

Board of Directors

Haigreve Khaitan
Golam Momen
P Rajagopalan
J M Kothary
N Dharmaraj (Whole Time Director)
Sachin Nandgaonkar
Kaushik Roy
Surbhi Singhi

Manager

V Venugopal

Company Secretary

Binu Thomas

Registered Office

24/1624, Bristow Road
Willingdon Island Cochin – 682003
Phone: 0484-2668023
E-mail: hmlcorp@harrisonsmalayalam.com
Website: www.harrisonsmalayalam.com

Activities

Plantations – Tea, Rubber, Fruits,
Spices & Other Crops
Trading & Exports in Tea and Rubber

Auditors

Price Waterhouse
Chartered Accountants
8th Floor, Prestige Palladium Bayan
129 – 140, Greams Road
Chennai – 600 006

Bankers

ICICI Bank
IDBI Bank
State Bank of India
HDFC Bank

Legal Advisors

Menon & Pai Advocates
I.S. Press Road Cochin – 682018

Secretarial Auditors

M/s. SVJS & Associates,
Company Secretaries, Manikkath Road,
Ravipuram, Cochin – 682016

Cost Auditors

M/s. Shome & Banerjee Cost Accountants
5A Nurulla Doctor Lane, (West Range)
2nd Floor, Kolkata – 700 017

Registrar & Share Transfer Agent

M/s. Link Intime India Pvt. Ltd.
Surya, 35, Mayflower Avenue Sowripalayam Road
Coimbatore – 641 028
Tel No.0422-2314792
E-mail:Coimbatore@linkintime.co.in



Financial Performance 10 Year Track Record

₹ Crore

	07-08	08-09	09-10	10-11	11-12	12-13	13-14	14-15	15-16	16-17
Profit & Loss Account										
Total Income	209.14	292.58	350.65	366.55	368.91	349.93	386.86	334.36	288.60	372.02
Personnel cost	70.02	89.33	103.13	104.59	111.14	116.21	123.90	133.01	140.33	147.82
Raw materials & Purchases	52.69	92.62	126.18	115.93	93.83	89.07	107.44	94.31	78.74	118.86
Power & Fuel	11.05	14.12	15.10	14.91	16.60	19.62	20.43	21.31	19.86	20.27
Cultivation & Other Operating Expenses	42.73	58.09	66.32	97.32	104.15	91.86	99.81	89.30	68.78	62.93
Depreciation	3.00	3.42	4.40	6.11	6.49	6.76	6.47	7.29	5.52	5.01
	179.49	257.58	315.13	338.86	332.21	323.52	358.05	345.22	313.23	354.89
Selling Expenses	12.09	15.62	10.62	10.63	9.37	8.35	8.85	10.24	7.10	8.66
Cost of Sales	191.58	273.20	325.75	349.49	341.58	331.87	366.90	355.46	320.33	363.55
PBIT @	17.56	19.38	24.90	17.06	27.33	18.06	19.96	(21.30)	(31.73)	8.47
PBT @	6.99	8.01	12.36	5.25	10.45	3.48	4.86	(35.26)	(45.68)	(5.22)
Earnings per Share of ₹ 10/-	3.35	3.27	5.37	2.14	2.55	1.24	2.38	(19.18)	(24.75)	(2.83)
Dividend per Share of ₹ 10/-	1.50	1.50	2.00	1.50	1.50	0.75	1.00	Nil	Nil	Nil
Balance Sheet										
Fixed Assets	181.36	183.33	421.58	425.52	426.67	433.06	431.6	429.58	424.59	279.68
Investments	12.10	12.10	0.01	0.01	0.21	0.21	0.21	0.21	0.16	0.16
Current Assets	270.76	260.04	76.85	87.05	88.56	96.82	109.41	83.29	76.36	75.96
Total Assets	464.22	455.47	498.44	512.58	515.44	530.09	541.22	513.08	501.11	355.80
Share Capital	18.45	18.45	18.45	18.45	18.45	18.45	18.45	18.45	18.45	18.45
Reserves & Surplus	287.05	289.85	298.31	299.03	300.53	301.21	303.46	268.21	222.52	77.74
Loan Funds	85.49	92.87	104.29	113.28	91.21	81.94	105.13	97.94	94.16	84.70
Current Liabilities	73.23	54.30	77.39	81.82	105.25	128.49	114.18	128.48	165.98	174.91
Total Liabilities	464.22	455.47	498.44	512.58	515.44	530.09	541.22	513.08	501.11	355.80

@ Before Extraordinary Items

NOTICE

Notice is hereby given that the Fortieth Annual General Meeting of the Company will be held at Kerala Fine Arts Hall, Fine Arts Avenue, Foreshore Road, Cochin-682016 on Thursday, 3rd August, 2017 at 11.00 A.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements for the year ended March 31, 2017, and the audited consolidated financial statements for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Kaushik Roy (DIN 06513489), who retires by rotation and being eligible, offers himself for reappointment.
3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder from time to time, M/s. Walker Chandio & Co LLP, Kochi, Chartered Accountants (having Firm's registration Number: 001076N/N500013) be and are hereby appointed as the Statutory Auditors of the Company in place of Retiring Auditor M/s Price Waterhouse (Firm Registration No.301112E), to hold office for a term of 5 years from the conclusion of this 40th Annual General Meeting till the conclusion of the 45th Annual General Meeting (subject to ratification of the appointment by the members at every intervening Annual General Meeting held after this Annual General Meeting) in respect of the financial years beginning April 1, 2017 and ending March 31, 2022, and that the Board of Directors of the Company be and is hereby authorised to fix such remuneration as may be determined in consultation with the auditors.

SPECIAL BUSINESS

4. Appointment and payment of remuneration to Mr. N Dharmaraj, Whole Time Director

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

"RESOLVED THAT in accordance with the provisions of Sections 196, 197, and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Company hereby approves and confirms the re-appointment of Mr. N. Dharmaraj (DIN 00912004) as Whole Time Director of the Company for the period from October 1, 2017, to September 30, 2018."

"RESOLVED FURTHER THAT for his services rendered as Whole Time Director of the Company, Mr. N Dharmaraj (DIN 00912004) be paid remuneration, for the period from October 1, 2017, to September 30, 2018, as set out in the Explanatory Statement annexed to the notice and subject to the terms and conditions of the agreement proposed to be entered into between the Company and Mr. N Dharmaraj."

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

5. Ratification of Cost Auditors Remuneration

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. Shome & Banerjee, Cost Accountants, 5A, Nurulla Doctor Lane, (West Range), 2nd Floor, Kolkata – 700 017 (Firm registration No.000001), appointed as Cost Auditors by the Board of Directors of the Company to audit the cost records of the Company for the financial year 2017-18, be paid a remuneration of ₹2,50,000, excluding taxes (Indian Rupees Two Lacs Fifty Thousand Only) plus out of pocket expenses that may be incurred.

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

By Order of the Board of Directors

Binu Thomas
Company Secretary

Kolkata
June 1, 2017



Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ONLY INSTEAD OF HIMSELF/ HERSELF AND SUCH A PROXY NEED NOT BE A MEMBER.

Proxies in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.

A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. The Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the items of Special Businesses under Item No. 4 & 5 of the Notice is annexed hereto.

In terms of the relevant provisions of companies act 2013 and rules made thereunder it is proposed to appoint M/s Waker Chandiook & CO LLP (001076N/N500013) Chartered Accountants, Kochi as Statutory Auditors of the Company in place of Retiring Auditor M/s Price Waterhouse (Firm Registration No.301112E), Kolkata.

3. The Register of Members and Share Transfer Books of the Company will remain closed from 28th July 2017 to 3rd August 2017 (both days inclusive).
4. Dividend not claimed within 7 years will be transferred to the Investor Education & Protection Fund (IEPF). All unclaimed dividends pertaining to year 2009-10 would be transferred to IEPF on or before 29/10/2017. Claims for payment of such dividend should, therefore be lodged with the Company immediately.
5. The due dates on which unclaimed dividends lying in the unpaid dividend accounts of the Company would be credited to the IEPF are stated in Corporate Governance Report. Members are requested to take note of this and contact the Secretarial Department of the Company for encashing the unclaimed dividends (if any) standing to the credit of their account.
6. All documents referred to in the Notice and the Statement pursuant to section 102 of the Companies Act, 2013 will be available for inspection by the members at the Registered Office of the Company between 11. 00 AM and 1.00 PM. on all working days (except Saturdays) up to the date of the Annual General Meeting.
7. For the convenience of the Members and for proper conduct of the Meeting, entry to the place of the Meeting will be restricted by Attendance Slip. Members are requested to write their Client ID and DP ID numbers / Folio Number (as applicable) on the Attendance slip, affix their signature and hand it over at the entrance hall.
8. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
9. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Annual General Meeting.
10. Members holding shares in electronic form are advised to send their request for the change of address, Bank particulars, Residential status or request for transmission of shares etc. to their Depository Participant. The Company or its Registrar and Share Transfer Agent cannot act on any such requests received directly from the members holding shares in electronic form. Members holding shares in physical form are advised to send such request to Registrar and Share Transfer Agent of the Company, M/s. Link Intime India Pvt. Ltd., Surya 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore – 641028. Phone: 0422-2314792. Email id: coimbatore@linkintime.co.in
11. Notice of the AGM along with Annual Report 2016-17 is being sent by electronic mode to those members whose email addresses are registered with the Company/ Depository Participants unless any member has requested for the physical copy of the same. For Members who have not registered their email addresses, physical copies are being sent by permitted mode. To support the Green Initiative, members (holding shares in electronic form) who have not registered their email addresses, are requested to register the same with their Depository Participants. The members holding shares in physical mode are requested to register their email ID with the Registrar and Share Transfer Agent of the Company.
12. Voting through electronic means:

In Compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer remote e-voting facility as an alternative mode of voting which will enable the shareholders to cast their votes electronically. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL) to facilitate e-voting. The process and instructions for e-voting are as under:

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Monday, 31st July, 2017 (9.00 AM) and ends on Wednesday 2nd August 2017 (5.00 PM). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 27th July 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on 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 sequence number which is printed on the Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Harrissons Malayalam Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.



(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) 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.

13. The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company.
14. A Copy of this Notice has been placed on the website of the Company and the website of CDSL.
15. The Company has appointed Mr. M. D. Selvaraj, Practicing Company Secretary (CP. 411), Partner, MDS & Associates, Company Secretaries, Coimbatore as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.
16. The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least 2 (two) witnesses not in employment of the Company and make not later than 2 (two) days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman and/or Whole Time Director or a person authorized by him in writing who shall counter sign the same.
17. The results shall be declared forthwith upon receipt of the Scrutinizer's Report. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.harrisonsmalayalam.com and on the website of CDSL immediately after their declaration within two (2) days of passing of resolutions at the Annual General Meeting. The Results shall also be communicated to the stock exchanges where shares of the Company are listed.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF ITEMS OF SPECIAL BUSINESS SET OUT IN THE NOTICE CONVENING THE FORTIETH ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD ON 3rd August, 2017

Item No. 4 – Appointment and payment of remuneration to Mr. N Dharmaraj, Whole Time Director

Mr. N. Dharmaraj was appointed as a Whole Time Director of the Company from October 1, 2016 to September 30, 2017. His term of office expires on September 30, 2017. The Nomination & Remuneration Committee at its meeting held on May 4, 2017 has reviewed Mr. N. Dharmaraj's performance and his contribution to the plantation business during his tenure. Considering his skills and experience in the Industry, and also the benefit likely to accrue to the Company, the Nomination and Remuneration Committee has recommended to the Board for extending the tenure of Mr. N. Dharmaraj for a further period of 12 months on the terms and conditions stated below subject to the approval of the shareholders in the AGM.

The appointment is within the meaning of Sections 196, 197, 203 read with Schedule V and other applicable provisions if any of the Companies Act, 2013 and also read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and subject to the approval of the shareholders in the general meeting. The terms and conditions of his appointment as approved by the Nomination and Remuneration Committee at its meeting held on 4th May, 2017, is as set out below.

1. Period

From October 1, 2017, to September 30, 2018

Salary

Consolidated pay for the above period: Not exceeding ₹ 1,05,00,000/- (excluding service tax)

2. Perquisites:

- Medical expenses incurred by Mr. N Dharmaraj for self and family shall be reimbursed by the Company subject to a limit of ₹15,000 per annum.
- Provision for car with driver and telephone at residence - for use of the Company's business will not be considered as perquisites. Personal long distance calls and use of car for private purposes shall however be billed by the Company to Mr. N Dharmaraj.

The Whole Time Director shall not be entitled to any retirement benefits of the Company.

The draft of the Agreement proposed to be entered into by the Company with Mr. N. Dharmaraj is available for inspection by the members at the Registered Office of the Company on any working day (excluding Saturdays) between 11.00 AM and 1.00 PM, up to the date of the Annual General Meeting.

The General Information as required under Section II, Part II of Schedule V of the Companies Act, 2013 is furnished below.

1. GENERAL INFORMATION

- Nature of Industry : Plantation Industry (Tea & Rubber)
- Date or expected date of commencement of commercial production:
It is an established Company. Certificate of Commencement of Business was issued by the Registrar of Companies, Kerala on June 14, 1978.
- In case of new companies, expected date of commencement of activities as per Project approved by financial institution appearing in the prospectus: NA
- Financial Performance:**
(Amount in ₹ Cr.)

Particulars	2012-13	2013-14	2014-15	2015-16	2016-17
Total Revenue	349.93	386.86	334.36	288.60	372.02
Operating Profit / Loss	24.83	26.44	(13.81)	(29.70)	9.01
Interest	14.59	15.11	14.30	14.20	13.87
PBDT	10.24	11.33	(28.11)	(43.90)	(4.86)
Profit Before Tax	3.48	4.86	(35.40)	(49.41)	(9.88)
Exceptional Items	-	0.26	0.14	3.73	4.66
Profit before tax (including Exceptional Items)	3.48	5.12	(35.26)	(45.68)	(5.22)
Profit After Tax	2.30	4.42	(35.26)	(45.68)	(5.22)
Amount of Equity	18.45	18.45	18.45	18.45	18.45
Dividend	1.38	1.85	---	---	---
Rate of Dividend	15%	7.50%	---	---	---

- Export performance and net Foreign Exchange contributions:
(Value in ₹ Cr.)

Financial Year	Export turnover	Net Foreign Exchange contribution
2012-13	18.37	16.99
2013-14	31.38	30.82
2014-15	30.17	29.56
2015-16	41.86	41.61
2016-17	49.08	48.46

2. INFORMATION ABOUT MR. N. DHARMARAJ

Mr. N. Dharmaraj, Graduate in Agriculture Science, has over 41 years of experience managing plantations. He started his career managing Tea Plantations and factories in South India with Tea Estates India Ltd. (part of Brooke Bond Group) and Doom Dooma Tea estates in Assam (part of Hindustan Lever Plantations).

He has worked with the Unilever Plantations and Plant Science Group with Head Quarters in UK, supporting supply chain integration, among other things. He joined as Vice President, Plantations in charge of the tea business of Harrissons Malayalam Limited in September 1999. In 2010, he joined the Agri-business vertical of Shapoorji Pallonji as Chief Executive Officer. After a short stint of one year, Mr. N. Dharmaraj returned to Harrissons Malayalam Limited to head the plantations business identified to RP-SG Group.



He is immediate past president of United Planters Association of Southern India. He is currently a member of Tea Council of South India constituted by the Tea Board.

Past remuneration:

For the period 2016-17, Mr. N. Dharmaraj was paid consolidated salary of ₹86.33 lakhs (excluding service tax) for his services rendered as whole time Director. He was not entitled to any retirement benefits by virtue of not being an employee of the Company.

Recognition and awards:

Mr. N. Dharmaraj is an Industry veteran and has been involved in number of industrial associations. He was a member of Tea Board of India and the founding Convener of Golden Leaf India Awards (TGLIA) which is the first ever structured Tea competition in the world.

Remuneration proposed:

As mentioned above

Size and Nature of Industry:

The Company's core business is Plantations in Tea and Rubber. It is the single largest producer of Natural Rubber in India and second largest Tea Plantation in South India. The Company owns 24 Estates in Kerala and Tamil Nadu put together and has a labour strength of approximately 11000.

The Company has a paid up capital of ₹18.45 Crores and is listed in the Bombay Stock Exchange Ltd., National Stock Exchange of India Ltd. and Cochin Stock Exchange Ltd. with approximately 29000 Shareholders.

Given the size, complexity and nature of business, the remuneration proposed to be paid to Mr. N Dharmaraj, Whole Time Director is in line with other similar companies.

Pecuniary Relationship:

The Company had not entered into any transaction of a material nature with any of the related parties which were in conflict with the interest of the Company.

Other Information

Reasons of Loss or Inadequate profit – The performance of the Company had improved substantially during the year 2016-17 as against a loss of ₹ 45.68 Cr in 15-16 the loss during the 2016-17 was ₹ 5.22 Cr. This loss can be attributed to the extended drought during the first quarter of 16-17, resulting in loss of production. Also, the restrictions imposed by the State government in the operations of the Company had a bearing on the results.

Steps Taken or Proposed to be Taken for Improvement - The Company is taking proper remedies for improvement through deliberation with the State Government and the legal measures.

Expected Increase in Productivity and Profits - The overall productivity of the Company is expected to increase by 15%. The Company is expected to break even in the current financial year

None of the Directors or Key Managerial Personnels of the Company or their respective relatives except Mr.N. Dharmaraj himself is concerned or interested in the aforesaid resolution.

Item No. 5 – Ratification of Cost Auditors Remuneration

The Board of Directors on the recommendation of the Audit Committee has approved the appointment and remuneration of M/s. Shome & Banerjee, Cost Accountants as the Cost Auditor to conduct the audit of cost record of the Company for the financial year ending March 31, 2018.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditor has to be ratified by the shareholders of the Company.

Accordingly consent of the members is sought for passing an ordinary resolution as set out in Item No. 5 of the notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending March 31, 2018.

None of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, in the resolution.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for the approval of the shareholders.

By Order of the Board of Directors

Binu Thomas
Company Secretary

Kolkata
June 1, 2017

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE LISTING REGULATIONS:

Mr. Kaushik Roy

Mr. Kaushik Roy is the Managing Director of Philips Carbon Black Limited (PCBL) and a Member of the Management Board of RP-Sanjiv Goenka Group. He is also a member of the Managing Committee of the Bengal Chamber of Commerce and Industry (BCC&I).

Mr. Kaushik Roy has a vast multi-functional business experience, spanning over two decades across different sectors like, Tyre and Cement. Prior to joining the HML Board he has been associated with Apollo Tyres Limited in various leadership roles and has also been a Management Board Member of the Company.

Mr. Kaushik Roy has done his Masters in Mechanical Engineering from IIT-Kharagpur, and an alumnus of IMD-Switzerland. He also holds a degree in Business Administration from University of Tokyo.

Mr Kaushik Roy is a Director in 6 Companies namely Harrisons Malayalam Ltd, Phillips Carbon Black Ltd, Stel Holdings Limited, Spencer International Hotels Limited, and The Bengal Chamber Of Commerce And Industry.

None of the Directors or Key Managerial Personnels of the Company or their respective relatives except Mr Kaushik Roy himself is concerned or interested in the aforesaid resolution.

He does not hold any share in the Company.

Mr. N. Dharmaraj

Mr. N. Dharmaraj is currently whole time Director of the Company. He is a Graduate in Agriculture Science, having over 41 years' experience in plantations business. He managed Tea Plantations and factories in South India with Tea Estates India Ltd. (part of Brooke Bond Group) and Doom Dooma Tea estates in Assam (part of Hindustan Lever Plantations).

He worked with the Unilever Plantations and Plant Science Group with Head Quarters in UK, supporting supply chain integration, among other things. In his tenure with Harrisons spanning 14 years, he served as Vice President, (Plantations) and as Executive Director and is currently Chief Executive SBU A. He also worked in the Agri-business vertical of Shapoorji Pallonji group, based in Mumbai, as Chief Executive Officer.

Mr. N. Dharmaraj was the President of The United Planters' Association of Southern India (UPASI), and Chairman of the UPASI Commodities Exchange Limited which had got approval from the FMC to start Futures Trading in India. He was a member of the Tea Board of India. He is currently a Member of Tea Council of South India constituted by the Tea Board and also a Member of the Core Committee of the Tea Board of India.

Mr. N. Dharmaraj is currently a Director in UPASI Commodities Exchange Limited.

Membership/Chairmanship:

Name of the Company	Committee	Chairman/Member
Harrisons Malayalam Ltd.	CSR Committee	Member

Mr. N. Dharmaraj was appointed in the Board as the Whole-time Director on August 8, 2014. He has attended all the 6 Board Meetings convened during the Financial Year. Mr. N. Dharmaraj is not related to any member of the Board of Directors or to any Management Personnel of the Company

Mr. N. Dharmaraj doesn't hold any share in the Company his own name or on a beneficial basis for any other persons.

By Order of the Board of Directors

Binu Thomas
Company Secretary

Kolkata
June 1, 2017

Harrisons Malayalam Limited

CIN: L01119KL1978PLC002947

Registered Office:

24/1624, Bristow Road, Willingdon Island, Cochin, Kerala 682003.

Ph: 0484-268023 Fax: 0484-268024

Website: www.harrisonsmalayalam.com / Email: hmlcorp@harrisonsmalayalam.com



DIRECTORS' REPORT

Your Directors are pleased to present their 40th Annual Report together with the Audited Financial Statements, Directors Report and Annexures for the year ended 31st March 2017

1. Financial Highlights

₹ in Lacs

Year ended	Standalone		Consolidated	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Revenue from Operations	36,664.02	28,485.55	36,664.02	28,485.55
Other Income	538.41	316.06	538.41	316.06
Income from discontinued operations	-	58.28	-	(58.28)
Total Income	37,202.43	28859.89	37202.43	28859.89
Profit / (Loss) before Tax	(521.56)	(4,568.24)	(521.56)	(4,566.79)
Profit / (Loss) after Tax	(521.56)	(4,568.24)	(521.56)	(4,566.79)
Surplus brought forward from previous year	1,307.95	5,876.19	1,307.95	5,874.74
Profit available for appropriation	786.39	1,307.95	786.39	1,307.95
Appropriations				
General Reserve	-	-	-	-
Proposed Dividend	-	-	-	-
Dividend Tax	-	-	-	-
Balance carried forward	786.39	1,307.95	786.39	1,307.95

2. Dividend

The Board of Directors has not recommended dividend for the year ended March 31, 2017 in view of the losses incurred by the Company.

3. Transfer to Reserve

No amount was transferred to reserves.

4. Material Changes And Commitments, If Any Affecting The Financial Position Of The Company

There are no Material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year on 31st March, 2017 to which the financial statements relate and the date of this report

5. Change in the Nature of Business

During the year under review, there was no change in the nature of the business.

6. Performance

During the year under review, the Company has recorded a revenue of ₹366.64 crore from its operations as compared to ₹284.85 crore for the previous year. The total revenue, including other income and income from discontinued operations, for the financial year 2016-17 was ₹372.02 crore compared to ₹288.6 crore for the previous year. The loss incurred by the Company for the financial year 2016-17 was ₹5.22 crore as compared to the loss of ₹45.68 crore for the previous year.

Tea:

The Tea harvested from own gardens during Financial Year 2016-17 is at 10028 MT (9620 MT in the Financial Year 2015-16). Bought leaf operations in tea for Financial Year 2016-17 is at 3880 MT (3838 MT in Financial Year 2015-16). Together with the Bought Operations, the total production was 13908 MT as compared to the total production of 13458 MT in the Financial Year 2015-16. For the year ended March 2017, the average price realized per kg of tea was ₹123.01 as against ₹107.05 realized during the Previous Year. Tea exported was 4169 MT as against 3794 MT exported last year.

Rubber:

The Rubber harvested from own gardens stood at 6046 MT during Financial Year 2016-17 and is higher than 4666 MT achieved during Financial Year 2015-16. Bought operations in Rubber for Financial Year 2016-17 at 6881 MT which is higher than the 4184 MT of Financial Year 2015-16 by 64%. For the year ended March 2017, the average price realized per kg of rubber was ₹142.26 as against ₹136.66 realized during the previous year. Income from Rubber Tree felling for the season 2015-16 could not be accounted as felling of rubber trees could not be carried out due to the ban order issued by the Special Officer appointed by the Government of Kerala.

140 hectares in Kumbazha Rubber Estate encroached by trespassers, continue to remain untapped.

Update on HML Land Matters

The writ petition filed by the Company against the proceedings of the Special Officer and Collector appointed by the Government to resume the properties of the Company under the Kerala Land Conservancy Act is pending before a Division Bench of the Hon'ble High Court of Kerala. The order of status quo passed by the Hon'ble High Court is still in force. We would like to reiterate to all our stakeholders that the Company legitimately holds all its lands with valid title deeds and the required approvals. The Company and its predecessors have been in absolute possession and enjoyment of these lands for over 100 years. All these lands were subjected to payment of Land Tax and would never fall under the Kerala Land Conservancy Act, which in any case excludes registered land holders and tax paid lands from the definition therein of "Property of the Government".

The restraints imposed by the Special Officer on company's normal agricultural operations including orders banning the felling of rubber trees in estates has seriously affected the replanting activities and also the income generated through these operations. The issues are now pending consideration before a Division Bench of the High Court of Kerala.

We wish to reiterate and assure that all operations of your Company are within the framework of law and that all its lands are supported by valid title deeds. The Company is confident that it will be able to successfully establish its credentials and legitimacy of its operations in the Court of law.

7. Listing

The equity shares of the Company are listed in the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.

8. Deposits

The Company has not accepted Deposits under Chapter V of the Companies Act, 2013.

9. Particulars of Loans, Guarantees or Investments

In terms of the provisions of Section 186(11) and Section 186(4) of the Companies Act, 2013 requiring disclosure in the financial statements of the full particulars of loans given, investments made or guarantees given or securities provided and purpose thereof, is not applicable to the Company.

10. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Information relating to conservation of energy, research & development, technology absorption and foreign exchange earnings and outgo as required under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 is given in Annexure, forming a part of this Report. (Annexure A)

11. Corporate Governance

A report on Management Discussion and Analysis is attached here with (Annexure B). A separate Report on Corporate Governance (Annexure C) along with Additional Shareholder Information (Annexure D) as prescribed under the Listing Regulations executed with the Stock Exchanges is annexed as a part of this Report along with the practicing Company Secretary's Certificate.

12. Subsidiary Companies

As at March 31, 2017 the Company has two wholly owned subsidiary companies, namely Enchanting Plantations Limited (EPL) and Harmony Plantations Limited (HPL). As EPL and HPL were incorporated specifically to facilitate the Composite Scheme of Arrangement and Amalgamation, the investments held by the Company in these companies are treated as current investments, and hence have not been considered in the consolidation of financial statements.

As per sub section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements and performance of the Company's subsidiaries for the year ended for the year ended March 31, 2017, is included as per the prescribed format in this Annual Report. The Annual Accounts of these subsidiaries are uploaded on the website of the Company. The Annual Accounts of these subsidiaries and the related detailed information will be made available to any Member of the Company seeking such information at any point of time and are also available for inspection by any Member at the Registered Office of the Company.

13. Consolidated Financial Statements

In accordance with Section 129(3) of the companies Act, 2013 and Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 entered into with the Stock Exchanges, the Consolidated Financial Statements of the Company including the financial details of all the subsidiary companies of the Company, forms part of this Annual Report. The Consolidated Financial Statements have been prepared in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India.

14. Directors and Key Managerial Personnel

Mr N. Dharmaraj, Whole Time Director, Mr. Ravi. A CFO (SBU-A), Mr G Satish Pillai, CFO (SBU-B), Mr V. Venugopal, Manager of the Company and Mr Binu Thomas Company Secretary cum Compliance Officer are the Key Managerial Personnel of the Company.



Changes in Key Managerial Personnel

During the year under review Mr. K. N. Mathew working as CFO (SBU-A) of the Company retired on April 15th, 2016 and in his place Mr. Ravi A. was appointed as the Chief Financial Officer of the Company (SBU-A) with effect from 8th April 2016.

Mr. Satish Pillai was appointed as the Chief Financial Officer of the Company (SBU-B) with effect from November 10, 2016, consequent to retirement of Mr. P.A. Krishnamoorthy from the post of CFO.

Mr. Binu Thomas was appointed as the Company Secretary and Compliance Officer of the Company with effect from June 1, 2017 consequent to resignation of Mr. Jose George from the post of Company Secretary.

Directors

In accordance with the provisions of Companies Act, 2013, Memorandum and article 105 of the Articles of Association of the Company, Mr. Kaushik Roy, Non-executive Non Independent Director of the Company retires by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for reappointment.

Mr. N. Dharmaraj was reappointed as a Whole-time Director in the last Annual General Meeting to hold office from October 1, 2016, to September 30, 2017. He is proposed to be reappointed as the Whole-time Director to hold office from October 1, 2017, to September 30, 2018, at the ensuing Annual General Meeting.

Brief particulars of Mr. Kaushik Roy and Mr. N. Dharmaraj, his expertise in various functional areas are given in the Notice convening the Annual General Meeting. The Board of Directors recommends the re-appointment of Mr. Kaushik Roy as mentioned above.

In compliance with Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, brief resume of the Director proposed to be re-appointed is attached along with the Notice to the ensuing Annual General Meeting.

The criteria of making payments to non-executive directors can be accessed website of the Company at link <http://www.harrisonsmalayalam.com>

Six meetings of the Board of Directors were held during the year.

14.1 Declaration by Independent Directors

Pursuant to sub section (6) of Section 149 of the Companies Act, 2013, the Independent Directors of the Company viz. Mr. Haigreve Khaitan (DIN- 00005290), Mr. G. Momen (DIN- 00402662), Mr. J. M. Kothary (DIN- 00015254) and Ms. Surbhi Singhi (DIN- 03275338) have given declaration to the Company that they qualify the criteria of independence as required under the Act. The details of familiarisation programmes imparted to independent directors can be accessed at the website of the company at www.harrisonsmalayalm.com

14.2 Board Evaluation

The Board has carried out an annual evaluation of its own performance, the directors and also committees of the Board based on the guidelines formulated by the Nomination & Remuneration Committee.

Board composition, quality and timely flow of information, frequency of meetings, and level of participation in discussions were some of the parameters considered during the evaluation process.

Further, the Independent Directors of the Company met once during the year to review the performance of the Non-executive directors, Chairman of the Company and performance of the Board as a whole.

14.3 Policy on Remuneration to Directors, KMP and Senior Management Personnel

The Board based on the recommendation of the Nomination and Remuneration Committee has formulated a policy on remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The policy covers the appointment, including criteria for determining qualification, positive attributes, independence and remuneration of its Directors, Key Managerial Personnel and Senior Management Personnel. The Nomination and Remuneration Policy is annexed as Annexure E to this report.

15. Auditors

The present Auditor M/s Price Waterhouse, Chartered Accountants, were appointed as Statutory Auditors to hold office from the conclusion of the Thirty-Sixth Annual General Meeting held on September 26, 2014 till the conclusion of the ensuing (Fortieth) Annual General Meeting to be held in 2017. As the term of current Auditor has expired so in accordance with applicable provisions of Companies Act 2013.

The Board has identified M/s. Walker Chandiok & Co LLP, Kochi to be appointed as Statutory Auditors of the Company subject to the approval of the shareholders at the ensuing Annual General Meeting for a period of 5 years from the conclusion of the 40th Annual General Meeting.

The Company has received a letter from the Statutory Auditors to the effect that their appointment, if made at the forthcoming Annual General Meeting, would be in accordance with the limits prescribed under 141(3)(g) of the Act.

16. Cost Audit

Messrs. Shome & Banerjee, Cost Accountants were appointed as Cost Auditors of the Company for conducting Cost Audit for the year ended March 31, 2018. The Central Government has duly approved their appointment.

Cost Audit Report and the Compliance Report for the year ended March 31, 2016 were filed with the Central Government within the due date.

17. Secretarial Audit

Secretarial Audit of the secretarial and related records of the Company was conducted during the year by SVJS & Associates, Company Secretaries, Kochi and a copy of the secretarial audit report is annexed as Annexure F, which forms part of this report. The Board has re-appointed M/s SVJS & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year 2017-18

18. Explanation and Comments on Auditor's and Secretarial Audit Report

There is no qualification, disclaimer, reservation or adverse remark made by the Statutory Auditors in the Auditors' Report. Further, there is no qualification, disclaimer, reservation or adverse remark made by the Company Secretary in practice in the Secretarial Audit Report. During the period under review, the suggestions put forth by the Audit Committee were duly considered and accepted by the Board of Directors, There were no instances of non-acceptance of such recommendations.

19. Corporate Social Responsibility

In accordance with Section 135 of the Act and the rules made thereunder, the Company has formulated a Corporate Social Responsibility Policy. However the company does not have any three year average profit and hence not required to incur any expenditure on Corporate Social Responsibility under the provisions of the Act. The members of the Committee are Mr. Golam Momen, Mr. Sachin Nandgaonkar, Mr. P Rajagopalan and Mr. N Dharmaraj. The details of CSR Committee is detailed in Corporate Governance Report. The CSR Policy can be accessed at the website of the Company at link <http://www.harrisonsmalayalam.com>

20. Whistle Blower Policy

Pursuant to Section 177 of the Companies Act, 2013 the rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 with the Stock Exchanges, the Company has established a Whistle Blower Policy (Vigil Mechanism) for directors and employees to report genuine concerns about any instance of any irregularity, unethical practice and/or misconduct. The policy has been uploaded on the Company's website www.harrisonsmalayalam.com

21. Related Parties Transactions

There was no materially significant transaction with the Company's Promoters, Directors, Management or their relatives that could have had a potential conflict with the interests of the Company.

22. Anti-Sexual Harassment Policy

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 covering all employees of the Company. Internal complaints committee set up for the purpose did not receive any complaint for redressal during the year.

23. Extract of Annual Return

An extract of the Annual Return as required to be attached is annexed as Annexure G and forms a part of this report.

24. Risk Management

The Company has adopted a Risk Management Policy in accordance with the provisions of the Companies Act 2013 and in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

25. Particulars of Employees

The information as required in accordance with Section 134 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as Annexure H and forms a part of this report.

The information required under Rule 5(i) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as Annexure J and forms a part of this report.

26. Prospects

Plantation business is largely influenced by external factors like weather and volatility of primary markets. The company continues to be a strong player in the South Indian plantation industry and hopes to enlarge its operations through processing, purchased raw material and trading in both tea and rubber. Sustained efforts to improve labour productivity should to some extent alleviate escalating labour cost - a major concern for all South Indian plantations.

Realizations from both tea and rubber are improving in view of the Company's continued focus on product quality, coupled with encouraging market outlook for tea in the next twelve months. Financial Year 17-18 is expected to be significantly better in terms of performance, as initiatives started earlier make positive contributions.



27. Significant and material Orders passed by the Regulators/Courts, if any:

There are no significant or material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of your Company and its future operations.

28. Awards and Achievements

Harrisons Malayalam Ltd. has been rated as one of India's best company to work for in 2016 and has been ranked as Number 1 in the Agro Based Industry and 73rd overall among all industries in India.

HML's Surianalle Estate has received the prestigious TGLIA 2017 (The Golden Leaf India Award) Award for its superior quality in CTC Teas. Also the Wentworth, Lockhart and Pattumallay Factories of the Company has secured eight awards in the orthodox Tea category in the TGLIA competition.

Environment Protection:

Received CII Excellence Award in Environment Health & Safety (EHS) for the year 2016-17 for Wenworth, Kumbazha Estates.

Kumbazha CL factory has received special appreciation from Kerala State Pollution Control Board for its sustainable efforts for controlling environmental pollution.

29. Management Discussion and Analysis

Management Discussion and Analysis in terms of Regulation 34 of SEBI (Listing Agreement and Disclosure Requirements) Regulations 2015 forms a part of this Report and is annexed to this Report.

30. Directors' Responsibility Statement

The Board of Directors would like to affirm that the Financial Statements of the Company for the year under review conform in their entirety to the requirements of the Companies Act, 2013.

In terms of clause (c) of sub-section (3) and sub-section (5) of Section 134 of the Companies Act, 2013, the Directors of the Company hereby state and confirm that:

- (i) In the preparation of annual accounts for the financial year ended March 31, 2017, the applicable accounting standards have been followed, along with proper explanation relating to material departures;
- ii. The Directors had selected such accounting policies and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at March 31, 2017 and of the loss for the period from April 1, 2016 to March 31, 2017;
- iii. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The Directors had prepared the annual accounts for the financial year ended March 31, 2017 on a going concern basis;
- v. Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- vi. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

31. Industrial Relations

The industrial relations has improved to a greater extent after the unrest in September, 2015. A section on the Company's Human Resource Initiatives is a part of the Management Discussion & Analysis forming part of this report.

32. Internal Control Systems & their Adequacy

Notes on Internal financial control and its adequacy forms part of Management Discussion and Analysis Report.

Acknowledgements

The Board wishes to place on record its sincere appreciation for the continued assistance and support extended to the Company by its customers, vendors, bankers, Government authorities and employees.

Your Directors are also grateful for your continued encouragement and support.

For and on behalf of the Board of Directors

May 29, 2017
Kolkata

Sachin Nandgaonkar
(DIN- 03410739)
Director

Kaushik Roy
(DIN- 06513489)
Director

Particulars as required under Section 134(m) of the Companies Act, 2013
(Annexure 'A' to the Directors' Report)

Pursuant to Rule 8(3) of the Companies (Accounts) Rules, 2014, particulars of Conservation of Energy, Technology Absorption etc. for the year ended March 31, 2016

A) Conservation of Energy

i) Steps taken or impact on conservation of energy

Multiple energy conservation measures were taken across all manufacturing facilities such as strong vigilance, employee awareness etc. The significant energy conservation measures undertaken by the Company during the year were

Introduction of transparent roofing in factories to get day light to reduce electricity consumption at Surianalle, Chundale, Arrapetta and Sentinel Rock. LED lighting is used in Surianalle factory and it will be implemented in all factories to reduce energy consumption in a phased manner. All factories are maintaining power factor at the specified levels with correct monitoring and addition of capacitors. . Energy meters provided at all process areas of tea factories for regular monitoring of energy consumption. Grate area reduction in Surianalle HWG to reduce energy consumption.

ii) Steps taken by the Company to utilize alternate sources of energy

The Scope of implementing the Boot system of solar energy is under study. The data collection of Effective intensity of light rays, roof top area, funding from third party etc., is under progress.

Instead of using firewood & coal, which leads to deforestation and pollution respectively, the Company uses environment friendly Briquettes made from Agri-waste in its factories. Trenching in tea fields is used for water harvesting; one field per estate is covered in phase one.

Earthen dams are built in Sentinel Rock Estate for water harvesting.

1303 small tea growers are covered under sustainability certification (RA, UTZ and Trustea) by HML covering an area of 2476.42 Ha of land. This is an increase of 400% from the previous year.

B) Technology Absorption

i) Efforts made towards technology absorption and benefits derived thereupon

Conveyorization was one of the key activities initiated during the year to reduce manpower usage, and is implemented in Arrapetta and Achoor factories. Pre-cut system in CTC was introduced at Surianalle factory ISO 9001-2015 certification was received by Achoor factory.

Green tea manufacturing started in Sentinel Rock factory .Micro lite harvesting machines are introduced in place of shear in Achoor. Fuel saving is achieved by using hot water generator.

Old re-winded motors in factories would be replaced with the latest technology EE motors in a phased manner, which would result in lower power consumption. Conventional steel chimneys in tea factories would be replaced with concrete chimneys in a phased manner. This would reduce the maintenance costs.

Replacing the existing bulbs / lamps with energy efficient LED lamps across all factories, offices and bungalows in a phased manner would help reduce electricity consumption and thereby power cost.

ii) Expenditure incurred on R & D

We have initiated studies and are trying to move into the area of Biotechnology away from Chemistry and Biochemistry which will entail a greener foot print. Trials which are being conducted using enzymes and beneficial microbes to replace acids and other chemicals. We have achieved partial success in area of de-proteinisation chemistry and work is on.

C) Foreign Exchange earnings and Outgo

During the year 2016-17, the foreign exchange earned in terms of actual inflows was 4907.94 lacs and foreign exchange outgo in terms of actual outflow was 61.84 lacs.



FORM A (FORMING PART OF ANNEXURE 'A')
POWER AND FUEL CONSUMPTION

		TEA		RUBBER	
		Twelve Months ended	Twelve Months ended	Twelve Months ended	Twelve Months ended
		31-03-2017	31-03-2016	31-03-2017	31-03-2016
1. ELECTRICITY					
(a) Purchased					
Units	(KWH)	9569876	9722476	1953822	1659208
Total Amount	(₹)	63484036	64801528	12907869	11501228
Rate/Unit	(₹/KWH)	6.63	6.67	6.61	6.93
(b) Own Generation					
Through Diesel Generator					
Units	(KWH)	395008	594937	116307	137549
Units per litre of Diesel Oil	(KWH)	2.50	2.59	2.63	2.15
Fuel - Cost/Unit	(₹/KWH)	23.51	19.39	22.03	23.92
2. FIREWOOD					
Total Quantity of Firewood	(Cu.Mtr)	28273	32107	2858	1855
Total Amount	(₹)	35422741	38389543	2702330	2414610
Rate/Cu.Mtr	(₹)	1253	1196	945	1301.51
3. OTHERS					
HSD Oil for Transport & Material Handling etc.					
Quantity	(K.Ltr)	93.93	77.74	56.95	55.88
Total Cost	(₹)	5461445	4145728	3300021	3002221
Rate/Unit Cost	(₹/K.Ltr)	58142	53325	57,949	53,725
Consumption per Unit of Production					
Products					
TEA/RUBBER	(Kgs.)	13128321	13458000	10786123	8850000
Energy Used:					
Electricity (incl. own generation)	(KWH/Kg)	0.76	0.77	0.19	0.20
Briquetted Fuel	(Kgs.)	6496713	4874981	-	-
Veneer Waste	(Kgs.)	3495530	3425950	-	-
Coconut Shells	(Kgs.)	-	-	-	-
Wood Waste	(Kgs.)	21280	65724	-	-

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(ANNEXURE 'B' TO THE DIRECTORS' REPORT)

TEA

Overview

India is the one of the largest producer and consumer of black tea in the world. On an average 18 percent of the total tea production is exported and rest is consumed within the country.

India recorded a total tea production of 1250.49 Mln kgs as against 1233.14 Mln Kgs which is an increase of 17.35 Mln Kgs as compared to the last year. While the production in North India was 3.43% there was a decline in South India by 7.66% as compared to the previous year.

Tea exports have declined in the first eleven months of fiscal 2017 and is likely to close at a lower level after showing a healthy rise by volume and value from 2015-16. A bumper crop in Kenya and lower exports to some of the key markets were the main reasons behind this.

Outlook

Although domestic tea prices are stabilising and export price realisations have started moving up, the industry is concerned about rising input costs especially wage cost which will continue to escalate. However with the rationalisation in manpower, higher value realisation, quality and product differentiation we will be able to counter this. The top-line would improve on account of higher price realisations through exports and quality enhancement measures margins will remain healthy. One positive trend is that globally and within India per capita consumption of tea is increasing which may contribute to increase in price.

RUBBER

Overview

The natural rubber production in the country was 6.6 lac metric tonnes in the year 2016-17 compared to 5.62 lac metric tonnes in 2015-16. However the consumption of rubber in the country is around 10 lacs Metric Tonnes. The deficit in local production was made up through imports at lower price than that prevailing in the domestic market. The import after rising for the last few years declined due to high import duties.

This coupled with improved demand and support scheme provided by State Government when price went below ₹150 per Kg has provided an incentive for the rubber growers to produce more which has resulted in increased production. As there exist a huge gap between demand and supply we expect prices to increase in future.

Outlook

Asia has continued to perform better and the region is forecast to expand by 5.7 per cent each in 2017 and 2018. NR production in major rubber-growing countries continues to be lower than potential. Demand for NR is slowly rising in China and India. On the whole, the NR market is expected to remain flat in the near future, but could be volatile due to oil prices, weather conditions, speculative factors and geopolitical concerns.

China continues to be the largest consumer of natural rubber in the world, accounting for nearly 37% of world consumption of natural rubber in 2016. China uses most (80%) of its natural rubber for tyre manufacture. World demand for natural rubber will also be driven by Eastern European countries and other Asian countries, as tyre production continues to move to these locations because of lower-cost labour and growing regional demand.

Overall, natural rubber consumption will continue to be driven by demand for tyres and tyre products; this market grew at an average rate of 2.5% per year in the last five years (2011–16) and is forecast to grow at 2.9% per year in the next five years (2016–21). Consumption of natural rubber in general rubber products is also expected to increase at a rate of 2.9% per year during 2016–21, down slightly from the 3% growth rate observed in 2011–16.

OPPORTUNITIES AND THREATS

Tea and Rubber plantation is dependent on the vagaries of nature. It is also labour intensive and subject to stringent labour laws. High labour cost, social cost, high infrastructure cost and rising energy and other input costs remain its major problems. Shortage of labour during peak season in some pockets is also a cause for concern. There is considerable pressure on Indian exports and trade due to political unrest in a number of tea consuming nations. These in turn has the potential to impact export and affect South Indian tea Industry.

These problems will be addressed by improving labour productivity through mechanisation and various other initiatives, which your Company has embarked upon.

It must be mentioned here that the operation has been able to absorb the additional cost of increased wages during the financial year. Our focus on quality backed by good export performance would fetch better price for tea. Our initiative in ex-factory sales has been encouraging - our retail marketing initiatives would add value in the year ahead.



With the expected stabilisation of tea prices and HML achieving better volumes in both tea and rubber through, own and bought operations, the Company should be able to improve its performance.

INTERNAL CONTROL SYSTEM

HML has in place an adequate Internal Control system commensurate to its size and nature of operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safe guarding the assets from unauthorized use or loss, extending transactions with proper operation and ensuring compliance of corporate policies. Internal Control is supplemented by regular management review, documented policies and procedures, as also internal audits. The Company has an Audit Committee, details of which have been provided in the Corporate Governance report. The Audit Committee reviews Audit Reports submitted by Internal Auditors. Suggestions for improvement are considered and the Audit Committee follows up implementation of corrective actions. The Committee also meets the Company's statutory auditors to ascertain their views on the adequacy of internal control systems in the Company and keeps the Board informed of its major observations from time to time.

HUMAN RESOURCES

HML employs over 11,000 (Approx) people at its tea and rubber plantations. Employee relations remained satisfactory during the period under review. The Company would like to record its appreciation to its employees and their whole hearted support and cooperation during these difficult periods.

FINANCE

During the year under review EBIDTA stood at ₹13.48 Cr as against a loss of ₹ 26.21 Cr. Consequent to Special Officers order relating to acceptance of land tax and felling of rubber trees, the operations of the Company is being affected, leading to strain on its financial resources.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations are "forward looking statements" within the meaning of applicable securities laws and regulations. Actual result could defer materially from those expressed or implied. Significant factors that could make a difference to the Company's operations include domestic and internal economic conditions affecting demand and supply, commodity prices, changes in Government regulations, tax regimes and other statutes. Market data and product information contained in this Report have been based on information gathered from various published and unpublished reports and their accuracy, reliability and completeness cannot always be assured.

REPORT ON CORPORATE GOVERNANCE (ANNEXURE 'C' TO DIRECTORS' REPORT)

The Company's policy on Corporate Governance emphasis on conducting its operations effectively and meeting its obligations towards its various shareholders and to the society at large. The Company endeavours to produce quality products that consistently commands respect, trust and loyalty by way of sustained efforts in the plantation and adoption of latest technologies. The Company also gives due importance to its obligation towards the large work force that it employs in the plantation. The Company runs a business that has a human face and values environment, people, product, plantations practices, customers and shareholders. The company believes in achieving its goal which result in enhancement of shareholders value through transparency, professionalization and accountability.

HML is in compliance with the Corporate Governance guidelines as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

BOARD OF DIRECTORS

Composition of the Board

As on 31 March, 2017, HML's Board of Directors consist of eight Directors, of which four are Independent Directors including one Independent Woman Director. There are three non-executive non-independent directors and one executive Director, who is the Whole Time Director. The composition of the Board satisfies the requirements of Section 149 of the Companies Act, 2013 ("the Act") and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

NUMBER OF BOARD MEETINGS

In 2016-17, the Board of the Company met six times, on 08.04.2016, 30.05.2016, 29.07.2016, 17.08.2016, 10.11.2016 and 09.02.2017. The maximum gap between any two Board meetings was less than one hundred and twenty days.

DIRECTORS' ATTENDANCE RECORD AND DIRECTORSHIPS

Table 1 details the composition and the attendance record of the Board of Directors. None of the Directors is a member of more than ten Board-level Committees of public companies in which they are Directors, nor is Chairman of more than five such Committees.

Table 1: Composition of the Board of Directors as on 31 March 2017 is stated below.

Name of Director	Category	No. of other Directorships and Committee memberships / Chairmanships in other Indian public companies			Attendance particulars		
		Director ¹	Member ²	Chairman	No. of Board Meetings held	No. of Board Meetings attended	Attendance at last AGM
Mr. Haigreve Khaitan	Non Executive Independent	9	5	2	6	3	No
Mr. G. Momen	Non Executive Independent	7	5	1	6	6	No
Mr. P. Rajagopalan	Non Executive Non Independent	2	-	-	6	2	No
Mr. J. M. Kothary	Non Executive Independent	3	-	2	6	4	No
Mr. N. Dharmaraj	Executive Non Independent	1	-	-	6	6	Yes
Sachin Nandgaonkar	Non Executive Non Independent	3	1	-	6	6	No
Mr. Kaushik Roy	Non Executive Non Independent	7	-	-	6	3	No
Ms. Surbhi Singhi	Non Executive Independent	5	4	-	6	4	No

**Notes:**

1. The Directorships held by Directors in Table 1 do not include alternate directorships and directorships of foreign companies, Section 8 and One Person Companies and Private Limited Companies.
2. In accordance with Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, Memberships/ Chairmanships of only the Audit Committees and Stakeholders Relationship Committees of all public limited companies have been considered.

SEPARATE MEETINGS OF INDEPENDENT DIRECTORS

During 2016-17, the Independent Directors met on 09.02.2017 in order to, inter alia, review the performance of non-independent directors including that of the Chairman taking into account the views of the executive and non-executive directors to assess the quality, quantity and timelines of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties and other related matters. All the independent directors attended the said meeting.

The details of the familiarisation programme is disclosed on the Company's website at www.harrisonsmalayalam.com.

RELATED PARTY TRANSACTIONS

Details of transactions of a material nature with any of the related parties as specified in Accounting Standard (AS)18 issued by the Institute of Chartered Accountants of India are disclosed in Notes to the financial statements for the year 2016-17. There has been no transaction of a material nature with any of the related parties which was in conflict with the interests of the Company. There has been no material pecuniary relationship or transaction between the Company and its non-executive Directors during the year. The Company's policy on dealing with Related Party Transactions is posted at the Company's website www.harrisonsmalayalam.com.

INFORMATION SUPPLIED TO THE BOARD

The Directors are presented with detailed notes along with the agenda papers well in advance of their meeting. Necessary information as required under the statute and in line with the guidelines on Corporate Governance are placed before and reviewed by the Board. The Board periodically reviews compliance reports prepared by the Company regarding all laws applicable to the Company, as well as steps taken to rectify instances of non-compliance, if any.

Important operational matters are brought to the notice of the Board at its meetings held from time to time.

CODE OF CONDUCT

The Code of Business Conduct and Ethics relating to matters concerning Board members and Senior Management Officers and their duties and responsibilities has been meticulously followed. All Directors and Senior Management Officers have affirmed compliance of the provisions of the Code during the year 2016-17 and a declaration from the Manager to that effect is given at the end of this report. The Code is posted on the Company's website www.harrisonsmalayalam.com.

COMMITTEES OF THE BOARD**AUDIT COMMITTEE**

As on 31st March 2017, Audit Committee of HML's Board of Directors consisted of Mr. Golam Momen, Mr. Haigreve Khaitan, Mr. J.M. Kothary, Sachin Nandgaonkar and Ms. Surbhi Singhi. Mr. Haigreve Khaitan, Independent Director, is the Chairman of the Committee. All members of the Audit Committee have accounting and financial management expertise.

The Committee met five times during the course of the financial year on 30.05.2016, 29.07.2016, 17.08.2016, 10.11.2016 and 09.02.2017.

Table 2: Attendance record of Audit Committee members for 2016-17

Name of Members	Status	Category	No. of Meetings	
			Held	Attended
Mr. Haigreve Khaitan	Chairman	Independent	5	2
Mr. G. Momen	Member	Independent	5	5
Mr. J.M. Kothary	Member	Independent	5	3
Sachin Nandgaonkar	Member	Non-Independent	5	5
Ms. Surbhi Singhi	Member	Independent	5	3

The chief of finance and representatives of the statutory auditors are invitees to the Audit Committee meetings. The Audit Committee also invites the cost auditor and internal auditor in case of necessity. The Company Secretary is the secretary to the Committee.

The functions of the Audit Committee of the Company include the following:

1. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
2. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134 of the Act.
 - b) Changes, if any, in accounting policies and practices and reason for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgment by management.
 - d) Significant adjustments made in the financial statements arising out of audit findings.
 - e) Compliance with listing and other legal requirements relating to financial statements.
 - f) Disclosure of any related party transactions.
 - g) Qualifications in the draft audit report, if any.
3. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
4. Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
5. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
6. Discussion with internal auditors any significant findings and follow up thereon.
7. Investigating into any matter in relation to the items specified in the terms of reference and reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
8. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
9. Reviewing the Company's risk management policies.
10. Look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
11. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The auditors and the key managerial personnel have a right to be heard in the meetings of the Audit Committee when it considers the auditor's report.

The Audit Committee is empowered, pursuant to its terms of reference, to:

- a. Investigate any activity within its terms of reference and to seek any information it requires from any employee.
- b. Obtain professional advice from external sources to carry on any investigation and have full access to information contained in the records of the company.
- c. Discuss any related issues with the internal and statutory auditors and the management of the company.
- d. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- e. Approve subsequent modification of transactions of the Company with related parties.
- f. Scrutinize the inter-corporate loans and investments and evaluate internal financial controls and risk management systems.
- g. Oversee the vigil mechanism / whistle blower policy of the Company.

The Company has systems and procedures in place to ensure that the Audit Committee mandatorily reviews:

- Management discussion and analysis of financial condition and results of operations.
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
- Management letters / letters of internal control weaknesses issued by the statutory auditors.
- Internal audit reports relating to internal control weaknesses.
- The appointment, removal and terms of remuneration of the chief internal auditor.
- Whenever applicable, monitoring end use of funds raised through public issues, rights issues, and preferential issues by major category (capital expenditure, sales and marketing, working capital etc.) as part of the quarterly declaration of financial results.



In addition, the Audit Committee of the Board is also empowered to review the financial statements, in particular, the investments made by the unlisted subsidiary companies, in view of the requirements under Regulation 24 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. No person has been denied access to the Committee.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Investors' Grievance Committee looks into redressal of grievances of shareholders and other security holders such as transfer of shares, issue of share certificates, non-receipt of Annual Report and non-receipt of declared dividends.

The Stakeholders Relationship Committee comprises of Mr. G. Momen, Ms. Surbhi Singhi and Mr. V. Venugopal. Mr. G. Momen is the Chairman of the Committee. The Committee met once during the year on 09.02.2107 Table 3 gives the details of attendance.

Table 3: Attendance record of Investors' Grievance Committee for 2016-17

Name of Members	Status	Category	No. of Meetings	
			Held	Attended
Mr. G. Momen	Chairman	Non-Executive	1	1
Ms. Surbhi Singhi	Member	Non-Executive	1	1
Mr. V. Venugopal	Member	Manager	1	1

For expediting the process of registration of transfers of the Company's securities, the Board has delegated the power of approving share transfers and for dealing with matters connected therewith to a committee comprising of Manager, Chief Financial Officers and the Company Secretary, who is also the Compliance Officer. The delegated authority attends to share transfer formalities at least once a fortnight.

NOMINATION & REMUNERATION COMMITTEE

The Nomination & Remuneration Committee is comprised of Mr. Haigreave Khaitan, Mr. Golam Momen and Mr. J.M. Kothary. Mr. Haigreave Khaitan is the Chairman of the Nomination & Remuneration Committee.

The role of the Committee, inter-alia, includes

- Identify persons qualified to become directors or hold senior management positions and advise the Board for such appointments/removals where necessary;
- Formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of directors, key managerial personnel and other employees;
- Evaluate the performance of every director;
- Devise a policy on Board diversity.

In accordance with the recommendation of the Committee, the Company has since formulated a Remuneration Policy for directors, key managerial personnel, senior management personnel and other employees of the Company. The Committee is responsible for recommending the fixation and periodic revision of remuneration of the Managing Director / Manager and Whole Time Director of the Company. The performance evaluation criteria for non-executive including Independent Directors laid down by the Committee and taken on record by the Board includes:

- Attendance and participation in the Meetings
- Preparedness for the Meetings
- Understanding of the Company and the external environment in which it operates and contributes to strategic direction
- Raising of valid concerns to the Board and constructive contribution to issues and active participation at meetings.
- Engaging with and challenging the management team without being confrontational or obstructionist

During the year, the Committee met on 08.04.2016 and 10.11.2016 Table 4 gives the details of attendance:

Table 4: Attendance record of Nomination & Remuneration Committee for 2016-17

Name of Members	Status	Category	No. of meetings	
			Held	Attended
Mr. Haigreave Khaitan	Chairman	Non-Executive	2	2
Mr. Golam Momen	Member	Non-Executive	2	2
Mr. J.M. Kothary	Member	Non-Executive	2	1

DIRECTORS' / MANAGER'S REMUNERATION

Payment of remuneration to the Whole Time Director / Manager is governed by the agreements executed between him and the Company and are governed by Board and shareholders' resolutions. While the Whole-time Director is paid a Consolidated pay, the remuneration structure of the Manager comprises salary, variable pay, perquisites and allowances and retirement benefits in the forms of superannuation and gratuity. The details of all remuneration paid or payable to the Directors / Manager have been given below:

₹ in lacs

Name of the Director	Salary & Perquisites	Sitting Fees	Total
Mr. Haigreave Khaitan	-	0.80	0.80
Mr. G. Momen	-	1.70	1.70
Mr. P. Rajagopalan	-	0.40	0.40
Mr. J.M. Kothary	-	1.10	1.10
Sachin Nandgaonkar	-	1.70	1.70
Mr. Kaushik Roy	-	0.60	0.60
Ms. Surbhi Singhi	-	1.10	1.10
Mr. Venugopal (Manager)	44.47	-	44.47
Mr. N. Dharmaraj (Whole Time Director)	86.33	-	86.33

The breakup of Salary & Perquisites are stated below:

Mr. N Dharmaraj, Whole Time Director

₹ in lacs

Basic Salary	Other allowance	Perquisites	Retirement Benefits	Total
86.33	-	-	-	86.33

Mr. V Venugopal, Manager

₹ in lacs

Basic Salary	Other allowance	Perquisites	Retirement Benefits	Total
21.27	16.86	0.60	5.74	44.47

Shares held by Non-Executive Directors:

As on 31st March 2017, Mr. Golam Momen holds 560 shares. No other Director holds equity shares in HML. The Company has not issued any convertible instruments and as on 31 March, 2017 no convertible instruments of the Company are outstanding.

RISK MANAGEMENT COMMITTEE

The Risk Management Committee of the Board is comprised of Mr. Haigreave Khaitan, Sachin Nandgaonkar, Kaushik Roy. The roles and responsibilities of the committee are as prescribed under Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 as amended from time to time, and includes monitoring and review of the risk management plan and reporting the same to the Board of Directors periodically as it may deem fit, in addition to any other terms as may be referred by the Board, from time to time. The committee has met once in the financial year on May 30, 2016. It was attended by Mr. Sachin Nandgaonkar and Kaushik Roy.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

A Corporate Social Responsibility (CSR) Committee of the Board was constituted on 25 March, 2015 to formulate and recommend to the Board a CSR Policy indicating the activities to be undertaken by the Company and to discharge such other responsibilities as required under the Act and the Rules made thereunder. The members of the Committee as on March 31, 2017 are Mr. Golam Momen, Mr. Sachin Nandgaonkar, Mr. P. Rajagopalan and Mr. N. Dharmaraj. The committee has met once in the financial year on May 30, 2016. It was attended by Mr. Sachin Nandgaonkar and Mr. Golam Momen. The CSR Policy can be accessed at the website of the Company at link <http://www.harrisonsmalayalam.com>

SUBSIDIARY COMPANIES

As on 31 March 2017, HML has three unlisted subsidiaries namely, Enchanting Plantations Ltd., Harmony Plantations Ltd. and one step down subsidiary Malayalam Plantations Ltd.

MANAGEMENT

MANAGEMENT DISCUSSION AND ANALYSIS

This annual report has a detailed chapter on Management Discussion and Analysis.

DISCLOSURES BY MANAGEMENT TO THE BOARD

All disclosures relating to financial and commercial transactions where Directors may have a potential interest are provided to the Board and the interested Directors do not participate in the discussion nor do they vote on such matters.

DISCLOSURE OF ACCOUNTING CONVENTION IN PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared to comply in all material aspects with the applicable accounting principles in India, including accounting standards notified under Section 133 of the Act and the relevant provisions of the said Act. The financial statements have also been prepared in accordance with relevant presentational requirements of the Act.



CODE FOR PREVENTION OF INSIDER TRADING PRACTICES

Since the close of the year, a new code, namely - Code of Fair Disclosure, Internal Procedures and Conduct for regulating, monitoring and reporting of trading by insiders - has been adopted by the Board, in supersession of the earlier one in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

The code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of the Company. The code clearly specifies, among other matters, that Directors and specified employees of the Company can trade in the shares of the Company only during "Trading Window Open Period". The trading window is closed during the time of declaration of results, dividend and material events, as per the Code.

Mr. Binu Thomas, Company Secretary is the Compliance Officer.

WHISTLE BLOWER POLICY

As required under the Act and Regulation 22 & 46(2)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company has formulated a Whistle Blower Policy for its Directors and permanent employees. Under the Policy, instances of any irregularity, unethical practice and / or misconduct can be reported to the management for appropriate action.

ANTI SEXUAL HARASSMENT POLICY

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 covering all employees of the Company. Internal Complaints Committee set up for the purpose did not receive any complaint for redressal during the year.

WTD/CFO CERTIFICATION

The Whole Time Director/CFO certification of the financial statements for the year has been submitted to the Board of Directors, as required under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

SHAREHOLDERS

RE-APPOINTMENT / APPOINTMENT OF DIRECTORS

Mr. Kaushik Roy retires at the ensuing Annual General Meeting, and being eligible, offers himself for re-appointment.

Mr. N. Dharmaraj (Whole Time Director) whose terms ends on September 30, 2017 has been re-appointed for period of 1 year that is from October 1, 2017 to September 30, 2018.

In compliance with Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 entered into with the Stock Exchanges, brief resume, expertise and details of other directorships, memberships in committees of Directors of other companies and shareholding in the Company, of the Directors proposed to be re-appointed / appointed are attached to the Notice of the ensuing Annual General Meeting.

COMMUNICATION TO SHAREHOLDERS

HML puts forth key information about the Company and its performance, including quarterly results, official news releases and presentations to analysts, on its website www.harrisonsmalayalam.com regularly for the benefit of its shareholders and the public at large.

The quarterly, half yearly and annual results are published in Business Standard (English) and Deshabhimani (Malayalam) newspapers in the form prescribed in Regulation 47 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 with the Stock Exchanges. These results are also displayed in the Company's website www.harrisonsmalayalam.com. Hence, they are not separately sent to the shareholders. However, the Company furnishes the quarterly results on receipt of a request from any shareholder.

INVESTOR GRIEVANCES & SHAREHOLDER REDRESSAL

The Company has appointed a Registrar and Share Transfer Agent, Link Intime India Private Ltd., which is fully equipped to carry out share transfer related activities and redress investor complaints. Mr. Binu Thomas, Company Secretary is the Compliance Officer overseeing the process of redressal of all shareholders' grievances.

DETAILS OF NON-COMPLIANCE BY THE COMPANY

HML has complied with all requirements of the regulatory authorities. No penalties / strictures were imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

GENERAL BODY MEETINGS

The date, time and venue of the General Meetings held in last three years are given below:

Sl. No.	AGM	Year	Date	Time	Location
1.	39 th	2016	30.09.2016	10.30 a.m.	Kerala Fine Arts Hall, Fine Arts Avenue, Foreshore Road, Cochin – 16
2.	38 th	2015	28.09.2015	10.30 a.m.	Kerala Fine Arts Hall, Fine Arts Avenue, Foreshore Road, Cochin – 16
3.	37 th	2014	26.09.2014	10.00 a.m.	Kerala Fine Arts Hall, Fine Arts Avenue, Foreshore Road, Cochin – 16

All resolutions as set out in the respective notices were duly passed by the shareholders in the meeting.

Details of Special Resolutions passed in the immediately preceding three AGMs:

AGM	Particulars of Special Resolutions passed there at
37 th	Appointment and payment of remuneration to Mr. Ashok Bachan Goyal, Whole Time Director
	Appointment and payment of remuneration to Mr.N. Dharmaraj, Whole Time Director
	Revision of remuneration of Mr. V. Venugopal, Manager
	Borrowings /Financial Assistance under Section 180(c) of the Companies Act, 2013
	Creation of charge for borrowings / financial assistance availed.
38 th	Appointment and payment of remuneration to Mr.N. Dharmaraj, Whole Time Director
	Appointment and payment of remuneration to Mr. V. Venugopal, Manager
39 th	Appointment and payment of remuneration to Mr.N. Dharmaraja, Whole Time Director

POSTAL BALLOT

During the year under review no resolution was passed by postal ballot.

COMPLIANCE

MANDATORY REQUIREMENTS

The Company is fully compliant with the applicable mandatory requirements of Regulation 34 & 53(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

NON-MANDATORY REQUIREMENTS

The details of compliance of the non-mandatory requirements are listed below:

i) SHAREHOLDER RIGHTS – FURNISHING OF QUARTERLY RESULTS

Details of the shareholders' rights in this regard are given in the section 'Communication to Shareholders'.

ii) AUDIT QUALIFICATIONS

During the current financial year, there are no audit qualifications in the financial statements of the Company. The Company continues to adopt appropriate best practices in order to ensure unqualified financial statements.

PRACTICING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

The Company has obtained a Certificate from a practicing Company regarding compliance of conditions of corporate governance. The certificate is annexed to this report.

For and on behalf of the Board of Directors

May 29, 2017
Kolkata

Sachin Nandgaonkar
(DIN- 03410739)
Director

Kaushik Roy
(DIN- 06513489)
Director



ADDITIONAL SHAREHOLDER INFORMATION (Annexure 'D' to Directors' Report)

ANNUAL GENERAL MEETING

Date : Thursday, August 3, 2017
 Time : 11 A.M.
 Venue : Kerla Fine Arts Hall, Fine Arts Avenue, Foreshore Road, Cochin 682016.

FINANCIAL CALENDAR

For the year ended 31 March 2017, results were announced on:

First quarter : 17 August, 2016
 Second quarter : 10 November, 2016
 Third quarter : 09 February, 2017
 Fourth quarter and annual : 29 May, 2017

For the year ending 31 March 2018, results will be announced on:

Quarter ending June 30, 2017	September 13, 2017
Quarter ending September 30, 2017	Within November 14, 2017
Quarter ending December 31, 2017	Within February 14, 2018
Year ending March 31, 2018 (Audited)	Within May 30, 2018

BOOK CLOSURE

The Company's Register of Members and Share Transfer Books will remain from July 28, 2017 to August 3, 2017, (both days inclusive) for Annual closure for the purpose of Annual General Meeting.

DIVIDEND

The Board has not recommended any dividend for the FY 2016-17.

LISTING

Equity shares of HML are listed on the Bombay Stock Exchange Ltd., National Stock Exchange of India Ltd. and the Cochin Stock Exchange Ltd.

STOCK CODES

Stock Exchanges	Stock Code
Bombay Stock Exchange Ltd., Mumbai (BSE)	500467
National Stock Exchange of India Ltd., Mumbai (NSE)	HARRMALAYA

All listing and custodial fees to the Stock Exchanges and depositories have been paid to the respective institutions.

STOCK DATA AND PERFORMANCE

Table 1 below gives the monthly high and low prices of HML equity shares and the volumes traded at the Bombay Stock Exchange and National Stock Exchange for the year 2016-17.

Table 1: High and low prices at the BSE and NSE

Year –2016/17	BSE		NSE		Volume (Nos.)	
	High (₹)	Low (₹)	High (₹)	Low (₹)	BSE	NSE
April	75.00	49.50	74.75	49.40	1677151	4641893
May	69.05	56.00	68.95	55.80	437851	1282832
June	76.00	55.95	75.80	55.60	2040044	6086400
July	93.40	70.00	93.60	70.00	4492422	13256189
August	87.00	70.25	86.15	69.95	1021938	3165870

September	83.50	69.95	83.40	68.00	1095321	3484595
October	81.50	72.00	81.50	71.95	916638	3347192
November	77.80	55.25	77.80	55.20	435039	992756
December	71.50	60.40	71.50	60.20	531254	1677590
January	85.10	66.80	85.40	65.90	1384446	5512185
February	95.60	78.80	94.35	78.55	1279654	5099516
March	91.50	78.55	91.50	80.10	915949	2512186

Source: Website: Bombay Stock Exchange Ltd. (www.bseindia.com) and The National Stock Exchange of India Ltd. (www.nseindia.com)

Table 2 provides the closing price of HML's equity shares on NSE vis-vis NSE Nifty and BSE Sensex at the last trading day for each month during 2016-17.

Table 2: Performance comparison to NSE Nifty and BSE Sensex

As at close of last trading day for each month	HML's closing price on NSE (₹)	NSE Nifty	BSE Sensex
April 2016	66.65	7849.80	25606.62
May 2016	56.70	8160.10	26667.96
June 2016	69.80	8287.75	26999.72
July 2016	85.15	8638.50	28051.86
August 2016	73.75	8786.20	28452.17
September 2016	71.60	8611.15	27865.96
October 2016	75.40	8625.70	27930.21
November 2016	63.50	8224.50	26652.81
December 2016	68.60	8185.80	26626.46
January 2017	79.50	8561.30	27655.96
February 2017	88.60	8879.60	28743.32
March 2017	83.60	9173.75	29620.50

SHARE TRANSFER AGENTS AND SHARE TRANSFER AND DEMAT SYSTEM

The Company processes share transfers through its Share Transfer Agent whose address is as given below.

M/s. Link Intime India Pvt. Ltd.
Surya, 35, Mayflower Avenue, Behind Senthil Nagar
Sowripalayam Road, Coimbatore – 641028.
Ph. 0422-2314792
E-mail: coimbatore@linkintime.co.in

In compliance with the SEBI circular dated 27 December 2002, requiring share registry in terms of both physical and electronic mode to be maintained at a single point, HML has established direct connections with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), the two depositories, through its share transfer agent.

Shares received in physical form are processed and the share certificates are returned within 10 to 15 days from the date of receipt, subject to the documents being complete and valid in all respects.

The Company's equity shares are under compulsory dematerialised trading. Shares held in the dematerialised form are electronically traded in the Depository. The Registrar and the Share Transfer Agent of the Company periodically receives data regarding the beneficiary holdings, so as to enable them to update their records and send all corporate communications, dividend warrants, etc.

As on March 31 2017, dematerialised shares accounted for 95.18% of total equity. There is no subsisting court order in legal proceedings against HML in any share transfer matter.



Table 3: Number and nature of complaints for 2016-17

No of Investor queries/ complaints received from 01.04.2016 to 31.03.2017	No. of complaints pending at the end of the Financial Year
14	Nil

SHAREHOLDING PATTERN

Table 4: Pattern of shareholding by ownership as on 31 March 2017

Category	Shares held (nos)	% of holding
Promoters Holdings (Indian and Foreign)	9283615	50.30
Mutual Funds	7020	0.04
Banks, Financial Institutions, Insurance Companies and others	51532	0.58
Foreign Institutional Investors	-	-
Non Resident Indians	111539	0.61
Corporate Bodies, Indian Public and others	9001699	48.47
TOTAL	18455405	100.00

Table 5: Pattern of shareholding by share class as on 31 March 2017

No of Equity Shares held	No of Shareholders	No of shares held	% Shareholding
Up to 500	26318	3067259	16.62
501 to 1000	1146	918061	4.97
1001 to 2000	511	768430	4.16
2001 to 3000	157	408428	2.21
3001 to 4000	77	273190	1.48
4001 to 5000	76	359286	1.95
5001 to 10000	100	739059	4.01
10001 and above	81	11921692	64.60
TOTAL	28466	18455405	100.00

PLANT LOCATIONS

Tea Estates: Eleven Estates located in Kerala and two in Tamil Nadu

Rubber Estates: Eleven Estates located in Kerala

INVESTOR CORRESPONDENCE ADDRESS

Company's Registered Office Address	Registrar's Address
Secretarial Department Harrisons Malayalam Ltd. 24/1624, Bristow Road Willingdon Island Cochin-682003 Telephone No: 0484-2668023 E-Mail : secretarial@harrisonsmalayalam.com Website: www.harrisonsmalayalam.com	M/s. Link Intime India Pvt. Ltd. Surya, 35, Mayflower Avenue, Behind Senthil Nagar Sowripalayam Road, Coimbatore – 641028. Ph. 0422-2314792 E-mail: coimbatore@linkintime.co.in

COMPLIANCE OFFICER FOR INVESTOR REDRESSAL

Mr. Binu Thomas Company Secretary is the Compliance Officer for investor related matters.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

The due dates on which unclaimed dividends lying in the unpaid dividend accounts of the Company would be credited to the IEPF are stated in the table below. Investors are requested to claim their unclaimed dividends before these due dates.

Table 6: The dates of payment, the due dates for credit to IEPF and the amounts

Dividend for Year	Declared on	Dividend %	Amount lying unpaid / unclaimed as on 31 March 2017 (₹)	Due date for credit to IEPF
2009-10	30.09.2010	20%	1042284.12	29.10.2017
2010-11	19.09.2011	15%	764641.50	18.10.2018
2011-12	27.09.2012	15%	845779.5	26.10.2019
2012-13	23.09.2013	7.5%	473379.75	22.10.2020
2013-14	26.09.2014	10%	581760.00	25.10.2021

The Company opened a demat account "Harrissons Malayalam Ltd – Unclaimed Suspense Account" with Stock Holding Corporation Ltd., Ernakulam in the month of March 2014 and 230776 unclaimed shares pertaining to 3346 shareholders have been transferred to this Demat Account. Members who have not claimed their share certificates are requested to immediately approach the Company's Registrars and Share Transfer Agent.

The details of shares in Unclaimed Suspense Account and transferred to shareholders those who have claimed the shares during the period April 1, 2016 to March 31, 2017 are as follows

	No. of Shareholders	No. of Shares
Aggregate number as on April 1, 2016	3196	218361
No. of shareholders who approached the Company / Registrar for transfer of shares from unclaimed Suspense Account during the year.	25	3330
No. of shareholder to whom shares were transferred from the Unclaimed Suspense Account during the year.	25	3330
Aggregate number as on March 31, 2017.	3171	215031

Outstanding GDRs/ADRs/Warrants/Any other Convertible Instruments:

The Company do not have any outstanding GDRs/ ADRs/ Warrants/Any other Convertible Instruments as on March 31,2017

Commodity Price Risk or Foreign Exchange Risk and hedging activities:

The Company contemplates derivative financial instruments such as forward exchange contracts currency swap etc. to hedge its risks associated with commodity price fluctuations and foreign currency fluctuations relating to the underlying transactions and firm commitment.



DECLARATION – CODE OF CONDUCT

All Board members and Senior Management Personnel of the Company have, for the year ended March 31, 2017 affirmed compliance with the Code of Conduct laid down by the Board of Directors in terms of the Listing Regulations.

For **HARRISONS MALAYALAM LIMITED**

V. Venugopal
Manager

May 29, 2017

PRACTICING COMPANY SECRETARY'S CERTIFICATE

AS PER REGULATION 27(2) OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATION 2015

To the Members of Harrisons Malayalam Ltd.

I have examined the compliance of conditions of Corporate Governance by Harrisons Malayalam Limited ("the Company") for the year ended March 31, 2017, as per Regulations 17-27 and Clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015 ("Listing Regulations").

The Compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations, as applicable.

I further 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.

Thomas P. Chacko
FCS 4066
Company Secretary in Practice
CP 4251

Cochin
May 29, 2017

NOMINATION & REMUNERATION POLICY (ANNEXURE 'E' TO THE DIRECTORS' REPORT)

In accordance with the provisions of Section 178 of the Companies Act, 2013, the Board of Directors of the Company at its meeting held on May 30, 2014 re-constituted the existing Remuneration Committee by changing its nomenclature as Nomination and Remuneration Committee of the Board of Directors (Committee) and also stipulated additional terms of reference in line with the Companies Act, 2013.

The Board has delegated the responsibility to the Committee to formulate the criteria for identification and selection of the suitable candidates for the various positions in senior management and also candidates who are qualified to be appointed as director on the Board of Directors of the Company. The Committee is also to recommend a policy, relating to the remuneration for the directors, key managerial personnel and other senior management personnel and a process by which the performance of the directors could be evaluated.

This policy formulated by the Nomination and Remuneration Committee was adopted on August 8, 2014 by the Board of Directors of Harrisons Malayalam Limited.

The Committee shall be guided by the broad principles as laid down below in respect of nominating persons to hold office of director, senior management including key managerial personnel and recommending the remuneration payable.

1. Criteria for selection of members on the board of directors and candidates for senior management.

The Committee has adopted the following criteria for selection of member on the Board of Directors of the Company and also candidates eligible to be appointed in the senior management of the Company.

A) Criteria for Selection of Directors

Before making any recommendation to the Board for appointment of any director, the Committee shall ensure that:

- a. the candidate possesses positive attributes / qualities such as Leadership, Industrialist, Business Advisor or such other attributes which in the opinion of the Committee the candidate possess, and are in the interest of the Company;
- b. the candidate shall be free from any disqualifications as provided under Sections 164 and 167 of the Companies Act, 2013;
- c. the candidate meet the conditions of being independent as stipulated under the Companies Act, 2013 and Listing Agreement entered into with Stock Exchanges in case of appointment of an independent director;
- d. the candidate possesses appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, infrastructure, or such other areas or disciplines which are relevant for the Company's business.

B) Criteria for Selection of Senior Management Personnel

The term Senior Management shall have the same meaning as provided under the explanation to Section 178 of the Companies Act, 2013.

The Committee shall, before making any recommendation to the Board for appointment, should ensure that the candidate has the attributes set forth below:

- a) The candidate should have a minimum experience of 10 years in any of the areas viz. banking, infrastructure, financial management, legal, sales, marketing, administration, research, corporate governance, technical operations, or such other areas or disciplines which in the opinion of the management and Committee are relevant for the Company's business;
- b) The candidate should possess qualities that demonstrate leadership skills, decision making skills, effective communication, hard work, commitment and such other attributes which in the opinion of the Committee the candidate possess and are in the interest of the Company

If the Committee thought fit and in its opinion finds that the candidate meets the above criteria for appointment (as director on the Board or in senior management), the Committee shall make its recommendation to the Board.

Any amendment to the above criteria for directors and senior management shall be subject to the prior approval of the Committee and any such amendment shall be informed to the Board of Directors.

II. Remuneration policy for directors, senior management and key managerial personnel

A) Remuneration of Managing Director, Whole Time Director and Manager:

The Committee while considering the remuneration of the Managing Director, the Whole Time Director and Manager (wherein there is no Managing Director), may take into consideration the performance of the Company, the experience of the person, his background, job-profile and suitability, his past remuneration, the comparative remuneration profile in the industry, size of the Company, responsibilities shouldered by the Managing Director / Whole Time Director etc., provided that any remuneration considered by the Committee shall be in accordance and within the limits stipulated under the Companies Act, 2013.



B) Remuneration of Non-Executive Director (NED)

- a) The remuneration to the NEDs may be restricted to the sitting fees being paid for attendance of the meeting of the Board of the Directors and the Committees of the Board, currently only for Audit Committee.
- b) The Independent Directors of the Company shall be entitled to remuneration restricted to the sitting fees being paid for attendance of the meeting of the Board of the Directors and Committees of the Board, currently only for Audit Committee, provided that any sitting fees paid to the Independent Director shall not be less than the sitting fees paid to non-executive directors.
- c) Independent Directors shall not be eligible for stock options of the Company, if any.

C) Remuneration of Senior Management Personnel and KMPs

The Remuneration of the Senior Management Personnel and KMPs shall be in accordance with the Policy of the Company which is applicable to the employees. The Committee may consider the remuneration of a Senior Management Personnel keeping in view the performance of the Business /Function under his control and also the contribution of the Business /Function under his control towards the overall performance of the Company.

III. Evaluation of performance of directors

A) Evaluation of the performance of Managing Director / Whole Time Director

The performance of the Managing Director / Whole Time Director of the Company may be carried out taking into consideration the performance of the Company vis-à-vis the budgets as well as performance of its competitors. Emphasis on achieving top line and bottom line targets, with no adverse qualification by the auditors in the accounts, may be made.

B) Evaluation of the performance of Non-Executive Directors and Independent Directors (NEDs and IDs)

The Committee while evaluating the performance of the NEDs and IDs may take into consideration various factors as mentioned below:

- a) Attendance at Meetings - attendance at Board Meetings, AGMs, Committee meetings.
- b) Other Directorships held by the NED – in listed or unlisted companies
- c) Other companies in which NED is a Chairperson
- d) Participation at Board/Committee meetings
- e) Input in strategy decisions
- f) Review of Financial Statements, risks and business performance
- g) Time devoted towards discussion with Management
- h) Review of Minutes – Board Minutes, Committee meeting minutes and AGM Minutes

Marks may be assigned for each of the above criteria and based on the score achieved, the Committee may evaluate the performance of each non-executive director and independent director.

Further provided that, any amendment to any of the clauses in the aforesaid policy shall be subject to the prior approval of the Committee and such amendment shall be informed to the Board of Directors of the Company.

SECRETARIAL AUDIT REPORT (Annexure F to the Director Report)

Form No. MR-3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2017

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

To,
The Members
HARRISONS MALAYALAM LTD.
24/1624, Bristow Road
Willingdon Island, Cochin
Ernakulam-682003
Kerala

We, SVJS & Associates, Company Secretaries, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by HARRISONS MALAYALAM LTD. [CIN: L01119KL1978PLC002947] (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

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 31.03.2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (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:-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (vi) As informed to us, the following other laws are specifically applicable to the Company:
 - 1. The Tea Act, 1953 and the Rules made thereunder
 - 2. The Tea Waste (Control) Order, 1959
 - 3. The Tea Warehouse (Licensing) Order, 1989
 - 4. The Tea (Marketing) Control Order, 2003
 - 5. Tea (Distribution and Export) Control Order, 2005
 - 6. The Coffee Act, 1942 and the Rules made thereunder;
 - 7. The Food Safety and Standards Act, 2006 and Food Safety and Standards Rules, 2011
 - 8. The Plantations Labour Act, 1951 and the Rules made thereunder
 - 9. Kerala Plantation Labour Rules, 1959
 - 10. The Prevention of Food Adulteration Act, 1954 and Rules made thereunder;
 - 11. Legal Metrology Act, 2009 and Legal Metrology (Packaged Commodities) Rules, 2011;



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

- (i) Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India;
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

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.

There were no dissenting views on any decisions of the Board, as recorded in the Minutes of Board meetings.

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

We further report that during the audit period there were no public/right/preferential issue of shares/debentures/sweat equity, redemption/buy back of securities, major decisions taken by members in pursuance to Section 180 of the Companies Act, 2013 or foreign technical collaborations.

The Company has entered into a composite scheme of arrangement and amalgamation with Enchanting Plantations Limited (100 % subsidiary of Harrisons Malayalam Limited), Malayalam Plantations Limited (100 % subsidiary of Enchanting Plantations Limited) and Harmony Plantations Limited (100 % subsidiary of Harrisons Malayalam Limited) which was pending before the Hon'ble High Court of Kerala and is now before the National Company Law Tribunal, Chennai, as directed vide order dated 09.03.2017.

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

For SVJS & Associates
Company Secretaries
sd/-

CS.Sivakumar P.
Managing Partner
CP No:2210, FCS:3050

Kochi
29.05.2017

ANNEXURE TO THE SECRETARIAL AUDIT REPORT OF EVEN DATE

To,

The Members
HARRISONS MALAYALAM LTD.
24/1624, Bristow Road
Willingdon Island, Cochin
Ernakulam-682003
Kerala

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of the Secretarial records is the responsibility of the management of the Company. Our responsibility as Secretarial Auditors is to express an opinion on these records, based on our audit.
2. During the audit, we have followed the practices and process as were appropriate, to obtain reasonable assurance about the correctness of the contents of the Secretarial records. We believe that the process and practices we followed provide a reasonable basis for our report.
3. The correctness and appropriateness of financial records and Books of Accounts of the Company have not been verified.
4. We have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc., wherever required.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards etc. is the responsibility of management. Our examination was limited to the verification of the procedures and compliances on test basis.
6. While forming an opinion on compliance and issuing the Secretarial Audit Report, we have also taken into consideration the compliance related actions taken by the Company after 31st March 2017 but before issue of the Report.
7. We have considered actions carried out by the Company based on independent legal/professional opinion as being in compliance with law, wherever there was scope for multiple interpretations.

For SVJS & Associates
Company Secretaries
sd/-

CS.Sivakumar P.
Managing Partner
CP No:2210, FCS:3050

Kochi
29.05.2017



CORPORATE SOCIAL RESPONSIBILITY

Harrisons Malayalam Ltd (HML), a major plantation Company in South India has its presence in both tea and rubber crops besides minor crops like pineapple, cardamom, pepper and other spices. HML provides employment to more than 10000 people, supporting their families and dependents, by providing them with free housing, electricity, water and health care. HML is the state's largest employer, only next to the Kerala Government.

95% of the workforce constitute the workmen category who work in the estates and factories. The other 5% includes executives/managers and supervisory staff in diverse functions. 50% of the workmen category belong to Schedule castes and backward communities. Women workers constitute approximately 60% of the total work force.

A lot of importance is attached to social responsibilities and HML as a responsible corporate has been successful in integrating the social and environmental concerns into its business operations. The company leadership has evolved a strategy to encompass social dimension in all the activities namely, health, safety, education and environment. The Company gives importance to product safety as also safety at work place and follows the guidelines on plant protection residue, besides conforming to the FSSAI standards.

The major activities carried out by HML in the field of health, environment and education, provide benefits to the state's backward class people. Some of these are detailed below:

Health

HML extends medical support to the local population in and around its estates. It also provides medical support to tribal colonies / old age homes for their comprehensive medical and health care. The services of the Company's hospitals have also been made affordable for the local public on payment of nominal fees.

Environment and Education

In a small way HML has also established an organization which is providing service in the form of education and health care for mentally challenged children. HML plantations also run schools of varying capacities.

The Company also gives importance to preservation of natural habitats of the plantations and engages in self-development programs and initiatives to preserve bio-diversities in surrounding areas. The company also has a soil preservation and water management program.

Various programs on education, environment and education have been conducted during the year, the details of which are mentioned below:

Sr. No.	CSR Themes	Activity	Locations	No of Benefeciaries
1	Education	Rakshita – Centre for Children and Young Adults with Special Needs.	Arrapetta	20
2	Education	Safety and First Aid awareness	All Estates	1350
3	Education	Encouraging Meritorious Children	Kumbazha	2
4	Education	Workers Education Programme	Nagamallay	62
5	Education	Distributed School Kit-(24) to Students	Lochart & Poopara	24
6	Environment	World Environment Day Celebrations	All Estates	1200
7	Environment	Waste Management with the help of Local Self Government bodies	All Estates	1350
8	Environment	Rain Water Harvesting in Estates	All Estates	750
9	Environment	Sustainability Certifications	All Tea Estates	1350
10	Environment	Sustainable Agricultural practices to Small Tea Growers	All Tea Estates	1303
11	Environment	Water & Soil Conservation	All Tea Estates	1350
12	Health	Rashtriya SwasthyaBhimaYogana (RSBY) Insurance coverage to all	All Estates	3150
13	Health	Monsoon Diseases/Communicable diseases awareness campaigns/ Observing Dry Days	All Estates	800
14	Health	Homeo Medical Camps	All Estates	400
15	Health	LPG Safety Training	All Estates	3150
16	Health	Safety Training Programme	Kumbazha	60
17	Health	Campaign for smoke free public places	Kumbazha	5000
18	Health	Training program on prevention of communicable diseases	Kumbazha	400
19	Health	Homeo medical camp	Kumbazha	300
20	Health	Homeo Preventive Medicine Distribution	Nagamallay	74
21	Health	General Medical Camp	Nagamallay	43

Sr. No.	CSR Themes	Activity	Locations	No of Benefeciraies
22	Health	First Aid Training Programme	Nagamallay	30
23	Health	Safety Training Programme	Nagamallay	30
24	Health	National Safety Day	Nagamallay	44
25	Health	Eye Camp a Mundakayam Estate	Mundakayam Estate	150
26	Health	Free Eye Camp in association with St. Johns Hospital Kattappana	Panniar Estate	140
27	Health	Quarterly Free Medical Check Up at Karuna Bhavan (Orphanage and Old age Home), Rajakkad	Panniar Estate	80
28	Health	Children Clinic with the help of CHC Santhanpara on 19-02-2017 at Poopara & Panniar Dispensary	Panniar Estate	70
29	Health	Eye Camp-Idukky District	Vandiperiyar Group	146
30	Health	Rehabilitation Centre For Mentally Handicap	Vandiperiyar Group	180
31	Health	Eye Camp	Wentworth	83
32	Social Work	Social activities	Kumbazha	2
33	Social Work	Social activities	Kumbazha	2



ANNEXURE G TO THE DIRECTORS' REPORT

Form MGT-9 EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2017

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

I. REGISTRATION AND OTHER DETAILS

i.	CIN	L01119KL1978PLC002947
ii.	Registration Date	7 TH January 1978
iii.	Name of the Company	HARRISONS MALAYALAM LIMITED
iv.	Category/Sub-Category of the Company	Public Company
v.	Address of the Registered office and contact details	24/1624 Bristow Road Willingdon Island Cochin 682 023 Tel No.0484 2668023 Fax: 0484 2668024 Email:hmlcorp@harrisonsmalayalam.com Web site: www.harrisonsmalayalam.com
vi.	Whether listed Company	Yes ,BSE and NSE
vii.	Name Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd Surya, 35 Mayflower Avenue Behind Senthil Nagar, Sowripalayam Road Coimbatore 641028 Tel: 0422 2314792 Email: Coimbatore@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the Company
1	PLANTATIONS - TEA	1271	49.83
2	PLANTATIONS - RUBBER	1291	50.17

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sr. No	Name and address of the Company	CIN/GLN	Holding /Subsidiary /Associate	% of shares held	Applicable Section
1.	Harmony Plantations Limited	U01100KL2012PLC030469	Subsidiary	100	2(87)
2.	Enchanting Plantations Limited	U01116KL2012PLC030473	Subsidiary	100	2(87)

Address of all the above companies: 24/1624 Bristow Road, Willingdon Island, Cochin-682003

IV. Category-wise Shareholding

i) Shareholding Pattern (Equity Share Capital Breakup as Percentage of Total Equity)

Sr No	Category of Shareholders	Shareholding at the beginning of the year - 2016			Shareholding at the end of the year - 2017			% Change during the year
		Demat	Physical	Total	Demat	Physical	Total	
(A)	Shareholding of Promoter and Promoter Group							
[1]	Indian							
(a)	Individuals / Hindu Undivided Family	90000	-	90000	90000	-	90000	0.4877
(b)	Central Government / State Government(s)	-	-	-	-	-	-	-
(c)	Financial Institutions / Banks	-	-	-	-	-	-	-
(d)	Any Other (Specify)							
	Promoter Trust	262080	-	262080	262140	-	262140	0.0003
	Bodies Corporate	8931575	-	8931575	8931475	-	8931475	-0.0005
	Sub Total (A)(1)	9283655	-	9283655	9283615	-	9283615	-0.0002
[2]	Foreign							
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	-	-	-	-	-	-	-
(b)	Government	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-
(e)	Any Other (Specify)							
	Sub Total (A)(2)	-	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group(A) = (A)(1) + (A)(2)	9283655	-	9283655	9283615	-	9283615	-0.0002
(B)	Public Shareholding							
[1]	Institutions							
(a)	Mutual Funds / UTI	6500	520	7020	6500	520	7020	0.0380
(b)	Venture Capital Funds	-	-	-	-	-	-	-
(c)	Alternate Investment Funds	-	-	-	-	-	-	-
(d)	Foreign Venture Capital Investors	-	-	-	-	-	-	-
(e)	Foreign Portfolio Investor	-	-	-	-	-	-	-
(f)	Financial Institutions / Banks	1903	925	2828	50427	925	51352	0.2629
(g)	Insurance Companies	-	-	-	-	-	-	-
(h)	Provident Funds/ Pension Funds	-	-	-	-	-	-	-
(i)	Any Other (Specify)							
	Sub Total (B)(1)	8403	1445	9848	56927	1445	58372	0.3163
								0.2629



Sr No	Category of Shareholders	Shareholding at the beginning of the year - 2016			Shareholding at the end of the year - 2017			% Change during the year	
		Demat	Physical	Total	% of Total Shares	Demat	Physical		Total
[2]	Central Government/ State Government(s)/ President of India								
	Sub Total (B)(2)	-	-	-	-	-	-	-	-
[3]	Non-Institutions								
(a)	Individuals								
(i)	Individual shareholders holding nominal share capital upto ₹ 1 lakh.	4911085	898129	5809214	31.4770	4721711	873440	5595151	30.3171
(ii)	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1678342	-	1678342	9.0940	1796269	-	1796269	9.7330
(b)	NBFCs registered with RBI	-	-	-	-	-	-	-	-
(c)	Employee Trusts	-	-	-	-	-	-	-	-
(d)	Overseas Depositories(holding DRs) (balancing figure)	-	-	-	-	-	-	-	-
(e)	Any Other (Specify)								
	Trusts	240	-	240	0.0013	240	-	240	0.0013
	Foreign Nationals	70	-	70	0.0004	-	-	-	-0.0004
	Hindu Undivided Family	278834	-	278834	1.5109	272688	-	272688	1.4776
	Non Resident Indians (Non Repat)	35312	-	35312	0.1913	43872	-	43872	0.2377
	Non Resident Indians (Repat)	48311	3965	52276	0.2833	63702	3965	67667	0.3667
	Unclaimed Shares	218361	-	218361	1.1832	215031	-	215031	1.1651
	Clearing Member	157584	-	157584	0.8539	183278	-	183278	0.9931
	Market Maker	5996	-	5996	0.0325	8165	-	8165	0.0442
	Bodies Corporate	915327	10346	925673	5.0157	920861	10196	931057	5.0449
	Sub Total (B)(3)	8249462	912440	9161902	49.6435	8225817	887601	9113418	49.3808
	Total Public Shareholding(B) = (B)(1) + (B)(2) + (B)(3)	8257865	913885	9171750	49.6968	8282744	889046	9171790	49.6970
	Total (A) + (B)	17541520	913885	18455405	100	17566359	889046	18455405	100
(C)	Non Promoter - Non Public								
[1]	Custodian/DR Holder	-	-	-	-	-	-	-	-
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	-	-	-	-	-	-	-	-
	Total (A) + (B) + (C)	17541520	913885	18455405	100	17566359	889046	18455405	100

ii) Shareholding of Promoters

Sr No	Shareholders Name	beginning of the year - 2016 Shareholding at the			end of the year - 2017 Shareholding at the			% change in shareholding during the year
		NO.OF SHARES HELD	% of total Shares of the company	%of Shares Pledged /encumbered to total shares	NO.OF SHARES HELD	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	
1	RAINBOW INVESTMENTS LIMITED	4471063	24.2263	-	4471063	24.2263	-	-
2	INSTANT HOLDINGS LIMITED	1420200	7.6953	-	1420200	7.6953	-	-
3	SWALLOW ASSOCIATES LLP	1190722	6.4519	-	1190722	6.4519	-	-
4	CARNIVAL INVESTMENTS LTD	1121230	6.0753	-	1121230	6.0753	-	-
5	SUMMIT SECURITIES LIMITED	728160	3.9455	-	728160	3.9455	-	-
6	HARSH VARDHAN GOENKA	45000	0.2438	-	45000	0.2438	-	-
7	PRADIP KUMAR KHAITAN	43680	0.2367	-	43680	0.2367	-	-
8	PRADIP KUMAR KHAITAN	43680	0.2367	-	43680	0.2367	-	-
9	PRADIP KUMAR KHAITAN	43680	0.2367	-	43680	0.2367	-	-
10	PRADIP KUMAR KHAITAN	43680	0.2367	-	43680	0.2367	-	-
11	PRADIP KUMAR KHAITAN	43680	0.2367	-	43680	0.2367	-	-
12	PRADIP KUMAR KHAITAN	43680	0.2367	-	43680	0.2367	-	-
13	SANJIV GOENKA	35000	0.1896	-	35000	0.1896	-	-
14	RAMA PRASAD GOENKA	10000	0.0542	-	10000	0.0542	-	-
15	SAREGAMA INDIA LIMITED	100	0.0005	-	100	0.0005	-	-
16	ZENSAR TECHNOLOGIES LIMITED	100	0.0005	-	-	-	-	-0.0005
17	HARSH VARDHAN GOENKA	-	-	-	10	0.0001	-	0.0001
18	HARSH VARDHAN GOENKA	-	-	-	10	0.0001	-	0.0001
19	HARSH VARDHAN GOENKA	-	-	-	10	0.0001	-	0.0001
20	HARSH VARDHAN GOENKA	-	-	-	10	0.0001	-	0.0001
21	HARSH VARDHAN GOENKA	-	-	-	10	0.0001	-	0.0001
22	HARSH VARDHAN GOENKA	-	-	-	10	0.0001	-	0.0001
	Total	9283655	50.3032	-	9283615	50.3030	-	-0.0002



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

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2016		Transactions during the year		Cumulative Shareholding at the end of the year - 2017	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	RAINBOW INVESTMENTS LIMITED AT THE END OF THE YEAR	4471063	24.2263			4471063	24.2263
2	INSTANT HOLDINGS LIMITED AT THE END OF THE YEAR	1420200	7.6953			1420200	7.6953
3	SWALLOW ASSOCIATES LLP AT THE END OF THE YEAR	1190722	6.4519			1190722	6.4519
4	CARNIVAL INVESTMENTS LTD AT THE END OF THE YEAR	1121230	6.0753			1121230	6.0753
5	SUMMIT SECURITIES LIMITED AT THE END OF THE YEAR	728160	3.9455			728160	3.9455
6	HARSH VARDHAN GOENKA AT THE END OF THE YEAR	45000	0.2438			45000	0.2438
7	PRADIP KUMAR KHAITAN On Behalf of HML Trust No. I AT THE END OF THE YEAR	43680	0.2367			43680	0.2367
8	PRADIP KUMAR KHAITAN On Behalf of HML Trust No. II AT THE END OF THE YEAR	43680	0.2367			43680	0.2367
9	PRADIP KUMAR KHAITAN On Behalf of HML Trust No. III AT THE END OF THE YEAR	43680	0.2367			43680	0.2367
10	PRADIP KUMAR KHAITAN On Behalf of HML Trust No. IV AT THE END OF THE YEAR	43680	0.2367			43680	0.2367
11	PRADIP KUMAR KHAITAN On Behalf of HML Trust No. V AT THE END OF THE YEAR	43680	0.2367			43680	0.2367
12	PRADIP KUMAR KHAITAN On Behalf of HML Trust No. VI AT THE END OF THE YEAR	43680	0.2367			43680	0.2367
13	SANJIV GOENKA AT THE END OF THE YEAR	35000	0.1896			35000	0.1896
14	RAMA PRASAD GOENKA AT THE END OF THE YEAR	10000	0.0542			10000	0.0542

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2016		Transactions during the year		Cumulative Shareholding at the end of the year - 2017	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
15	SAREGAMA INDIA LIMITED AT THE END OF THE YEAR	100	0.0005			100	0.0005
16	HARSH VARDHAN GOENKA Transfer AT THE END OF THE YEAR	-	-	06 Jan 2017	10	10	0.0001
17	HARSH VARDHAN GOENKA Transfer AT THE END OF THE YEAR	-	-			10	0.0001
18	HARSH VARDHAN GOENKA Transfer AT THE END OF THE YEAR	-	-	06 Jan 2017	10	10	0.0001
19	HARSH VARDHAN GOENKA Transfer AT THE END OF THE YEAR	-	-	31 Mar 2017	10	10	0.0001
20	HARSH VARDHAN GOENKA Transfer AT THE END OF THE YEAR	-	-	06 Jan 2017	10	10	0.0001
21	HARSH VARDHAN GOENKA Transfer AT THE END OF THE YEAR	-	-			10	0.0001
22	ZENSAR TECHNOLOGIES LIMITED Transfer AT THE END OF THE YEAR	100	0.0005	07 Oct 2016	(100)	100	0.0005

Note: 1. Paid up Share Capital of the Company (Face Value ₹ 10.00) at the end of the year is 18455405 Shares.

2. The details of holding has been clubbed based on PAN.

3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.



IV. Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRS and ADRS)

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2016		Transactions during the year		Cumulative Shareholding at the end of the year - 2017	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	HITESH RAMJI JAVERI	570601	3.0918			570601	3.0918
	AT THE END OF THE YEAR					570601	3.0918
2	HARSHA HITESH JAVERI	352000	1.9073			352000	1.9073
	AT THE END OF THE YEAR					352000	1.9073
3	HARRISONS MALAYALAM LTD UNCLAIMED SUSPENSE ACCOUNT	218361	1.1832			218361	1.1832
	Transfer			22 Apr 2016	(80)	218281	1.1827
	Transfer			13 May 2016	(55)	218226	1.1825
	Transfer			17 Jun 2016	(105)	218121	1.1819
	Transfer			05 Aug 2016	(1200)	216921	1.1754
	Transfer			19 Aug 2016	(150)	216771	1.1746
	Transfer			26 Aug 2016	(140)	216631	1.1738
	Transfer			16 Sep 2016	(80)	216551	1.1734
	Transfer			07 Oct 2016	(100)	216451	1.1728
	Transfer			20 Jan 2017	(135)	216316	1.1721
	Transfer			27 Jan 2017	(80)	216236	1.1717
	Transfer			17 Feb 2017	(190)	216046	1.1706
	Transfer			24 Feb 2017	(255)	215791	1.1693
	Transfer			03 Mar 2017	(150)	215641	1.1684
	Transfer			17 Mar 2017	(580)	215061	1.1653
	Transfer			24 Mar 2017	(30)	215031	1.1651
	AT THE END OF THE YEAR					215031	1.1651
4	WALLFORT FINANCIAL SERVICES LTD	-	-			-	-
	Transfer			09 Sep 2016	3200	3200	0.0173
	Transfer			20 Jan 2017	96800	100000	0.5418
	Transfer			27 Jan 2017	25000	125000	0.6773
	Transfer			03 Feb 2017	(25000)	100000	0.5418
	Transfer			17 Feb 2017	100100	200100	1.0842
	Transfer			24 Feb 2017	1341	201441	1.0915
	Transfer			03 Mar 2017	(441)	201000	1.0891

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2016		Transactions during the year		Cumulative Shareholding at the end of the year - 2017	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
	Transfer			10 Mar 2017	7273	208273	1.1285
	Transfer			17 Mar 2017	(6326)	201947	1.0942
	Transfer			24 Mar 2017	3150	205097	1.1113
	Transfer			31 Mar 2017	2888	207985	1.1270
	AT THE END OF THE YEAR					207985	1.1270
5	SHAREKHAN LIMITED	21777	0.1180			21777	0.1180
	Transfer			01 Apr 2016	2183	23960	0.1298
	Transfer			08 Apr 2016	(3885)	20075	0.1088
	Transfer			15 Apr 2016	1839	21914	0.1187
	Transfer			22 Apr 2016	11929	33843	0.1834
	Transfer			29 Apr 2016	(11949)	21894	0.1186
	Transfer			06 May 2016	4995	26889	0.1457
	Transfer			13 May 2016	(2904)	23985	0.1300
	Transfer			20 May 2016	653	24638	0.1335
	Transfer			27 May 2016	3420	28058	0.1520
	Transfer			03 Jun 2016	(972)	27086	0.1468
	Transfer			10 Jun 2016	13029	40115	0.2174
	Transfer			17 Jun 2016	(14158)	25957	0.1406
	Transfer			24 Jun 2016	17027	42984	0.2329
	Transfer			30 Jun 2016	1423	44407	0.2406
	Transfer			01 Jul 2016	11110	55517	0.3008
	Transfer			08 Jul 2016	26258	81775	0.4431
	Transfer			15 Jul 2016	(8761)	73014	0.3956
	Transfer			22 Jul 2016	(5427)	67587	0.3662
	Transfer			29 Jul 2016	(11818)	55769	0.3022
	Transfer			05 Aug 2016	12998	68767	0.3726
	Transfer			12 Aug 2016	(10430)	58337	0.3161
	Transfer			19 Aug 2016	949	59286	0.3212
	Transfer			26 Aug 2016	(197)	59089	0.3202
	Transfer			02 Sep 2016	(3473)	55616	0.3014
	Transfer			09 Sep 2016	2883	58499	0.3170
	Transfer			16 Sep 2016	5167	63666	0.3450
	Transfer			23 Sep 2016	5059	68725	0.3724



Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2016		Transactions during the year		Cumulative Shareholding at the end of the year - 2017	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
	Transfer			30 Sep 2016	6781	75506	0.4091
	Transfer			07 Oct 2016	(11286)	64220	0.3480
	Transfer			14 Oct 2016	1656	65876	0.3569
	Transfer			21 Oct 2016	(12157)	53719	0.2911
	Transfer			28 Oct 2016	4254	57973	0.3141
	Transfer			04 Nov 2016	(2745)	55228	0.2993
	Transfer			11 Nov 2016	5050	60278	0.3266
	Transfer			18 Nov 2016	(1495)	58783	0.3185
	Transfer			25 Nov 2016	(1887)	56896	0.3083
	Transfer			02 Dec 2016	(1513)	55383	0.3001
	Transfer			09 Dec 2016	845	56228	0.3047
	Transfer			16 Dec 2016	(1098)	55130	0.2987
	Transfer			23 Dec 2016	87	55217	0.2992
	Transfer			30 Dec 2016	(828)	54389	0.2947
	Transfer			06 Jan 2017	51072	105461	0.5714
	Transfer			13 Jan 2017	9362	114823	0.6222
	Transfer			20 Jan 2017	21818	136641	0.7404
	Transfer			27 Jan 2017	(28891)	107750	0.5838
	Transfer			03 Feb 2017	(18563)	89187	0.4833
	Transfer			10 Feb 2017	13712	102899	0.5576
	Transfer			17 Feb 2017	(24716)	78183	0.4236
	Transfer			24 Feb 2017	(9054)	69129	0.3746
	Transfer			03 Mar 2017	1917	71046	0.3850
	Transfer			10 Mar 2017	(11533)	59513	0.3225
	Transfer			17 Mar 2017	11520	71033	0.3849
	Transfer			24 Mar 2017	(1164)	69869	0.3786
	Transfer			31 Mar 2017	(189)	69680	0.3776
	AT THE END OF THE YEAR					69680	0.3776
6	THE PENINSULAR PLANTATIONS LTD.	95487	0.5174			95487	0.5174
	Transfer			08 Jul 2016	(5000)	90487	0.4903
	Transfer			15 Jul 2016	(10000)	80487	0.4361
	Transfer			09 Sep 2016	(10615)	69872	0.3786
	Transfer			09 Dec 2016	(1000)	68872	0.3732

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2016		Transactions during the year		Cumulative Shareholding at the end of the year - 2017	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
	Transfer			20 Jan 2017	(1000)	67872	0.3678
	Transfer			27 Jan 2017	(1000)	66872	0.3623
	Transfer			03 Feb 2017	(1000)	65872	0.3569
	Transfer			17 Feb 2017	(500)	65372	0.3542
	Transfer			24 Feb 2017	(1000)	64372	0.3488
	AT THE END OF THE YEAR					64372	0.3488
7	DOLLY KHANNA	-	-			-	-
	Transfer			15 Apr 2016	5141	5141	0.0279
	Transfer			22 Apr 2016	4900	10041	0.0544
	Transfer			29 Apr 2016	23100	33141	0.1796
	Transfer			13 May 2016	5970	39111	0.2119
	Transfer			22 Jul 2016	4450	43561	0.2360
	Transfer			13 Jan 2017	6400	49961	0.2707
	Transfer			27 Jan 2017	3525	53486	0.2898
	Transfer			10 Feb 2017	5920	59406	0.3219
	AT THE END OF THE YEAR					59406	0.3219
8	RAJIV GUPTA	-	-			-	-
	Transfer			24 Feb 2017	25000	25000	0.1355
	Transfer			10 Mar 2017	25000	50000	0.2709
	AT THE END OF THE YEAR					50000	0.2709
9	NATARAJAN B	-	-			-	-
	Transfer			17 Feb 2017	40038	40038	0.2169
	Transfer			24 Feb 2017	4424	44462	0.2409
	Transfer			03 Mar 2017	3025	47487	0.2573
	Transfer			24 Mar 2017	2086	49573	0.2686
	Transfer			31 Mar 2017	5	49578	0.2686
	AT THE END OF THE YEAR					49578	0.2686
10	PRATIK SHAILESH SHAH	50000	0.2709			50000	0.2709
	Transfer			08 Apr 2016	(2000)	48000	0.2601
	AT THE END OF THE YEAR					48000	0.2601
11	S. SETHURAM .	85000	0.4606			85000	0.4606
	Transfer			20 May 2016	(14138)	70862	0.3840
	Transfer			17 Jun 2016	(20252)	50610	0.2742



Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2016		Transactions during the year		Cumulative Shareholding at the end of the year - 2017	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
	Transfer			30 Jun 2016	9689	60299	0.3267
	Transfer			15 Jul 2016	10042	70341	0.3811
	Transfer			29 Jul 2016	187	70528	0.3822
	Transfer			09 Sep 2016	(9300)	61228	0.3318
	Transfer			23 Sep 2016	(4723)	56505	0.3062
	Transfer			30 Sep 2016	9400	65905	0.3571
	Transfer			07 Oct 2016	(5200)	60705	0.3289
	Transfer			11 Nov 2016	(4257)	56448	0.3059
	Transfer			16 Dec 2016	(2774)	53674	0.2908
	Transfer			20 Jan 2017	(20000)	33674	0.1825
	Transfer			17 Feb 2017	(376)	33298	0.1804
	Transfer			24 Feb 2017	(3000)	30298	0.1642
	AT THE END OF THE YEAR					30298	0.1642
12	ANGEL BROKING PRIVATE LIMITED	53997	0.2926			53997	0.2926
	Transfer			01 Apr 2016	250	54247	0.2939
	Transfer			08 Apr 2016	(2677)	51570	0.2794
	Transfer			15 Apr 2016	818	52388	0.2839
	Transfer			22 Apr 2016	20255	72643	0.3936
	Transfer			29 Apr 2016	13781	86424	0.4683
	Transfer			06 May 2016	2050	88474	0.4794
	Transfer			13 May 2016	(27998)	60476	0.3277
	Transfer			20 May 2016	(27689)	32787	0.1777
	Transfer			27 May 2016	(3251)	29536	0.1600
	Transfer			03 Jun 2016	1862	31398	0.1701
	Transfer			10 Jun 2016	(203)	31195	0.1690
	Transfer			17 Jun 2016	11112	42307	0.2292
	Transfer			24 Jun 2016	6074	48381	0.2622
	Transfer			30 Jun 2016	(5517)	42864	0.2323
	Transfer			01 Jul 2016	2708	45572	0.2469
	Transfer			08 Jul 2016	28743	74315	0.4027
	Transfer			15 Jul 2016	(17246)	57069	0.3092
	Transfer			22 Jul 2016	(1266)	55803	0.3024
	Transfer			29 Jul 2016	(9149)	46654	0.2528
	Transfer			05 Aug 2016	5180	51834	0.2809
	Transfer			12 Aug 2016	(13185)	38649	0.2094

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2016		Transactions during the year		Cumulative Shareholding at the end of the year - 2017	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
	Transfer			19 Aug 2016	(1372)	37277	0.2020
	Transfer			26 Aug 2016	(3864)	33413	0.1810
	Transfer			02 Sep 2016	727	34140	0.1850
	Transfer			09 Sep 2016	14111	48251	0.2614
	Transfer			16 Sep 2016	(5136)	43115	0.2336
	Transfer			23 Sep 2016	(263)	42852	0.2322
	Transfer			30 Sep 2016	(6577)	36275	0.1966
	Transfer			07 Oct 2016	(7794)	28481	0.1543
	Transfer			14 Oct 2016	(8964)	19517	0.1058
	Transfer			21 Oct 2016	(142)	19375	0.1050
	Transfer			28 Oct 2016	13884	33259	0.1802
	Transfer			04 Nov 2016	(9130)	24129	0.1307
	Transfer			11 Nov 2016	6323	30452	0.1650
	Transfer			18 Nov 2016	(2925)	27527	0.1492
	Transfer			25 Nov 2016	(685)	26842	0.1454
	Transfer			02 Dec 2016	(5091)	21751	0.1179
	Transfer			09 Dec 2016	802	22553	0.1222
	Transfer			16 Dec 2016	4429	26982	0.1462
	Transfer			23 Dec 2016	8162	35144	0.1904
	Transfer			30 Dec 2016	(290)	34854	0.1889
	Transfer			06 Jan 2017	(8233)	26621	0.1442
	Transfer			13 Jan 2017	8008	34629	0.1876
	Transfer			20 Jan 2017	(11314)	23315	0.1263
	Transfer			27 Jan 2017	267	23582	0.1278
	Transfer			03 Feb 2017	195	23777	0.1288
	Transfer			10 Feb 2017	9625	33402	0.1810
	Transfer			17 Feb 2017	(1823)	31579	0.1711
	Transfer			24 Feb 2017	2325	33904	0.1837
	Transfer			03 Mar 2017	(1228)	32676	0.1771
	Transfer			10 Mar 2017	(8338)	24338	0.1319
	Transfer			17 Mar 2017	1630	25968	0.1407
	Transfer			24 Mar 2017	363	26331	0.1427
	Transfer			31 Mar 2017	1693	28024	0.1518
	AT THE END OF THE YEAR					28024	0.1518



Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2016		Transactions during the year		Cumulative Shareholding at the end of the year - 2017	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
13	TRAT INDUSTRIES LIMITED	51458	0.2788			51458	0.2788
	Transfer			03 Jun 2016	(795)	50663	0.2745
	Transfer			17 Jun 2016	(13000)	37663	0.2041
	Transfer			08 Jul 2016	(4000)	33663	0.1824
	Transfer			09 Sep 2016	(10000)	23663	0.1282
	Transfer			06 Jan 2017	(500)	23163	0.1255
	Transfer			20 Jan 2017	(2000)	21163	0.1147
	Transfer			27 Jan 2017	(1000)	20163	0.1093
	Transfer			03 Feb 2017	(1000)	19163	0.1038
	Transfer			17 Feb 2017	(500)	18663	0.1011
	AT THE END OF THE YEAR					18663	0.1011
14	PARVATAVARDHANI INVESTMENTS LIMITED	56706	0.3073			56706	0.3073
	Transfer			08 Apr 2016	(3981)	52725	0.2857
	Transfer			29 Apr 2016	(11000)	41725	0.2261
	Transfer			13 May 2016	(2000)	39725	0.2152
	Transfer			10 Jun 2016	(1000)	38725	0.2098
	Transfer			24 Jun 2016	(1000)	37725	0.2044
	Transfer			08 Jul 2016	(25000)	12725	0.0689
	AT THE END OF THE YEAR					12725	0.0689
15	THE WOODLAND ESTATES LTD.	41658	0.2257			41658	0.2257
	Transfer			08 Apr 2016	(5000)	36658	0.1986
	Transfer			15 Apr 2016	(2000)	34658	0.1878
	Transfer			22 Apr 2016	(2000)	32658	0.1770
	Transfer			29 Apr 2016	(6697)	25961	0.1407
	Transfer			17 Jun 2016	(10000)	15961	0.0865
	Transfer			24 Jun 2016	(3514)	12447	0.0674
	Transfer			08 Jul 2016	(12000)	447	0.0024
	Transfer			16 Dec 2016	1000	1447	0.0078
	Transfer			17 Feb 2017	(1000)	447	0.0024
	AT THE END OF THE YEAR					447	0.0024

Note: 1. Paid up Share Capital of the Company (Face Value ₹ 10.00) at the end of the year is 18455405 Shares.

2. The details of holding has been clubbed based on PAN.

3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

V. Shareholding of Directors and Key Managerial Personnel:

SI No.	For Each of the Directors and KMP	Shareholding at the Beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Golam Momen, Director				
	At the beginning of the year	560	0.00		
	At the End of the year			560	0.00
2	V.Venugopal				
	At the beginning of the year	50	0.00		
	At the End of the year			50	0.00
3.	P.A. Krishnamoorthy*				
	At the beginning of the year	50	0.00		
	At the End of the year			50	0.00
4	Ravi A				
	At the beginning of the year	0	0.00		
	At the End of the year			0	0.00

Note: None of the other Directors holds equity shares in the Company.

VI. INDEBTEDNESS

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

₹ Lacs.

	Secured Loans excluding deposits	Unsecured loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial year				
i. Principal Amount	9618.55	1,600	-	11,218.55
ii. Interest due but not paid				
iii. Interest accrued but not due	26.71	4.21		30.92
Total (i + ii + iii)	9,645.26	1,604.21		11,249.47
Change in Indebtedness during the Financial year				
• Addition				
• Reduction	10.30	4,520		4530.30
	-1752.21	-4475		-6227.21
Net Charges	-1741.91	45.00		-1696.91
Indebtedness at the end of the Financial year				
i. Principal Amount	7876.64	1645.00		9521.64
ii. Interest due but not paid				
iii. Interest accrued but not paid	18.19	12.54		30.73
Total (i + ii + iii)	7894.83	1,657.54		9,552.37

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SI No.	Particulars of Remuneration	Name Whole Time Director: Mr. N. Dharmaraj	Name of Manager: Mr.V. Venugopal	Total Amount
1	Gross Salary			
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	86.33	38.13	123.57
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961		0.60	0.60
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2	Stock Option			
3	Sweat Equity			
4	Commission			
	• As % of profit			
	• Others, specify			
5	Other - Contribution to Provident fund and other funds		5.74	5.74
	Total (A)	86.33	44.47	129.91
	Ceiling as per the Act	120	-	



REMUNERATION TO OTHER DIRECTORS

SI No	Particulars of Remuneration	Golam Momen	Haigreve Khaitan	J M Kothary	Ms. Surbhi Singhi	Sachin Nandgaonkar	P Rajagopal	Kaushik Roy	Total (₹)
		1	2	3	4	5	6	7	8
1.	Independent Directors								
	Fee for attending board committee meetings	170,000	80,000	1,10,000	1,10,000	-	-	-	4,70,000
	Commission	-	-	-	-	-	-	-	-
	Others , please specify	-	-	-	-	-	-	-	-
	Total (1)	1,70,000	80,000	1,10,000	1,10,000	-	-	-	4,70,000
2.	Other Non-Executive Directors								
	Fee for attending board committee meetings	-	-	-	-	1,70,000	40,000	60,000	
	Commission	-	-	-	-	-	-	-	-
	Others , please specify	-	-	-	-	-	-	-	-
	Total (2)	-	-	-	-	1,70,000	40,000	60,000	2,70,000
	Total (B)= (1+2)	1,70,000	80,000	1,10,000	1,10,000	1,70,000	40,000	60,000	7,40,000

Total Managerial Remuneration

Overall ceiling as per the Act ₹1,00,000/- per meeting per Director

B. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WT

SI No	Particulars of Remuneration	Key Managerial Personnel			
		Jose George (Company Secretary)	Ravi A. (CFO)	G. Satish Pillai (CFO)	P.A. Krishnamoorthy (CFO) – (Retired on 10.11.2016)
1	Gross Salary				
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	647166	1769970	1149058	4309345
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	64717	220764	64226	
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	• As % of profit				
	• Others, specify				
5	Other - Contribution to Provident fund and other funds	51773	250911	102762	
	Total (A)	763656	2241645	1316046	4309345
	Ceiling as per the Act				

VIII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the companies Act	Brief Description	Details of penalty/ punishment/ Compounding fees imposed	Authority [RD/ NCLT/COURT]	Appeal made, if any(give Details)
A. Company					
B. Directors					
C. Other officers in Default					
Penalty/ Punishment/ Compounding	NIL	NIL	NIL	NIL	NIL

**Information under Section 134 of the Companies Act, 2013
read with the Rule 5(2) of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014
(Annexure 'H' to Directors' Report)**

Name	Age	Designation	Qualification & Experience (in years)	Gross remuneration (₹Lacs)	Date of employment	Last employment
Mr. C. Vinayaraghavan	61	President	B. Sc. (Botany) (40)	95.28	01-04-1977	-

Note:

- The remuneration includes salary, allowances, value of perquisites, Company's contribution to provident fund and superannuation fund.
- Mr. Vinayaraghavan is not related to any Director or Key Managerial Personnel of the Company and his employment is contractual in nature.

**Details pertaining to Remuneration as required under Section 197(12) of
the Companies Act, 2013 read with Rule 5(i) of the
Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014
(Annexure 'I' to Directors' Report)**

Information required under

The ratio of the remuneration of each Director to the Median remuneration of the employees of the Company for the financial year.	Mr. Haigreve Khaitan	0.81
	Mr. G Momen	1.73
	Mr. P Rajagopalan	0.40
	Mr. J M Kothary	1.12
	Mr. Sachin Nandgaonkar	0.57
	Mr. Kaushik Roy	0.61
	Ms. Surbhi Singhi	0.91
	Mr. N Dharmaraj	87.00
The percentage of increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Mr. Haigreve Khaitan	14.20
	Mr. G Momen	0.30
	Mr. P Rajagopalan	0.33
	Mr. J M Kothary	0.08
	Mr. Sachin Nandgaonkar	0.13
	Mr. Kaushik Roy	na
	Ms. Surbhi Singhi	1000.00
	Mr. N Dharmaraj	1.04
	Mr. P A Krishnamoorthy	7.14
	Mr. V Venugopal	2.85
	Mr. Ravi A	28.80
The % increase in the median remuneration of employees in the financial year	0.46%	
The number of permanent employees on the rolls of the Company	11000 Approx	
The explanation on the relationship between average increase in remuneration and Company performance	The increment budget of the organisation is defined based on ROCE and PAT. Last year the Company performance was 3.17% and accordingly the increment budget was allocated. The increments were also decided based on salaries prevailing in the industry in which the Company operates.	



Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	Average increase in remuneration of Key Managerial Personnel was based partly on the results of the Company for the year ended March 31, 2017 and partly on the individual employee's performance		
Variations in Market Capitalisation of the Company, price earnings ratio as at closing date of the current financial year and % increase / decrease in the market quotations of the shares of the Company in comparison at the rate at which the Company came out with the last public offer, in case of listed companies	Variations in Market Capitalisation and PE ratio is as below		
	Particulars	31.03.2017	31.03.2016
	Market Cap (₹Cr)	154.47	92.18
	PE ratio	-	-
No public offer has been made since 1993			
Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	The average % increase in the salaries of employees on the rolls as on March 31, 2017 (other than managerial personnel) was 6 %. The increase in managerial remuneration for the same financial year was also 6 %. Increase in average percentage is after considering the Company's performance, individual performance and the industry standards.		
The key parameters for any variable component of remuneration availed by the Directors.	N A		
The ratio of the remuneration of the highest paid Director to that of the employees who are not directors but receive in excess of the highest paid Director during the year.	0.7		
Affirmation that the remuneration is as per the remuneration policy of the Company.	Remuneration paid during the year ended March 31, 2017 is as per the Remuneration Policy of the Company.		

Approximate Area Statement As At March 31, 2017

State, Districts & Estate	TEA			RUBBER			Total Planted	Other Plantings	Reserve etc.	Total
	Mature	Immature	Total	Mature	Immature	Total				
	Ha.	Ha.	Ha.	Ha.	Ha.	Ha.	Ha.	Ha.	Ha.	Ha.
Kerala State										
Venture Valley										
Nagamallay				367	163	530	530	181	167	878
Isfield				568	97	665	665	98	286	1049
Venture				414	73	487	487	46	94	627
Rani Valley										
Koney				431	204	635	635	91	337	1063
Kumbazha				526	435	961	961	0	87	1048
Lahai				565	294	859	859	43	110	1012
Mundakayam				315	212	527	527	6	39	572
Mooply Valley										
Mooply				233	311	544	544	4	49	597
Palappilly				321	214	535	535	7	209	751
Kundai				476	545	1021	1021	3	80	1104
Kaliyar				413	120	533	533	2	58	593
Vandiperiyar										
Wallardie	432	84	516				516	108	204	828
Moongalaar	652	51	703				703	19	343	1065
Pattumalay	232	0	232				232	58	10	300
High Range										
Upper Surianalle	644	21	665				665	162	165	992
Lockhart	386	0	386				386	151	108	645
Panniar	301	0	301				301	49	51	401
Wynaad										
Achoor	642	7	649				649	258	2578	3485
Chundale	254	12	266				266	46	570	882
Arrapetta	731	0	731				731	14	723	1468
Sentinel Rock	505	0	505				505	5	1005	1515
Touramulla	143	0	143				143	5	145	293
Tamil Nadu										
Nilgiris - Wynaad										
Wentworth	616	0	616				616	226	520	1362
Mayfield	308	0	308				308	77	422	807
Total	5846	175	6021	4629	2668	7297	13318	1659	8360	23337

Note:-

1. Certain areas of fuel and reserve land are in the process of being acquired by the State Government, but the extent to which acquisition will be made has not yet been determined as the litigation involved is not over
2. Fuel & other planting include Cardamom & Cocoa etc.



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF HARRISONS MALAYALAM LIMITED

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of **Harrisons Malayalam Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, 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

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to 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.
7. 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

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

Report on Other Legal and Regulatory Requirements

9. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
- The Company has disclosed the impact, if any, of pending litigations as at March 31, 2017 on its financial position in its standalone financial statements - Refer Notes 28 and 29 to the standalone financial statements;
 - The Company has long-term contracts and derivative contracts as at March 31, 2017 for which there were no material foreseeable losses.
 - The instance of delay [for reasons set out in Note 8 (a) to the standalone financial statements] in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017 is as follows:
- | | |
|--------------------------|-----------------|
| Dividend relating to | Amount (₹ Lacs) |
| Financial year 2008 – 09 | 6.20 |
- The Company has provided requisite disclosures in the standalone financial statements as to holdings as well as dealings in Specified Bank Notes (SBNs) during the period from November 8, 2016 to December 30, 2016. However, amounts aggregating to ₹ 8.73 lacs as represented to us by the Management have been received towards transactions in SBNs which are not permitted. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with books of account maintained by the Company and as provided to us by the Management - Refer Note 46 to the standalone financial statements.

For Price Waterhouse
Firm Registration Number:
301112E
Chartered Accountants

Kolkata
May 29, 2017

Pinaki Chowdhury
Partner
Membership Number: 057572

Annexure A to Independent Auditors' Report

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Harrisons Malayalam Limited on the standalone financial statements as of and for the year ended March 31, 2017

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

1. We have audited the internal financial controls over financial reporting of Harrisons Malayalam Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. 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

3. 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.
4. 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.
5. 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

6. 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

7. 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

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

For Price Waterhouse

Firm Registration Number:

301112E

Chartered Accountants

Pinaki Chowdhury

Partner

Membership Number: 057572

Kolkata

May 29, 2017



Annexure B to Independent Auditors' Report

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) According to the information and explanations provided by the Company and the records of the Company produced to us, the title deeds of immovable properties, as disclosed in Note 10 on Fixed Assets to the financial statements, are held in the name of the Malayalam Plantations Limited /Harrisons & Crossfield Limited other than as set out below which are in the name of the Company

	Gross Block	Net Block
Land and Building	136.72 lacs	31.24 lacs

- ii. The physical verification of inventory including stocks with third parties have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186 during the year. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance, income tax, service tax, value added tax, cess and other material statutory dues [other than arrears of ₹ 101.38 lacs relating to plantation tax (under The Kerala Plantations (Additional Tax) Act, 1960), arrears of ₹ 217.07 lacs relating to Land Tax (under The Kerala Land Tax Act, 1961), arrears of ₹ 3.66 lacs relating to Agricultural Income Tax (under the Tamil Nadu Agricultural Income Tax Act, 1955) and arrears of ₹ 46.22 lacs related to Value Added Tax (relating to Kerala Value Added Tax Act, 2003) which are outstanding for a period of more than six months as on the Balance Sheet date] as applicable, with the appropriate authorities, though there have been slight delays in a few cases, and is regular in depositing undisputed statutory dues in respect of sales tax, duty of customs and duty of excise, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales tax, service tax, duty of customs and duty of excise which have not been deposited on account of any dispute. The particulars of dues of income tax and value added tax as at March 31, 2017 which have not been deposited on account of a dispute are as follows:

Name of the statute	Nature of dues	Amount (₹ lacs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax and Interest thereon	63.02	2006-07, 2007-08, 2008-09	Income Tax Appellate Tribunal
		1425.20	2003-04, 2007-08, 2009-10, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15	Commissioner of Income Tax, Appeals
Kerala Agricultural Income Tax Act, 1950/1991	Tax on Agricultural Income, interest and penalty thereon	394.32	1980-81, 1981-82, 1982-83, 1983-84, 1984-85, 1985-86, 1994-95, 1995-96, 1996-97, 1998-99	Assessing Officer
		6.03	1995-96	Inspecting Assistant Commissioner, Department of Commercial Taxes
Kerala Value Added Tax Act, 2003	VAT and interest thereon	117.32	2012-13, 2013-14	Assistant Commissioner (Assessment), VAT Special Circle (Produce)

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders, as applicable, as at the balance sheet date.
- ix. In our opinion, and according to the information and explanations given to us, the moneys raised by way of term loans have been applied, on an overall basis, for the purposes for which they were obtained. The Company has not raised any monies by way of initial public offer or further public offer (including debt instruments).
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse

Firm Registration Number:
301112E
Chartered Accountants

Pinaki Chowdhury

Partner
Membership Number: 057572

Kolkata
May 29, 2017



Balance Sheet as at March 31, 2017

	Note	As at March 31, 2017 ₹ Lacs	As at March 31, 2016 ₹ Lacs
Equity and Liabilities			
Shareholders' fund			
Share capital	2	1,845.43	1,845.43
Reserves and surplus	3	7,773.71	22,252.46
		9,619.14	24,097.89
Non-current liabilities			
Long-term borrowings	4	3,569.99	4,419.56
Long-term provisions	5	4,900.46	4,996.56
		8,470.45	9,416.12
Current liabilities			
Short-term borrowings	6	5,093.08	5,203.79
Trade payables	7		
Total outstanding dues of micro enterprises and small enterprises; and		161.24	128.37
Total outstanding dues of creditors other than micro enterprises and small enterprises		3,065.16	2,674.55
Other current liabilities	8	7,896.33	7,644.98
Short-term provisions	9	1,274.30	945.92
		17,490.11	16,597.61
Total		35,579.70	50,111.62
Assets			
Non-current assets			
Fixed assets	10		
Tangible assets		27,669.75	42,324.44
Intangible assets		38.83	52.15
Capital work-in-progress		258.77	82.64
Non-current investments	11	1.01	1.02
Long-term loans and advances	12	759.67	741.87
Other non-current assets	13	68.37	31.01
		28,796.40	43,233.13
Current assets			
Current investments	14	15.00	15.00
Inventories	15	2,406.32	2,218.73
Trade receivables	16	759.36	693.66
Cash and bank balances	17	275.12	940.16
Short-term loans and advances	18	2,517.86	2,448.41
Other current assets	19	809.64	562.53
		6,783.30	6,878.49
Total		35,579.70	50,111.62

The notes are an integral part of these financial statements

This is the Balance Sheet referred to in our Report of even date.

For **Price Waterhouse**

Firm Registration No. 301112E

Chartered Accountants

Pinaki Chowdhury

Partner

Membership No. 057572

Kolkata

May 29, 2017

For and on behalf of the Board

N. Dharmaraj

Whole Time Director

DIN: 00912004

Sachin Nandgaonkar

Director

DIN: 03410739

Kaushik Roy

Director

DIN: 06513489

Ravi A.

CFO

Kolkata

May 29, 2017

G. Satish Pillai

CFO

Jose George

Company Secretary

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

	Note	Year ended March 31, 2017 ₹ Lacs	Year ended March 31, 2016 ₹ Lacs
Revenue from operations	20	36,664.02	28,485.55
Other income	21	538.41	316.06
Total revenue		37,202.43	28,801.61
Expenses			
Cost of materials consumed	22	11,447.35	7,224.40
Purchases of stock-in-trade	23	438.28	649.73
Changes in inventories of finished goods	24	(193.63)	(13.49)
Employee benefits expenses	25	14,773.80	14,011.87
Other expenses	26	9,799.67	9,854.60
Depreciation and amortisation expenses	10	501.32	551.44
Finance costs	27	1,387.21	1,420.09
Total expenses		38,154.00	33,698.64
(Loss) before exceptional items and tax		(951.57)	(4,897.03)
Exceptional items	44	465.56	373.15
(Loss) before tax		(486.01)	(4,523.88)
Tax expenses		-	-
(Loss) for the year from continuing operations		(486.01)	(4,523.88)
(Loss) from discontinuing operations	45 (b)	(35.55)	(44.36)
Tax expense of discontinuing operations		-	-
(Loss) from discontinuing operations after tax	45 (b)	(35.55)	(44.36)
(Loss) for the year		(521.56)	(4,568.24)
(Loss) per equity share	40		
Equity shares of par value ₹10 each			
Basic and diluted		(2.83)	(24.75)

The notes are an integral part of these financial statements

This is the Statement of Profit & Loss referred to in our Report of even date.

For **Price Waterhouse**

Firm Registration No. 301112E

Chartered Accountants

Pinaki Chowdhury

Partner

Membership No. 057572

Kolkata

May 29, 2017

For and on behalf of the Board

N. Dharmaraj

Whole Time Director

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May 29, 2017

G. Satish Pillai

CFO

Jose George

Company Secretary



Cash Flow Statement for the year ended March 31, 2017

	For the year ended March 31, 2017 (₹ Lacs)	For the year ended March 31, 2016 (₹ Lacs)
Cash Flow from Operating Activities		
Loss before tax	(521.56)	(4,568.24)
Adjustments for:		
Depreciation	501.32	551.92
Interest Income	(25.97)	(20.99)
Finance Costs	1,387.21	1,420.09
Provision for Doubtful Debts/ Advances	45.30	88.48
Provision for diminution in value of investments	-	5.00
Exceptional Items (Refer Note 44)	-	(373.15)
Liability no longer required written back	(26.34)	-
Mark to Market gain	(1.49)	-
(Profit)/Loss on Sale of Fixed Assets (net)	(4.64)	(2.98)
	1,875.39	1,668.37
Operating Profit/(Loss) before Working Capital changes	1,353.83	(2,899.87)
(Increase)/ Decrease in Inventories	(187.59)	62.97
(Increase)/ Decrease in Trade receivables	(111.00)	508.95
(Increase)/Decrease in Loans and Advances/ Other Current and Non Current Assets and Other Bank Balances	(181.09)	253.74
Increase in Trade payables, Other Current Liabilities and provisions	755.49	3,447.42
	275.81	4,273.08
Cash Generated from Operations	1,629.64	1,373.21
Income Tax (net of refund)	(50.34)	(22.60)
Net Cash generated from Operating Activities (A)	1,579.30	1,350.61
Cash Flow from Investing Activities		
Purchase of Fixed Assets	(112.62)	(117.65)
Sale of Fixed Assets	21.76	455.49
Sale of Non Current Investments	0.01	-
Advance received against asset held for sale	972.00	-
Interest Received	20.90	35.87
Net Cash from Investing Activities (B)	902.05	373.71
Cash Flow from Financing Activities		
Proceeds from Long-term Borrowings	10.30	98.24
Repayment of Long-term Borrowings	(1,596.50)	(1,017.06)
Net increase/ (decrease) in Cash Credit	(155.71)	283.45
Proceeds from other Short-term Borrowings	4,520.00	2,850.00
Repayment of other Short-term Borrowings	(4,475.00)	(2,249.95)
Interest Paid	(1,368.83)	(1,404.23)
Other borrowing costs paid	(18.57)	(24.59)
Dividend Paid (including tax on dividend - Nil, Previous year ₹ 1.07 Lacs)	(6.88)	(8.94)
Net Cash (used in) Financing Activities (C)	(3,091.19)	(1,473.08)
Net Increase in Cash and Cash Equivalents (A+B+C)	(609.84)	251.24
Cash and Cash Equivalents at the beginning of the year (Note 17 to the financial statements)	736.18	484.94
Cash and Cash Equivalents at the close of the year (Note 17 to the financial statements)	126.34	736.18

- Notes : 1. The above Cash Flow Statement has been prepared under indirect method set out in the Accounting Standard (AS) 3 Cash Flow Statement.
2. Refer Note 45 to the financial statements for information relating to net cash flows attributable to discontinuing operations included above.
3. Previous year's figures have been regrouped/ rearranged where considered necessary.

The notes are an integral part of these financial statements

This is the Cash Flow Statement referred to in our Report of even date.

For Price Waterhouse

Firm Registration No. 301112E

Chartered Accountants

Pinaki Chowdhury

Partner

Membership No. 057572

Kolkata

May 29, 2017

For and on behalf of the Board

N. Dharmaraj

Whole Time Director

DIN: 00912004

Sachin Nandgaonkar

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DIN: 03410739

Kaushik Roy

Director

DIN: 06513489

Ravi A.

CFO

Kolkata

May 29, 2017

G. Satish Pillai

CFO

Jose George

Company Secretary

1 Significant Accounting Policies

1.1 Basis of Preparation of Financial Statements

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with rule 7 of Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III (Division I) to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

1.2 Use of estimates

The preparation of the financial statements in conformity with the generally accepted accounting principles in India requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the Balance Sheet date, reported amount of revenues and expenses for the year and disclosure of contingent liabilities as of the Balance Sheet date. The estimates and assumptions used in these financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results could differ from these estimates.

1.3 Fixed Assets and Depreciation

Tangible fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

Computer Software is capitalised in the period in which the software is implemented for use, where it is expected to provide future enduring economic benefits; such capitalisation costs include license fees and cost of implementation/system integration services.

Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Cost includes inward freight, non refundable duties/ taxes and expenses incidental to acquisition/installation.

Expenses relating to new planting of tea are capitalised. Expenses relating to other new plantings are capitalised except in case of some additional new planting in the unused portion of land where planting were done earlier but not covering the entire land area which is charged off when incurred.

Freehold land and leasehold land (perpetual lease) are not depreciated.

Tangible Fixed assets [other than freehold land and lease hold land (perpetual lease)] are depreciated under the written down value method [other than bearer plants (rubber trees and tea bushes) which are depreciated using straight line method] over the estimated useful lives of the assets, which are different from the lives prescribed under Schedule II to the Companies Act, 2013.

Useful life adopted by the Company for various class of assets is as follows

	Useful Lives
Factory Buildings	30 years
Non Factory Buildings	60 years
Plant and Machinery (including agricultural assets)	3/ 20 years
Furniture and Fittings	6 years
Water Supply	20/ 30/ 60 years
Vehicles	10 years
Bearer Plants - Rubber trees	28 years
Bearer Plants - Tea bushes	80 years

Computer software capitalised are amortised on a straight line basis over a period of five years from the date of capitalisation. License Fees is amortised at lower of the license period and five years.



Items of Property, Plant and Equipment that have been retired from active use and are held for disposal are stated at the lower of their net carrying amount and net realisable value and are shown separately in the financial statements under the head 'Other current assets'. Any write-down in this regard is recognised immediately in the Statement of Profit and Loss.

1.4 Impairment

The carrying amounts of fixed assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of fixed assets of cash generating unit exceeds the recoverable amount (i.e. higher of net selling price and value in use). In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amounts of the assets over their remaining useful lives.

1.5 Investments

Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline, other than temporary, in the value of the long term investments. Current investments are stated at lower of cost and fair value. Fair value is determined on the basis of realisable or market value.

1.6 Inventories

Inventories are stated at lower of cost and net realisable value. Cost is determined on weighted average basis and includes expenditure incurred in the normal course of business in bringing inventories to its location and condition, labour and overhead, where applicable. Inventories are written down for obsolete/slow moving/non moving items wherever necessary.

1.7 Foreign currency translation

Foreign currency transactions (covered under Accounting Standard 11 on "The effect of changes in Foreign Exchange Rates") are recorded at rates prevailing on the date of the respective transactions. At the year end monetary assets and liabilities denominated in foreign currencies are restated at the closing exchange rates. The resultant exchange differences arising from settlement of foreign currency transactions and from the year end restatement are recognised in the Statement of Profit and Loss.

1.8 Revenue Recognition

Revenue from sale of tea at auction is recognised on receipt of sale note from brokers. Revenue from sale of tea other than at auction and sale of rubber is recognised on transfer of significant risks and rewards of ownership in goods in accordance with the terms of sale. Revenue from sale of rubber/ grevillea trees is recognised at the point of felling and removing the trees from the estates.

Revenue from fixed price construction contracts is recognised on the percentage of completion method based on the proportion of contract cost incurred for work performed up to reporting date bears to the estimated total contract cost. Total cost of the contracts are estimated based on technical and other estimates. Profit on such contracts is recognised not exceeding the overall contract margin. All foreseeable losses on contracts are provided for.

1.9 Derivative Contracts

Forward exchange contracts (other than forward exchange contracts covered under Accounting Standard 11 on "The effect of changes in Foreign Exchange Rates") outstanding as at the year end on account of firm commitments / highly probable forecast transactions are marked to market and the profit / losses (net) if any, are recognised in the statement of profit and loss in accordance with "Guidance Note on Accounting for Derivative Contracts" with effect from April 1, 2016.

1.10 Accounting for Government Grants

Revenue subsidy receivable from Tea Board towards manufacture of orthodox tea is accrued on production of orthodox tea.

Revenue subsidy receivable from Tea Board towards replanting activities undertaken is accounted on sanction of such subsidy by the Tea Board.

Capital subsidy from Tea Board and Rubber Board is adjusted against the cost of specific depreciable assets on receipt of such subsidy

1.11 Employee Benefits

i) Short Term

Short term employee benefits (i.e., benefits falling due within one year after the end of the period in which the employees render the related service) are recognised as expense in the period in which employee services are rendered as per the Company's schemes based on expected obligations on undiscounted basis.

ii) Post Retirement

Post-retirement benefits comprises of provident fund, superannuation and gratuity which are accounted for as follows:

a) Provident fund

This is a defined contribution plan where contributions are remitted to provident fund authorities in accordance with the relevant statute and charged to the Statement of Profit and Loss in the period in which the related employee services are rendered. The Company has no further obligations for future provident fund benefits in respect of these employees other than its monthly contributions.

b) Superannuation

This is a defined contribution plan. The Company contributes as per the scheme to superannuation fund administered by Life Insurance Corporation of India (LIC). The Company has no further obligations for future superannuation benefits other than its annual contributions and recognises such contributions as expense in the period in which the related employee services are rendered.

c) Gratuity

This is a defined benefit plan. Provision is based on year-end actuarial valuation using projected unit credit method. Actuarial gains / losses are recognised immediately in the Statement of Profit and Loss as income or expense.

(iii) Other Long term :

Compensated absences

This is a defined benefit plan. Provision is based on year-end actuarial valuation using projected unit credit method. Actuarial gains/ losses are recognised immediately in the Statement of Profit and Loss as income or expense.

1.12 Replanting Expenses

Replanting expenses consequent to replacement are charged to revenue as and when incurred.

1.13 Current and Deferred tax

Current tax is provided as the amount of tax payable in respect of taxable income for the period, measured using the applicable tax rates and tax laws. Deferred tax is provided on timing differences between taxable income and accounting income, measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets are recognised only if there is virtual/ reasonable certainty, as applicable, in keeping with Accounting Standard 22 on 'Accounting for Taxes on Income', that there will be sufficient future taxable income available to realise such assets. Deferred Tax assets are reviewed for the appropriateness of their respective carrying amount at each Balance Sheet date.

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax in excess of MAT during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax in excess of the MAT during the specified period.

1.14 Provisions and Contingent Liabilities

Provisions: Provisions are recognised when the Company has a present obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value.

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



2. Share Capital

(i) Authorised:

3,00,00,000 Equity Shares of ₹10 each

(ii) Issued, Subscribed and Paid up:

1,84,55,405 Equity Shares of ₹10 each fully paid up

Less: Allotment Money in Arrears

As at March 31, 2017	As at March 31, 2016
₹Lacs	₹Lacs
3,000.00	3,000.00
1,845.54	1,845.54
0.11	0.11
1,845.43	1,845.43

- (iii) Number of shares outstanding as at the beginning of the year
Number of shares outstanding as at the end of the year

March 31, 2017		March 31, 2016	
Number of shares	₹ Lacs	Number of shares	₹ Lacs
18,455,405	1,845.43	18,455,405	1,845.43
18,455,405	1,845.43	18,455,405	1,845.43

- (iv) Shares in the Company held by each shareholder holding more than 5 percent shares :

	March 31, 2017		March 31, 2016	
	Number of shares	% holding	Number of shares	% holding
Rainbow Investments Limited	4,471,063	24.23%	4,471,063	24.23%
Instant Holdings Limited	1,420,200	7.70%	1,420,200	7.70%
Swallow Associates LLP	1,190,722	6.45%	1,190,722	6.45%
Carnival Investments Ltd	1,121,230	6.08%	1,121,230	6.08%

- (v) Rights, preferences and restrictions attached to equity shares mentioned above :

The Company has only one class of 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 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 remaining assets of the Company, in proportion to their shareholding.

3 Reserves and Surplus

	₹ Lacs		
Reserves	Balance as at March 31, 2016	Additions	Deductions Balance as at March 31, 2017
Capital reserve			
Securities premium account	5,002.91	-	5,002.91
Fixed assets revaluation reserve	13,957.19	-	-
Other reserves			
Reserve arising from amalgamation	291.33	-	291.33
Housing subsidy reserve	5.26	-	5.26
General Reserve	1,687.82	-	1,687.82
Total	20,944.51	-	6,987.32

*Refer Note 39

Surplus in Statement of Profit and Loss

	As at March 31, 2017	As at March 31, 2016
Balance as at the beginning of the year	1,307.95	5,876.19
Add/ Less :		
(Loss) for the year as per Statement of Profit and Loss	(521.56)	(4,568.24)
Balance as at the end of the year	786.39	1,307.95
Total reserves and surplus	7,773.71	22,252.46

4 Long term borrowings

Secured

Term loan

From Banks

From Others

Less: Current maturities of Long-term debt referred to in Note 8

	As at March 31, 2017	As at March 31, 2016
	₹Lacs	₹Lacs
	4,270.18	5,716.88
	158.38	297.88
	4,428.56	6,014.76
	(858.57)	(1,595.20)
	3,569.99	4,419.56

Term loan from banks

- a Loan availed ₹ 6,000.00 Lacs during 2010 - 11 and 2011 - 12 repayable in 17 quarterly instalments of ₹ 333.30 Lacs commencing from September 2012 and final quarterly instalment of ₹ 333.90 Lacs is secured by equitable mortgage of immovable properties of the Company situated in Kumbazha estate. The loan carries an interest rate of base rate plus 3% per annum payable on a monthly basis from disbursement of the loan. During March 2014, the Company has revised the terms of repayment of the loan outstanding of ₹ 1,500 lacs (balance being paid) repayable in 5 quarterly instalments commencing from December 2015 of ₹ 166.67 Lacs and ₹ 333.33 Lacs for the balance 4 instalments upto December 2016. Year end balance is ₹ Nil (Previous year ₹ 1,000 Lacs).
- b Loan availed of ₹ 1,173.61 Lacs during 2012 - 13 is repayable in 31 quarterly instalments of ₹ 36.69 Lacs commencing from July 2014 and final quarterly instalment of ₹ 36.22 Lacs, is secured by equitable mortgage to be created on immovable property of the Company situated in Mayfield Estate. The loan carries an interest rate of base rate plus 2.75% per annum payable on a monthly basis from disbursement of the loan. Year end balance is ₹ 770.18 Lacs (Previous year ₹ 916.89 Lacs)
- c Loan availed of ₹ 4,000.00 Lacs during the year 2013 - 14 is repayable in 24 quarterly instalments repayable as 6 quarterly instalments of ₹ 50.00 Lacs commencing from June 2015 upto September 2016, 4 quarterly instalments of ₹ 100.00 Lacs from December 2016 to September 2017, 8 quarterly instalment of ₹ 200.00 Lacs from December 2017 to September 2019, 4 quarterly instalments of ₹ 250.00 Lacs from December 2019 to September 2020 and 2 quarterly final instalments of ₹ 350 Lacs from December 2020 to March 2021, is secured by equitable mortgage of immovable properties of the Company situated in Kumbazha estate. The loan carries an interest rate of base rate plus 2% per annum payable on a monthly basis from disbursement of the loan. Year end balance is ₹ 3,500.00 Lacs (Previous year ₹ 3,800.00 Lacs).

Term loan from others

- d Term loan from others are secured by hypothecation of assets acquired out of these loans which are repayable in equated monthly instalments (ranging between 3 to 5 years) along with the applicable interest rates (ranging between 10.75% to 15.01%).

Repayment terms :

Payable in 0-1 year
Payable in 1-2 years
Payable in 2-3 years
Payable in 3-4 years

	As at March 31, 2017	As at March 31, 2016
	₹Lacs	₹Lacs
	111.87	148.50
	31.50	108.71
	14.32	28.93
	0.69	11.74
	158.38	297.88

5 Long-term provisions

Provision for employee benefits :

Provision for gratuity

Provision for compensated absence

Other provisions :

Contingency reserve #

#

Balance at the beginning of the year

Provision made during the year

Utilised / reversed during the year

Balance at the end of the year

	4,306.12	4,423.94
	102.34	80.62
	4,408.46	4,504.56
	492.00	492.00
	4,900.46	4,996.56
	492.00	492.00
	-	-
	-	-
	492.00	492.00



Provision for contingency represents the potential exposure on account of legal dispute. However the nature of the provision has not been disclosed in detail on the grounds that it is expected to prejudice the interests of the Company.

	As at March 31, 2017	As at March 31, 2016
	₹Lacs	₹Lacs
6 Short-term borrowings		
Secured		
Cash credit from banks repayable on demand	3,448.08	3,603.79
Unsecured		
Loans		
From banks	500.00	1,000.00
From others	1,145.00	600.00
	5,093.08	5,203.79

Cash credit from banks

Secured by equitable mortgage of immovable properties of the Company situated in Arrapetta Estate, hypothecation of standing crop in Achoor, Arrapetta, Panniar, Mayfield, Lahai, Isfield and Nagamallay Estates and by hypothecation of stocks of tea, rubber, trading merchandise, stores and spares, book debts and other movable assets both present and future.

7 Trade payables

	As at March 31, 2017	As at March 31, 2016
	₹Lacs	₹Lacs
(a) Total outstanding dues of micro enterprises and small enterprises and	161.24	128.37
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	3,065.16	2,674.55
	3,226.40	2,802.92

Micro and Small Enterprises :

The Company has amounts due to suppliers under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

Principal amount and the interest due thereon remaining unpaid to suppliers under MSMED as at the end of accounting year

	As at March 31, 2017	As at March 31, 2016
	₹Lacs	₹Lacs
Principal	113.27	93.22
Interest	4.73	1.68
Interest paid to suppliers under section 16 of MSMED along with the amount of the payment made to suppliers beyond the appointed day during the year	-	-
The amount of interest due and payable for principal paid during the year beyond the appointed day without adding the interest specified under MSMED	-	-
Principal	225.14	266.06
Interest	8.09	9.14
The amount of interest accrued and remaining unpaid at the end of the year (including ₹ 35.15 Lacs (Previous year ₹ 24.33 Lacs) being interest outstanding as at the beginning of the accounting year)	47.97	35.15
The amount of further interest remaining due and payable even in the succeeding year, until such date when interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as deductible expenditure under Section 23 of the MSMED	12.82	10.82

8 Other current liabilities

Current maturities of long term borrowings (Refer Note 4)

Interest accrued but not due on borrowings

Unpaid dividends (Refer Note 8a)

Others :

Employee benefits payable

Statutory dues

Advance against asset held for sale

Advance from customers

Security deposits

As at March 31, 2017	As at March 31, 2016
₹Lacs	₹Lacs
858.57	1,595.20
30.73	30.92
37.73	44.61
2,788.01	3,009.20
2,513.02	2,360.43
972.00	-
504.00	469.31
192.27	135.31
7,896.33	7,644.98

- 8 (a) There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of The Companies Act, 2013 as at the year end. For ₹ 6.20 lacs (previous year ₹ Nil), where the Company had initiated the process for the transfer of the Unclaimed dividend (pertaining to the financial year 2008-2009) to the Investor Education and Protection Fund (IEPF), the challan generated by the Company on December 5, 2016 (due date being December 5, 2016) was processed by Punjab National Bank only on December 14, 2016 due to certain technical problem encountered by the said bank. Accordingly the money was credited to IEPF on December 14, 2016.

9 Short term provisions

Provision for employee benefits:

Provision for gratuity

Provision for compensated absence

Others :

Provision for

Income tax (Net of advance tax of ₹ 13,942.29 Lacs;

Previous year ₹ 13,891.95 Lacs)

Fringe benefit tax (Net of advance tax of ₹ 92.42 Lacs;

Previous year ₹92.42 Lacs)

As at March 31, 2017	As at March 31, 2016
₹Lacs	₹Lacs
617.23	240.74
28.81	26.58
505.62	555.96
122.64	122.64
1,274.30	945.92

Note 10 Fixed Assets

₹ in Lacs

Description of Assets		Gross Block				Depreciation and amortisation			Net Block	
		Cost/ Valuation as at April 1 ,2016	Additions	Disposals/ Adjustments	Cost as at March 31, 2017	As at April 1, 2016	For the year	On Disposals/ Adjustments	As at March 31, 2017	As at March 31, 2016
Tangible assets										
Land - Freehold and Leasehold (Note 1 and 2 below)		36878.67*	-	13957.19**	22,921.48	-	-	-	22,921.48	39,382.29
Bearer Plants (Note 2 below)		2503.62*	204.98	389.66*	2,318.94	-	39.00	-	2,279.94	-
Buildings		3,819.16	27.30	205.60	3,640.86	2,451.89	97.08	86.53	2,462.44	1,367.27
Plant and Machinery		6,116.16	65.45	113.82	6,067.79	4,954.04	276.48	106.80	5,123.72	1,162.12
Furniture and Fittings		302.92	4.04	1.70	305.26	277.62	6.94	1.11	283.45	25.30
Water Supply		876.23	6.58	20.94	861.87	659.98	24.31	20.07	664.22	216.25
Vehicles		722.71	8.00	33.33	697.38	551.50	44.19	24.69	571.00	171.21
Total tangible assets		51,219.47	316.35	14,722.24	36,813.58	8,895.03	488.00	239.20	9,143.83	42,324.44
Previous year		51,287.31	226.70	294.54	51,219.47	8,571.61	538.60	215.18	8,895.03	42,715.70
Intangible assets										
Computer Software		66.47	-	-	66.47	14.32	13.32	-	27.64	38.83
Total intangible assets		66.47	-	-	66.47	14.32	13.32	-	27.64	38.83
Previous year		60.00	6.47	-	66.47	1.00	13.32	-	14.32	59.00
Grand Total		51,285.94	316.35	14,722.24	36,880.05	8,909.35	501.32	239.20	9,171.47	42,376.59
Previous year		51,347.31	233.17	294.54	51,285.94	8,572.61	551.92	215.18	8,909.35	42,774.70
Capital work-in-progress - at cost -Tangible assets (Also refer Note 2 below)									258.77	82.64
									27,967.35	42,459.23

Notes :

1. Land includes certain leasehold lands the value of which is not separately ascertainable.
2. *The development cost (representing cost of bearer plants) as was disclosed under the head "Land and Development" as on March 31, 2016 has been bifurcated as Land and Bearer Plants as on April 1,2016. The adjustments to Bearer plants represents Bearer plants in progress and has been transferred to Capital Work in Progress. (Also refer note 39).
3. **Represents adjustment of outstanding adjustments balance in fixed asset revaluation reserve against the carrying value of land as on April 1,2016. (Also refer note 39).
4. Title deeds of the immovable properties set out in the above table are in the name of Malayalam Plantations Limited (MPL)/Harrisons Crosfield Ltd (HCL) except as set out below which are in the name of the Company. Inter alia, the immovable properties of MPL got transferred to and vested in Malayalam Plantations (India) Limited (MPIL) vide a Scheme of Arrangement and Amalgamation in 1978. Further, inter alia the immovable properties of Harrisons Crosfield (India) Limited got transferred and vested in MPIL vide a Scheme of Arrangement and Amalgamation in 1984. The name of MPIL a Company incorporated in 1978 got changed to Harrisons Malayalam Limited in 1984.

Title deeds of the immovable properties set out in the above table , which are in the name of the Company are:

	Gross Block	Net Block
Land and Building	136.72 Lacs	31.24 lacs

5. The disposal/adjustments of buildings (Net book value ₹ 119.07 lakhs) represents transfer to Asset held for sale classified under Other current Assets .

Note 10.1 Fixed Assets

₹ in Lacs

Description of Assets	Gross Block			Depreciation and amortisation				Net Block	
	Cost/ Valuation as at March 31, 2015	Additions	Disposals/ Adjustments	Cost/ Valuation as at March 31, 2016	As at March 31, 2015	For the year	On Disposals/ Adjustments	As at March 31, 2016	As at March 31, 2015
Tangible assets									
Land and Development - Freehold and Leasehold (Note 1 below)	39,382.86	8.67	9.24	39,382.29	-	-	-	39,382.29	39,382.86
Buildings	3,846.51	18.81	46.16	3,819.16	2,387.97	103.75	39.83	1,367.27	1,458.54
Plant and Machinery	6,112.39	194.56	190.79	6,116.16	4,757.51	334.51	137.98	1,162.12	1,354.88
Furniture and Fittings	312.24	0.78	10.10	302.92	276.27	9.52	8.17	25.30	35.97
Water Supply	886.76	2.80	13.33	876.23	642.49	27.73	10.24	216.25	244.27
Vehicles	746.55	1.08	24.92	722.71	507.37	63.09	18.96	171.21	239.18
Total tangible assets	51,287.31	226.70	294.54	51,219.47	8,571.61	538.60	215.18	42,324.44	42,715.70
Intangible assets									
Computer Software	60.00	6.47	-	66.47	1.00	13.32	-	52.15	59.00
Total intangible assets	60.00	6.47	-	66.47	1.00	13.32	-	52.15	59.00
Grand Total	51,347.31	233.17	294.54	51,285.94	8,572.61	551.92	215.18	42,376.59	42,774.70
Capital Work-In-Progress - at cost -Tangible Assets								82.64	182.87
								42,459.23	42,957.57

Notes :

- Land and development includes
 - Certain leasehold lands the value of which is not separately ascertainable
 - ₹ 13,957.19 Lacs added on revaluation during 1990-1991 and credited to Fixed Assets Revaluation Reserve.
 - ₹ 22,739.61 Lacs added on revaluation during 2009-2010 and credited to Fixed Assets Revaluation Reserve. The credit to Fixed Assets Revaluation Reserve has been adjusted against the excess of liabilities over the assets taken over (₹ 21,233.80 lacs) and the carrying value of investments in the shares of the wholly owned subsidiary companies (₹ 1,218.91 lacs) and the balance amount of ₹ 286.90 Lacs was transferred to Capital Reserve arising from amalgamation as per the scheme.
- Depreciation for the year includes ₹ 0.48 lacs (Previous year ₹ 8.06 lacs) relating to discontinuing operation (Refer Note 45)
- Title deeds of the immovable properties set out in the above table are in the name of Malayalam Plantations Limited (MPL)/Harrisons Crosfield Ltd (HCL) except as set out below which are in the name of the Company. Inter alia, the immovable properties of MPL got transferred to and vested in Malayalam Plantations (India) Limited (MPIL) vide a Scheme of Arrangement and Amalgamation in 1978. Further, inter alia the immovable properties of Harrisons Crosfield (India) Limited got transferred and vested in MPIL vide a Scheme of Arrangement and Amalgamation in 1984. The name of MPIL a Company incorporated in 1978 got changed to Harrisons Malayalam Limited in 1984.

Title deeds of the immovable properties set out in the above table , which are in the name of the Company are:

	Gross Block	Net Block
Land and Building	136.72 lacs	32.10 lacs



	As at March 31, 2017 ₹Lacs	As at March 31, 2016 ₹Lacs
11 Non-current investments		
Long term - At cost		
Other than trade		
Unquoted investment		
(i) Investments in equity shares of subsidiaries (Dissolved effective June 1, 2016)		
49,993 equity shares of ₹ 10 each in HML Engineering Company Limited	-	5.00
Less: Provision for diminution in value of investment	-	(5.00)
	-	-
(ii) Investment in government securities		
National Savings Certificates	0.01	0.02
Treasury Savings Account	1.00	1.00
	1.01	1.02
12 Long-term loans and advances		
Unsecured and considered good		
Capital advances	16.81	7.01
Electricity and other deposits	251.63	243.63
Advance to workers	491.23	491.23
	759.67	741.87
13 Other non-current assets		
Unsecured and considered good		
Margin money deposit with banks having maturity more than 12 months	66.64	29.28
Bank deposit on lien	1.73	1.73
	68.37	31.01
14 Current investments		
At lower of cost and fair value		
Other than trade		
Unquoted investment		
(i) Investments in equity shares of subsidiaries		
100,000 equity shares of ₹ 10 each in Enchanting Plantations Limited	10.00	10.00
50,000 equity shares of ₹ 10 each in Harmony Plantations Limited	5.00	5.00
	15.00	15.00
15 Inventories		
At lower of cost and net realisable value		
Finished goods *	1,435.84	1,242.21
Stores and spares #	934.27	955.83
Nurseries	20.98	20.69
Raw materials (Latex)	15.23	-
	2,406.32	2,218.73
* Particulars of closing inventories of Finished goods		
Tea	858.63	1,003.13
Rubber	577.21	239.08
	1,435.84	1,242.21
# Stores and spares includes packing materials of ₹ 370.70 lacs (Previous year- ₹ 308.57 lacs)		

	As at March 31, 2017 ₹Lacs	As at March 31, 2016 ₹Lacs
16 Trade receivables		
Unsecured		
Outstanding for a period of more than six months from the due date of payment.		
Considered good	82.40	53.09
Considered doubtful	509.75	464.45
Less: Provision for doubtful receivables	(509.75)	(464.45)
	82.40	53.09
Other debts		
Considered good	676.96	640.57
	676.96	640.57
	759.37	693.66
17 Cash and bank balances		
Cash and cash equivalents		
Cash on hand	14.71	19.79
Bank balances		
In current accounts	111.63	716.39
	126.34	736.18
Other bank balances		
Margin money deposits with original maturity greater than 3 months and maturing within 12 months	111.05	159.37
Unpaid dividend accounts	37.73	44.61
	275.12	940.16
18 Short-term loans and advances		
Unsecured and considered good		
Advances to employees	130.73	135.51
Advance to suppliers	257.18	222.51
Balances with Government Authorities	2,017.48	1,992.73
Prepaid expenses	110.64	97.16
Claims recoverable	1.83	0.50
	2,517.86	2,448.41
Unsecured and considered doubtful		
Balances with Government Authorities	27.14	27.14
Advance to suppliers	26.09	26.09
Advances to body corporates	189.64	189.64
	242.87	242.87
Less: provision for doubtful advances	(242.87)	(242.87)
	2,517.86	2,448.41
19 Other current assets		
Unsecured and considered good		
Subsidy receivable	448.80	311.40
Unbilled revenue	145.71	145.71
Export Entitlement	80.49	96.41
Interest accrued on bank deposits	14.08	9.01
Asset held for sale	119.07	-
Derivative asset	1.49	-
	809.64	562.53
Unsecured and considered doubtful		
Export entitlement	13.54	13.54
Less: Provision for doubtful advances	(13.54)	(13.54)
	809.64	562.53



	As at March 31, 2017 ₹Lacs	As at March 31, 2016 ₹Lacs
20 Revenue from operations		
Sale of products *	36,037.31	27,765.09
Sale of services #	-	58.04
Other operating revenues		
Tea board subsidy	273.69	262.44
Export entitlements	186.70	157.50
Others	166.32	300.52
	36,664.02	28,543.59
Less: Discontinuing operation (Refer Note 45)	-	58.04
	36,664.02	28,485.55
*Details of sale of products		
Tea	16,951.29	15,046.74
Rubber	18,151.30	12,408.02
Fruits, spices and others	321.24	239.91
Green leaf	613.48	70.42
	36,037.31	27,765.09
#Details of sale of services (Discontinuing operation)		
Construction contracts (Refer Note 36)	-	58.04
21 Other income		
Interest income on bank deposits and other deposits	25.97	20.99
Profit on sale of fixed assets (net)	4.64	2.98
Net gain on foreign currency transactions and translation	20.78	-
Mark to Market gain on deivative contracts	1.49	-
Liability no longer required written back	26.34	-
Other non-operating income	459.19	292.33
	538.41	316.30
Less: Discontinuing operation (Refer Note 45)	-	0.24
	538.41	316.06
22 Cost of materials consumed (all indigenous)		
Inventory at the beginning of the year	-	-
Add : Purchases	11,462.58	7,224.40
	11,462.58	7,224.40
Less : Inventory at the end of the year	15.23	-
Cost of materials consumed	11,447.35	7,224.40
Details of materials consumed:		
Green leaf	2,947.71	2,363.67
Bought latex and sheets	8,409.43	4,506.11
Tea used for blending	90.21	354.62
	11,447.35	7,224.40
23 Purchase of stock-in-trade		
Cenex / TSR	430.75	609.63
Fruits, spices and others	7.53	40.10
	438.28	649.73
24 Changes in inventories of finished goods		
Inventory at the end of the year		
Tea	858.63	1,003.13
Rubber	577.21	239.08
	1,435.84	1,242.21
Inventory at the beginning of the year		
Tea	1,003.13	1,045.15
Rubber	239.08	183.57
	1,242.21	1,228.72
	(193.63)	(13.49)

	As at March 31, 2017 ₹Lacs	As at March 31, 2016 ₹Lacs
25 Employee benefits expense		
Salaries and wages	12,103.69	10,973.63
Contribution to provident fund	1,306.45	1,078.42
Contribution to superannuation fund	77.44	81.42
Gratuity	939.64	1,510.12
Staff welfare expenses	354.33	389.79
	14,781.55	14,033.38
Less: Discontinuing operation (Refer Note 45)	7.75	21.51
	14,773.80	14,011.87

25.1 In keeping with the Company's gratuity scheme (an unfunded defined benefit plan), eligible employees are entitled for gratuity benefit (as per the The Payment of Gratuity Act, 1972) on retirement/death/incapacitation/ termination. Also refer note 1.11(ii)(c) for accounting policy relating to gratuity. Following are the further particulars with respect to gratuity:-

	(₹ Lacs)				
	2016-17	2015-16	2014-15	2013-14	2012-13
1 Present value of obligation at the beginning of the year	4,664.68	3,836.22	3,550.59	2,833.00	2,704.99
Interest cost	313.50	270.54	246.94	222.73	189.07
Current service cost	265.86	251.43	207.74	165.23	615.68
Benefits paid	(680.97)	(681.66)	(653.67)	(575.17)	(696.63)
Actuarial loss	360.28	988.15	484.62	904.80	19.89
Present value of obligation at the Balance Sheet date (Amount recognised in Balance Sheet)	4,923.35	4,664.68	3,836.22	3,550.59	2,833.00
2 Amounts recognized in the Statement of Profit and Loss					
Current service cost	265.86	251.43	207.74	165.23	615.68
Interest cost	313.50	270.54	246.94	222.73	189.07
Actuarial loss	360.28	988.15	484.62	904.80	19.89
Expenses recognized in the Statement of Profit and Loss (Refer Note 25)	939.64	1,510.12	939.30	1,292.76	824.64
3 Principal actuarial assumptions					
Discount rate	7.25%	7.74%	7.66%	8.75%	8.00%
Salary escalation	5.00%	5.00%	5.00%	5.00%	5.00%
Attrition rate	3.00%	3.00%	3.00%	3.00%	3.00%

The estimation of future salary increase considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in employment market.

25.2 Amount recognised as expense during the year for defined contribution plans :

	2016-17 ₹ Lacs	2015-16 ₹ Lacs
Contribution to provident fund (included in Contribution to provident fund in Note 25)	1,306.45	1,078.42
Contribution to superannuation fund (Refer Note 25)	77.44	81.42



	As at March 31, 2017 ₹Lacs	As at March 31, 2016 ₹Lacs
26 Other expenses		
Consumption Of Stores and Spare Parts (Refer note 31)	1,630.62	1,342.07
Consumption of Packing Material (Refer note 32)	904.40	782.03
Engineering Contract Cost - Materials and other expenses	7.55	7.90
Contract Costs	1,013.70	1,029.22
Power and Fuel	2,026.98	1,985.72
Rent	117.02	118.25
Rates and Taxes	213.02	214.90
Repairs and Maintenance		
Buildings	341.80	279.50
Plant and Machinery	310.75	354.41
Others	101.29	92.21
Insurance	67.95	54.05
Tea cess	67.63	67.84
Replanting expenses	585.30	983.27
Travelling and Conveyance	413.69	436.74
Professional / Consultancy Charges	224.19	291.87
Brokerage and Discount	149.05	116.12
Commission to Selling Agent	31.60	15.89
Freight, Shipping, Transport and Other Charges	684.95	578.41
Directors' Sitting Fees	7.40	6.20
Provision for Doubtful Debts/Advances	45.30	88.48
Provision for Diminution In Value Of Investments	-	5.00
Miscellaneous Expenses	883.28	1,085.17
	9,827.47	9,935.25
Less: Discontinuing operation (Refer Note 45)	27.80	80.65
	9,799.67	9,854.60
* Replanting expense includes material consumption and wages of ₹ 67.53 lacs (Previous year ₹ 154.72 lacs) and ₹483.90 lacs (Previous year- ₹776.29 lacs) respectively		
27 Finance costs		
Interest expense	1,368.64	1,395.50
Other borrowing cost	18.57	24.59
	1,387.21	1,420.09
28 Contingent liabilities and commitments		
28.1 Contingent liabilities :		
a) Claims against the Company not acknowledged as debt		
i. Employee related	423.54	386.38
ii. Penalties under section 14B of Employees' Provident Fund Miscellaneous Provisions Act 1952	-	59.33
iii. Disputed income tax matters	1,237.22	1,526.58
iv Sales tax matters	117.32	
v The Government of Kerala had issued a notification in February 2006, enhancing the minimum wages of plantation workers which has been challenged by the Association of Planters of Kerala of which the Company was a member and an interim stay was granted by the High Court of Kerala. As the Company resigned from Association of Planters of Kerala with effect from 12.02.2007, a separate writ petition was filed and an interim stay of the Government Notification obtained.	205.47	205.47
b) Others		
(i) Outstanding bills discounted with bank	227.60	461.84

	As at March 31, 2017 ₹Lacs	As at March 31, 2016 ₹Lacs
28.2 Commitments :		
Estimated amount of contracts remaining to be executed on Capital Account and not provided for, net of advance payments of ₹ 16.81 lacs (Previous year ₹7.01 lacs)	60.58	15.03

29 No adjustment is required to be made in the accounts in respect of :

- An area of 807 hectares (approximately) [Previous Year 807 hectares (approximately)], which is on a leasehold tenure falls under the provisions of the Gudalur Jenmam Estate (Abolition and Conversion into Ryotwari) Act, 1969. Company's appeal challenging the Order of the Settlement Officer rejecting its application for Patta is pending before the District Court, Ooty. During the year the Madras High Court held that out of this area, the notification of 335 Hectares (Previous Year 335 Hectares) as forest by the Settlement Officer is valid and the Company is in the process of filing appeal before the division bench against this judgement.
- An area of 178 hectares (approximately) [Previous Year 178 hectares (approximately)] deemed to have been vested with the Government of Kerala pursuant to Kerala Private Forests (Vesting and Assignment) Act, 1971, as the Company's claim for the exclusion of the area from the purview of the Act is pending decision of the Forest Tribunal, Palghat and restoration by the Forest Department.
- An area of 2588 hectares (approximately) [Previous Year 2588 hectares (approximately)] liable to be surrendered to the Government of Kerala under the Kerala Private Forests (Vesting and Assignment) Act, 1971, as the appeals relating to this area are pending in the High Court of Kerala.
- The Vythiri Taluk Land Board's order directing the Company to surrender 707 hectares (approximately) [Previous Year 707 hectares (approximately)] as excess land under the Kerala Land Reforms Act, 1963 has been set aside by the High Court of Kerala on a revision petition filed by the Company and the matter has been remanded to the Vythiri Taluk Land Board for fresh consideration and disposal.
- An area of 415 hectares (approximately) [Previous Year 415 hectares (approximately)] held to be surplus under the Tamil Nadu Land Reforms (Fixation of Ceiling on Land) Act, 1961 as the Special Land Tribunal, Madras has remanded the matter for fresh consideration by the Authorised Officer, Coimbatore.
- An area of 1722 hectares (approximately) [Previous Year 1187 hectares (approximately)] in respect of which cases filed by Janmies (original owners) of Lahai, Koney and Arrapetta Estates challenging the validity of the lease is pending before the Sub-Court, Pathanamthitta, Sub-Court, Sulthan Bathery and High Court of Kerala.
- An area of 304 hectares (approximately) [Previous Year 304 hectares (approximately)] re-notified as vested forests by the Government of Kerala as the Company's writ petition challenging the notification is pending before the High Court of Kerala.
- An area of 1982.45 hectares (Previous Year 1982.45 hectares) of Mooply Valley estates notified by the Government of Kerala for resumption alleging violation of lease conditions as proceedings has been stayed by the Sub Court, Irinjalakuda.
- An area of 336.64 hectares (Previous Year 336.64 hectares) of rubber field of Koney estate in respect of which the Writ Petition filed by the Company and the status quo order passed by the High Court of Kerala challenging the proceedings initiated by the Government of Kerala to resume such lands, is in force.
- An area of 12154 hectares (Previous Year 12154 hectares) in respect of which the Government of Kerala has issued order of resumption under the Kerala Land Conservancy Act claiming it to be Government Lands, the further proceedings of which has been prevented by High Court of Kerala, on a writ petition filed by the Company.

	Year ended March 31, 2017 ₹Lacs	Year ended March 31, 2016 ₹Lacs
30 Amount paid/ payable to auditors		
As auditors		
Audit fee (including audit of consolidated financial statements)	34.00	34.00
Tax audit fee	5.00	5.00
Limited review fee	9.75	9.75
Other services	1.10	1.10
Reimbursement of expenses	1.10	0.81
	50.95	50.66



31 Stores and spares consumed

	As a % of consumption	Year ended March 31, 2017	As a % of consumption	Year ended March 31, 2016
		₹Lacs		₹Lacs
Indigenous	98.72%	1,609.75	99.41%	1,334.09
Imported	1.28%	20.87	0.59%	7.98
		<u>1,630.62</u>		<u>1,342.07</u>

32 Packing material consumed

	As a % of consumption	Year ended March 31, 2017	As a % of consumption	Year ended March 31, 2016
Indigenous	100.00%	904.40	100.00%	782.03
Imported	0.00%	-	0.00%	-
		<u>904.40</u>		<u>782.03</u>

33 Expenditure in foreign currency

Travelling	14.41	10.12
Selling commission	18.70	-
Others	7.86	6.78
	<u>40.97</u>	<u>16.90</u>

34 Value of imports on C.I.F. basis

Stores and spare parts	20.87	7.98
	<u>20.87</u>	<u>7.98</u>

35 Earnings in foreign currency

FOB value of exports	4,907.94	4,185.95
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36 Disclosure relating to construction contracts

Contract revenue recognised during the year	-	58.04
Gross amount due from customers	28.48	57.40

37 Segment reporting

The Company has considered business segments as the primary segment and geographical segments as the secondary segments. The business segments are: Tea, Rubber, Engineering and others which have been identified taking into account the organisational structure as well as the differing risks and returns of these segments. Other segments comprise of Plant Tissue Culture, Fruits, Spices and others and Wyanaad Medical Fund. The geographical segments are identified on the basis of the location of customers.

(a) Primary Segment Information - By Business Segments *

Description	Continuing operations			Discontinuing operations	
	Tea (₹ Lacs)	Rubber (₹ Lacs)	Other (₹ Lacs)	Engineering (₹ Lacs)	Total (₹ Lacs)
External Sales	18,060.00	18,164.00	440.02	-	36,664.02
	(15,553.62)	(12,453.16)	(478.77)	(58.04)	(28,543.59)
Inter-segment Sales	-	-	-	-	-
	-	-	-	-	-
Segment Revenue	18,060.00	18,164.00	440.02	-	36,664.02
	(15,553.62)	(12,453.16)	(478.77)	(58.04)	(28,543.59)
Segment Result - Profit/(Loss)	(464.55)	944.10 @	395.68	(35.55)	839.68
	(2,550.83)	(1,327.16)	758.21 #	(44.36)	(3,164.14)
Less: Interest Expenses					1,368.64
					(1,395.50)
Add: Unallocated Income (net of unallocated expense)					7.40

₹ 18.57 lacs) (Previous year	(8.60)
Unallocated expense net of unallocated income ₹ 20.99 Lacs)	
Loss before Tax	(521.56)
	(4,568.24)
Less : Income Taxes	-
	-
(Loss) Profit after Tax	(521.56)
	(4,568.24)

Other Information

Segment Assets	27,167.15	7,848.23	29.26	161.48	35,206.12
	(36,173.97)	(12,651.48)	(105.29)	(184.69)	(49,115.43)
Unallocated Assets					373.58
					(996.19)
Total Assets					35,579.70
					(50,111.62)
Segment Liabilities	8,392.68	7,044.42	58.25	246.84	15,742.19
	(7,217.18)	(6,610.21)	(41.53)	(203.05)	(14,071.97)
Unallocated Liabilities					10,218.37
					(11,941.76)
Total Liabilities					25,960.56
					(26,013.73)
Segment Capital Expenditure	49.25	63.37	-		112.62
	(88.08)	(29.57)	-	-	(117.65)
Segment Depreciation	377.18	122.70	1.44		501.32
	(406.84)	(144.37)	(0.23)	(0.48)	(551.92)
Segment non-cash expense other than depreciation	12.25	2.96	30.09	-	45.30
	(30.64)	-	(39.26)	(18.58)	(88.48)

(b) Secondary Segment information - By
Geographical Segments *

Description	India ₹ Lacs	Outside India ₹ Lacs	Total ₹ Lacs
External Sales	31,697.67	4,966.35	36,664.02
	(24,300.65)	(4,242.94)	(28,543.59)
Segment Assets	35,044.42	161.70	35,206.12
	(48,799.73)	(315.70)	(49,115.43)
Segment Capital Expenditure	112.62	-	112.62
	(117.65)	-	(117.65)

All operating facilities are located in India.

* Figures in bracket represent previous year's figures

@ includes exceptional item of ₹465.56 lacs (refer note 44)

includes exceptional item of ₹373.15 lacs (refer note 44)



38 Related party disclosures

a List of related parties where control exists

Wholly owned subsidiaries

HML Engineering Company Limited (HECL) **
 Enchanting Plantations Limited (EPL)
 Harmony Plantations Limited (HPL)
 Malayalam Plantations Limited (MPL) (100% subsidiary of EPL)

b Key management personnel

Mr. V Venugopal (Manager)
 Mr. N Dharmaraj (Whole Time Director)

c Related party transactions

Description	₹ Lacs			
	Subsidiary Companies		Key Management Personnel (KMP)	
	2016-17	2015-16	2016-17	2015-16
Transaction during the year				
Remuneration				
V Venugopal	-	-	44.46	44.02
N Dharmaraj	-	-	86.33	85.44
Balance as at year end				
Investment in subsidiaries				
HECL	-	5.00*	-	-
EPL	10.00	10.00	-	-
HPL	5.00	5.00	-	-
Remuneration payable				
V Venugopal			2.04	-
N Dharmaraj			5.50	-

* Gross of diminution of value of investments provided ₹ 5.00 lacs

** HML Engineering Company Limited (HECL) has been dissolved with effect from June 1, 2016

39 Changes in Accounting Policy

a) Property Plant and Equipment

Upto March 31, 2016, cost of bearer plants (rubber trees and tea bushes) was accounted for and disclosed as part of Land and Development cost (Refer note 1.3). Consequent to the Companies (Accounting Standards) Amendment Rules, 2016, published by the Ministry of Corporate Affairs which is effective from April 1, 2016 the new Accounting Standard AS - 10 Property Plant and Equipment recognises bearer Plants as a separate class of depreciable Property, Plant and Equipment. The development cost (representing cost of bearer plants) as was disclosed under the head "Land and Development" as on March 31, 2016 has been bifurcated as Land, Bearer Plants and Bearer Plants in Progress and measured as per the Cost Model as on April 1, 2016 in keeping with the aforesaid AS 10.

Land

As the Company decided to adopt the cost model, ₹ 13,957.19 lakhs being the revaluation amount included in the carrying value of Land has been adjusted against the related Fixed Asset Revaluation Reserve as on April 1, 2016 (Refer Note 3).

Bearer Plants

The Bearer Plants as at March 31, 2016 have been depreciated over their balance useful life. Had the Company continued to follow the earlier accounting policy, the depreciation charge recognised in the Statement of Profit and Loss would have been lower by ₹ 39.00 lakhs and the net block of Property Plant and Equipment as on March 31, 2017 would have been higher by ₹ 39.00 lakhs. Consequentially, the loss for the year would have been lower by ₹ 39.00 lakhs and the loss per equity share would have been lower by Re. 0.21.

Bearer Plant in Progress

As on 1st April 2016, Bearer Plants in Progress amounting to ₹ 389.66 lakhs has been classified as Capital Work in Progress.

b) Derivative contract:

The Company was following a policy for accounting for derivative contracts based on the announcement of Institute of Chartered Accountants of India (ICAI) issued in March 2008, wherein only mark to market losses were recognised in the statement of profit and loss, however based on the new Guidance Note by ICAI effective accounting period commencing from April 1, 2016 the Company recognises profits and losses (net) if any, in the statement of profit and loss. Had the Company followed the earlier accounting policy the Mark to Market gain on foreign currency would have been lower by ₹ 1.49 lakhs with a corresponding impact on the loss for the year (higher by ₹ 1.49 Lacs) and the loss per equity share would have been higher by Re.0.01.

40 (Loss) Per Share

Particulars	2016 - 17	2015 - 16
a) (Loss) after tax (₹ lacs)	(521.56)	(4,568.24)
b) Number of equity shares at the beginning of the year	18,455,405	18,455,405
c) Number of equity shares at the end of the year	18,455,405	18,455,405
d) Weighted average number of equity shares outstanding	18,455,405	18,455,405
e) Nominal value of each equity share (₹)	10.00	10.00
f) Basic and diluted (loss) per share (₹) (a/d)	(2.83)	(24.75)

41 Derivative instruments and unhedged foreign currency exposure

i. Derivatives outstanding as at the reporting date

		Year ended March 31, 2017		Year ended March 31, 2016	
		Value in foreign currency	₹ In Lacs	Value in foreign currency	₹ In Lacs
Forward Contracts to sell USD	Hedge of highly probable forecast transactions	0.91	60.05	12.88	878.11
Forward Contracts to sell Euro		0.83	58.72	0.40	29.74
Forward Contracts to sell GBP		-	-	0.30	29.42

ii. Particulars of unhedged foreign currency exposures as at the reporting date

		Year ended March 31, 2017		Year ended March 31, 2016	
		Value in foreign currency	₹ In Lacs	Value in foreign currency	₹ In Lacs
Trade receivables (In USD)		0.24	15.54	-	-

42 Taxation

- No provision for Agricultural Income Tax has been considered necessary in view of the carry forward losses.
- The Company has not recognised any Deferred Tax Asset in respect of unabsorbed depreciation/ brought forward losses and other timing differences in accordance with Accounting Standard 22 "Accounting for Taxes on Income" in the absence of virtual/ reasonable certainty that sufficient future taxable income will be available against which such asset could be realised.
- The Company has not recognized MAT credit on a prudent basis in the absence of reasonable certainty that sufficient future tax profit against which such credit could be realised.

- The Company has entered into a composite scheme of arrangement and amalgamation amongst Harrissons Malayalam Limited (HML) and Enchanting Plantations Limited (100% subsidiary of HML) and Malayalam Plantations Limited (100% subsidiary of Enchanting Plantations Limited) and Harmony Plantations Limited (100% subsidiary of HML) and their respective shareholders and their creditors ("the Scheme"). The Scheme has been approved by the Board of Directors and sanctioned by the shareholders of the Company and the Company has intimated to the Stock Exchanges in which the Company's shares are listed. As per the Scheme interalia certain Tea and Rubber estates would be transferred/ demerged to its subsidiaries. The Scheme was pending before the High Court of Kerala and now before the National Company Law Tribunal, Chennai, as directed vide order dated March 9, 2017.



44 Exceptional items

	As at March 31, 2017 ₹ Lacs	As at March 31, 2016 ₹ Lacs
Compensation received for loss of revenue due to felling of trees for drawing electric transmission lines across certain rubber estates	465.56	-
Profit on sale of immovable assets relating to Plant Tissue Culture (included in 'Other' segment)	-	373.15
	465.56	373.15

- 45 The Company in its Board meeting dated May 15, 2012 had approved the plan for transferring its Engineering division to one of its wholly owned subsidiary and had also obtained the consent of its shareholders by way of postal ballot. The Engineering division is a separate business segment as per AS 17 "Segment Reporting". The decision was consistent with the Company's long term strategy to focus on core plantation activity. The Company has stopped quoting for new projects and the existing projects are nearing completion. During the year 2015 - 16, the Board in its meeting held on September 28, 2015 had decided to discontinue the engineering business itself and the aforesaid transfer was no longer warranted.

The operating activities of the Company's discontinuing operations are summarised as follows:

- a) The carrying amounts of the total assets and liabilities to be disposed of are as follows:

	As at March 31, 2017 ₹ Lacs	As at March 31, 2016 ₹ Lacs
Total assets	161.48	184.69
Total liabilities	246.84	203.05
Net assets	(85.36)	(18.36)

- b) The revenue and expenses in respect of ordinary activities attributable to the discontinuing operations

	Year ended March 31, 2017 ₹ Lacs	Year ended March 31, 2016 ₹ Lacs
Revenue from operations (Sale of services)	-	58.04
Other income	-	0.24
	-	58.28
Employee benefits expenses	7.75	21.51
Depreciation expenses	-	0.48
Other expenses	27.80	80.65
Total expenses	35.55	102.64
(Loss) from discontinuing operations before taxes	(35.55)	(44.36)
Tax expenses of discontinuing operations	-	-
(Loss) from discontinuing operations after tax	(35.55)	(44.36)

- (c) The net cash flows attributable to the discontinuing operations are as follows

Operating activities	(4.15)	(143.09)
Investing activities	-	141.74
Financing activities	-	-
Net cash flows	(4.15)	(1.35)

- 46** Disclosures relating to Specified Bank Notes* (SBNs) held and transacted during the period from November 8, 2016 to December 30, 2016

Particulars	SBNs	Other denomination notes	Total (Per cash books)
Closing cash in hand as on November 8, 2016	8.73	8.27	17.00
(+) Permitted receipts	-	110.95	110.95
(-) Permitted payments	0.41	248.55	248.96
(+) Withdrawal from Bank accounts	-	157.36	157.36
(+) Non-permitted receipts	8.73	-	8.73
(-) Non-permitted payments	-	-	-
(-) Amount deposited in banks	17.05	12.38	29.43
Closing cash in hand as on December 30, 2016	-	15.65	15.65

* Specified Bank Notes (SBNs) mean the bank notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees as defined under the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs no. S.O. 3407(E), dated the 8th November, 2016.

The Company has neither accepted nor paid SBN's after November 8, 2016 except in respect of:

1) Permitted payments

Permitted payments represents payment made to Kerala State Electricity Board.

2) Non-Permitted Receipts

i) Receipt at Hospital

The Company runs hospitals in various estates for the Company's workers/employees and for the local population. In view of the emergency medical requirements at the Hospitals, the specified bank notes were accepted from the patients till 14th November 2016 amounting to ₹0.25 lacs.

ii) Currency exchange from Company's own employees/workers

The Company runs estates across Kerala and TamilNadu and most of the estates are in remote areas without easy access to banking facilities. In view of the announcement of November 8, 2016 on non validity of the then ₹ 500/- and ₹ 1000/- notes as legal tender, some of the workers were carrying SBNs and were not in a position to readily exchange the same at the banks. Having regard to the business and practices prevalent in estates, which are highly labor intensive, the Company had to take steps to mitigate the situation faced by the workers. Accordingly ₹ 7.83 lacs was exchanged to the workers in lieu of the SBN's.

iii) Accounting differences

Before the announcement in respect of SBN's certain receipts amounting to ₹0.65 lacs were collected. However, the same has been recorded in books post 8th November 2016.

All the SBN's in hand and those accepted net of payments as mentioned above have been deposited with the banks.

- 47** Previous year's figures have been regrouped /rearranged wherever necessary to conform to the current year's presentation.

Signatories to Notes 1 to 47
For and on behalf of the Board

For Price Waterhouse

Firm Registration No. 301112E
Chartered Accountants

N. Dharmaraj
Whole Time Director
DIN: 00912004

Sachin Nandgaonkar
Director
DIN: 03410739

Kaushik Roy
Director
DIN: 06513489

Pinaki Chowdhury

Partner
Membership No. 057572
Kolkata
May 29, 2017

Ravi A.
CFO
Kolkata
May 29, 2017

G. Satish Pillai
CFO

Jose George
Company Secretary



INDEPENDENT AUDITORS' REPORT

To the Members of Harrisons Malayalam Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Harrisons Malayalam Limited ("hereinafter referred to as the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") (Refer Note 37.1 to the attached consolidated financial statements), comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of Consolidated Financial Statements. 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 judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their report referred to in sub-paragraph 8 of the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

7. 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 of the consolidated state of affairs of the Group as at March 31, 2017, and their consolidated loss and their consolidated cash flows for the year ended on that date.

Other Matter

8. We did not audit the financial statements/financial information of subsidiary whose financial statements/financial information reflect total assets of ₹ Nil and net assets of ₹ Nil as at March 31, 2017, total revenue of ₹ Nil, net loss of ₹ Nil and net cash flows amounting to ₹ Nil for the year ended on that date, as considered in the consolidated financial statements. These financial statements/financial information have been audited by other auditor whose report 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 this subsidiary and our report in terms of Sub-section (3) of Section 143 of the Act insofar as it relates to the aforesaid subsidiary, is based solely on the report of the other auditor.

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

Report on Other Legal and Regulatory Requirements

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law maintained by the Holding Company and its subsidiary included in the Group incorporated in India including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the report of the other auditor.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company and its subsidiary included in the Group incorporated in India, including relevant records relating to the preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company taken on record by the Board of Directors of the Holding Company, incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its subsidiary company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact, if any, of pending litigations as at March 31, 2017 on the consolidated financial position of the Group - Refer Note 29 and 30 to the consolidated financial statements.
 - ii. The Group has long-term contracts and derivative contracts as at March 31, 2017 for which there were no material foreseeable losses.
 - iii. The instance of delay [for reasons set out in Note 9 (a) to the consolidated financial statements] in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Holding Company, incorporated in India, during the year ended March 31, 2017 is as follows:

Dividend relating to	Amount (₹ Lacs)
Financial year 2008 - 09	6.20
 - iv. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary company, incorporated in India, during the year ended March 31, 2017.
 - v. The Group has provided requisite disclosures in the consolidated financial statements as to holdings as well as dealings in Specified Bank Notes (SBNs) during the period from November 8, 2016 to December 30, 2016. However, amounts aggregating to ₹ 8.73 lacs as represented to us by the Management have been received towards transactions in SBNs which are not permitted. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with books of account maintained by the Group and as provided to us by the Management - Refer Note 43 to the consolidated financial statements.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Kolkata
May 29, 2017

Pinaki Chowdhury
Partner
Membership Number: 057572



Annexure A to Independent Auditors' Report

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

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Harrisons Malayalam Limited (hereinafter referred to as "the Holding Company") and its subsidiary company which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on "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 the respective 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

3. Our responsibility is to express an opinion on the Holding Company's and its subsidiary company's, incorporated in India, 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") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the 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.
4. 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.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's and its subsidiary company's, incorporated in India, internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. 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

7. 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

8. In our opinion, the Holding Company and its subsidiary company, which are companies incorporated in India, have, 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, 2017, as applicable, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one subsidiary company, which is Company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India. Our opinion is not qualified in respect of this matter.

Kolkata
May 29, 2017

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Pinaki Chowdhury
Partner
Membership Number: 057572



Consolidated Balance Sheet as at March 31, 2017

	Note	As at March 31, 2017 ₹ Lacs	As at March 31, 2016 ₹ Lacs
Equity and Liabilities			
Shareholders' fund			
Share capital	3	1,845.43	1,845.43
Reserves and surplus	4	7,773.71	22,252.46
		9,619.14	24,097.89
Non-current liabilities			
Long-term borrowings	5	3,569.99	4,419.56
Long-term provisions	6	4,900.46	4,996.56
		8,470.45	9,416.12
Current liabilities			
Short-term borrowings	7	5,093.08	5,203.79
Trade payables	8		
Total outstanding dues of micro enterprises and small enterprises; and		161.24	128.37
Total outstanding dues of creditors other than micro enterprises and small enterprises		3,065.16	2,674.55
Other current liabilities	9	7,896.33	7,644.98
Short-term provisions	10	1,274.30	945.92
		17,490.11	16,597.61
Total		35,579.70	50,111.62
Assets			
Non-current assets			
Fixed assets	11		
Tangible assets		27,669.75	42,324.44
Intangible assets		38.83	52.15
Capital work-in-progress		258.77	82.64
Non-current investments	12	1.01	1.02
Long-term loans and advances	13	759.67	741.87
Other non-current assets	14	68.37	31.01
		28,796.40	43,233.13
Current assets			
Current investments	15	15.00	15.00
Inventories	16	2,406.32	2,218.73
Trade receivables	17	759.36	693.66
Cash and bank balances	18	275.12	940.16
Short-term loans and advances	19	2,517.86	2,448.41
Other current assets	20	809.64	562.53
		6,783.30	6,878.49
Total		35,579.70	50,111.62

The notes are an integral part of these Consolidated financial statements

This is the Consolidated Balance Sheet referred to in our Report of even date.

For **Price Waterhouse**

Firm Registration No. 301112E
Chartered Accountants

Pinaki Chowdhury

Partner
Membership No. 057572
Kolkata
May 29, 2017

For and on behalf of the Board

N. Dharmaraj
Whole Time Director
DIN: 00912004

Sachin Nandgaonkar
Director
DIN: 03410739

Kaushik Roy
Director
DIN: 06513489

Ravi A.
CFO
Kolkata
May 29, 2017

G. Satish Pillai
CFO

Jose George
Company Secretary

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

	Note	Year ended March 31, 2017 ₹ Lacs	Year ended March 31, 2016 ₹ Lacs
Revenue from operations	21	36,664.02	28,485.55
Other income	22	538.41	316.06
Total revenue		37,202.43	28,801.61
Expenses			
Cost of materials consumed	23	11,447.35	7,224.40
Purchases of stock-in-trade	24	438.28	649.73
Changes in inventories of finished goods	25	(193.63)	(13.49)
Employee benefits expenses	26	14,773.80	14,011.87
Other expenses	27	9,799.67	9,849.60
Depreciation and amortisation expenses	11	501.32	551.44
Finance costs	28	1,387.21	1,420.09
Total expenses		38,154.00	33,693.64
(Loss) before exceptional items and tax		(951.57)	(4,892.03)
Exceptional items	41	465.56	373.15
(Loss) before tax		(486.01)	(4,518.88)
Tax expenses		-	-
(Loss) for the year from continuing operations		(486.01)	(4,518.88)
(Loss) from discontinuing operations	42 (b)	(35.55)	(47.91)
Tax expense of discontinuing operations		-	-
(Loss) from discontinuing operations after tax	42 (b)	(35.55)	(47.91)
(Loss) for the year		(521.56)	(4,566.79)
(Loss) per equity share	35		
Equity shares of par value ₹10 each			
Basic and diluted		(2.83)	(24.74)

The notes are an integral part of these Consolidated financial statements

This is the Consolidated Statement of Profit & Loss referred to in our Report of even date.

For **Price Waterhouse**

Firm Registration No. 301112E
Chartered Accountants

Pinaki Chowdhury

Partner
Membership No. 057572
Kolkata
May 29, 2017

For and on behalf of the Board

N. Dharmaraj
Whole Time Director
DIN: 00912004

Sachin Nandgaonkar
Director
DIN: 03410739

Kaushik Roy
Director
DIN: 06513489

Ravi A.
CFO
Kolkata
May 29, 2017

G. Satish Pillai
CFO

Jose George
Company Secretary



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

	For the year ended March 31, 2017 (₹ Lacs)	For the year ended March 31, 2016 (₹ Lacs)
Cash Flow from Operating Activities		
Loss before tax	(521.56)	(4,566.79)
Adjustments for:		
Depreciation	501.32	551.92
Interest Income	(25.97)	(21.16)
Finance Costs	1,387.21	1,420.09
Provision for Doubtful Debts/ Advances	45.30	88.48
Exceptional Items (Refer Note 41)	-	(373.15)
Liability no longer required written back	(26.34)	-
Mark to market gain	(1.49)	-
(Profit)/Loss on Sale of Fixed Assets (net)	(4.64)	(2.98)
	1,875.39	1,663.20
Operating Profit/(Loss) before Working Capital changes	1,353.83	(2,903.59)
(Increase)/ Decrease in Inventories	(187.59)	62.97
(Increase)/ Decrease in Trade receivables	(111.00)	508.95
(Increase)/Decrease in Loans and Advances/ Other Current and Non Current Assets and other Bank balances	(181.09)	256.20
Increase in Trade payables, Other Current Liabilities and provisions	755.49	3,447.31
	275.81	4,275.43
Cash Generated from Operations	1,629.64	1,371.84
Income Tax (net of refund)	(50.34)	(22.60)
Net Cash from Operating Activities (A)	1,579.30	1,349.24
Cash Flow from Investing Activities		
Purchase of Fixed Assets	(112.62)	(117.65)
Sale of Fixed Assets	21.76	455.49
Sale of Non Current Investments	0.01	-
Advance received against asset held for sale	972.00	-
Interest Received	20.90	36.21
Net Cash generated from Investing Activities (B)	902.05	374.05
Cash Flow from Financing Activities		
Proceeds from Long-term Borrowings	10.30	98.24
Repayment of Long-term Borrowings	(1,596.50)	(1,017.06)
Net increase/ (decrease) in Cash Credit	(155.71)	283.45
Proceeds from other Short-term Borrowings	4,520.00	2,850.00
Repayment of other Short-term Borrowings	(4,475.00)	(2,249.95)
Interest Paid	(1,368.83)	(1,404.23)
Other borrowing costs paid	(18.57)	(24.59)
Dividend Paid (including tax on dividend - Nil, Previous year ₹ 1.07 Lacs)	(6.88)	(8.94)
Net Cash (used in) Financing Activities (C)	(3,091.19)	(1,473.08)
Net Increase in Cash and Cash Equivalents (A + B + C)	(609.84)	250.21
Cash and Cash Equivalents at the beginning of the year (Note 18 to the financial statements)	736.18	485.97
Cash and Cash Equivalents at the close of the year (Note 18 to the financial statements)	126.34	736.18

- Notes : 1. The above Consolidated Cash Flow Statement has been prepared under indirect method set out in the Accounting Standard (AS) 3 Cash Flow Statement.
2. Refer Note 42 to the Consolidated financial statements for information relating to net cash flows attributable to discontinuing operations included above.
3. Previous year's figures have been regrouped/ rearranged where considered necessary.

This is the Consolidated Cash Flow Statement referred to in our Report of even date.

For and on behalf of the Board

For **Price Waterhouse**

Firm Registration No. 301112E
Chartered Accountants

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Partner
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Director
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Jose George
Company Secretary

Notes to the Consolidated Financial Statement for the year ended March 31, 2017

1 PRINCIPLES OF CONSOLIDATION

Consolidated financial statements relate to Harrisons Malayalam Limited, the Parent Company and its subsidiary (the 'Group'). The Consolidated financial statements are in conformity with the Accounting Standard-21 on Consolidated Financial Statements prescribed under the Companies Act, 2013 of India (the 'Act') and are prepared as set out below :

- i) The financial statements of the Parent Company and its subsidiary have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, as applicable, after adjustments / elimination of inter-company balances, transactions including unrealized profits on inventories etc, if any.
- ii) The Consolidated financial statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent required and possible, in the same manner as the Parent Company's separate financial statements.

2 Significant Accounting Policies

2.1 Basis of Preparation of Consolidated Financial Statements

These Consolidated financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with rule 7 of Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these Consolidated financial statements has been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III (Division I) to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

2.2 Use of estimates

The preparation of the Consolidated financial statements in conformity with the generally accepted accounting principles in India requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the Balance Sheet date, reported amount of revenues and expenses for the year and disclosure of contingent liabilities as of the Balance Sheet date. The estimates and assumptions used in these Consolidated financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the Consolidated financial statements. Actual results could differ from these estimates.

2.3 Fixed Assets and Depreciation

Tangible fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

Computer Software is capitalised in the period in which the software is implemented for use, where it is expected to provide future enduring economic benefits; such capitalisation costs include license fees and cost of implementation/ system integration services.

Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Cost includes inward freight, non refundable duties/ taxes and expenses incidental to acquisition/ installation.

Expenses relating to new planting of tea are capitalised. Expenses relating to other new plantings are capitalised except in case of some additional new planting in the unused portion of land where planting were done earlier but not covering the entire land area which is charged off when incurred.

Freehold land and leasehold land (perpetual lease) are not depreciated.

Tangible Fixed assets [other than freehold land and lease hold land (perpetual lease)] are depreciated under the written down value method [other than bearer plants (rubber trees and tea bushes) which are depreciated using straight line method] over the estimated useful lives of the assets, which are different from the lives prescribed under Schedule II to the Companies Act, 2013.



Useful life adopted by the Company for various class of assets is as follows

	Useful Lives
Factory Buildings	30 years
Non Factory Buildings	60 years
Plant and Machinery (including agricultural assets)	3/ 20 years
Furniture and Fittings	6 years
Water Supply	20/ 30/ 60 years
Vehicles	10 years
Bearer Plants - Rubber trees	28 years
Bearer Plants - Tea bushes	80 years

Computer software capitalised are amortised on a straight line basis over a period of five years from the date of capitalisation. License Fees is amortised at lower of the license period and five years.

Items of Property, Plant and Equipment that have been retired from active use and are held for disposal are stated at the lower of their net carrying amount and net realisable value and are shown separately in the Consolidated financial statements under the head 'Other current assets'. Any write-down in this regard is recognised immediately in the Statement of Profit and Loss.

2.4 Impairment

The carrying amounts of fixed assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of fixed assets of cash generating unit exceeds the recoverable amount (i.e. higher of net selling price and value in use). In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amounts of the assets over their remaining useful lives.

2.5 Investments

Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline, other than temporary, in the value of the long term investments. Current investments are stated at lower of cost and fair value. Fair value is determined on the basis of realisable or market value.

2.6 Inventories

Inventories are stated at lower of cost and net realisable value. Cost is determined on weighted average basis and includes expenditure incurred in the normal course of business in bringing inventories to its location and condition, labour and overhead, where applicable. Inventories are written down for obsolete/slow moving/non moving items wherever necessary.

2.7 Foreign currency translation

Foreign currency transactions (covered under Accounting Standard 11 on "The effect of changes in Foreign Exchange Rates") are recorded at rates prevailing on the date of the respective transactions. At the year end monetary assets and liabilities denominated in foreign currencies are restated at the closing exchange rates. The resultant exchange differences arising from settlement of foreign currency transactions and from the year end restatement are recognised in the Statement of Profit and Loss.

2.8 Revenue Recognition

Revenue from sale of tea at auction is recognised on receipt of sale note from brokers. Revenue from sale of tea other than at auction and sale of rubber is recognised on transfer of significant risks and rewards of ownership in goods in accordance with the terms of sale. Revenue from sale of rubber/ grevillea trees is recognised at the point of felling and removing the trees from the estates.

Revenue from fixed price construction contracts is recognised on the percentage of completion method based on the proportion of contract cost incurred for work performed up to reporting date bears to the estimated total contract cost. Total cost of the contracts are estimated based on technical and other estimates. Profit on such contracts is recognised not exceeding the overall contract margin. All foreseeable losses on contracts are provided for.

2.9 Derivative Contracts

Forward exchange contracts (other than forward exchange contracts covered under Accounting Standard 11 on "The effect of changes in Foreign Exchange Rates") outstanding as at the year end on account of firm commitments / highly probable forecast transactions are marked to market and the profit / losses (net) if any, are recognised in the statement of profit and loss in accordance with "Guidance Note on Accounting for Derivative Contracts" with effect from April 1, 2016.

2.10 Accounting for Government Grants

Revenue subsidy receivable from Tea Board towards manufacture of orthodox tea is accrued on production of orthodox tea.

Revenue subsidy receivable from Tea Board towards replanting activities undertaken is accounted on sanction of such subsidy by the Tea Board.

Capital subsidy from Tea Board and Rubber Board is adjusted against the cost of specific depreciable assets on receipt of such subsidy

2.11 Employee Benefits

i) Short Term

Short term employee benefits (i.e., benefits falling due within one year after the end of the period in which the employees render the related service) are recognised as expense in the period in which employee services are rendered as per the Company's schemes based on expected obligations on undiscounted basis.

ii) Post Retirement

Post-retirement benefits comprises of provident fund, superannuation and gratuity which are accounted for as follows:

a) Provident fund

This is a defined contribution plan where contributions are remitted to provident fund authorities in accordance with the relevant statute and charged to the Statement of Profit and Loss in the period in which the related employee services are rendered. The Company has no further obligations for future provident fund benefits in respect of these employees other than its monthly contributions.

b) Superannuation

This is a defined contribution plan. The Company contributes as per the scheme to superannuation fund administered by Life Insurance Corporation of India (LIC). The Company has no further obligations for future superannuation benefits other than its annual contributions and recognises such contributions as expense in the period in which the related employee services are rendered.

c) Gratuity

This is a defined benefit plan. Provision is based on year-end actuarial valuation using projected unit credit method. Actuarial gains / losses are recognised immediately in the Statement of Profit and Loss as income or expense.

(iii) Other Long term :

Compensated absences

This is a defined benefit plan. Provision is based on year-end actuarial valuation using projected unit credit method. Actuarial gains/ losses are recognised immediately in the Statement of Profit and Loss as income or expense.

2.12 Replanting Expenses

Replanting expenses consequent to replacement are charged to revenue as and when incurred.

2.13 Current and Deferred tax

Current tax is provided as the amount of tax payable in respect of taxable income for the period, measured using the applicable tax rates and tax laws. Deferred tax is provided on timing differences between taxable income and accounting income, measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets are recognised only if there is virtual/ reasonable certainty, as applicable, in keeping with Accounting Standard 22 on 'Accounting for Taxes on Income', that there will be sufficient future taxable income available to realise such assets. Deferred Tax assets are reviewed for the appropriateness of their respective carrying amount at each Balance Sheet date.

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax in excess of MAT during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax in excess of the MAT during the specified period.



2.14 Provisions and Contingent Liabilities

Provisions: Provisions are recognised when the Company has a present obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value.

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

3. Share Capital

(i) Authorised:

3,00,00,000 Equity Shares of ₹10 each

(ii) Issued, Subscribed and Paid up:

1,84,55,405 Equity Shares of ₹10 each fully paid up
Less: Allotment Money in Arrears

As at March 31, 2017	As at March 31, 2016
₹Lacs	₹Lacs
3,000.00	3,000.00
1,845.54	1,845.54
0.11	0.11
1,845.43	1,845.43

	March 31, 2017		March 31, 2016	
	Number of shares	₹ Lacs	Number of shares	₹ Lacs
(iii) Number of shares outstanding as at the beginning of the year	18,455,405	1,845.43	18,455,405	1,845.43
Number of shares outstanding as at the end of the year	18,455,405	1,845.43	18,455,405	1,845.43

(iv) Shares in the Company held by each shareholder holding more than 5 percent shares :

	March 31, 2017		March 31, 2016	
	Number of shares	% holding	Number of shares	% holding
Rainbow Investments Limited	4,471,063	24.23%	4,471,063	24.23%
Instant Holdings Limited	1,420,200	7.70%	1,420,200	7.70%
Swallow Associates LLP	1,190,722	6.45%	1,190,722	6.45%
Carnival Investments Ltd	1,121,230	6.08%	1,121,230	6.08%

(v) Rights, preferences and restrictions attached to equity shares mentioned above :

The Company has only one class of 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 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 remaining assets of the Company, in proportion to their shareholding.

4. Reserves and Surplus

Reserves

	Balance as at March 31, 2016 ₹ Lacs	Additions	Deductions	Balance as at March 31, 2017 ₹ Lacs
Capital reserve				
Securities premium account	5,002.91	-	-	5,002.91
Fixed assets revaluation reserve	13,957.19	-	(13,957.19)*	-
Other reserves				
Reserve arising from amalgamation	291.33	-	-	291.33
Housing subsidy reserve	5.26	-	-	5.26
General Reserve	1,687.82	-	-	1,687.82
Total	20,944.51	-	(13,957.19)	6,987.32

*Refer Note 34

Surplus in Statement of Profit and Loss

Balance as at the beginning of the year
Add/ Less :
(Loss) for the year as per Statement of Profit and Loss
Balance as at the end of the year
Total reserves and surplus

As at March 31, 2017	As at March 31, 2016
₹Lacs	₹Lacs
1,307.95	5,874.74
(521.56)	(4,566.79)
786.39	1,307.95
7,773.71	22,252.46

5 Long term borrowings
Secured

Term loan

From Banks
From Others

Less: Current maturities of Long-term debt referred to in Note 9

As at March 31, 2017	As at March 31, 2016
₹Lacs	₹Lacs
4,270.18	5,716.88
158.38	297.88
4,428.56	6,014.76
(858.57)	(1,595.20)
3,569.99	4,419.56

Term loan from banks

- Loan availed ₹ 6,000.00 Lacs during 2010 - 11 and 2011 - 12 repayable in 17 quarterly instalments of ₹ 333.30 Lacs commencing from September 2012 and final quarterly instalment of ₹ 333.90 Lacs is secured by equitable mortgage of immovable properties of the Company situated in Kumbazha estate. The loan carries an interest rate of base rate plus 3% per annum payable on a monthly basis from disbursement of the loan. During March 2014, the Company has revised the terms of repayment of the loan outstanding of ₹ 1,500 lacs (balance being paid) repayable in 5 quarterly instalments commencing from December 2015 of ₹ 166.67 Lacs and ₹ 333.33 Lacs for the balance 4 instalments upto December 2016. Year end balance is ₹ Nil (Previous year ₹ 1,000 Lacs).
- Loan availed of ₹ 1,173.61 Lacs during 2012 - 13 is repayable in 31 quarterly instalments of ₹ 36.69 Lacs commencing from July 2014 and final quarterly instalment of ₹ 36.22 Lacs, is secured by equitable mortgage to be created on immovable property of the Company situated in Mayfield Estate. The loan carries an interest rate of base rate plus 2.75% per annum payable on a monthly basis from disbursement of the loan. Year end balance is ₹ 770.18 Lacs (Previous year ₹ 916.89 Lacs)
- Loan availed of ₹ 4,000.00 Lacs during the 2013 - 14 is repayable in 24 quarterly instalments repayable as 6 quarterly instalments of ₹ 50.00 Lacs commencing from June 2015 upto September 2016, 4 quarterly instalments of ₹ 100.00 Lacs from December 2016 to September 2017, 8 quarterly instalment of ₹ 200.00 Lacs from December 2017 to September 2019, 4 quarterly instalments of ₹ 250.00 Lacs from December 2019 to September 2020 and 2 quarterly final instalments of ₹ 350 Lacs from December 2020 to March 2021, is secured by equitable mortgage of immovable properties of the Company situated in Kumbazha estate. The loan carries an interest rate of base rate plus 2% per annum payable on a monthly basis from disbursement of the loan. Year end balance is ₹ 3,500.00 Lacs (Previous year ₹ 3,800.00 Lacs).

Term loan from others

- Term loan from others are secured by hypothecation of assets acquired out of these loans which are repayable in equated monthly instalments (ranging between 3 to 5 years) along with the applicable interest rates (ranging between 10.75% to 15.01%).

Repayment terms :

Payable in 0-1 year
Payable in 1-2 years
Payable in 2-3 years
Payable in 3-4 years

As at March 31, 2017	As at March 31, 2016
₹Lacs	₹Lacs
111.87	148.50
31.50	108.71
14.32	28.93
0.69	11.74
158.38	297.88



6 Long-term provisions

Provision for employee benefits :

Provision for gratuity	4,306.12	4,423.94
Provision for compensated absence	102.34	80.62
	4,408.46	4,504.56

Other provisions :

Contingency reserve #	492.00	492.00
	4,900.46	4,996.56

#

Balance at the beginning of the year	492.00	492.00
Provision made during the year	-	-
Utilised / reversed during the year	-	-
Balance at the end of the year	492.00	492.00

Provision for contingency represents the potential exposure on account of legal dispute. However the nature of the provision has not been disclosed in detail on the grounds that it is expected to prejudice the interests of the Company.

7 Short-term borrowings

Secured

Cash credit from banks repayable on demand	3,448.08	3,603.79
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Unsecured

Loans

From banks	500.00	1,000.00
From others	1,145.00	600.00
	5,093.08	5,203.79

Cash credit from banks

Secured by equitable mortgage of immovable properties of the Company situated in Arrapetta Estate, hypothecation of standing crop in Achoor, Arrapetta, Panniar, Mayfield, Lahai, Isfield and Nagamallay Estates and by hypothecation of stocks of tea, rubber, trading merchandise, stores and spares, book debts and other movable assets both present and future.

8 Trade payables

	As at March 31, 2017	As at March 31, 2016
(a) Total outstanding dues of micro enterprises and small enterprises and	161.24	128.37
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	3,065.16	2,674.55
	3,226.40	2,802.92

Micro and Small Enterprises :

The Company has amounts due to suppliers under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

Principal amount and the interest due thereon remaining unpaid to suppliers under

MSMED as at the end of accounting year

	As at March 31, 2017	As at March 31, 2016
Principal	113.27	93.22
Interest	4.73	1.68
Interest paid to suppliers under section 16 of MSMED along with the amount of the payment made to suppliers beyond the appointed day during the year	-	-
The amount of interest due and payable for principal paid during the year beyond the appointed day without adding the interest specified under MSMED	-	-
Principal	225.14	266.06
Interest	8.09	9.14

	As at March 31, 2017	As at March 31, 2016
The amount of interest accrued and remaining unpaid at the end of the year (including ₹ 35.15 Lacs (Previous year ₹ 24.33 Lacs) being interest outstanding as at the beginning of the accounting year)	47.97	35.15
The amount of further interest remaining due and payable even in the succeeding year, until such date when interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as deductible expenditure under Section 23 of the MSMED	12.82	10.82
	As at March 31, 2017	As at March 31, 2016
	₹ Lacs	₹ Lacs
9 Other current liabilities		
Current maturities of long term borrowings (Refer Note 5)	858.57	1,595.20
Interest accrued but not due on borrowings	30.73	30.92
Unpaid dividends (Refer Note 9a)	37.73	44.61
Others :		
Employee benefits payable	2,788.01	3,009.20
Statutory dues	2,513.02	2,360.43
Advance against asset held for sale	972.00	-
Advance from customers	504.00	469.31
Security deposits	192.27	135.31
	7,896.33	7,644.98
9 (a) There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of The Companies Act, 2013 as at the year end. For ₹ 6.20 lacs (previous year ₹ Nil), where the Company had initiated the process for the transfer of the Unclaimed dividend (pertaining to the financial year 2008-2009) to the Investor Education and Protection Fund (IEPF), the challan generated by the Company on December 5, 2016 (due date being December 5, 2016) was processed by Punjab National Bank only on December 14, 2016 due to certain technical problem encountered by the said bank. Accordingly the money was credited to IEPF on December 14, 2016.		
10 Short term provisions		
Provision for employee benefits:		
Provision for gratuity	617.23	240.74
Provision for compensated absence	28.81	26.58
Others :		
Provision for		
Income tax (Net of advance tax of ₹ 13,942.29 Lacs; Previous year ₹ 13,891.95 Lacs)	505.62	555.96
Fringe benefit tax (Net of advance tax of ₹ 92.42 Lacs; Previous year ₹ 92.42 Lacs)	122.64	122.64
	1,274.30	945.92



Note 11 Fixed Assets

₹ in Lacs

Description of Assets		Gross Block			Depreciation and amortisation			Net Block		
		Cost/ Valuation as at April 1 ,2016	Additions	Disposals/ Adjustments	Cost as at March 31, 2017	As at April 1, 2016	For the year	On Disposals/ Adjustments	As at March 31, 2017	As at March 31, 2016
Tangible assets										
Land - Freehold and Leasehold (Note 1 and 2 below)		36878.67*	-	13957.19**	22,921.48	-	-	-	22,921.48	39,382.29
Bearer Plants (Note 2 below)		2503.62*	204.98	389.66*	2,318.94	-	39.00	-	2,279.94	-
Buildings		3,819.16	27.30	205.60	3,640.86	2,451.89	97.08	86.53	2,462.44	1,178.42
Plant and Machinery		6,116.16	65.45	113.82	6,067.79	4,954.04	276.48	106.80	5,123.72	1,162.12
Furniture and Fittings		302.92	4.04	1.70	305.26	277.62	6.94	1.11	283.45	25.30
Water Supply		876.23	6.58	20.94	861.87	659.98	24.31	20.07	664.22	216.25
Vehicles		722.71	8.00	33.33	697.38	551.50	44.19	24.69	571.00	171.21
Total tangible assets		51,219.47	316.35	14,722.24	36,813.58	8,895.03	488.00	239.20	27,669.75	42,324.44
Previous year		51,287.31	226.70	294.54	51,219.47	8,571.61	538.60	215.18	42,324.44	42,715.70
Intangible assets										
Computer Software		66.47	-	-	66.47	14.32	13.32	-	27.64	52.15
Total intangible assets		66.47	-	-	66.47	14.32	13.32	-	27.64	52.15
Previous year		60.00	6.47	-	66.47	1.00	13.32	-	14.32	59.00
Grand Total		51,285.94	316.35	14,722.24	36,880.05	8,909.35	501.32	239.20	27,708.58	42,376.59
Previous year		51,347.31	233.17	294.54	51,285.94	8,572.61	551.92	215.18	42,376.59	42,774.70
Capital work-in-progress - at cost -Tangible assets (Also refer Note 2 below)									258.77	82.64
									27,967.35	42,459.23

Notes :

- Land includes certain leasehold lands the value of which is not separately ascertainable.
- *The development cost (representing cost of bearer plants) as was disclosed under the head "Land and Development" as on March 31, 2016 has been bifurcated as Land and Bearer Plants as on April 1, 2016. The adjustments to Bearer plants represents Bearer plants in progress and has been transferred to Capital Work in Progress. (Also refer note 34).
- **Represents adjustment of outstanding balance in fixed asset revaluation reserve against the carrying value of land as on April 1, 2016. (Also refer note 34).
- Title deeds of the immovable properties set out in the above table are in the name of Malayalam Plantations Limited (MPL)/Harrisons Crosfield Ltd (HCL) except as set out below which are in the name of the Company. Inter alia, the immovable properties of MPL got transferred to and vested in Malayalam Plantations (India) Limited (MPIL) vide a Scheme of Arrangement and Amalgamation in 1978. Further, inter alia the immovable properties of Harrisons Crosfield (India) Limited got transferred and vested in MPIL vide a Scheme of Arrangement and Amalgamation in 1984. The name of MPIL a Company incorporated in 1978 got changed to Harrisons Malayalam Limited in 1984.

Title deeds of the immovable properties set out in the above table, which are in the name of Parent Company are:

	Gross Block	Net Block
Land and Building	136.72 Lacs	31.24 lacs

- The disposal/adjustments of buildings (Net book value ₹ 119.07 lakhs) represents transfer to Asset held for sale classified under Other current Assets .

Note 11.1 Fixed Assets

₹ in Lacs

Description of Assets	Gross Block			Depreciation and amortisation			Net Block		
	Cost/ Valuation as at March 31, 2015	Additions	Disposals/ Adjustments	Cost/ Valuation as at March 31, 2016	As at March 31, 2015	For the year	On Disposals/ Adjustments	As at March 31, 2016	As at March 31, 2015
Tangible assets									
Land and Development - Freehold and Leasehold (Note 1 below)	39,382.86	8.67	9.24	39,382.29	-	-	-	39,382.29	39,382.86
Buildings	3,846.51	18.81	46.16	3,819.16	2,387.97	103.75	39.83	2,451.89	1,458.54
Plant and Machinery	6,112.39	194.56	190.79	6,116.16	4,757.51	334.51	137.98	4,954.04	1,354.88
Furniture and Fittings	312.24	0.78	10.10	302.92	276.27	9.52	8.17	277.62	35.97
Water Supply	886.76	2.80	13.33	876.23	642.49	27.73	10.24	659.98	244.27
Vehicles	746.55	1.08	24.92	722.71	507.37	63.09	18.96	551.50	239.18
Total tangible assets	51,287.31	226.70	294.54	51,219.47	8,571.61	538.60	215.18	42,324.44	42,715.70
Intangible assets									
Computer Software	60.00	6.47	-	66.47	1.00	13.32	-	14.32	59.00
Total intangible assets	60.00	6.47	-	66.47	1.00	13.32	-	14.32	59.00
Grand Total	51,347.31	233.17	294.54	51,285.94	8,572.61	551.92	215.18	42,376.59	42,774.70
Capital Work-In-Progress - at cost -Tangible Assets								82.64	182.87
								42,459.23	42,957.57

Notes :

- Land and development includes
 - Certain leasehold lands the value of which is not separately ascertainable
 - ₹ 13,957.19 Lacs added on revaluation during 1990-1991 and credited to Fixed Assets Revaluation Reserve.
 - ₹ 22,739.61 Lacs added on revaluation during 2009-2010 and credited to Fixed Assets Revaluation Reserve. The credit to Fixed Assets Revaluation Reserve has been adjusted against the excess of liabilities over the assets taken over (₹ 21,233.80 lacs) and the carrying value of investments in the shares of the wholly owned subsidiary companies (₹ 1,218.91 lacs) and the balance amount of ₹ 286.90 Lacs was transferred to Capital Reserve arising from amalgamation as per the scheme.
- Depreciation for the year includes ₹ 0.48 lacs (Previous year ₹ 8.06 lacs) relating to discontinuing operation (Refer Note 42)
- Title deeds of the immovable properties set out in the above table are in the name of Malayalam Plantations Limited (MPL)/Harrisons Crosfield Ltd (HCL) except as set out below which are in the name of the Company. Inter alia, the immovable properties of MPL got transferred to and vested in Malayalam Plantations (India) Limited (MPII) vide a Scheme of Arrangement and Amalgamation in 1978. Further, inter alia the immovable properties of Harrisons Crosfield (India) Limited got transferred and vested in MPII vide a Scheme of Arrangement and Amalgamation in 1984. The name of MPII a Company incorporated in 1978 got changed to Harrisons Malayalam Limited in 1984.

Title deeds of the immovable properties set out in the above table , which are in the name of the Company are:

	Gross Block	Net Block
Land and Building	136.72 lacs	32.10 lacs



	As at March 31, 2017 ₹Lacs	As at March 31, 2016 ₹Lacs
12 Non-current investments		
Long term - At cost		
Other than trade		
Unquoted investment		
(i) Investment in government securities		
National Savings Certificates	0.01	0.02
Treasury Savings Account	1.00	1.00
	1.01	1.02
13 Long-term loans and advances		
Unsecured and considered good		
Capital advances	16.81	7.01
Electricity and other deposits	251.63	243.63
Advance to workers	491.23	491.23
	759.67	741.87
14 Other non-current assets		
Unsecured and considered good		
Margin money deposit with banks having maturity more than 12 months	66.64	29.28
Bank deposit on lien	1.73	1.73
	68.37	31.01
15 Current investments		
At lower of cost and fair value		
Other than trade		
Unquoted investment		
(i) Investments in equity shares of subsidiaries		
100,000 equity shares of ₹ 10 each in Enchanting Plantations Limited	10.00	10.00
50,000 equity shares of ₹ 10 each in Harmony Plantations Limited	5.00	5.00
	15.00	15.00
16 Inventories		
At lower of cost and net realisable value		
Finished goods *	1,435.84	1,242.21
Stores and spares #	934.27	955.83
Nurseries	20.98	20.69
Raw materials (Latex)	15.23	-
	2,406.32	2,218.73
* Particulars of closing inventories of Finished goods		
Tea	858.63	1,003.13
Rubber	577.21	239.08
	1,435.84	1,242.21
# Stores and spares includes packing materials of ₹ 370.70 lacs (Previous year- ₹ 308.57 lacs)		

	As at March 31, 2017 ₹Lacs	As at March 31, 2016 ₹Lacs
17 Trade receivables		
Unsecured		
Outstanding for a period of more than six months from the due date of payment.		
Considered good	82.40	53.09
Considered doubtful	509.75	464.45
Less: Provision for doubtful receivables	(509.75)	(464.45)
	82.40	53.09
Other debts		
Considered good	676.96	640.57
	676.96	640.57
	759.36	693.66
18 Cash and bank balances		
Cash and cash equivalents		
Cash on hand	14.71	19.79
Bank balances		
In current accounts	111.63	716.39
	126.34	736.18
Other bank balances		
Margin money deposits with original maturity greater than 3 months and maturing within 12 months	111.05	159.37
Unpaid dividend accounts	37.73	44.61
	275.12	940.16
19 Short-term loans and advances		
Unsecured and considered good		
Advances to employees	130.73	135.51
Advance to suppliers	257.18	222.51
Balances with Government Authorities	2,017.48	1,992.73
Prepaid expenses	110.64	97.16
Claims recoverable	1.83	0.50
	2,517.86	2,448.41
Unsecured and considered doubtful		
Balances with Government Authorities	27.14	27.14
Advance to suppliers	26.09	26.09
Advances to body corporates	189.64	189.64
	242.87	242.87
Less: provision for doubtful advances	(242.87)	(242.87)
	2,517.86	2,448.41
20 Other current assets		
Unsecured and considered good		
Subsidy receivable	448.80	311.40
Unbilled revenue	145.71	145.71
Export Entitlement	80.49	96.41
Interest accrued on bank deposits	14.08	9.01
Asset held for sale	119.07	-
Derivative asset	1.49	-
	809.64	562.53
Unsecured and considered doubtful		
Export entitlement	13.54	13.54
Less: Provision for doubtful advances	(13.54)	(13.54)
	809.64	562.53



	As at March 31, 2017 ₹Lacs	As at March 31, 2016 ₹Lacs
21 Revenue from operations		
Sale of products *	36,037.31	27,765.09
Sale of services #	-	58.04
Other operating revenues		
Tea board subsidy	273.69	262.44
Export entitlements	186.70	157.50
Others	166.32	300.52
	36,664.02	28,543.59
Less: Discontinuing operation (Refer Note 42)	-	58.04
	36,664.02	28,485.55
*Details of sale of products		
Tea	16,951.29	15,046.74
Rubber	18,151.30	12,408.02
Fruits, spices and others	321.24	239.91
Green leaf	613.48	70.42
	36,037.31	27,765.09
#Details of sale of services (Discontinuing operation)		
Construction contracts (Refer Note 31)	-	58.04
22 Other income		
Interest income on bank deposits and other deposits	25.97	21.16
Profit on sale of fixed assets (net)	4.64	2.98
Net gain on foreign currency transactions and translation	20.78	-
Mark to Market gain on derivative contracts	1.49	-
Liability no longer required written back	26.34	-
Other non-operating income	459.19	292.33
	538.41	316.47
Less: Discontinuing operation (Refer Note 42)	-	0.41
	538.41	316.06
23 Cost of materials consumed (all indigenous)		
Inventory at the beginning of the year	-	-
Add : Purchases	11,462.58	7,224.40
	11,462.58	7,224.40
Less : Inventory at the end of the year	15.23	-
Cost of materials consumed	11,447.35	7,224.40
Details of materials consumed:		
Green leaf	2,947.71	2,363.67
Bought latex and sheets	8,409.43	4,506.11
Tea used for blending	90.21	354.62
	11,447.35	7,224.40
24 Purchase of stock-in-trade		
Genex / TSR	430.75	609.63
Fruits, spices and others	7.53	40.10
	438.28	649.73

	As at March 31, 2017 ₹Lacs	As at March 31, 2016 ₹Lacs
25 Changes in inventories of finished goods		
Inventory at the end of the year		
Tea	858.63	1,003.13
Rubber	577.21	239.08
	1,435.84	1,242.21
Inventory at the beginning of the year		
Tea	1,003.13	1,045.15
Rubber	239.08	183.57
	1,242.21	1,228.72
	(193.63)	(13.49)
26 Employee benefits expense		
Salaries and wages	12,103.69	10,973.63
Contribution to provident fund	1,306.45	1,078.42
Contribution to superannuation fund	77.44	81.42
Gratuity	939.64	1,510.12
Staff welfare expenses	354.33	389.79
	14,781.55	14,033.38
Less: Discontinuing operation (Refer Note 45)	7.75	21.51
	14,773.80	14,011.87

- 26.1** In keeping with the Company's gratuity scheme (an unfunded defined benefit plan), eligible employees are entitled for gratuity benefit (as per the The Payment of Gratuity Act, 1972) on retirement/death/incapacitation/ termination. Also refer note 2.11(ii)(c) for accounting policy relating to gratuity. Following are the further particulars with respect to gratuity:-

	(₹ Lacs)				
	2016-17	2015-16	2014-15	2013-14	2012-13
1 Present value of obligation at the beginning of the year	4,664.68	3,836.22	3,550.59	2,833.00	2,704.99
Interest cost	313.50	270.54	246.94	222.73	189.07
Current service cost	265.86	251.43	207.74	165.23	615.68
Benefits paid	(680.97)	(681.66)	(653.67)	(575.17)	(696.63)
Actuarial loss	360.28	988.15	484.62	904.80	19.89
Present value of obligation at the Balance Sheet date (Amount recognised in Balance Sheet)	4,923.35	4,664.68	3,836.22	3,550.59 #	2,833.00
2 Amounts recognized in the Statement of Profit and Loss					
Current service cost	265.86	251.43	207.74	165.23	615.68
Interest cost	313.50	270.54	246.94	222.73	189.07
Actuarial loss	360.28	988.15	484.62	904.80	19.89
Expenses recognized in the Statement of Profit and Loss (Refer Note 26)	939.64	1,510.12	939.30	1,292.76	824.64
3 Principal actuarial assumptions					
Discount rate	7.25%	7.74%	7.66%	8.75%	8.00%
Salary escalation	5.00%	5.00%	5.00%	5.00%	5.00%
Attrition rate	3.00%	3.00%	3.00%	3.00%	3.00%

The estimation of future salary increase considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in employment market.



26.2 Amount recognised as expense during the year for defined contribution plans :

	2016-17	2015-16
	₹ Lacs	₹ Lacs
Contribution to provident fund (included in Contribution to provident fund in Note 26)	1,306.45	1,078.42
Contribution to superannuation fund (Refer Note 26)	77.44	81.42

27 Other expenses

	As at March 31, 2017 ₹Lacs	As at March 31, 2016 ₹Lacs
Consumption of stores and spare parts	1,630.62	1,342.07
Consumption of packing material	904.40	782.03
Engineering contract cost - Materials and other expenses	7.55	7.90
Contract costs	1,013.70	1,029.22
Power and fuel	2,026.98	1,985.72
Rent	117.02	118.25
Rates and taxes	213.02	214.97
Repairs and maintenance		
Buildings	341.80	279.50
Plant and machinery	310.75	354.41
Others	101.29	92.21
Insurance	67.95	54.05
Tea cess	67.63	67.84
*Replanting expenses	585.30	983.27
Travelling and conveyance	413.69	436.74
Professional / consultancy charges	224.19	291.97
Brokerage and discount	149.05	116.12
Commission to selling agent	31.60	15.89
Freight, shipping, transport and other charges	684.95	578.41
Directors' sitting fees	7.40	6.20
Provision for doubtful debts/advances	45.30	88.48
Provision for diminution in value of Investments	-	-
Miscellaneous expenses	883.28	1,088.72
	9,827.47	9,933.97
Less: Discontinuing operation (Refer Note 42)	27.80	84.37
	9,799.67	9,849.60

* Replanting expense includes material consumption and wages of ₹ 67.53 lacs (Previous year ₹ 154.72 lacs) and ₹483.90 lacs (Previous year- ₹776.29 lacs) respectively

28 Finance costs

Interest expense	1,368.64	1,395.50
Other borrowing cost	18.57	24.59
	1,387.21	1,420.09

29 Contingent liabilities and commitments

29.1 Contingent liabilities :

	As at March 31, 2017 ₹Lacs	As at March 31, 2016 ₹Lacs
a) Claims against the Company not acknowledged as debt		
i. Employee related	423.54	386.38
ii. Penalties under section 14B of Employees' Provident Fund Miscellaneous Provisions Act 1952	-	59.33
iii. Disputed income tax matters	1,237.22	1,526.58
iv. Sales tax matters	117.32	

v	The Government of Kerala had issued a notification in February 2006, enhancing the minimum wages of plantation workers which has been challenged by the Association of Planters of Kerala of which the Company was a member and an interim stay was granted by the High Court of Kerala. As the Company resigned from Association of Planters of Kerala with effect from 12.02.2007, a separate writ petition was filed and an interim stay of the Government Notification obtained.	205.47	205.47
b)	Others		
(i)	Outstanding bills discounted with bank	227.60	461.84

29.2 Commitments :

Estimated amount of contracts remaining to be executed on Capital Account and not provided for, net of advance payments of ₹ 16.81 lacs (Previous year ₹ 7.01 lacs)	60.58	15.03
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30 No adjustment is required to be made in the accounts in respect of :

- a An area of 807 hectares (approximately) [Previous Year 807 hectares (approximately)], which is on a leasehold tenure falls under the provisions of the Gudalur Jenmam Estate (Abolition and Conversion into Ryotwari) Act, 1969. Company's appeal challenging the Order of the Settlement Officer rejecting its application for Patta is pending before the District Court, Ooty. During the year the Madras High Court held that out of this area, the notification of 335 Hectares (Previous Year 335 Hectares) as forest by the Settlement Officer is valid and the Parent Company is in the process of filing appeal before the division bench against this judgement.
- b An area of 178 hectares (approximately) [Previous Year 178 hectares (approximately)] deemed to have been vested with the Government of Kerala pursuant to Kerala Private Forests (Vesting and Assignment) Act, 1971, as the Company's claim for the exclusion of the area from the purview of the Act is pending decision of the Forest Tribunal, Palghat and restoration by the Forest Department.
- c An area of 2588 hectares (approximately) [Previous Year 2588 hectares (approximately)] liable to be surrendered to the Government of Kerala under the Kerala Private Forests (Vesting and Assignment) Act, 1971, as the appeals relating to this area are pending in the High Court of Kerala.
- d The Vythiri Taluk Land Board's order directing the Company to surrender 707 hectares (approximately) [Previous Year 707 hectares (approximately)] as excess land under the Kerala Land Reforms Act, 1963 has been set aside by the High Court of Kerala on a revision petition filed by the Company and the matter has been remanded to the Vythri Taluk Land Board for fresh consideration and disposal.
- e An area of 415 hectares (approximately) [Previous Year 415 hectares (approximately)] held to be surplus under the Tamil Nadu Land Reforms (Fixation of Ceiling on Land) Act, 1961 as the Special Land Tribunal, Madras has remanded the matter for fresh consideration by the Authorised Officer, Coimbatore.
- f An area of 1722 hectares (approximately) [Previous Year 1187 hectares (approximately)] in respect of which cases filed by Janmies (original owners) of Lahai, Koney and Arrapetta Estates challenging the validity of the lease is pending before the Sub-Court, Pathanamthitta, Sub-Court, Sulthan Bathery and High Court of Kerala.
- g An area of 304 hectares (approximately) [Previous Year 304 hectares (approximately)] re-notified as vested forests by the Government of Kerala as the Company's writ petition challenging the notification is pending before the High Court of Kerala.
- h An area of 1982.45 hectares (Previous Year 1982.45 hectares) of Mooly Valley estates notified by the Government of Kerala for resumption alleging violation of lease conditions as proceedings has been stayed by the Sub Court, Irinjalakuda.
- i An area of 336.64 hectares (Previous Year 336.64 hectares) of rubber field of Koney estate in respect of which the Writ Petition filed by the Company and the status quo order passed by the High Court of Kerala challenging the proceedings initiated by the Government of Kerala to resume such lands, is in force.
- j An area of 12154 hectares (Previous Year 12154 hectares) in respect of which the Government of Kerala has issued order of resumption under the Kerala Land Conservancy Act claiming it to be Government Lands, the further proceedings of which has been prevented by High Court of Kerala, on a writ petition filed by the Company.



	As at March 31, 2017 ₹ Lacs	As at March 31, 2016 ₹ Lacs
31 Disclosure relating to construction contracts		
Contract revenue recognised during the year	-	58.04
Gross amount due from customers	28.48	57.40

32 Segment reporting

The Company has considered business segments as the primary segment and geographical segments as the secondary segments. The business segments are: Tea, Rubber, Engineering and others which have been identified taking into account the organisational structure as well as the differing risks and returns of these segments. Other segments comprise of Plant Tissue Culture, Fruits, Spices and others and Wyanaad Medical Fund. The geographical segments are identified on the basis of the location of customers.

(a) Primary Segment Information - By Business Segments *	Continuing operations			Discontinuing operations	
	Tea (₹ Lacs)	Rubber (₹ Lacs)	Other (₹ Lacs)	Engineering (₹ Lacs)	Total (₹ Lacs)
Description					
External Sales	18,060.00	18,164.00	440.02	-	36,664.02
	(15,553.62)	(12,453.16)	(478.77)	(58.04)	(28,543.59)
Inter-segment Sales	-	-	-	-	-
	-	-	-	-	-
Segment Revenue	18,060.00	18,164.00	440.02	-	36,664.02
	(15,553.62)	(12,453.16)	(478.77)	(58.04)	(28,543.59)
Segment Result - Profit/(Loss)	(464.55)	944.10 @	395.68	(35.55)	839.68
	(2,550.83)	(1,327.16)	758.21 #	(48.08)	(3,167.86)
Less: Interest Expenses					1,368.64
					(1,395.50)
Add: Unallocated Income (net of unallocated expense					7.40
₹ 18.57 lacs) (Previous year					(3.43)
Unallocated expense net of unallocated income ₹ 20.99 Lacs)					
Loss before Tax					(521.56)
					(4,566.79)
Less : Income Taxes					-
					-
(Loss) Profit after Tax					(521.56)
					(4,566.79)
Other Information					
Segment Assets	27,167.15	7,848.23	29.26	161.48	35,206.12
	(36,173.97)	(12,651.48)	(105.29)	(184.69)	(49,115.43)
Unallocated Assets					373.58
					(996.19)
Total Assets					35,579.70
					(50,111.62)
Segment Liabilities	8,392.68	7,044.42	58.25	246.84	15,742.19
	(7,217.18)	(6,610.21)	(41.53)	(203.05)	(14,071.97)
Unallocated Liabilities					10,218.37
					(11,941.76)
Total Liabilities					25,960.56
					(26,013.73)
Segment Capital Expenditure	49.25	63.37	-	-	112.62
	(88.08)	(29.57)	-	-	(117.65)

Segment Depreciation	377.18	122.70	1.44		501.32
	(406.84)	(144.37)	(0.23)	(0.48)	(551.92)
Segment non-cash expense other than depreciation	12.25	2.96	30.09	-	45.30
	(30.64)	-	(39.26)	(18.58)	(88.48)
(b) Secondary Segment information - By Geographical Segments *					
Description	India	Outside India			Total
	₹ Lacs	₹ Lacs			₹ Lacs
External Sales	31,697.67	4,966.35			36,664.02
	(24,300.65)	(4,242.94)			(28,543.59)
Segment Assets	35,044.42	161.70			35,206.12
	(48,799.73)	(315.70)			(49,115.43)
Segment Capital Expenditure	112.62	-			112.62
	(117.65)	-			(117.65)

All operating facilities are located in India.

* Figures in bracket represent previous year's figures @ includes exceptional item of ₹465.56 lacs (refer note 41)

includes exceptional item of ₹373.15 lacs (refer note 41)

33 Related party disclosures

a List of related parties where control exists

Wholly owned subsidiaries

Enchanting Plantations Limited (EPL)

Harmony Plantations Limited (HPL)

Malayalam Plantations Limited (MPL) (100% subsidiary of EPL)

b Key management personnel

Mr. V. Venugopal (Manager)

Mr. N. Dharmaraj (Whole Time Director)

c Related party transactions

Description	₹ Lacs			
	Subsidiary Companies		Key Management Personnel (KMP)	
	2016-17	2015-16	2016-17	2015-16
Transaction during the year				
Remuneration				
V. Venugopal	-	-	44.46	44.02
N. Dharmaraj	-	-	86.33	85.44
Balance as at year end				
Investment in subsidiaries				
EPL	10.00	10.00	-	-
HPL	5.00	5.00	-	-
Remuneration payable				
V. Venugopal	-	-	2.04	-
N. Dharmaraj	-	-	5.50	-

34 Changes in Accounting Policy

a) Property Plant and Equipment

Upto March 31, 2016, cost of bearer plants (rubber trees and tea bushes) was accounted for and disclosed as part of Land and Development cost (Refer note 2.3). Consequent to the Companies (Accounting Standards) Amendment Rules, 2016, published by the Ministry of Corporate Affairs which is effective from April 1, 2016 the new Accounting Standard AS - 10 Property Plant and Equipment recognises bearer Plants as a separate class of depreciable Property, Plant and Equipment. The development cost (representing cost of bearer plants) as was disclosed under the head "Land and Development" as on March 31, 2016 has been bifurcated as Land, Bearer Plants and Bearer Plants in Progress and measured as per the Cost Model as on April 1, 2016 in keeping with the aforesaid AS 10.



Land

As the Company decided to adopt the cost model, ₹ 13,957.19 lakhs being the revaluation amount included in the carrying value of Land has been adjusted against the related Fixed Asset Revaluation Reserve as on April 1, 2016 (Refer Note 4).

Bearer Plants

The Bearer Plants as at March 31, 2016 have been depreciated over their balance useful life. Had the Company continued to follow the earlier accounting policy, the depreciation charge recognised in the Statement of Profit and Loss would have been lower by ₹ 39.00 lakhs and the net block of Property Plant and Equipment as on March 31, 2017 would have been higher by ₹ 39.00 lakhs. Consequentially, the loss for the year would have been lower by ₹ 39.00 lakhs and the loss per equity share would have been lower by Re. 0.21.

Bearer Plant in Progress

As on 1st April 2016, Bearer Plants in Progress amounting to ₹ 389.66 lakhs has been classified as Capital Work in Progress.

b) Derivative contract:

The Company was following a policy for accounting for derivative contracts based on the announcement of Institute of Chartered Accountants of India (ICAI) issued in March 2008, wherein only mark to market losses were recognised in the statement of profit and loss, however based on the new Guidance Note by ICAI effective accounting period commencing from April 1, 2016 the Company recognises profits and losses (net) if any, in the statement of profit and loss. Had the Company followed the earlier accounting policy the Mark to Market gain on foreign currency would have been lower by ₹ 1.49 lakhs with a corresponding impact on the loss for the year (higher by ₹ 1.49 Lacs) and the loss per equity share would have been higher by Re.0.01.

35 (Loss) Per Share

Particulars	2016 - 17	2015 - 16
a) (Loss) after tax (₹ lacs)	(521.56)	(4,566.79)
b) Number of equity shares at the beginning of the year	18,455,405	18,455,405
c) Number of equity shares at the end of the year	18,455,405	18,455,405
d) Weighted average number of equity shares outstanding	18,455,405	18,455,405
e) Nominal value of each equity share (₹)	10.00	10.00
f) Basic and diluted (loss) per share (₹) (a/d)	(2.83)	(24.75)

36 Derivative instruments and unhedged foreign currency exposure

i. Derivatives outstanding as at the reporting date

	Year ended March 31, 2017		Year ended March 31, 2016	
	Value in foreign currency	₹ In Lacs	Value in foreign currency	₹ In Lacs
Forward Contracts to sell USD Hedge of highly probable	0.91	60.05	12.88	878.11
Forward Contracts to sell Euro forecast transactions	0.83	58.72	0.40	29.74
Forward Contracts to sell GBP	-	-	0.30	29.42

ii. Particulars of unhedged foreign currency exposures as at the reporting date

	Year ended March 31, 2017		Year ended March 31, 2016	
	Value in foreign currency	₹ In Lacs	Value in foreign currency	₹ In Lacs
Trade receivables (In USD)	0.24	15.54	-	-

37.1 The subsidiary [which along with Harrisons Malayalam Limited (Parent Company) constitute the Group] considered in the preparation of these Consolidated Financial Statements is :

Name of the Company	Country of Incorporation	Proportion of Ownership Interest as at 30.05.2016*	Proportion of Ownership Interest as at 31.03.16
HML Engineering Company Ltd (effective June 6, 2011)	India	100%	100%

*HML Engineering Company Limited has been dissolved with effect from June 01, 2016

37.2 Following subsidiaries (including step down subsidiary) of the Parent Company have not been considered for the purpose of these Consolidated Financial Statements as the control is intended to be temporary because these subsidiaries have been formed and held exclusively for restructuring purposes.

Enchanting Plantations Limited

Harmony Plantations Limited

Malayalam Plantations Limited (Step down)

Pursuant to the said restructuring in keeping with the related scheme of Arrangement/ Amalgamation, these subsidiaries will not remain as subsidiaries to Harrisons Malayalam Limited (Parent Company). Investments in these subsidiaries have been accounted for in accordance with Accounting Standard 13- 'Accounting for Investments' in these consolidated financial statements.

38 Information on Net Assets and Profits

Name of the Entity

	₹Lacs		₹Lacs	
	Net Assets		Share in Profit and Loss	
	As a % of Consolidated net assets	Amount	As a % of Consolidated Profit or Loss	Amount
Harrisons Malayalam Limited	100% (100%)	9,619.14 (24,097.89)	100% (100%)	-521.56 (-4563.24)
Subsidiary				
HML Engineering Company Ltd	0% -	- -	0% -	- -3.55
Total	100% (100%)	9,619.14 (24,097.89)	100% (100%)	-521.56 (-4566.79)

Figures in bracket represent for previous year

39 Taxation

- No provision for Agricultural Income Tax has been considered necessary in view of the carry forward losses.
- The Company has not recognised any Deferred Tax Asset in respect of unabsorbed depreciation/ brought forward losses and other timing differences in accordance with Accounting Standard 22 "Accounting for Taxes on Income" in the absence of virtual/ reasonable certainty that sufficient future taxable income will be available against which such asset could be realised.
- The Company has not recognized MAT credit on a prudent basis in the absence of reasonable certainty that sufficient future tax profit against which such credit could be realised.

40 The Parent Company has entered into a composite scheme of arrangement and amalgamation amongst Harrisons Malayalam Limited (HML) and Enchanting Plantations Limited (100% subsidiary of HML) and Malayalam Plantations Limited (100% subsidiary of Enchanting Plantations Limited) and Harmony Plantations Limited (100% subsidiary of HML) and their respective shareholders and their creditors ("the Scheme"). The Scheme has been approved by the Board of Directors and sanctioned by the shareholders of the Company and the Company has intimated to the Stock Exchanges in which the Company's shares are listed. As per the Scheme interalia certain Tea and Rubber estates would be transferred/ demerged to its subsidiaries. The Scheme was pending before the High Court of Kerala and now before the National Company Law Tribunal, Chennai, as directed vide order dated March 9, 2017.



41 Exceptional items

	As at March 31, 2017 ₹ Lacs	As at March 31, 2016 ₹ Lacs
Compensation received for loss of revenue due to felling of trees for drawing electric transmission lines across certain rubber estates	465.56	-
Profit on sale of immovable assets relating to Plant Tissue Culture (included in 'Other' segment)	-	373.15
	465.56	373.15

42. The Board of Directors of the Parent Company in its Board meeting held on September 28, 2015 has decided to discontinue its engineering business in keeping with its business strategy to focus on core plantation activities. The Parent Company has stopped quoting for new projects and the existing projects are nearing completion. The Engineering division is a separate business segment as per AS 17 "Segment Reporting". Comparative figures for previous year, of the aforesaid discontinuing operations, have also been provided in these consolidated financial statements.

The operating activities of the Company's discontinuing operations are summarised as follows:

- a) The carrying amounts of the total assets and liabilities to be disposed of are as follows:

	As at March 31, 2017 ₹ Lacs	As at March 31, 2016 ₹ Lacs
Total assets	161.48	184.69
Total liabilities	246.84	203.05
Net assets	(85.36)	(18.36)

- b) The revenue and expenses in respect of ordinary activities attributable to the discontinuing operations

	Year ended March 31, 2017 ₹ Lacs	Year ended March 31, 2016 ₹ Lacs
Revenue from operations (Sale of services)	-	58.04
Other income	-	0.41
	-	58.45
Employee benefits expenses	7.75	21.51
Depreciation expenses	-	0.48
Other expenses	27.80	84.37
Total expenses	35.55	106.36
(Loss) from discontinuing operations before taxes	(35.55)	(47.91)
Tax expenses of discontinuing operations	-	-
(Loss) from discontinuing operations after tax	(35.55)	(47.91)

- (c) The net cash flows attributable to the discontinuing operations are as follows

Operating activities	(4.15)	(144.46)
Investing activities	-	142.08
Financing activities	-	-
Net cash flows	(4.15)	(2.38)

43 Disclosures relating to Specified Bank Notes* (SBNs) held and transacted during the period from November 8, 2016 to December 30, 2016

Particulars	SBNs	Other denomination notes	Total (Per cash books)
Closing cash in hand as on November 8, 2016	8.73	8.27	17.00
(+) Permitted receipts	-	110.95	110.95
(-) Permitted payments	0.41	248.55	248.96
(+) Withdrawal from Bank accounts	-	157.36	157.36
(+) Non-permitted receipts	8.73	-	8.73
(-) Non-permitted payments	-	-	-
(-) Amount deposited in banks	17.05	12.38	29.43
Closing cash in hand as on December 30, 2016	-	15.65	15.65

* Specified Bank Notes (SBNs) mean the bank notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees as defined under the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs no. S.O. 3407(E), dated the 8th November, 2016.

The Group has neither accepted nor paid SBN's after November 8, 2016 except in respect of:

1) Permitted payments

Permitted payments represents payment made to Kerala State Electricity Board.

2) Non-Permitted Receipts

i) Receipt at Hospital

The Company runs hospitals in various estates for the Company's workers/employees and for the local population. In view of the emergency medical requirements at the Hospitals, the specified bank notes were accepted from the patients till 14th November 2016 amounting to ₹ 0.25 lacs.

ii) Currency exchange from Company's own employees/workers

The Company runs estates across Kerala and TamilNadu and most of the estates are in remote areas without easy access to banking facilities. In view of the announcement of November 8, 2016 on non validity of the then ₹ 500/- and ₹ 1000/- notes as legal tender, some of the workers were carrying SBNs and were not in a position to readily exchange the same at the banks. Having regard to the business and practices prevalent in estates, which are highly labor intensive, the Company had to take steps to mitigate the situation faced by the workers. Accordingly ₹ 7.83 lacs was exchanged to the workers in lieu of the SBN's.

iii) Accounting differences

Before the announcement in respect of SBN's certain receipts amounting to ₹ 0.65 lacs were collected. However, the same has been recorded in books post 8th November 2016.

All the SBN's in hand and those accepted net of payments as mentioned above have been deposited with the banks.

44 Previous year's figures have been regrouped /rearranged wherever necessary to conform to the current year's presentation.

Signatories to Notes 1 to 44
For and on behalf of the Board

For Price Waterhouse

Firm Registration No. 301112E
Chartered Accountants

Pinaki Chowdhury

Partner
Membership No. 057572
Kolkata
May 29, 2017

N. Dharmaraj
Whole Time Director
DIN: 00912004

Ravi A.
CFO
Kolkata
May 29, 2017

Sachin Nandgaonkar
Director
DIN: 03410739

G. Satish Pillai
CFO

Kaushik Roy
Director
DIN: 06513489

Jose George
Company Secretary



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

Part "A": Subsidiaries

(Information in respect of each subsidiary to

1	SI No.	1	2	3
2	Name of the Subsidiary	Enchanting Plantations Limited	Harmony Plantations Limited	Malayalam Plantations Limited
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Uniform Reporting Period	Uniform Reporting Period	Uniform Reporting Period
4	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	₹	₹	₹
5	Share Capital	10.00	5.00	5.00
6	Reserves & Surplus	-3.27	-3.23	-3.62
7	Total Assets	1.83	1.88	1.70
8	Total Liabilities	0.11	0.11	0.33
9	Investments	5.00	-	-
10	Turnover	0.07	0.07	0.06
11	Profit before taxation	-0.10	-0.13	-0.11
12	Provision for taxation	-	-	-
13	Profit after taxation	-0.10	-0.13	-0.11
14	Proposed Dividend	-	-	-
15	% of shareholding	-	-	-

- 1 All subsidiaries are yet to commence operations
- 2 HML Engineering Company Limited stuck off with effect from June 1, 2016.

Part "B": Associates and Joint Ventures - Not applicable

	Name of Associates / Joint Ventures	Name 1	Name 2	Name 3
1	Latest audited Balance Sheet Date			
2	Shares of Associate/Joint Ventures held by the company on the year end			
3	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries			
	No			
4	Amount of Investment in Associates/Joint Venture			
5	Extent of holding %			
6	Description of how there is significant influence			
7	Reason by the associate/joint venture is not consolidated			
8	Network attributable to Shareholding as per latest audited Balance Sheet			
9	Profit / Loss for the year			
	i. Considered in consolidation			
	ii. Not Considered in consolidation			

HARRISONS MALAYALAM LIMITED

CIN:L01119KL1978PLC002947

Regd Office: 24/1624, Bristow Road, Willingdon Island, Cochin - 682003

Email: hmlcorp@harrisonsmalayalam.com Website: www.harrisonsmalayalam.com Phone: 0484-2668023 Fax: 0484-2668024

PROXY FORM
(Form No. MGT – 11)

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

E-mail ID : _____

Folio No./DP ID and Client ID : _____

Name and Address of the Shareholder(s) : _____

I/We, being the member(s) holding shares of the above named company, hereby appoint

(1) Name Address

Email-idSignatureor failing him/her

(2) Name Address

Email-idSignatureor failing him/her

(3) Name Address

Email-idSignatureor failing him/her

As my / our Proxy to attend and vote (on a Poll) for me / us on my /our behalf at the 40th Annual General Meeting of the Company to be held on Thursday, the 3rd August, 2017 at 11.00 AM. at Kerala Fine Arts hall, Fine Arts Avenue, Foreshore Road, Cochin - 682016 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	RESOLUTIONS
Ordinary Business	
1	Adoption of audited financial statements including Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the report of the Directors and Auditors thereon.
2	Appointment of a Director in place of Mr. Kaushik Roy (DIN 06513489) who retires by rotation and being eligible offers himself for re-appointment
3	Appointment of Auditors and fix their remuneration.
Special Business	
4	Appointment and payment of remuneration to Mr. N. Dharmaraj, Whole Time Director
5	Ratification of Cost Auditors Remuneration.

Signed this..... day of, 2017

Signature of Shareholder(s).....

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

Affix
Revenue
Stamp

Notes:

1. This form of proxy in order to be effective should be completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the resolutions, Explanatory statement and Notes, please refer to the Notice of the Fortieth Annual General Meeting.
3. A shareholder may vote either for or against this resolutions.

Route Map

