Securities Premium Reserve on issue of equity shares	Surplus arising on ravaluation of PPE prior to April 1, 2016	Capital Reserve arising on Consoli-dation	General Reserve	Retained earnings	Foreign Currency Translation Reserve	Remea-surement of net defined benefit plans	Re-measu-rement of investment in equity	Total
Balances as at 1st April, 2016	**5,336.21**	**1,235.32**	**709.34**	**40.22**	**(29,353.23)**	**(11.10)**	**-**	**-**	**(22,043.25)**
Loss for the year	-	-	-	-	(2,939.54)	-	-	-	**(2,939.54)**
Other Comprehensive Income for the year	-	-	-	-	-	(0.17)	106.40	629.52	**735.75**
Balance as at 31st March, 2017	**5,336.21**	**1,235.32**	**709.34**	**40.22**	**(32,292.78)**	**(11.27)**	**106.40**	**629.52**	**(24,247.05)**
Balance as at 31st March, 2017	**5,336.21**	**1,235.32**	**709.34**	**40.22**	**(32,292.78)**	**(11.27)**	**106.40**	**629.52**	**(24,247.04)**
Add :Loss for the year	-	-	-	-	(808.61)	-	-	-	**(808.61)**
Less : Withdrawn on sale of land	-	(9.47)	-	-	-	-	-	-	**(9.47)**
Less : Withdrawn on conversion of land into stock in trade	-	(158.71)	-	-	-	-	-	-	**(158.71)**
Other Comprehensive Income for the year	-	-	-	-	-	(0.16)	13.20	(40.45)	**(27.41)**
Balance as at 31st March, 2018	**5,336.21**	**1,067.14**	**709.34**	**40.22**	**(33,101.39)**	**-**	**119.60**	**589.07**	**(25,251.25)**

Significant Accounting Policies **1**

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date
For BAGARIA and CO. LLP
Chartered Accountants
FRN - 113447W

Vinay Somani
Partner
M. No. 143503

Place : Mumbai
Date : May 30, 2018

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A. K. Joshi
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DIN : 00300384

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Company Secretary

Pawan Kumar Malsaria
Chief Financial Officer

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

(` in Lakhs)

Particulars		For the year ended March 31, 2018	For the year ended March 31, 2017
A	**Cash flow from Operating Activities:**		
	Net loss as per statement of profit & loss before tax and OCI	(360.36)	(2,939.54)
	Add: Adjustments for :		
	Depreciation & amortisation expenses	74.61	86.58
	Interest Expenses	2,451.61	2,739.62
	Provision for doubtful debts provided for/(written back)	113.92	209.08
	Interest received (other than investment)	(631.31)	(1,396.52)
	Dividend received	(15.91)	(22.36)
	Liabilities no longer payable written back	(213.82)	(1.12)
	Profit on sale of Property, Plant and Equipment	(170.82)	-
	Foreign Exchange (Gain)/Loss, Net	4.86	3.61
	Operating Profit/(Loss) before Working Capital changes	1,252.78	(1,320.66)
	Adjustments for changes in Working Capital :		
	- Trade Receivables and other receivable	(1,353.25)	17.90
	- Inventories	3,400.51	198.18
	- Trade and Other Payable	1,537.51	1,220.65
	Cash generated from Operations	4,837.54	116.08
	Income Taxes Refund/(Paid)	1,584.69	(32.82)
	Net cash from/(used in) Operating Activities - A	6,422.23	83.26
B	**Cash flow from Investing Activities:**		
	Purchase of Property, Plant and Equipment	(33.89)	(1.13)
	Capital Advance	(25.00)	-
	Sale of Property Plant and Equipment	171.17	-
	Interest received (other than Investment)	631.31	22.45
	Dividend received	15.91	22.36
	Net Cash from/(used in) Investing Activities - B	759.49	43.68
C	**Cash flow from Financing Activities:**		
	(Repayment)/Proceeds of borrowings net	(6,713.92)	(0.09)
	Interest paid	(398.71)	(78.95)
	Net cash from/(used in) Financing Activities - C	(7,112.63)	(79.04)
	Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	69.10	47.92
	Opening Cash and Cash Equivalents	99.94	52.02
	Closing Cash and Cash Equivalents	169.04	99.94

As per our report of even date
For BAGARIA and CO. LLP
Chartered Accountants
FRN - 113447W

Vinay Somani
Partner
M. No. 143503

Place : Mumbai
Date : May 30, 2018

For and on behalf of the Board

A. K. Joshi
Managing Director
DIN : 00379820

Bharat B. Merchant
Director
DIN : 00300384

Manoj Kumar Srivastava
Company Secretary

Pawan Kumar Malsaria
Chief Financial Officer

Group Overview :

Golden Tobacco Limited ("the Group") is public limited Group incorporated and domiciled in India and has registered office at Darjipura, Post - Amaliya Vadodara. It is incorporated under the Companies Act, 1956 Corporate Identification Number is (CIN) L16000GJ1955PLC067605 and its shares are listed on the Bombay Stock Exchange Limited and National Stock Exchange in India. The Group is engaged in the business of manufacturing of Cigarettes and Real Estate.

The Consolidated Financial Statements relate to Golden Tobacco Limited, (The Parent Group) and its subsidiaries. The name, country of incorporation and proportion of ownership interest are as under :

Name of the Subsidiary Group	Country of Incorporation	Share Parent Percentage
Golden Investment (Sikkim) Pvt. Limited	India	99.97%
GTC INC.B.V	Netherland	100%
Golden Realty & Infrastructure Limited	India	100%
Western Express Industries Limited	India	100%
Raigadh Papers Limited	India	100%

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 BASIS OF ACCOUNTING

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under the Companies (Indian Accounting standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendments Rules 2016 prescribed under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014.

The financial statements are prepared and presented on accrual basis and under the historical cost convention, except for the following material items that have been measured at fair value as required by the relevant Ind AS:

- Certain financial assets and liabilities are measured at Fair value (refer accounting policy on financial instruments - Refer note 1.9 below
- Defined Benefit and other Long term Employee Benefits - Refer note 1.10 below

1.2 USE OF ESTIMATES AND JUDGEMENTS

The preparation of the financial statements requires that the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates.

The estimates and judgements used in the preparation of the financial statements are continuously evaluated and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Group believes to be reasonable under the existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

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

1.3 **BASIS OF PREPARATION OF CONSOLIDATION FINANCIAL STATEMENTS**

The consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries and associates as at 31 March 2018. The Parent Company prepares and report its consolidated financial statements in INR.

Subsidiaries:

Subsidiaries are all entities over which the group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

The group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of controls. Consolidation of a subsidiary begins when the group obtains control over the subsidiary and ceases when the group losses control of the subsidiary.

Consolidation procedure:

Subsidiary:

a) Combine, on line by line basis like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Parent Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Goodwill

Goodwill arising on an acquisition of a business is initially recognized at cost at the date of acquisition. After initial recognition, goodwill is measured at cost less accumulated impairment losses, if any.

1.4 PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSETS

Property, Plant and Equipment

Certain Land & Buildings and Plant & Equipment were revalued from time to time and are stated at updated book values less depreciation, where applicable. All other items are measured at cost less accumulated depreciation and impairment losses, if any. Costs include freight, import duties, non-refundable purchase taxes and other expenses directly attributable to the acquisition of the asset.

Depreciation/amortisation:

Depreciation on Fixed Assets is provided on written down value method over the useful lives of assets as prescribed under Part C of Schedule II of the Companies Act, 2013 (hereinafter referred to as the 'Act').

Gains/Losses on disposals/de-recognition of property, plant and equipment are determined by comparing proceeds with carrying amount and these are recognized in statement of profit & Loss.

1.5 IMPAIRMENT OF NON FINANCIAL ASSETS

The Group assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets are impaired. If any such indication exists, the Group estimates the amount of impairment loss. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss and reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

1.6 REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the Group and the revenue can be measured reliably.

Sale of goods:

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have been transferred to the buyer either at the time of dispatch or delivery or when the risk of loss transfers. Export sales are recognized based on the shipped on board date as per bill of lading, which is when substantial risks and rewards of ownership are passed to the customers.

Revenue from sale of goods is net of taxes and recovery of charges collected from customers like transport, packing etc. Provision is made for returns when appropriate. Revenue is measured at the fair value of consideration received or receivable and is net of price discounts, allowance for volume rebates and similar items.

Claims / Refunds not ascertainable with reasonable certainty are accounted for, on final settlement and are recognized as revenue on certainty of receipt on prudent basis.

Rendering of services:

Revenue from sale of services are recognized when the services are rendered.

Other Income

Dividend income on investments is recognised when the right to receive dividend is established.

Interest income is recognized on a time proportionate basis taking into account the amounts invested and the rate of interest. For all financial instruments measured at amortised cost, interest income is recorded using the Effective interest rate method to the net carrying amount of the financial assets.

1.7 INVENTORIES

a) (i) Stock in Trade-Immovable Properties is valued at lower of estimated market value at the time of conversion as per the expert opinion received in the matter and estimated net realisable value.

(ii) Other Inventories are valued at lower of cost and estimated net realisable value. Obsolete, defective and unserviceable stocks are provided for.

b) Cost of Inventories is computed on moving weighted average /FIFO basis.

c) Cost of finished goods, work-in-progress and other materials includes conversion and other costs incurred in bringing the inventories to their present location and condition.

d) Advertisement and Sales promotion materials/items are charged to revenue as and when purchased.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.

Adequate allowance is made for obsolete and slow moving items.

1.8 FINANCIAL INSTRUMENTS

Financial assets - Initial recognition

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

Subsequent measurement

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

(a) the entity's business model for managing the financial assets and

(b) the contractual cash flow characteristics of the financial asset.

(a) Measured at amortised cost:

A financial asset is measured at amortised cost, if it is held under the hold to collect business model i.e. held with an objective of holding the assets to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest on the principal outstanding. Amortised cost is calculated using the effective interest rate ("EIR") method by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, gain or loss, if any, is recognised to Statement of Profit and Loss.

(b) Measured at fair value through other comprehensive income (FVOCI):

A financial asset is measured at FVOCI, if it is held under the hold to collect and sell business model i.e. held with an objective to collect contractual cash flows and selling such financial asset and the contractual cash flows are solely payments of principal and interest on the principal outstanding. It is subsequently measured at fair value with fair value movements recognised in the OCI, except for interest income which recognised using EIR method. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in the OCI is reclassified from the equity to Statement of Profit and Loss.

(c) Measured at fair value through profit or loss (FVTPL):

Investment in financial asset other than equity instrument, not measured at either amortised cost or FVOCI is measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised in the Statement of Profit and Loss.

Equity Instruments:

All investments in equity instruments classified under financial assets are subsequently measured at fair value. Equity instruments which are held for trading are measured at FVTPL.

For all other equity instruments, the Group may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument shall be recognised in Statement of Profit and Loss unless the Group has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in the OCI. Amounts recognised in Other Comprehensive Income (OCI) are not subsequently transferred to Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised in Statement of Profit and Loss.

Impairment

The Group recognises a loss allowance for Expected Credit Losses (ECL) on financial assets that are measured at amortised cost and at FVOCI. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forward-looking.

The Group's trade receivables or contract revenue receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

Under simplified approach, the Group does not track changes in credit risk. Rather it recognizes impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables.

The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For financial assets other than trade receivables, the Group recognises 12–month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves

such that there is no longer significant increase in credit risks since initial recognition, then the Group reverts to recognizing impairment loss allowance based on 12 months ECL.

The impairment losses and reversals are recognised in Statement of Profit and Loss. For equity instruments and financial assets measured at FVTPL, there is no requirement for impairment testing.

De-recognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Financial Liabilities

Initial Recognition and measurement

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss.

The Group's financial liabilities includes trade and other payables, loans and borrowings including bank overdrafts and derivative instruments.

Subsequent measurement

Financial liabilities measured at amortised cost are subsequently measured at using EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Loans & Borrowings:

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using EIR method. Gains and losses are recognized in profit & loss when the liabilities are derecognized as well as through EIR amortization process.

Financial Guarantee Contracts

Financial guarantee contracts issued by the Group are those contracts that requires a payment to be made or to reimburse the holder for a loss it incurs because the specified debtors fails to make payment when due in accordance with the term of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

Subsequently the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative adjustments.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Derivative financial instruments & hedge accounting

The Group uses derivative financial instruments, such as forward foreign exchange contracts, interest rate swaps, cross currency interest risk swap to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value, with changes in fair value recognised in Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The Group designates their derivatives as hedges of foreign currency risk associated with the cash flows of highly probable forecast transactions and variable interest rate risks associated with the borrowings.

The Group documents at the inception of hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset cash flow of hedged items. The Group documents its risk management objective and strategy for undertaking various hedge transaction at the inception of each hedge relationship.

Cash flows hedge that qualify for the hedge accounting

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit & loss, except for the effective portion of cash flow hedge which is recognized in other comprehensive income and presented as separate component of equity which is later reclassified to statement of profit & loss when the hedge item affects profit & loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

1.9 FAIR VALUE MEASUREMENT:

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ü In the principal market for the asset or liability, or
- ü In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- ü Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ü Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- ü Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

1.10 EMPLOYEE BENEFITS

The Group has provides following post-employment plans such as:

(a) Defined benefit plans such a gratuity and

(b) Defined contribution plans such as Provident fund & Superannuation fund

a) Defined-benefit plan:

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of defined benefit obligations at the end of the reporting period less fair value of plan assets. The defined benefit obligations is calculated annually by actuaries through actuarial valuation using the projected unit credit method.

The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

(a) Service costs comprising current service costs, past-service costs, gains and losses on curtailment and non-routine settlements; and

(b) Net interest expense or income

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in employee benefit expenses in the statement of the profit & loss.

Re-measurement comprising of actuarial gains and losses arising from

(a) Re-measurement of Actuarial(gains)/losses

(b) Return on plan assets, excluding amount recognized in effect of asset ceiling

(c) Re-measurement arising because of change in effect of asset ceiling are recognised in the period in which they occur directly in Other comprehensive income. Re-measurement are not reclassified to profit or loss in subsequent periods.

Ind AS 19 requires the exercise of judgment in relation to various assumptions including future pay rises, inflation and discount rates and employee and pensioner demographics. The Group determines the assumptions in conjunction with its actuaries, and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the income statement, other comprehensive income and balance sheet. There may be also interdependency between some of the assumptions.

b) Defined-contribution plan:

Under defined contribution plans, provident fund, the Group pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident fund with the government, superannuation fund and certain state plans like Employees' State Insurance and Employees' Pension Scheme. The Group's payments to the defined contribution plans are recognised as expenses during the period in which the employees perform the services that the payment covers.

c) Other employee benefits:

(a) Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the obligation as at the Balance sheet date determined based on an actuarial valuation.

(b) Undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the period when the employee renders the related services.

d) Expenses incurred towards voluntary retirement scheme are charged to the statement of profit and loss as and when incurred.

e) Other benefits comprising of discretionary long service awards are recognized as and when determined.

1.11 LEASES

A lease is classified at the inception date as a finance lease or an operating lease. Leases under which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss

Other leases are treated as operating leases, with payments are recognised as expense in the statement of profit & loss on a straight-line basis over the lease term.

1.12 FOREIGN CURRENCY TRANSACTIONS

a) Initial Recognition

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss of the year.

b) Measurement of Foreign Currency Items at the Balance Sheet Date

Foreign currency monetary items of the Group are restated at the closing exchange rates. Non monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these transactions are charged to the Statement of Profit and Loss.

c) Foreign currency translation

Assets and liabilities of the entities with functional currency other than the presentation currency have been translated to the presentation currency using exchange rates prevailing on the balance sheet date. The statement of profit and loss has been translated using monthly average exchange rates prevailing during the year. Translation adjustment have been reported as foreign currency translation reserve in the statement of changes in equity.

1.13 TAXES ON INCOME

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

Current tax is based on taxable profit for the year. Taxable profit is different from accounting profit due to temporary differences between accounting and tax treatments, and due to items that are never taxable or tax deductible. Tax provisions are included in current liabilities. Interest and penalties on tax liabilities are provided for in the tax charge. The Group offsets, the current tax assets and liabilities (on a year on year basis) where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis or to realise the assets and liabilities on net basis.

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements. Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax assets are not recognised where it is more likely than not that the assets will not be realised in the future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Minimum Alternative Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income-tax during the specified period. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Group will pay normal income-tax during the specified period.

1.14 RESEARCH AND DEVELOPMENT EXPENDITURE

Research costs are expensed as incurred. Product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, further economic benefits are probable, the Group has an intention and ability to complete and use or sell the product and the costs can be measured reliably.

1.15 PROVISIONS AND CONTINGENCIES

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

1.16 CASH AND CASH EQUIVALENTS

Cash and Cash equivalents include cash and Cheque in hand, bank balances, demand deposits with banks and other short-term highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value where original maturity is three months or less.

1.17 CASH FLOW STATEMENT

Cash flows are reported using the indirect method where by the profit before tax is adjusted for the effect of the transactions of a non-cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

1.18 BORROWING COST

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of Cost of that assets, during the period till all the activities necessary to prepare the Qualifying assets for its intended use or sale are complete during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

1.19 EARNINGS PER SHARE

Basic EPS is arrived at based on net profit after tax available to equity shareholders to the weighted average number of equity shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless impact is anti-dilutive.

1.20 SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker (CODM).The Group has identified its Managing Director as CODM which assesses the operational performance and position of the Group and makes strategic decisions.

Recent Accounting pronouncements

IND AS 115 - Revenue from Contracts with Customers

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers effective from April 1, 2018. The core principle of the new standard is that an entity should recognize revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service (ie an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

Control of an asset refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, the asset. Control includes the ability to prevent other entities from directing the use of, and obtaining the benefits from, an asset.

Ind AS 21, Foreign currency transactions and advance consideration:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 effective from April 1, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The standard is applicable from 1st April 2018 i.e. Financial Year 2018-19 and there is no impact on the financial statements

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2018

2 Property, Plant and Equipment

` in Lakhs

	Freehold Land and Buildings	Plant and Equipment	Computers	Vehicles	Office Equipment	Total
Gross carrying amount						
Balance as at 1st April 2016	**1,716.59**	**171.02**	**2.41**	**2.05**	**0.50**	**1,892.57**
Additions	-	-	1.13	-	-	1.13
Deductions/ Adjustment	-	-	-	-	-	-
Balance as at 31st March 2017	**1,716.59**	**171.02**	**3.54**	**2.05**	**0.50**	**1,893.70**
Accumulated Depreciation						
Balance as at 1st April 2016	**-**	**-**	**-**	**-**	**-**	**-**
Additions	44.19	39.34	1.91	0.64	0.50	86.58
Deductions/ Adjustment	-	-	-	-	-	-
Balance as at 31st March 2017	**44.19**	**39.34**	**1.91**	**0.64**	**0.50**	**86.58**
Net carrying amount as at 1st April 2016	**1,716.59**	**171.02**	**2.41**	**2.05**	**0.50**	**1,892.57**
Net carrying amount as at 31st March 2017	**1,672.40**	**131.67**	**1.63**	**1.41**	**-**	**1,807.12**
Gross carrying amount						
Balance as at 31st March 2017	**1,716.59**	**171.02**	**3.54**	**2.05**	**0.50**	**1,893.70**
Additions	-	12.61	1.28	-	-	13.89
Deductions/ Adjustment	168.54	-	-	-	-	168.54
Balance as at 31st March 2018	**1,548.05**	**183.63**	**4.82**	**2.05**	**0.50**	**1,739.05**
Accumulated Depreciation						
Balance as at 31st March 2017	**44.19**	**39.34**	**1.91**	**0.64**	**0.50**	**86.58**
Additions	40.13	32.20	1.84	0.44	-	74.61
Deductions/ Adjustment	-	-	-	-	-	-
Balance as at 31st March 2018	**84.31**	**71.55**	**3.75**	**1.08**	**0.50**	**161.19**
Net carrying amount as at 31st March 2017	**1,672.40**	**131.67**	**1.63**	**1.41**	**-**	**1,807.12**
Net carrying amount as at 31st March 2018	**1,463.74**	**112.08**	**1.07**	**0.97**	**-**	**1,577.86**

NOTES:

(a) Gross value of Land and Building includes a sum of ` 25.30 Lakhs (as at March 31, 2017 ` 25.30 Lakhs; as at April 1, 2016 ` 25.30 Lakhs) being the cost of Land/Premises on ownership basis acquired in terms of agreement to purchase.

(b) Gross value of Land and Building includes a sum of ` 0.00 Lakhs (as at March 31, 2017 ` 0.00 Lakhs; as at April 1, 2016 ` 0.00 Lakhs) being the cost of shares in Co-operative Societies.

(c) Bifurcation of the Book value of Land and Building is not possible in view of the non-availability of separate value of certain Land and Building.

(d) Land and Building includes a Flat of having Net carrying value of ` 32.09 Lakhs (as at March 31, 2017 ` 33.73 Lakhs; as at April 1, 2016 ` 35.45 Lakhs) is in the possession of a legal heir of an Ex-Employee.

(e) Plant and Equipment includes certain machineries having Net Book Value of Rs. Nil lying with third party,

(f) Land and Building includes a freehold land of ` 426.99 Lakhs (as at March 31, 2017 ` 426.99 Lakhs; as at April 1, 2016 ` 426.99 Lakhs) at Baroda, in respect of which the Group has received order of the local collector to handover unutilised land admeasuring 1,00,000 sq m out of total area 1,98,000 sq m.to the Gujarat Government. However, the Group has challenged the said order before chief secretary of revenue of Gujarat and got the order to maintain the status quo.

(g) Land and Building includes land of ` Nil (as at March 31, 2017 ` 128,53 Lakhs; as at April 1, 2016 ` 128,53 Lakhs) at Guntur which has been charged in favor of consortium Bankers.The Group has received a Show Cause Notice dated 28.06.2017 from WAQF Board, Vijayawada, Andhra Pradesh, claiming 11.57 acres out of total 14.29 acres Group's land situated at Guntur. The Group, however has challenged the same before the Division bench of Hon'ble Hyderabad High Court which is pending. However based on legal advice and favourable orders in similar cases, the Group is also expecting favourable orders.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2018

3 Intangible Assets under development **(` in Lakhs)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Computer Software	20.00	-	-
	20.00	**-**	**-**

4 NON CURRENT INVESTMENTS

	Numbers			` in Lakhs		
	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
EQUITY SHARES FULLY PAID UP						
Quoted (at fair value)						
GHCL Limited	416578	416578	416578	1,080.19	1,107.89	479.48
ITC Limited	23040	23040	15360	58.96	64.62	63.02
Godfrey Phillips India Limited	2280	2280	2280	18.72	25.83	27.10
VST Industries Limited	64	64	64	1.87	1.84	1.06
Unquoted				**1,159.73**	**1,200.18**	**570.66**
In Other Body Corporates (Fair Value)						
Dalmia Finance Limited'	120000	120000	120000	12.00	12.00	12.00
General Exports & Credit Limited	158400	158400	158400	0.00	0.00	0.00
Bharat Explosive Limited	1050000	1050000	1050000	0.00	0.00	0.00
World Growth Fund Limited *	10000	10000	10000	0.00	0.00	0.00
WGF Financial Services Limited	200000	200000	200000	0.00	0.00	0.00
Filter and Filteraids Limited#	1800	1800	1800	0.00	0.00	0.00
J K Cigarettes Limited#	20000	20000	20000	0.00	0.00	0.00
Premier Paper Mills Limited	40000	40000	40000	0.00	0.00	0.00
Tendong Services Private Limited	311	311	311	0.00	0.00	0.00
				12.00	12.00	12.00
Total				**1,171.73**	**1,212.18**	**582.66**
Aggregate value of Quoted investments (cost)				495.94	495.94	495.94
Aggregate carrying value of Unquoted investments				12.00	12.00	12.00

#shares lying with the Income Tax Department
*share certificate are yet to be received

5 NON CURRENT -OTHER FINANCIAL ASSETS **(` in Lakhs)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
(Unsecured, Considered good unless otherwise stated)			
Security Deposits	114.39	66.22	69.51
Advances Recoverable	59.44	59.44	59.44
Advances considered Doubtful	615.61	579.04	392.37
Less: Provision for doubtful advances	615.61	579.04	392.37
	-	-	-
Total	173.83	125.66	128.95

6 INCOME TAX ASSETS **(` in Lakhs)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Payment of Tax (Net of Provision of ` Nil; as at March 31, 2017 ` 563.01 Lakhs; as at April 1, 2016 ` 3,298.39 Lakhs)	153.11	206.95	1,124.76
Total	**153.11**	206.95	1,124.76

7 OTHER NON CURRENT ASSETS **(` in Lakhs)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Balances with Excise/Sales tax authorities	2,624.78	2,113.80	2,088.05
Advances recovarable in cash or in kind or for value to be received	313.81	348.47	335.40
Advance towards market research	235.00	-	-
Capital Advance	25.00	-	-
Advance given towards acquition of Development rights (Refer Note 37(c))	15,660.45	15,660.45	15,760.45
Total	**18,859.04**	**18,122.72**	**18,183.90**

8 INVENTORIES **(` in Lakhs)**

(Cost or Net realisable value whichever is lower)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Raw Materials	906.24	924.31	1,382.79
Packing Materials	403.56	399.18	430.08
Work-in-progress	260.72	265.01	292.37
Finished Goods (Refer Note.8.1)	105.17	995.92	675.94
Stores, Spare parts and consumables	299.81	300.47	301.89
Stock in Trade (Immovable Properties) - (Refer Note 37(d) and 39(e))	1,030.87	3,521.99	3,521.99
Total	**3,006.37**	**6,406.88**	**6,605.05**

8.1 The Group has provided excise duty of ` Nil (as at March 31, 2017 ` 813.54 Lakhs: as at April 1, 2016 ` 429.82 Lakhs) on the goods lying in the bonded premises as on the balance sheet date and included the same in the inventory valuation of finished goods.

9 TRADE RECEIVABLES **(` in Lakhs)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Secured, considered good*	20.84	20.84	20.84
Unsecured, considered good	941.69	846.69	871.60
Unsecured, considered doubtful	576.11	498.76	397.50
	1,538.64	1,366.29	1,289.94
Less: Provision for doubtful trade receivables	576.11	498.76	397.50
Total	962.53	867.53	892.44

*secured against the Plant and Equipment in the Group's possession

10 CASH AND CASH EQUIVALENTS **(` in Lakhs)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Balance with banks in current accounts	154.38	87.54	43.83
Cash on hand	14.66	12.40	8.18
Total	169.04	99.94	52.02

11 OTHER BANK BALANCES **(` in Lakhs)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Fixed Deposit with Banks (Earmarked)*	192.78	136.19	131.17
Balances in Escrow accounts for One Time Settlement (OTS) with the banks	334.10	-	-
Total	**526.88**	136.19	131.17

*pledged with banks against Guarantees and Credit facilities and with Government authorities for VAT/Entry Tax registration

12 CURRENT - OTHER FINANCIAL ASSETS **(` in Lakhs)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Interest accrued but not due on fixed deposits*	10.04	10.51	8.15
Total	**10.04**	**10.51**	**8.15**

*pledged with banks against Guarantees and Credit facilities and with Government authorities for VAT/Entry Tax registration

13 OTHER CURRENT ASSETS **(` in Lakhs)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Balances with Excise authorities/Sales Tax authorities	0.02	11.42	20.08
Export Incentive receivable	0.19	2.15	-
Income Tax receivable including interest receivable thereon	-	1,979.10	-
Advances to suppliers and Others	75.19	68.18	212.38
Prepaid Expenses	6.04	5.07	7.78
Total	**81.44**	**2,065.92**	**240.24**

14 EQUITY SHARE CAPITAL **(` in Lakhs)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
AUTHORISED			
25000000 Equity Shares of ` 10 each	2,500.00	2,500.00	2,500.00
1000000 Preference Shares of ` 100 each	1,000.00	1,000.00	1,000.00
	3,500.00	3,500.00	3,500.00
ISSUED			
17608802 Nos. Equity Shares of ` 10 each	**1,760.88**	**1,760.88**	**1,760.88**
SUBSCRIBED AND PAID UP			
17598016 Nos. Equity Shares of Rs. 10 each	1,759.80	1,759.80	1,759.80
Less : Allotment/Call money unpaid - other than Directors	1.00	1.00	1.00
TOTAL SHARE CAPITAL	1,758.80	1,758.80	1,758.80

The reconciliation of the number of equity shares outstanding

	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	Numbers	` in Lakhs	Numbers	` in Lakhs	Numbers	` in Lakhs
Equity Shares at the beginning of the year	17,608,802	1,760.88	17,608,802	1,760.88	17,608,802	1,760.88
Equity Shares at the end of the year	17,608,802	1,760.88	17,608,802	1,760.88	17,608,802	1,760.88

Terms/rights attached to Equity shares :

The Group has only one class of issued Equity Shares having a par value of Rs.10 per share. Each Shareholder is eligible for one vote per share held.

The Dividend proposed by the Board of Directors if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend. In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Group after distribution of all preferential amounts, in proportion to their shareholding.

The details of Shareholders holding more than 5% shares:

Name of the Shareholders

	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	No. of Equity Shares	% of Holding	No. of Equity Shares	% of Holding	No. of Equity Shares	% of Holding
J. P. Financial Services Pvt Ltd	-	-	8,550	0.00	1,090,000	6.19%
WGF Financial Services Ltd	959,232	5.45%	959,232	5.45%	159,232	0.90%

In the Period of five years immediately preceding March, 2018:

The Group has not allotted any equity shares as fully paid up without payment being received in cash or as Bonus Shares or Bought back any equity shares.

15 BORROWINGS- NON CURRENT **(` in Lakhs)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
SECURED			
Term Loans from Body Corporates	-	61.28	692.90
UNSECURED			
From Body Corporate (Interest free)	-	250.00	250.00
TOTAL	**-**	311.28	942.90

16 OTHER FINANCIAL LIABILITIES **(` in Lakhs)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Other Liabilities	-	-	662.41
TOTAL	**-**	**-**	662.41

17 BORROWINGS-CURRENT **(` in Lakhs)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
SECURED			
Working Capital Loans:			
From Banks (Overdue Cash Credit Accounts)	2,428.33	3,743.26	3,743.26
TOTAL	**2,428.33**	**3,743.26**	**3,743.26**

18 TRADE PAYABLES **(` in Lakhs)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Micro, Small and Medium Enterprises*	-	-	-
Others	3,121.73	3,127.82	2,854.32
TOTAL	**3,121.73**	3,127.82	2,854.32

*There are no Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, to whom the Group owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group. This has been relied upon by the Auditors.

19 OTHER FINANCIALS LIABILITIES **(` in Lakhs)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Current maturities of long term debt - Bank	-	-	-
- Others	-	685.36	204.02
Interest accrued and due on borrowings : Bank	2,672.21	1,651.73	680.01
: Others	7,044.35	6,011.94	4,547.84
Interest accrued but not due	-	-	97.04
Overdue borrowings : Bank	780.44	780.44	780.53
: Others	8,421.64	12,823.99	12,678.71
Security deposits (Refer note 37(b))	1,511.54	1,368.20	1,280.39
Unpaid Dividends	71.15	71.15	71.15
Advance Received Towards Property Development- Vile Parle, Mumbai (Refer Note 37(a))	13,200.00	13,200.00	13,200.00
Advance Received Towards Project Development- Vile Parle, Mumbai (Refer Note 37(a))	4,075.00	4,075.00	4,075.00
Advance Received Towards Project Development- Guntur (Refer Note 37(d))	1,875.00	-	-
Book Overdraft in Current Account with a Bank	-	108.01	178.63
Due to Employees	554.67	454.17	365.48
Other Liabilities	963.25	1,161.37	749.91
Total	**41,169.25**	42,391.36	38,908.71

20 OTHER CURRENT LIABILITIES **(` in Lakhs)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Statutory dues payable	1,268.53	995.42	536.08
Undisputed Excise dues payable including Interest (Refer note 35(b)(ii))	1,368.42	1,277.57	1,186.72
Excise duty accrued but not due on finished goods	-	813.54	429.82
Unearned Income- Rent received in advance	8.09	-	-
Advances from customers	453.45	437.58	367.94
Total	**3,098.49**	3,524.11	2,520.55

21 PROVISIONS **(` in Lakhs)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Provision for employee benefits:			
Compensated Absences	121.48	126.41	104.49
Gratuity*	265.03	325.60	389.69
Total	**386.51**	452.01	494.18

* Refer Note No. 34 of the Standalone Financial Statements

22 **REVENUE FROM OPERATIONS** **(` in Lakhs)**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Sale of Manufactured goods and Real Estate	9,516.59	8,993.92
Less : Excise Duty	1,104.30	5,318.00
Less : Goods and Service Tax	5,664.61	-
Sale of real estate*	5,201.00	-
	7,948.68	3,675.92
Other Operating Income :		
Sale of Scrap	17.24	12.31
Export Incentives	1.42	7.63
Total	7,967.34	3,695.86

*represents ` 5201 lakhs being sale consideration in respect of Group's Marol land situated in Mumbai had (included in stock in trade having carrying value of ` 2491.16 lakhs) e-auctioned by the secured lender

23 **OTHER INCOME** **(` in Lakhs)**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest Income on fixed deposit and others	22.65	22.45
Interest Income on Income tax refund	608.66	1,374.19
Dividend income from long term investments	15.91	22.36
Liabilities no longer payable written back*	213.82	1.12
Provision for doubtful debts written back	-	1.30
Rental Income	299.91	140.74
Profit on sale of Property, Plant and Equipment	170.82	-
Miscellaneous Income	2.80	0.04
Total	1,334.57	1,562.20

*includes ` 169.94 Lakhs being liability no longer required written back on settlement with workers Union at Vadodara.

24 **COST OF MATERIALS CONSUMED** **(` in Lakhs)**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Raw materials consumed	1,276.73	1,758.41
Packing materials consumed	583.87	694.91
Total	1,860.60	2,453.32

25 **MANUFACTURING AND OPERATING EXPENSES** **(` in Lakhs)**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Consumption of stores and spare parts	30.26	41.23
Repairs to machinery	8.99	12.08
Power and fuel	81.71	97.13
Total	120.96	150.44

26 **CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS** **(` in Lakhs)**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Opening Stock:		
Finished Goods	995.92	675.93
Work in Progress	265.01	292.37
Stock in Trade(Immovable Property)	3,521.99	3,521.99
Total	**4,782.92**	**4,490.30**
Closing Stock		
Finished Goods	105.17	995.92
Work in Progress	260.72	265.01
Stock in Trade (immovable Property)	1,030.87	3,521.99
Total	**1,396.76**	**4,782.92**
Add / (Less):- Variation in excise duty on opening and closing stock of finished goods	(868.96)	344.85
Less : Immovable Property converted into stock in Trade	0.04	-
Total	**2,517.24**	**52.22**

27 **EMPLOYEE BENEFITS EXPENSE** **(` in Lakhs)**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries and wages	717.00	1,013.45
Contributions to provident and other funds	54.70	65.22
Staff welfare expenses	87.68	92.04
Total	859.38	1,170.71

28 **FINANCE COSTS** **(` in Lakhs)**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest Expenses	2,074.06	2,514.76
Interest on Statutory dues	275.94	136.43
Interest paid to others	7.49	6.41
Impact of Fair valuation of financial liabilities	94.12	82.02
Total	**2,451.61**	**2,739.62**

29 **OTHER EXPENSES** **(` in Lakhs)**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Rent	66.13	60.05
Repairs & Maintenance - building	186.41	46.50
Repair-others	18.18	17.66
Insurance	11.66	11.47
Rates and Taxes	18.17	143.04
Travelling & Conveyance Expenses	149.36	163.93
Legal & Professional charges	740.82	395.40
Directors sitting Fees	4.20	3.72
Loss on Variation in Foreign Exchange Rates (Net)	5.00	3.43
Selling and Distribution Expenses	117.22	146.33
Provision for Doubtful Debts/Advances	113.92	210.38
Commission on sales	8.06	0.95
Communication expenses	13.46	16.35
Auditors' Remuneration (Refer Note 42)	16.33	18.64
Bank Charges	3.80	5.38
Printing and stationery	16.99	15.10
Miscellaneous Expenses	288.16	286.38
Total	**1,777.87**	**1,544.71**

30 INCOME TAXES **(` in Lakhs)**

Tax expense recognised in the statement of Profit and Loss:	**2017-18**	**2016-17**
Current tax- for earlier years	448.25	-
Deferred Tax	-	-
Total Tax Expense	**448.25**	**-**

In view of the losses, the Group has not recognised tax expense for current year as well as for previous year except tax expense pertaining to earlier years. Hence reconciliation of the income tax amount between the enacted income tax rate and the effective income tax has not been given.

The movement in deferred tax assets and liabilities during the year ended March 31, 2017 and March 31, 2018:

` in Lakhs

Particulars	As at 1st April, 2016	(Credit)/ charge for the year	As at 31st March, 2017	(Credit)/ charge for the year	As at 31st March, 2018
Deferred tax assets					
Expenses allowable on payment basis and others	1,446.89	389.36	1,836.25	(345.18)	2,181.43
Provision for Doubtful debts	201.10	74.14	275.24	(29.33)	304.58
Unabsorbed losses and depreciation	7,369.58	(1,008.48)	6,361.10	569.30	5,793.27
	9,017.57	(544.98)	8,472.59	194.79	8,279.28
Deferred Tax Liability					
Differences in written down value of Property, Plant and Equipment	298.03	(0.02)	298.01	42.90	255.10
	8,719.54	(544.96)	8,174.58	151.89	8,024.18
Less : Deferred Tax Asset not recognised as a matter of prudence	8,719.54	(544.96)	8,174.58	151.89	8,024.18
Total	**-**	**-**	**-**	**-**	**-**

31. SEGMENT REPORTING :-

(Amount ` in Lakhs)

Particulars	For the year March 31, 2018	For the year March 31, 2017
Segment Revenue :		
(a) Tobacco Products	2,762.45	3,695.86
(b) Realty	5,201.00	—
(c) Others/Unallocable	3.89	—
Net/Sales income from operations	**7,967.34**	**3,695.86**
Segment Results Profit/(Loss) before tax and interest from segment :		
(a) Tobacco Products	(388.13)	(191.65)
(b) Realty	2,480.91	(6.64)
(c) Others/Unallocable	(1.53)	(1.63)
Total	**2,091.25**	**(199.92)**
Less : Finance Cost	2,451.61	2,739.62
Tax Expense - Income Tax pertaining to earlier years	448.25	-
Total Profit / (Loss) after Taxation	**(808.61)**	**(2,939.54)**
Less: Other Comprehensive Income	(27.25)	735.92
Total Comprehnsive Income	**(835.86)**	**(2,203.62)**
Segment Assets :		
(a) Tobacco Products	9,598.09	11,683.22
(b) Realty Division	16,926.60	19,184.48
(c) Others/Unallocable	187.18	193.90
Total Assets	**26,711.87**	**31,061.60**
Segment Liabilities :		
(a) Tobacco Products	16,481.65	15,935.47
(b) Realty Division	33,691.96	37,583.84
(c) Others/Unallocable	30.69	30.52
Total Liabilities	**50,204.30**	**53,549.83**
Capital Expenditure :		
(a) Tobacco Products	13.89	1.13
(b) Realty Division	—	—
(c) Others/Unallocable	—	—
Total Capital Expenditure	**13.89**	**1.13**
Depreciation/Amortisation :		
(a) Tobacco Products	74.61	86.58
(b) Realty Division	—	—
(c) Others/Unallocable	—	—
Total Depreciation/Amortization	**74.61**	**86.58**

Business segments :

Based on the “management approach” as defined in Ind-AS 108 - Operating Segments, the Managing Director/Decision Maker evaluates the Group’s performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along with these business segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments.

32 FINANCIAL INSTRUMENTS

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The carrying amounts and fair values of financial instruments by category are as follows:

a. Financial assets ` in Lakhs

	Note	Instruments carried at fair value		Instruments carried at amortized cost Carrying amount	Total carrying amount (A+B)	Total fair value	
		At Cost	FVTPL				
As at 1st April, 2016							
Investment	4	-	582.66	-	582.66	582.66	Level 1
Trade receivables	9	-	-	892.44	892.44	892.44	
Cash & cash equivalents	10	-	-	52.02	52.02	52.02	
Other bank balances	11	-	-	131.17	131.17	131.17	
Other financial assets	5, 12	-	-	137.10	137.10	137.10	
Total		-	582.66	1,212.73	1,795.39	1,795.39	
As at 31st March, 2017							
Investment	4	-	1,212.18	-	1,212.18	1,212.18	Level 1
Trade receivables	9	-	-	867.53	867.53	867.53	
Cash & cash equivalents	10	-	-	99.94	99.94	99.94	
Other bank balances	11	-	-	136.19	136.19	136.19	
Other financial assets	5, 12	-	-	136.17	136.17	136.17	
Total		-	1,212.18	1,239.83	2,452.01	2,452.01	
As at 31st March, 2018							
Investments	4	-	1,171.73	-	1,171.73	1,171.73	Level 1
Trade receivables	9	-	-	962.53	962.53	962.53	
Cash & cash equivalents	10	-	-	169.04	169.04	169.04	
Other bank balances	11	-	-	526.88	526.88	526.88	
Other financial assets	5, 12	-	-	183.87	183.87	183.87	
Total		**-**	**1,171.73**	**1,842.32**	**3,014.05**	**3,014.05**	

b. Financial liabilities

` in Lakhs

	Note	Instruments carried at fair value		Instruments carried at amortized cost		
		FVTPL	Total carrying amount and fair value	Carrying amount	Total carrying amount	Fair value
As at 1st April, 2016						
Borrowings	15,17	-	-	4,686.16	4,686.16	4,686.16
Trade payables	18	-	-	2,854.32	2,854.32	2,854.32
Other financial liabilities	16,19	556.00	-	39,015.13	39,571.13	39,571.13
Total		556.00	-	46,555.61	47,111.61	47,111.61
As at 31st March, 2017						
Borrowings	15,17	-	-	4,054.54	4,054.54	4,054.54
Trade payables	18	-	-	3,127.82	3,127.82	3,127.82
Other financial liabilities	16,19	683.03	-	41,753.32	42,391.35	42,391.35
Total		683.03	-	48,935.68	49,573.71	49,573.71
As at 31st March, 2018						
Borrowings	15,17	-	-	2,428.33	2,428.33	2,428.33
Trade payables	18	-	-	3,121.73	3,121.73	3,121.73
Other financial liabilities	16,19	732.15	-	40,437.09	41,169.24	41,169.24
Total		**732.15**	**-**	**45,987.15**	**46,719.30**	**46,719.30**

33 FIRST-TIME ADOPTION OF IND AS

The Group has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from April 1st, 2017, with a transition date of April 1st, 2016. The adoption of Ind AS has set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A. Optional Exemptions

(a) Deemed Cost

Ind AS 101 permits to measure all its property, plant & equipments at their previous GAAP carrying value i.e. being deemed cost represented by Gross Block reduced by accumulated depreciation on April 1, 2016.

(b) Investments in subsidiaries

The Group present separate financial statement wherein Ind AS 27 requires it to measure its investment in subsidiaries either at cost or in accordance with the Ind AS 109. The Group at first time adoption has measured such investment at cost in accordance with the Ind AS 27, wherein it has option to measure the investments in its separate opening Ind AS balance sheet at cost as determined in accordance with Ind AS 27 or deemed cost. Deemed cost shall be fair value at the entity's date of transition to Ind AS in its separate financial statement or previous GAAP carrying amount as on that date. The Group has adopted deemed cost being previous GAAP carrying amount as on date of transition.

B. Mandatory Exceptions

(a) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:-

(b) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

C. <u>Transition to Ind AS - Reconciliations</u>

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS in accordance with Ind AS 101:

I. Reconciliation of Balance sheet as at April 1, 2016 and March 31, 2017

II. Reconciliation of Statement of Profit and Loss for the year ended March 31, 2017

III. Reconciliation of Equity as at April 1, 2016 and March 31, 2017

The presentation requirements under Previous GAAP differs from Ind AS and hence Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Group prepared in accordance with Previous GAAP.

I **Reconciliation of Balance sheet as at April 1, 2016 and March 31, 2017**

` in Lakhs

ASSETS	Notes	As At 31-Mar-17 (Previous GAAP)	Ind AS Adjust-ments	As At 31-Mar-17 (IND AS)	As At 1-Apr-16 (Previous GAAP)	Ind AS Adjust-ments	As At 1-Apr-16 (IND AS)
(1) NON - CURRENT ASSETS							
(a) Property, Plant & Equipment	**2**	1,807.12	-	1,807.12	1,892.57	-	1,892.57
(b) Financial assets							
(i) Investments	**4**	628.78	583.40	1,212.18	628.78	(46.12)	582.66
(ii) Other financial assets	**5**	125.66	-	125.66	128.95	-	128.95
(c) Income tax assets	**6**	206.95	-	206.95	1,124.76	-	1,124.76
(d) Other non-current assets	**7**	18,122.72	-	18,122.72	18,183.90	-	18,183.90
TOTAL NON - CURRENT ASSETS		**20,891.23**	**583.40**	**21,474.62**	**21,958.95**	**(46.12)**	**21,912.83**
(2) CURRENT ASSETS							
(a) Inventories	**8**	6,406.88	-	6,406.88	6,605.05	-	6,605.05
(b) Financial assets							
(i) Trade receivables	**9**	867.53	-	867.53	892.44	-	892.44
(ii) Cash & cash equivalents	**10**	99.94	-	99.94	52.02	-	52.02
(iii) Other bank balances	**11**	136.19	-	136.19	131.17	-	131.17
(iv) Other financial assets	**12**	10.51	-	10.51	8.15	-	8.15
(c) Other current assets	**13**	2,065.92	-	2,065.92	240.24	-	240.24
TOTAL CURRENT ASSETS		**9,586.97**	**-**	**9,586.97**	**7,929.06**	**-**	**7,929.06**
TOTAL ASSETS		**30,478.19**	**583.40**	**31,061.60**	**29,888.01**	**(46.12)**	**29,841.89**
EQUITY AND LIABILITIES							
EQUITY							
Equity share capital	**14**	1,758.80	-	1,758.80	1,758.80	-	1,758.80
Other equity		(25,092.41)	845.37	(24,247.05)	(22,341.13)	297.88	(22,043.25)
Attributable to the owners of the Parent		**(23,333.61)**	**845.37**	**(22,488.25)**	**(20,582.32)**	**297.88**	**(20,284.45)**
Non - controlling Interests		0.01	-	0.01	0.01	-	0.01
TOTAL EQUITY		**(23,333.60)**	**845.37**	**(22,488.24)**	**(20,582.31)**	**297.88**	**(20,284.44)**
LIABILITIES							
(1) NON - CURRENT LIABILITIES							
(a) Financial liabilities							
(i) Borrowings	**15**	311.28	-	311.28	942.90	-	942.90
(ii) Other Financial Liabilities	**16**	**-**	**-**	-	662.41	-	662.41
TOTAL NON - CURRENT LIABILITIES		**311.28**	**-**	**311.28**	**1,605.31**	**-**	**1,605.31**
(2) CURRENT LIABILITIES							
(a) Financial liabilities							
(i) Borrowings	**17**	3,743.26	-	3,743.26	3,743.26	-	3,743.26
(ii) Trade payables	**18**	3,127.82	-	3,127.82	2,854.32	-	2,854.32
(iii) Other financial liabilities	**19**	42,653.32	(261.97)	42,391.35	39,252.72	(344.00)	38,908.73
(b) Other current liabilities	**20**	3,524.11	-	3,524.11	2,520.55	-	2,520.55
(c) Provisions	**21**	452.01	-	452.01	494.18	-	494.18
TOTAL CURRENT LIABILITIES		**53,500.51**	**(261.97)**	**53,238.55**	**48,865.04**	**(344.00)**	**48,521.04**
TOTAL EQUITY AND LIABILITIES		**30,478.19**	**583.40**	**31,061.59**	**29,888.03**	**(46.12)**	**29,841.91**

Rs in Lakhs

II Reconciliation of Statement of Profit and Loss for the year ended March 31, 2017

Particulars	Notes	For the year ended March 31, 2017 (Previous GAAP)	Ind AS Adjustments	(IND AS)
INCOME				
Revenue from operations	**22**	3,695.86	-	3,695.86
Other income	**23**	1,562.20	-	1,562.20
TOTAL INCOME		5,258.06	-	5,258.06
EXPENDITURE				
Cost of materials consumed	**24**	2,453.32	-	2,453.32
Manufacturing and Operating Expenses	**25**	150.44	-	150.44
Changes in inventories of finished goods, work-in-progress and traded goods	**26**	52.22	-	52.22
Employee benefits expenses	**27**	1,064.31	106.40	1,170.71
Finance costs	**28**	2,657.59	82.02	2,739.61
Depreciation and amortisation expense		86.58	-	86.58
Other expenses	**29**	1,544.71	-	1,544.71
TOTAL EXPENSES		8,009.17	188.42	8,197.59
LOSS FOR THE YEAR		(2,751.11)	(188.42)	(2,939.53)
OTHER COMPREHENSIVE INCOME				
Items that will reclassified subsequently to Profit or loss				
Gain/(loss) on Re-measurement of investment in equity		-	629.52	629.52
Items that will not be reclassified to profit or loss				
Gain/(loss) on Remeasurment of net defined benefit plans		-	106.40	106.40
TOTAL OTHER COMPREHENSIVE INCOME				
TOTAL COMPREHENSIVE INCOME		**(2,751.11)**	**547.50**	**(2,203.61)**

III Reconciliation of Equity

` in Lakhs

Particulars	As at 31-Mar-17	As at 1-Apr-16
Total equity under previous GAAP	**(23,333.60)**	**(20,582.31)**
Adjustments impact: Gain/ (Loss)		
Loss on Fair Valuation of Investments and		
Financial assets through Profit & Loss	583.40	(46.12)
Gain/(loss) on Fair Valuation of financial liabilities at amortised cost	261.97	344.00
Total IND AS adjustment	**845.37**	**297.88**
Total equity under Ind AS	**(22,488.23)**	**(20,284.44)**

Notes to first time adoption

Note 1: Remeasurements of post employment benefit obligations

Under the previous GAAP, cost relating to post employment benefit obligations including actuarial gain/losses were recognised in Profit & Loss. Under Ind AS, actuarial gain/losses on the net defined benefit liability are recognised in other comprehensive income instead of profit & loss.

Note 2: Deposit

Under the previous GAAP, interest free refundable security deposits are recorded at transaction price. Under Ind AS All financial liabilities are required to be recognised at fair value. Accordingly, the Company has fair valued the security deposits and the difference between the fair value and transaction value of the security deposit has been recognised in the retained earnings.

Note 3: Fair Valuation of Investments

Under previous GAAP, investment in equity instruments were classified into long term and current investments. Long term investments were carried at cost less provision other than temporary in nature. Current investments were carried at lower of cost or fair value. Under Ind AS, these investments are require to be measured at fair value either through OCI (FVTOCI) or through Profit & loss (FVTPL). The Company has opted to fair value these investments through Profit & loss (FVTOCI). Accordingly, resulting fair value change of these investments have been recognised in retained earnings as at the date of transition and subsequently in the profit & loss account (FVTOCI).

Note 4: Discount

Under previous GAAP, the Company accounted for revenue net of trade discounts, sales taxes and excise duties. Under Ind AS, the Company will recognise revenue at fair value of consideration received or receivable. Any sales incentive or rebates in any form given to customers will be considered as reductions from revenue.

Note 5: Deferred Tax

Under previous GAAP, deferred taxes were recognised based on Profit & loss approach i.e. tax impact on difference between the accounting income and taxable income. Under Ind AS, deferred tax is recognised by following balance sheet approach i.e. tax impact on temporary difference between the carrying value of asset and liabilities in the books and their respective tax base.The impact of the aforesaid change has been adjusted in unrecognised deferred tax asset (Refer note 30).

34	EARNINGS PER SHARE (EPS)	2017-18	2016-17
	Net (Loss) as per Statement of profit and loss	(808.61)	(2,939.54)
	Weighted average number of equity Shares	17588021	17588021
	Nominal value of equity Shares (In nos.)	10.00	10.00
	Basic and diluted earning per share (`)	(4.60)	(16.71)

` in Lakhs

35	Pending Litigations/contingent liabilities not provided for in respect of :	2017-18	2016-17
	(a) Disputed Excise matters : Disputed Excise claims/demands excluding interest liability, if any, against and/or relating to the Group and counter claims by the Group are pending or otherwise being contested before the various Excise Authorities /Courts against which the Group has paid Rs. 102.39 Lakhs (as at March 31, 2017 Rs. 1,220.63 Lakhs; as at April1, 2016 Rs.1218.42 Lakhs) (included in Loans & Advances) under protest. In the opinion of the management, appropriate provisions have been made in the books of account in respect of Excise claims/ demands that may become payable based on the legal advice /present status of various matters. Further, various show cause notices/show cause-cum-demand notices/attachment notice have been received including remanded back from Excise Authorities by the Group and/or in relation to the Group. Since these notices are in the nature of explanations required, the Group does not consider them to constitute any liability. All these notices have appropriately been replied/attended to	12,867.36	35,311.28
	(b) Disputed Income Tax matters : **(i)** Income Tax in respect of earlier years under dispute for which appeals/ rectification petitions have been / are being preferred by the Group before the various appellate authorities and / or pending final assessments including interest and penalties against which the Group has paid Rs. Nil (as at March 31, 2017 Rs. 2,165.36 Lakhs ; as at April1, 2016 Rs.1,078.26 Lakhs) (included in Loans & Advances).	163.66	11,322.98
	(ii) Pursuant to Hon'ble Supreme Court vide its order dated May 12, 2016, the Income Tax Department vide an Order of Attachment of Immovable Property dated July 13, 2016 has prohibited and restrained the Group from transferring or charging its Vile Parle property to recover principal amount of tax demand. The Hon'ble court further held that such attachment and sale shall be subject to the rights of the secured creditors in respect of the mortgaged properties. Out of the proceeds, the principal amount of tax due to the income tax department and the admitted excise dues shall be paid.Consequent to the favourable Judgements received by the Group, the said attachment has been withdrawn by the Departement.		
	(c) Other disputed amounts for which the Group is contingently liable :		
	Demands of employees/ex-employees	385.66	339.88
	Sales Tax	142.40	134.55
	Entry Tax	2,661.11	2,655.29
	Land Revenue Tax	3.78	3.15
	E.S.I.C.	18.86	18.86
	Service Tax	3.86	-
	-Services/material suppliers/advance forfeited and other business related disputed matters	7,273.74	5,137.48
	(d) The Group has received notices from certain States in USA with regard to claims against cigarettes sold in those States. However, as per an expert legal opinion obtained, the Group is not liable for claims, whatsoever-amount unascertainable	-	-
	(e) Guarantees and counter guarantees given by the Group to Banks/Financial Institutions / Others in respect of loans / guarantees to / for other companies plus interest, if any .	1,048.23	1,048.23

The Group has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Group does not expect the outcome of these proceedings to have a material impact on its financial statements

36 COMMITMENTS

a) Capital committment of Rs. 110 Lakhs (as at March 31, 2017 Rs.Nil; as at April 1, 2016 Rs.Nil) net of advance of Rs. 25 Lakhs (as at March 31, 2017 Rs. Nil and as at April1, 2016 Rs. Nil)

b) The Group has taken various residential / commercial premises under cancelable Operating Leases. The Lease Agreements are usually renewable by mutual consent on mutually agreeable terms

c) The rental expense in respect of Operating Leases is charged as rent under Note 29

37 The Group as a part of development activities of Realty Division :-

a) Vile Parle-Mumbai

The Group had entered into Memorandum of Understanding (MOU) in December, 2009 with M/s Sheth Developers Pvt. Ltd. and Suraksha Realty Ltd. (Developers) and had received advances in earlier years aggregating to Rs. 13,200 Lakhs (as at March 31, 2017 Rs. 13,200 Lakhs; as at April1, 2016 Rs.13,200 Lakhs) to jointly develop its Vile Parle property. However, on Intervention Application filed by Sheth Developers Pvt Ltd and Suraksha Realty Ltd (the interveners), in the SLP filed by the Income Tax Department before the Hon'ble Supreme Court, the Hon'ble Court vide its order dated 12.05.2016 held that MOU entered into by the Group with them was in violation of the Sanctioned BIFR Scheme 2002. Therefore, such MOU with the aforesaid interveners entered into by the Group loses its legal force and no right would accrue to these interveners on the basis of said MOU. Thus the Hon'ble Court dismissed their plea. Consequently the title deeds of the property lying in Escrow Account with the Solicitor will be released in due course.The said developers have also filed an appeal u/s 9 and 11 of the Arbitration and Conciliation Act before the Hon'ble Bombay High Court which is pending.The Hon'ble High Court Gujarat at Ahmedabad vide it's order dated 05-05-2015 restrained the Group from transferring its Vile Parle property pursuant to a petition filed by a group of minority shareholders pending with NCLT. The Group had received advances of Rs.4,075 Lakhs from a strategic investor for development of the said property. The strategic investor, however, has filed a recovery suit along-with interest before Hon'ble Bombay High Court against which the Group has filed counter claim for more than their recovery amount which is pending.

b) Hyderabad

The Group had entered into a development agreement in September, 2007 and supplemental agreement in October, 2008, March, 2014 and September, 2016 with a developer to jointly develop its Hyderabad property. The Group has received an interest free security deposit, balance as on March 31, 2018 Rs. 732.15 Lakhs (as at March 31, 2017 Rs. 638.03 Lakhs; as at April1, 2016 Rs.556.00 Lakhs). The project's construction activities are in full swing and are expected to be completed in stipulated time frame in due course.

c) Chattarpur-New Delhi

The Group had given advances balance as on March 31, 2018 Rs. 15,660.45 Lakhs (as at March 31, 2017 Rs. 15,660.45 Lakhs; as at April1, 2016 Rs.15,760.45 Lakhs) ; net of advance refunded aggregating to Rs. 15,509.93 Lakhs (Previous year Rs. 15,509.93 Lakhs) to acquire certain development rights in a plot of land situated in Delhi for Joint Development pursuant to Development Agreement in this regard.

d) Guntur- Andhra Pradesh

In March 2018, land situated at Guntur, Andhra-Pradesh hitherto held as fixed assets was converted into "Stock in Trade" at the book value of Rs.3969. Further, the Group has received an advance of Rs.1875 Lakhs towards proposed MOU to be entered in respect of the said land. In respect of the said land, the Group has received a Show Cause Notice dated 28.06.2017 from WAQF Board, Vijayawada, Andhra Pradesh, claiming 11.57 acres Group's land situated at Guntur having book value of Rs.3234. The Group, however has challenged the same before the Division bench of Hon'ble Hyderabad High Court which is pending. However based on the legal advice and favorable orders in similar cases, the Group is also expecting favorable decisions

38 DISCLOSURE ON RELATED PARTY TRANSACTIONS

Names of related parties and description of relationship:

Key Managerial Personnel and their relatives:

Shri. A. K. Joshi	Managing Director
Shri. Jaskaran S Khurana	Executive Director
Shri Bharat B Merchant	Non Executive Director
Shri V. K. Bhandari (upto 30th March, 2018)	Non Executive Director
Smt. Kokila Panchal	Non Executive Director
Shri Manoj Kumar Srivastava	Company Secretary
Shri Pawan Kumar Malsaria	Chief Financial Officer

Relatives : Shri Amit Joshi, Shri Ashwin Joshi, Smt. Ivleen Khurana,Smt. Ritu Srinastava,Smt. Savita Malasaria

During the year, the following transactions were carried out with the above related parties in the ordinary course of business and outstanding balances as on March 31, 2018

` in Lakhs

Nature of Transactions	For the year ended March 31, 2018	For the year ended March 31, 2017
Managerial Remuneration* :		
Shri. A. K. Joshi	81.65	81.63
Shri. Jaskaran S Khurana	58.83	63.26
Remuneration :		
Shri. Manoj Kumar Srivastava	9.23	9.38
Shri. Pawan Kumar Malsaria	10.11	10.90
Car Hire Charges		
Shri. Amit Joshi	1.80	1.80
Shri. Ashwin Joshi	1.80	1.80
Smt. Ivleen Khurana	3.60	3.60
Smt. Ritu Srivastava	0.96	0.96
Smt. Savita Malsaria	0.96	0.96
Directors sitting fees :		
Shri Bharat B Merchant	1.60	1.50
Shri V. K. Bhandari	1.70	1.50
Smt. Kokila Panchal	0.90	0.70

*In respect of excess managerial remuneration aggregating to ` 22.27 Lakhs paid or provided during the period from 27 September 2015 to September 12, 2016, the Group has made necessary application to the Central Government for its approval. The Management, as explained, is confident of receiving the same in due course.

` in Lakhs

Party Name	Nature of Balances	As at March 31, 2018	As at March 31, 2017
Shri. A. K. Joshi	Payable	6.79	6.79
Shri. Jaskaran S Khurana	Payable	4.65	10.65
Shri. Manoj Kumar Srivastava	Payable	0.74	0.74
Shri. Pawan Kumar Malsaria	Payable	0.83	0.83
Shri. Amit Joshi	Payable	0.30	0.15
Shri. Ashwin Joshi	Payable	0.30	0.15
Smt. Ivleen Khurana	Payable	0.59	0.30
Smt. Ritu Srivastava	Payable	0.16	0.08
Smt. Savita Malsaria	Payable	0.16	0.08

Notes:

a) Related party relationship is as identified by the management and relied upon by the auditors.

b) No amounts in respect of related parties have been written off/ written back during the year and no provision has been made for doubtful debts/ receivable.

39 Assets provided as security

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

` in Lakhs

	As at 31 March, 2018	As at 31 March, 2017	As at April 1, 2016
Current Assets			
Financial Assets			
Trade receivables	962.18	867.53	892.44
Fixed Deposit with Banks	192.78	136.19	131.17
Interest accrued but not due on fixed deposits	10.04	10.51	8.15
Non Financial Assets			
Inventories Stock in Trade- immovable properties	0.43	2,491.55	2,491.55
Inventories- others	1,975.50	2,884.89	3,083.07
Total Current assets provided as security	3,140.93	6,390.67	6,606.38
Non Current Assets			
Plant and Equipment	112.08	131.67	171.02
Land and Buildings	960.33	1,119.09	1,119.09
Total non-current assets provided as security	**1,072.41**	1,250.76	1,290.10
Total assets provided as security	**4,213.35**	7,641.43	7,896.49

Note:

Working Capital Facilities are secured by way of :

(a) Working capital facilities and non fund based limits of Rs.1000 Lakhs (Previous Year Rs.1000 Lakhs) are secured by hypothecation of inventories and book debts and further secured by way of mortgage of second charges on immovable property at Baroda and first charge on immovable property at Guntur.

(b) Guarantees given by the Group's Bankers are secured/to be secured by hypothecation of stocks, book debts, fixed deposits with banks and certain machineries, equitable mortgage of certain immovable properties at Baroda subject to prior charge in favour of Trustees for the debenture holders and /or pledge of fixed deposit receipts.

(c) In respect of 12% Secured Redeemable Non-Convertible Debentures privately placed with IFCI Limited Group had in the previous year repaid the entire amount of debentures. However ,till date the Group has not received the "No Due Certificate" from IFCI in view of their unsustainable claim, therefore, the Group could not file the form for satisfaction of charge which was created on Group's property situated at village Dhanot in the State of Gujarat and a first charge by way of hypothecation of the Group's movable properties subject to prior charge on specified movables in favour of the Group's Bankers for Working Capital facilities and was further secured by equitable mortgage of the Group's immovable properties at Baroda, Gujarat ranking pari passu with the Bankers who have given working capital term loan.

(d) Canara Bank, lead banker on behalf of the consortium bankers has initiated action u/s 13(4) of the SARFAESI Act for recovery of their dues in respect of Group's properties situated at Guntur (where 1st charge was provided) and Vadodara property (where 2nd charge was provided). The Group has challenged the said action of the bankers before the DRT, Mumbai which is pending. Further, Allahabad Bank has also taken action u/s 13(4) of the SARFAESI Act for recovery of their dues in respect of Palghar property where they have been provided security as first charge. The Group has challenged the said action of the bankers before the DRT, Mumbai which is also pending.Now, The Group's offer for One Time Settlement (OTS) was accepted by the secured bank lenders for Rs.4,603.36 Lakhs on the different dates of becoming NPA as against their dues of Rs. 7,195.99 Lakhs . In compliance with the terms and conditions, the Group has paid Rs. 1,315 Lakhs till 31st March, 2018 and the balance dues are to be paid upto July, 2018. Certain lenders are yet to provide necessary approvals. Pending compliance of the remaining terms and conditions as also receipt of approvals, no impact of the waiver has been accounted for.One of member of the consortium bank (namely vijaya bank) has filed a petition under Insolvency and Bankruptcy Code before the NCLT, Ahmedabad prior to the Group's offer of OTS. Subsequently OTS has been accepted by the said bank. The Bank has confirmed that the said petition will be withdrawn.

(e) Indiabulls Housing Finance Limited has initiated action u/s 13(4) of the SARFESI Act in respect of property to be constructed at Hyderabd land included in Stock in Trade for availing loan facility and the same is being challanged before DRT.

40 The Group's net worth had been entirely eroded. The Group has prepared these financial statements on a going concern basis as the management is hopeful to turn around the Groups's business performance especially in the realty business segment where one of the project's construction activities has Commenced and is expected to be completed in stipulated time frame in due course

41 Income Tax proceedings in respect of earlier years decided in the Group's favour by the Appellate Authorities against which the Department is in further appeals is exempted from disclosure of contingent liabilities in terms of para 28 of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets.

` in Lakhs

42

PAYMENT TO AUDITORS OF PARENT COMPANY	**2017-18**	**2016-17**
Audit fees	9.75	9.89
Tax audit fees	-	1.58
Limited review and certification fees	3.50	3.30
Reimbursement of expenses	1.59	1.76
Service Tax/Goods and Service Tax	1.49	2.11
TOTAL PAYMENT TO AUDITORS	**16.33**	**18.64**

43 In the opinion of the management, assets other than fixed assets and non-current investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.The Accounts of certain Trade Receivables, Trade Payables, Non-operative Banks / Lenders and Loans & Advances are however, subject to formal confirmations / reconciliations and consequent adjustments, if any. The management does not expect any material difference affecting the current year's financial statements.

Signature to Notes 1 to 43

For and on behalf of the Board

A. K. Joshi Managing Director DIN : 00379820	**Bharat B. Merchant** Director DIN : 00300384
Manoj Kumar Srivastava Company Secretary	**Pawan Kumar Malsaria** Chief Financial Officer

Place : Mumbai
Date : 30 May, 2018

ADDITIONAL INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(As prescribed under Schedule III of the Companies Act.2013)

(` IN LAKHS)

Name of the entity in the	Net Assets i.e. total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
Parent				
GOLDEN TOBACCO LIMITED	76.55	(17,983.01)	98.77	(825.54)
Subsidiaries - Indian				
WESTERN EXPRESS INDUSTRIES LTD.	2.92	(685.13)	0.91	(7.60)
RAIGADH PAPERS LTD.*	(0.14)	33.70	0.02	(0.20)
GOLDEN INVESTMENT (SIKKIM) P. LTD.	(0.13)	29.63	0.01	(0.12)
GOLDEN REALTY & INFRASTRUCTURE LTD.	20.63	(4,847.31)	0.29	(2.41)
Subsidiaries - Foreign				
GTC INC B.V.	0.17	(40.30)	-	-
Minority Interest	**-**	-	-	-
Joint Ventures				
None	-	-	-	-
TOTAL	**100.00**	**(23,492.42)**	**100.00**	**(835.87)**

* Subsidiary of Western Express Industries Ltd.

For and on behalf of the Board of Directors

Place: Mumbai
Date : May 30, 2018

A. K. Joshi	**Bharat B. Merchant**	**Pawan Kumar Malsaria**	**Manoj Kumar Srivastava**
Managing Director	Director	Chief Financial Officer	Company Secretary
DIN : 00379820	DIN : 00300384		

GOLDEN TOBACCO LIMITED

Regd. Office: At. Darjipura, Post- Amaliyara, Vadodara – 390 022, Gujarat.
Phone -+91 265 2540597, 2540281, Fax : 0265 2541700, Toll Free No : 1800 223 951
E-mail: share@goldentobacco.in, Website : www.goldentobacco.in
CIN:L16000GJ1955PLC067605

FORM MGT-11

PROXY FORM

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

Name of the member (s): _____

Registered Address: _____

_____

Email Id: _____

Folio No./ DPID-Client ID: _____

I/We, being the member (s) of …..…… Shares of the above named Company, hereby appoint:

1. Name:……..
   Address:…..
   ….
   Email Id: ……..…… Signature: ……..……..……..…… or failing him
2. Name:……..
   Address:…..
   ….
   Email Id: ……..…… Signature: ……..……..……..…… or failing him
3. Name:……..
   Address:…..
   ….
   Email Id: ……..…… Signature: ……..……..……..……

and whose signature (s) are appended below as my/our Proxy to attend and vote (on a poll) for me/us on my/our behalf at the 62nd Annual General Meeting of the Company to be held on Thursday, December 27, 2018 at 10:30 A.M. at Darjipura, Post Amaliyara, Vadodara, Gujarat 390022 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions
Ordinary Business:

1. **To receive, consider and adopt:**
   a. the Audited Financial Statements of the Company for the year ended March 31, 2018 together with the Reports of the Board of Directors' and the Auditors' thereon.
   b. the Audited Consolidated Financial Statements of the Company for the Financial year ended March 31, 2018 together with Reports of the Auditors' thereon.
2. To appoint a Director in place of Shri Jaskaran S. Khurana (DIN:03034960) who retires by rotation and, being eligible, offers himself for re-appointment.

Special Business:

3. To appoint Shri Vinod Bhatia (DIN : 08235705), as an Independent Director.
4. To re-appoint Shri A. K. Joshi as Managing Director of the Company and to fix his remuneration.

Affix Signature Revenue Stamp

Signed this on _____ day of _____, 2018

Signature of Shareholder: ……

Note: This Proxy form in order to be effective should be duly completed and deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.

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GOLDEN TOBACCO LIMITED

CIN: L16000GL1955PLC067605

Registered Office : At. Darjipura, Post-Amaliyara, Vadodara – 390 022. (Gujarat).

ATTENDANCE SLIP

Sr. No :	

Registered Folio No. / DP ID / Client ID	
Name and Address of the Member (s)	
No. of Share(s)	
Name of Proxy (In Block Letters)	
Signature of the Member(s)/ Proxy	

1. I/ We hereby record my/our presence at the 62nd Annual General Meeting of the Company on Thursday, December 27, 2018, at 10:30 a.m. at Registered Office: At Darjipura, Post-Amaliyara, Vadodara – 390 022.(Gujarat).

Note : Members / Proxies are requested to bring the attendance slip with them.

Route Map to the AGM Venue



Regd. Office : At Darjipura, Post-Amaliyara
Vadodara, Gujarat-390022(India)
Email : share@goldentobacco.in
Website : www.goldentobacco.in
CIN : L16000GJ1955PLC067605
Toll Free No. : 1800223951