Harrisons Malayalam Limited

24/1624, Bristow Road, Willingdon Island, Cochin 682003
CIN: L01119KL1978PLC002947
e-mail:hmlcorp@harrisonsmalayalam.com Website:www.harrisonsmalayalam.com
Tel: 0484-6624362 Fax: 0484-2668024

14th August, 2019

The Secretary Bombay Stock Exchange Ltd. Corporate Relationship Dept. 1st Floor, New Trading Ring Rotunda Building, PJ Towers Dalal Street, Fort **Mumbai - 400 001** Scrip Code:500467	The Secretary National Stock Exchange of India Ltd. "Exchange Plaza", Bandra-Kurla Complex Bandra (E) **Mumbai – 400 051** Symbol: HARRMALAYA

Dear Sir,

NOTICE OF FORTY SECOND ANNUAL GENERAL MEETING

Pursuant to Regulation 30 and 34(1) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, please find attached copy of Annual Report for the year ended March 31 2019 together with copy of the Notice dated August 12, 2019 of the Forty Second Annual General Meeting of the Company to be held on Friday, September 6, 2019 at 11.00 A.M. at Kerala Fine Arts Hall, Fine Arts Avenue, Foreshore Road, Kochi – 682016.

Kindly take the same on record.

Yours faithfully,
for HARRISONS MALAYALAM LIMITED

V. VENUGOPAL
Manager

Encl.

HARRISONS MALAYALAM LIMITED
Annual Report 2018 - 2019

Board of Directors
Golam Momen
J.M. Kothary
P Rajagopalan
Venkitraman Anand (Whole Time Director)
Cherian M. George (Whole Time Director)
N. Dharmaraj (Whole Time Director)
Kaushik Roy
Kusum Dadoo

Statutory Auditors
Walker Chandiok & Co LLP
Chartered Accountants
7th Floor, Modayil Centre Point
Warriam Road Jn. MG Road, Kochi
Kerala – 682016

Manager
V Venugopal

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

Company Secretary
Binu Thomas

Bankers
ICICI Bank
IDBI Bank
State Bank of India
HDFC Bank
RBL Bank

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

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

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

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

	09-10	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
Profit & Loss Account										
Total Income	**350.65**	**366.55**	**368.91**	**349.93**	**386.86**	**334.36**	**288.6**	**372.02**	**392.04**	**359.90**
Personnel cost	103.13	104.59	111.14	116.21	123.9	133.01	140.33	144.96	152.40	152.27
Raw materials & Purchases	126.18	115.93	93.83	89.07	107.44	94.31	78.74	118.86	115.01	114.77
Power & Fuel	15.10	14.91	16.6	19.62	20.43	21.31	19.86	20.27	22.30	20.67
Cultivation & Other Operating Expenses	66.32	97.32	104.15	91.86	99.81	89.3	68.78	60.08	73.88	68.14
Depreciation	4.40	6.11	6.49	6.76	6.47	7.29	5.52	5.01	4.16	4.16
	315.13	**338.86**	**332.21**	**323.52**	**358.05**	**345.22**	**313.23**	**349.18**	**367.75**	**360.01**
Selling Expenses	10.62	10.63	9.37	8.35	8.85	10.24	7.10	8.66	10.58	10.46
Cost of Sales	**325.75**	**349.49**	**341.58**	**331.87**	**366.9**	**355.46**	**320.33**	**357.84**	**378.33**	**370.47**
PBIT @	24.9	17.06	27.33	18.06	19.96	(21.3)	(31.73)	17.78	16.83	-10.57
PBT @	12.36	5.25	10.45	3.48	4.86	(35.26)	(45.68)	4.09	4.45	-24.09
Total Comprehensive Income								0.49	1.33	-25.13
Earnings per Share of ₹ 10/-	5.37	2.14	2.55	1.24	2.38	(19.18)	(24.75)	2.22	2.41	-13.05
Dividend per Share of ₹ 10/-	2.00	1.50	1.50	0.75	1.00	Nil	Nil	Nil	Nil	Nil
Balance Sheet										
Fixed Assets	421.58	425.52	426.67	433.06	431.6	429.58	424.59	284.99	287.98	289.65
Investments	0.01	0.01	0.21	0.21	0.21	0.21	0.16	0.16	0.16	0.16
Other Assets	76.85	87.05	88.56	96.82	109.41	83.29	76.36	75.74	92.51	83.08
Total Assets	498.44	512.58	515.44	530.09	541.22	513.08	501.11	360.89	380.64	372.89
Share Capital	18.45	18.45	18.45	18.45	18.45	18.45	18.45	18.45	18.45	18.45
Other Equity	298.31	299.03	300.53	301.21	303.46	268.21	222.52	84.00	85.33	60.20
Loan Funds	104.29	113.28	91.21	81.94	105.13	97.94	94.16	86.63	86.47	121.06
Other Liabilities	77.39	81.82	105.25	128.49	114.18	128.48	165.98	171.81	190.39	173.18
Total Liabilities	498.44	512.58	515.44	530.09	541.22	513.08	501.11	360.89	380.64	372.89

@ After extraordinary items and discontinuing operations

NOTICE

Notice is hereby given that the Forty Second Annual General Meeting of the Members of the Company will be held on Friday September 6, 2019 at 11.00 A.M .at Kerala Fine Arts Hall, Fine Arts Avenue, Foreshore Road, Cochin–682016 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt:

a) The Audited Financial Statements of the Company for the financial year ended March 31, 2019, together with the Reports of the Board of Directors and the Auditors thereon; and

b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2019, together with the Report of the 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.

SPECIAL BUSINESS

3. Re-appointment of Mr. Golam Momen as an Independent Director of the Company

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as "the Act") and the Rules made thereunder read with Schedule IV to the Act, Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendment(s), statutory modification(s) and/or re-enactment thereof for the time being in force and subject to such other laws, rules and regulations as may be applicable in this regard and on the basis of recommendation of the Nomination and Remuneration Committee, approval of the Members of the Company be and is hereby granted to re-appoint Mr. Golam Momen (DIN:00402662), who is above the age of seventy five (75) years, having qualified the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the Listing Regulations and in respect of whom a notice in writing pursuant to Section 160 of the Act, as amended, has been received in the prescribed manner, as a Non-Executive Independent Director of the Company to hold office for a second term of five consecutive years with effect from October 1, 2019 up to September 30, 2024, who shall not be liable to retire by rotation".

"**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 and expedient to give effect to this resolution".

4. Re-appointment of Mr. J.M. Kothary as an Independent Director of the Company

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as "the Act") and the Rules made thereunder read with Schedule IV to the Act, Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendment(s), statutory modification(s) and/or re-enactment thereof for the time being in force and subject to such other laws, rules and regulations as may be applicable in this regard and on the basis of recommendation of the Nomination and Remuneration Committee, approval of the Members of the Company be and is hereby granted to re-appoint Mr. J.M. Kothary (DIN 00015254), who is above the age of seventy five (75) years, having qualified the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the Listing Regulations and in respect of whom a notice in writing pursuant to Section 160 of the Act, as amended, has been received in the prescribed manner, as a Non-Executive Independent Director of the Company to hold office for a second term of five consecutive years with effect from October 1, 2019 up to September 30, 2024, who shall not be liable to retire by rotation".

"**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 and expedient to give effect to this resolution".

5. Continuance of Directorship of Mr. P Rajagopalan Independent Director of the Company

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

"**RESOLVED THAT** in partial modification of resolution passed via postal ballot on April 15,2019 approval of members is sought pursuant to Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended by SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 effective from April1, 2019, for the continuance of Directorship of Mr. P Rajagopalan (DIN: 02817068), on attaining the age of 75 (seventy five) years on October 15, 2022 during the term of his appointment, and to continue to hold the position of Non-Executive Independent Director beyond 75 years of age on the same terms and condition up to expiry of his present term commencing from February 13 2019 up to February 12, 2024".

6. Appointment and payment of remuneration to Mr.V. Venugopal, Manager of the Company

To consider and if thought fit, to pass, 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 Act) and subject to all other sanctions, approvals and permissions as may be required and subject to such conditions and modifications as may be imposed or prescribed by any of the authorities while granting such sanctions, approvals and permissions , the Company be and hereby approves and confirms the re-appointment of Mr.V. Venugopal as Manager of the Company for a period of one year from August 14, 2019, to August 13, 2020."

"RESOLVED FURTHER THAT in accordance with section 197 read with schedule V of the Companies Act 2013 approval of company be and is hereby accorded for payment of remuneration to Mr.V. Venugopal for services rendered as Manager of the Company, for the period from August 14, 2019, to August 13, 2020 as set out in the Explanatory Statement annexed to the notice and subject to the terms and conditions of the draft agreement proposed to be entered into between the Company and Mr.V Venugopal."

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

7. 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 Section 148 of the Companies Act, 2013 and the Rules made thereunder including any statutory modification or re-enactment thereof for the time being in force, the remuneration of ₹ 2,75,000 (Rupees Two Lakhs Seventy Five Thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses at actual as approved by the Board of Directors of the Company, to be paid to M/s. Shome & Banerjee, Cost Accountants, 5A, Nurulla Doctor Lane, (West Range), 2nd Floor, Kolkata – 700 017 (Firm registration No.000001), for conducting the audit of the cost records of the Company for the financial year ending March 31, 2020, be and is hereby ratified and confirmed."

"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

Kochi
August 12, 2019

HARRISONS MALAYALAM LIMITED
CIN: L01119KL1978PLC002947
Office: 24/1624, Bristow Road,
Willingdon Island, Cochin - 682003
Phone: 0484-2668023 | Fax: 0484-2668024
Website: www.harrisonsmalayalam.com | email: hmlcorp@harrisonsmalayalam.com

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 Items No. 3 to 7 of the Notice is annexed hereto.

3. The Register of Members and Share Transfer Books of the Company will remain closed from August 31 2019 to September 6, 2019 (both days inclusive).

4. Transfer of Unclaimed / Unpaid amounts to the InvestorEducation and Protection Fund (IEPF):

   (a) During the financial year ended March 31, 2019, the Company, after compliance with the due procedure laid down under Section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), the Company had transferred 38,757 number of shares in respect of which dividend has not been claimed for 7 (seven) consecutive years or more, to the Investor Education and Protection Fund ("IEPF Authority"). Such shares including dividends and other benefits accruing thereon can be claimed from IEPF Authority, after following the procedure prescribed under the IEPF Rules and no claim shall lie against the Company or its RTA.

   (b) Pursuant to the provisions of Section 124 (5) of the Companies Act, 2013, dividend for the financial year ended March 31, 2012, which would remain unclaimed for the period of 7 (seven) years will be transferred to the Investor Education and Protection Fund (IEPF) established under Section 125 of the Companies Act, 2013 after September 26,2019. Claims for payment of such dividend should, therefore be lodged with the Company immediately. Further, pursuant to Section 124 (6) of the Companies Act, 2013 ("the Act") read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules2016, as notified and amended from time to time (collectively referred as "IEPF Rules"), shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more, shall liable to be transferred to IEPF Authority. You are therefore requested to claim unclaimed dividend for the financial year ended March 31, 2012 onwards. The Final Dividend for the Financial Year 2011-2012 is due to be transferred to the IEPF immediately after September 26,2019.. In case valid claim is not received by that date, the Company will also proceed to transfer the respective shares to the Demat Account of the IEPF Authority ('IEPF Account') in terms of the IEPF Rules.

   (c) Pursuant to the provisions of IEPF Rules, all shares in respect of which dividend has not been paid or claimed for seven consecutive years shall be transferred by the Company to the designated IEPF Account within a period of thirty days of such shares becoming due to be transferred to the IEPF Account. Accordingly, the Company will transfer Equity Shares to the IEPF Account pertaining to the Financial Year 2011-12, on which the dividends remained unpaid or unclaimed for seven consecutive years after September 26,2019 after following the prescribed procedure. In this regard, the Company will individually inform the shareholders concerned and also published notice in the newspapers as per the IEPF Rules. The details of such shareholders and shares due for transfer for the Financial Year 2011-12 will be uploaded on the website of the Company viz. www. http://harrisonsmalayalam.com.

   Dividend and corresponding shares, as stated in points 4 (b) and 4 (C) and corresponding shares, once transferred to IEPF by the Company, may be claimed only from the IEPF Authority by following the procedure prescribed under the IEPF Rules. Mr.Binu Thomas, Company Secretary is the Nodal Officer of the Company for the purpose of verification of such claims

   The unclaimed Final Dividend for the year 2010-2011 and prior to that has already been transferred to the Investor Education and Protection Funds (IEPF), as required under Section 124(5) of the said Act. The due dates on which unclaimed dividends lying in the unpaid dividend accounts of the Company would be credited to the IEPF as 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.

   The Securities and Exchange Board of India (SEBI) has guided Companies through their Registrar and Share Transfer Agent (RTA) to collect and update the Permanent Account Number (PAN) and bank account details of their physical shareholders. Accordingly the physical shareholders can submit their PAN Card and bank account details with Linktime India Pvt. Ltd., RTA of the Company. SEBI has also mandated that for registration of transfer of securities, the transferee(s) as well as the transferor(s) shall furnish a copy of their PAN Card to the Company.

   Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares. Members can contact the Company or Company's Registrar and Share Transfer Agent - Link Intime India Private Limited for the same

5. 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 P.M. on all working days (except Saturdays) up to the date of the Annual General Meeting.

6. 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.

7. 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.

8. 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.

9. 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

10. Notice of the AGM along with Annual Report 2018-19 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.

    Details of Directors seeking reappointment/ continuation and the route map of venue to the AGM are annexed to the notice.

11. 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, as amended from time to time and the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("Listing Regulations"), and the Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Companies Secretaries of India 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 facility for voting through ballot paper shall also be made available at the AGM. Members attending the meeting and who have not cast their vote by remote e-voting, may exercise their right to vote at the AGM.

    Members, who have cast their vote by remote e-voting prior to the AGM, may also attend the AGM but shall not be entitled to cast their vote again at the AGM.

    The voting right of the Members shall be in proportion to their share in the paid up equity share capital of the Company as on August 30,2019 ("cut-off date").

    Any person, who acquires the shares of the Company and becomes a Member of the Company after the dispatch of this Notice of AGM and holds the share as on the cut-off date, can also cast their vote through remote e-voting facility or at the AGM

    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 September 3, 2019 (9.00 AM) and ends on September 5, 2019 (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 August 30, 2019 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.

(vii) 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 Harrisons 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.

The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company.

13. A Copy of this Notice has been placed on the website of the Company and the website of CDSL and also on the website of stock exchanges namely BSE Ltd. and National Stock Exchange of India Ltd.

14. 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.

15. 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 48 hours of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman and/or Whole Time Director or a person authorized by him in writing who shall counter sign the same.

16. 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 48 hours 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 FORTY SECOND ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD ON SEPTEMBER 6, 2019

Item No. 3, 4 & 5

Pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder at the 37th Annual General Meeting held on 26th September, 2014, Mr.Golam Momen and Mr. JM Kothary was appointed as Independent Directors of the Company for a period of 5 (five) consecutive years for a term upto 30th September 2019. Since, Mr Goalm Momen and Mr. JM Kothary will complete their initial term as an Independent Director of the Company on 30th September 2019 and are eligible for re-appointment for one more term.

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors appointed Mr. Golam Momen (DIN:00402662),and Mr. JM Kothary (DIN:00015254) as Independent Directors, not liable to retire by rotation, for a term of five years i.e. from October 1, 2019 to 30th September 2024 subject to approval of the Members. The Company has, in terms of Section160(1) of the Act, received in writing a notice from Member(s), proposing their candidature for the office of Directors The Company has received declarations from Mr. Golam Momen and Mr.JM Kothary to the effect that they meet the criteria of independence as provided in Section 149(6) of the Act read with the rules framed thereunder and Regulation16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In the opinion of the Board, each of these Directors fulfills the conditions specified in the Act, Rules and Listing Regulations for appointment as Independent Directors and is independent of the management of the Company. The terms and conditions of their appointment shall be open for inspection by the Members at the Registered Office of the Company during the normal business hours on any working day (except Saturday) and will also be kept open at the venue of the AGM till the conclusion of the AGM.

As the Members are aware, pursuant to the Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the Listing Regulations"), effective from April 1, 2019, no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five (75) years unless a special resolution is passed to that effect and the explanatory statement annexed to the notice proposing such appointment or continuation specifies the justification for such appointment or continuation, as the case may be.

In terms of aforesaid Regulation 17(1A) of the Listing Regulations as amended and as duly recommended by the Nomination and Remuneration Committee, the re-appointment of Mr. Golam Momen and Mr JM Kothary who are above the age of 75 (seventy-five) years is proposed by the Board of Directors seeking Members' approval by way of Special Resolution for their reappointment as a Non-Executive Independent Director.

In terms of Regulation 17(1A) of the Listing Regulations as amended and as duly recommended by the Nomination and Remuneration Committee, the appointment of Mr. P Rajagopalan, who is currently at the age of 72 (seventy-two) years is proposed by the Board of Directors seeking members' approval by way of Special Resolution for his continuation as a Non-Executive Independent Director, even after attaining age of 75 (seventy-five) years as an Independent Director, not liable to retire by rotation, till expiry of his extant term upto September 25, 2024.

Accordingly, the Nomination and Remuneration Committee at its meeting held on May 29, 2019, formed a view that Mr.G Momen and Mr. JM Kothary expertise and valuable guidance are immensely beneficial to the Company, in its pursuit of growth and hence recommended to the Board to approve reappointment with effect from October 1, 2019 up to September 30, 2024 and Nomination and Remuneration Committee at its meeting held on August 12, 2019 recommended continuation of directorship of Mr.P Rajagopalan on the Board of the Company till expiry of his extant term upto September 25, 2024

The Board at its meeting held on May 29, 2019,, inter alia, upon the recommendation of Nomination and Remuneration Committee, approved the re-appointment of Mr. Golam Momen and Mr JM Kothary who are above the age of 75 (seventy-five) years and at its meeting held on August 12, 2019,continuation of Mr. P Rajagopalan directorship on the Board, after attaining age of 75 (seventy-five) years.

In view of the aforesaid amendment to SEBI LODR Regulations justification note for appointment of directorship of Mr. Goalm Momen, Mr JM Kothary who is above the age of seventy five years for a term commencing from October 1, 2019 up to September 30, 2024 and Mr.P Rajagopalan continuation as an Independent Director on acquiring the age of 75 years on August 15, 2022 upto the expiry of his present term till February 12, 2024 is appended below, for the consideration of the Members, which was also placed before the Nomination and Remuneration Committee and Board.

Mr. Golam Momen

Mr. Golam Momen (86) B.A., has rich and varied experience in the Tea Industry. He is former Chairman and Managing Director of Carritt Moran & Co. Private Ltd. He is a non-executive independent director on the Board of HML since September 2003. Currently he is the Chairman of White Cliff Tea (P) Ltd., Kolkata. Considering the long standing experience and contribution of Mr. Golam Momen, his reappointment on the Board, as a Non-Executive Independent Director, would be in the interest of the Company. The Nomination and Remuneration Committee has recommended the said proposal to Board and the Board at its meeting held on May 29, 2019 has considered and recommended the passing of the Special Resolution at Item No. 3 of the accompanying Notice for approval by the Members of the Company.

The Members of the Company are requested to accord their approval to the reappointment of Directorship of Mr. Golam Momen vide special resolution. Except Mr. Golam Momen being the appointee and his relatives none of the Directors, Key Managerial Persons (KMPs) or their respective relatives are in any way concerned or interested, financially or otherwise, in the resolution mentioned at Item No. 3 of this Notice.

Mr. J. M Kothary

Mr. Kothary (85) is a Graduate in Commerce and also holds a Degree in Law. He has also done his Masters' in Business Administration in USA. He has extensive experience managing industrial and marketing enterprises. He is the former Managing Director of Murphy India Limited. He is a non-executive independent director on the Board of HML since May 2013. He is the on Board of RPG Enterprises Limited, Indian Card Clothing Company Limited (also Chairman of Audit Committee and Member Investor Grievance Committee) and Instant Holding Limited (also Member of Audit Committee). Mr. Kothary does not hold any share in the Company

Considering his long standing experience and contribution of Mr. JM Kothary his reappointment on the Board, after attaining the age of eighty four years, as a Non-Executive Independent Director, would be in the interest of the Company. The Nomination and Remuneration Committee has recommended the said proposal to Board and the Board at its meeting held on May 29, 2019 has considered and recommended the passing of the Special Resolution at Item No. 4 of the accompanying Notice for approval by the Members of the Company.

The Members of the Company are requested to accord their approval to the reappointment of Directorship of Mr. J M Kothary vide special resolution. Except J M Kothary being the appointee and his relatives none of the Directors, Key Managerial Persons (KMPs) or their respective relatives are in any way concerned or interested, financially or otherwise, in the resolution mentioned at Item No. 4 of this Notice.

Mr. P. Rajagopalan

Mr. P Rajagopalan (72 years) is a post graduate in Science and hold a PGDBA from IIMA. He has over 45 years in various capacities. He was the former President of Harrisons Malayalam Limited and was the President of Spencer Travels Services Ltd. from 2009 to 2014. Prior to joining HML, he was the President of South Asia Tyres Ltd. He is currently in the Board of Harrisons Malayalam Limited, Spencer & Co. Ltd.

Considering the long standing experience and contribution of Mr. P Rajagopalan, his continuance on the Board, as a Non-Executive Independent Director, would be in the interest of the Company. The Nomination and Remuneration Committee has recommended the said proposal to Board and the Board at its meeting held on May 29, 2019 has considered and recommended the passing of the Special Resolution at Item No. 5 of the accompanying Notice for approval by the Members of the Company.

The Members of the Company are requested to accord their approval to the continuation of Mr.P Rajagopalan as a Non-Executive independent Director vide special resolution. Except Mr.P Rajagopalan, being the appointee and his relativesis none of the Directors, Key Managerial Persons (KMPs) or their respective relatives are in any way concerned or interested, financially or otherwise, in the resolution mentioned at Item No. 5 of this notice.

Item No.6 – Re-appointment of Mr. V Venugopal, Manager

The Board of Directors at its meeting held on May 29, 2019 have reappointed Mr. V Venugopal (Vice President – Legal) of the Company as Manager of the Company for a period of 1 year w..e.f August 14, 2019 to August 13, 2020. The appointment of Mr. V Venugopal as Manager of the Company and the remuneration payable to him for his services to be rendered as Manager during the period has been recommended by the Nomination and Remuneration Committee. 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 pertaining to his appointment and remuneration payable to him as recommended by the NRC is as detailed below.

1. Period

Appointment of Mr. V. Venugopal as Manager is for a period of 1years from August 14, 2019 to August 13, 2020.

2. Salary

a) Salary & Allowance Not exceeding ₹ 60,00,000 per annum

b) Performance Bonus Not exceeding ₹ 18,00,000 per annum as may be decided by the Board of Directors based on performance

3. Perquisites:

Medical expenses reimbursement for self and family will be in accordance with Company's policy and is limited to actuals on production of treatment bills

4. In addition to the above, the Manager shall be eligible for the following perquisites, the value of which shall not be considered for computation of the aggregate remuneration.

1) Company contribution to Provident Fund, Superannuation or Annuity Fund.

2) Gratuity as per Company rules.

3) Encashment of unavailed leave at the end of the tenure as per Company policy.

The draft of the Agreement proposed to be entered into by the Company with Mr. V Venugopal 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

(i) Nature of Industry : Plantation Industry (Tea & Rubber)

(ii) 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.

(iii) In case of new companies, expected date of commencement of activities as per Project approved by financial institution appearing in the prospectus: NA

(iv) Financial Performance based on indicators given below:

₹ in Lacs

Year ended	**31.03.2019**	**31.03.2018**	**31.03.2017**
	Standalone		
Revenue from Operations	**35,374.84**	38,331.36	36,664.02
Other Income	**615.29**	872.65	538.41
Total Income	**35,990.13**	39,204.01	37,202.43
Profit / (Loss) before Tax	**(2,408.95)**	445.06	409.32
Profit / (Loss) after Tax	**(2,408.95)**	445.06	409.32
Re-measurement of Gains/(Losses)	**(103.67)**	(312.00)	(360.27)
Total Comprehensive Income/ (Loss)	**(2,512.62)**	**133.06**	**49.05**

(v) Foreign investment or collaberation if any - NIL

II. INFORMATION ABOUT MR. V VENUGOPAL

1. Mr. V Venugopal, Vice President Legal has been with Harrisons Malayalam Limited since 1984. He graduated in Science and obtained a degree in law thereafter. He has a rich experience in legal matters and is considered an expert in land laws, especially those relating to Kerala / Tamil Nadu and is experienced in handling land / corporate legal matters and related litigations. He has been with the Company for over 34 years and is well acquainted with the plantation operations.

Prior to joining the Company, Mr.Venugopal was a practicing lawyer in the lower Courts at Cochin and the High Court of Kerala for over four years. He has also been the Legal Advisor of prominent bodies in Plantation business and has been a member in various committees of these organizations. He is also the President of Cochin Chamber of Commerce and Industry.

2. **Past remuneration:**

During the financial year 2017-18, Mr. V Venugopal was paid a remuneration of ₹ 59.12 lacs the breakup of which is as under:

₹ in lacs

Basic Salary	Other allowance	Perquisites	Retirement Benefits	Total
26.09	25.40	0.60	7.03	59.12

3. **Recognition and awards:** Nil

4. **Job Profile and Suitability** – Mr V Venugopal will be heading the legal department.He is an expert in land laws of Kerala and Tamilnadu and have a vast experience in legal matters

5. **Remuneration Proposed** – As detailed above in the explanatory statement

Comparative remuneration profile with respect to industry, size of the company, profile of the position and person

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 9748 as on 31st March 2019.

The Company has a paid up capital of ₹ 18.45 Crores and is listed in the BSE Ltd. and National Stock Exchange of India Ltd. with approximately 24000 Shareholders.

Given the size, complexity and nature of business, the remuneration proposed to be paid to Mr. V Venugopal, Manager is in line with other similar companies.

Pecuniary Relationship:

The Company had not entered into any transaction of a material nature with him which was in conflict with the interest of the Company.

III. OTHER INFORMATION

1. **Reasons of loss or inadequate profits:** The company operates in Tea and Rubber. Tea and Rubber industry is passing through a difficult phase. The production was badly impacted due to torrential rainfall and heavy flood, in August 2018 in Kerala.
2. **Steps taken proposed to be taken for improvement:** The company is taking continuous steps for enhancing quality of tea and rubber products. Cost control measures have been initiated at gardens and rubber units. These measures should help in better price realization of tea and improvement in efficiency of rubber units.
3. **Expected increase in productivity and profits in measurable terms:** All the company's gardens are producing quality teas and are included amongst the top gardens in the areas of their operation. The yields are improving with focus on quality. This should increase our profit margin substantially.

IV There is no severance fee or stock option available to him

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

Item No. 7 – Ratification of Cost Auditors Remuneration

The Board of Directors based on the recommendation of the Audit Committee had 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, 2020

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. 7 of the notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending March 31, 2020

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. 7 of the Notice for the approval of the shareholders

By Order of the Board of Directors

Kochi
August 12, 2019

Binu Thomas
Company Secretary

Details of Directors seeking reappointment/continuation of Directorship pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clauses 1.2.5 of Secretarial Standards on General Meetings are as follows:

Name	Mr.Kaushik Roy	Mr.Golam Momen	Mr.J M Kothary	Mr.P Rajagopalan
Din	06513489	00402662	00402662	02817068
Date of first appointment on the Board	16.02.2015	22.09.2003	30.05.2013	30.05.2013
Age	53 Years	86 Years	85 Years,	72 Years
Date of Birth	28/03/1965	06.06.1933	08.05.1934	15.10.1946
Qualifications	M. Tech (Mechanical) from IIT- Kharagpur, and an alumnus of IMDSwitzerland. Degree in Business Administration from University of Tokyo.	B.A	B.Com, LLB, MBA	PDGBA
Directorship held in other public companies	Harrisons Malayalam Ltd Phillips Carbon Black Ltd Spencer International Hotels Limited Stel Holdings Ltd	Harrisons Malayalam Ltd Baghmari Tea Co Ltd The Scottish Assam (India) Ltd Kanco Tea & Industries Ltd, Bengal Tea & Fabrics Ltd, Apeejay Tea Ltd,	Harrisons Malayalam Ltd The Indian Card Clothing Company Ltd Instant Holdings Ltd R P G Enterprises Ltd	Harrisons Malayalam Ltd Spencer And Company Ltd
Chairmanships / Memberships of Committees in other Public Limited Companies (Includes Audit Committee [AC] and Stakeholders Relationship Committee [SRC])	Nil	Harrisons Malayalam Ltd. • Member - Audit Committee • Chairman - Stakeholders Relationship Committee • The Scottish Assam (India) Ltd. • Member - Audit Committee • Bengal Tea & Fabrics Ltd • Member - Audit Committee • Chairman - Stakeholders Relationship Committee	Indian Card Clothing Company Ltd • (Chairman of Audit Committee and Investor Grievance Committee) Harrisons Malayalam Ltd • (Member of Audit and Stakeholder Relationship Committee)	Nil
Number of shares held in the Company	Nil	560	Nil	Nil
Relationships between directors inter-se and with Key Managerial Personnel	Nil	Nil	Nil	Nil

Name	Mr.Kaushik Roy	Mr.Golam Momen	Mr.J M Kothary	Mr.P Rajagopalan
Expertise in specific functional area	Mr. Kaushik Roy has a vast multi-functional business experience, spanning over two decades across different sectors like, Tyre and Cement. Mr. Kaushik Roy is the Managing Director of PCBL. Mr. Kaushik Roy took on the responsibility of providing leadership to PCBL from January 2013.. Prior to PCBL, he has been associated with Apollo Tyres Limited in various leadership roles and has also been a Management Board Member of the Company	An eminent industrialist with vast experience in Tea Industry	Extensive Experience in Managing Industrial and Marketing Enterprise	Over Four decades of Senior Management Experience in various capacities
No of Board Meeting Attended	1	3	4	5

DIRECTORS' REPORT

Your Directors are pleased to present their Forty Second Annual Report together with the Audited Financial Statements, Directors Report and Annexures for the year ended March 31, 2019.

1. Financial Highlights ₹ in Lakhs

Particulars	**31.03.2019**	31.03.2018	**31.03.2019**	31.03.2018
	Standalone		**Consolidated**	
Revenue from operations	**35,374.84**	38,331.36	**35,374.84**	38,331.36
Other Income	**615.29**	872.65	**615.41**	873.03
Total Income	**35,990.13**	39,204.01	**35,990.25**	39,204.39
Profit/(Loss) before Tax	**(2,408.95)**	445.06	**(2,409.47)**	444.77
Profit/(Loss) after Tax	**(2,408.95)**	445.06	**(2,409.47)**	444.77
Re-measurement of Gains/(Losses)	**(103.67)**	(312.00)	**(103.67)**	(312.00)
Total Comprehensive Income/(Loss)	**(2,512.62)**	**133.06**	**(2,513.14)**	**132.77**

2. Dividend

The Board of Directors has not recommended dividend for the year ended March 31, 2019.

3. Transfer to Reserve

During the year under review the Company has not transferred any amount to the General reserve.

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 March 31, 2019 to which the financial statements relates and the date of signing 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 revenue of ₹ 353.74 crores from its operations as compared to ₹ 383.31 crores for the previous year. The total revenue, including other income for the FY 2018-19 was ₹ 359.90 crores as compared to ₹ 392.04 crores for the previous year. The floods during August 2018 affected the Tea and Rubber crops resulting in drastic drop in production volumes. The loss made by the Company for the FY 2018-19 was ₹ 24.08 crore as compared to the profit of ₹ 4.44 crore for the previous year.

Tea:

The Tea harvested from own gardens during FY 2018-19 is at 9613 MT (11054 MT in the FY 2017-18). Bought leaf operations in tea for FY 2018-19 is at 3788 MT (4741 MT in FY 2017-18). Together with the Bought Operations, the total production was 13401 MT as compared to the total production of 15,795 MT in the FY 2017-18. For the year ended March 2019, the average price realized per kg of tea was ₹ 125.40 as against ₹ 122.09 realized during the Previous Year. Tea exported was 4431 MT as against 4051 MT exported last year.

Rubber:

The Rubber harvested from own gardens stood at 4922 MT during FY 2018-19 and is lower than 5815 MT achieved during FY 2017-18. Bought operations in Rubber for the FY 2018-19 are at 5127 MT which is lower than the 6184 MT of FY 2017-18. For the year ended March 2019, the average price realized per kg of rubber was ₹ 144.70 as against ₹ 142.69 realized during the previous year. Company could commence with Felling of rubber trees from February end. 140 hectares in Kumbazha Rubber Estate encroached by trespassers, continue to remain untapped.

7. Legal Updates

Kerala Land Conservancy Act: W.P (C) No.33122 of 2014 and connected cases.

The High Court of Kerala, by judgment dated 11.04.2018, allowed the Writ Petitions of HML and had set aside all actions initiated by the Special Officer to resume the properties belonging to the Company under the Kerala Land Conservancy Act. The State Government had preferred an Appeal before the Supreme Court of India challenging the judgment of the High Court. On 17.09.2018, the Supreme Court dismissed the Appeal filed by the Government and thus, the judgment passed by the Division Bench of the High Court of the Kerala has become final.

With regard to the proceedings initiated by the Special Officer against properties of the Company in Wayanad District, as per directions in a Review Petition filed by the State Government in the High Court Of Kerala, the Company filed detailed objections along with supporting documents before the Special Officer on 16.10.2018 to establish its title over the properties. There has not been any further action in this regard

8. Equity Share Capital

The paid up Equity Share Capital of the Company as on March 31, 2019 was ₹ 1845.43 Lakhs. There was no change in the share capital during the year under review .The equity shares of the Company are listed in the BSE Limited and the National Stock Exchange of India Limited. There was no Issue of equity shares with differential rights as to dividend, voting or otherwise;

9. Deposits

The Company has not accepted any deposits from the public in terms of Section 73 of the Companies Act, 2013 and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

9. Particulars of Loans, Guarantees or Investments

The Company has not given any Loans, Guarantees, Investments and Security as per the provisions of Section 186 of the Companies Act, 2013 during the Financial Year ended March 31, 2019.

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

Information with respect to conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Act read with Companies (Accounts) Rules, 2014 is annexed to this Report (-Annexure A).

11. Corporate Governance

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, 2019 the Company has two wholly owned subsidiary companies, namely Enchanting Plantations Limited (EPL) and Harmony Plantations Limited (HPL) and have 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 March 31, 2019, 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 at www.harrisonsmalayalam.com. 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. The consolidated performance of the Company and its subsidiaries has been referred to wherever required and salient features of subsidiaries are annexed as annexure to the Annual Report in Form AOC-1

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. There were no revisions in the financial statements;

14. Directors and Key Managerial Personnel

As on March 31, 2019, Mr Venkitraman Anand & Mr. Cherian M George WholeTime Directors, Mr. Ravi. A CFO (SBU-A), 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 Directors & Key Managerial Personnel

During the year under review, Mr. Venkitraman Anand,(Din: 07446834) was appointed as Whole Time Director and Mr.N Dharmaraj (Din: 00912004) was appointed as Whole Time Director of the Company by the Members of the Company by passing of Ordinary Resolution by way of Postal Ballot and E-voting on February 1, 2019. During the year under review, Mr. Cherian M George (Din: 07916123) was appointed as Whole Time Director by passing of Ordinary Resolution by way of Postal Ballot and E-voting on April 15,2019.

Mr V. Venugopal was reappointed as Manager of the Company in the last Annual General Meeting held on September 26,2018 as Manager of the Company w.e.f August 14, 2018, to August 13, 2019.

Mr.P Rajagopalan (Din: 02817068)and Ms Kusum Dadoo (Din: 06967827)was appointed as Independent Directors of the Company by the Members of the Company by passing of Ordinary Resolution by way of Postal Ballot and E-voting on April 15,2019.

As per provisions of Sections 149, 150, 152, 178 and any other applicable provisions of the Act and the Rules made thereunder, your Directors are seeking re-appointment of Mr. Golam Momen (Din : 00402662)and Mr. J M Kothary (Din:00015254) whose current period of office is expiring on September 30, 2019, as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years with effect from October 1,2019.

In terms of Regulation 17(1A) of the Listing Regulations as amended and as duly recommended by the Nomination and Remuneration Committee, the appointment of Mr. P Rajagopalan, who is currently at the age of 72 (seventy-two) years is proposed by the Board of Directors seeking Members' approval by way of Special Resolution for his continuation as a Non-Executive Independent Director, even after attaining age of 75 (seventy-five) years as an Independent Director, not liable to retire by rotation, till expiry of his extant term upto February 12, 2024

Mr. Kaushik Roy (DIN: 06513489) retires by rotation at the forthcoming AGM and being eligible, offers himself for re-appointment.

Details of the proposal of appointment/re-appointment/continuation of the afore-mentioned Directors are mentioned in the Explanatory Statement u/s 102 of the Act in the Notice of the 42nd AGM of the Company.

Ms. Surbhi Singhi (DIN: 03275338) Non Executive independent Director resigned from the Board with effect from December 03, 2018 due to other professional obligation and commitments. Mr.Sachin Nandgaonkar (Din: 03410739) Non Executive Director resigned from directorship with effect February 13, 2019 due to personal reasons. Mr.Haigreve Khaitan (Din: 00005290) Non Executive independent Director resigned from the Board with effect from June 12, 2019 due to other professional obligation and commitments. He have also confirmed that there is no other material reason other than those provided.

Meetings of the Board of Directors

During the year under review 5 meetings of the Board of Directors were held. The company has complied with all the applicable Secretarial Standards.

Declaration by Independent Directors

The Independent Directors have submitted their declaration of independence, as required pursuant to sub-section (7) of Section 149 of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section (6) of Section 149. The details of familiarization programmes imparted to independent directors can be accessed at the website of the company at www.harrisonsmalayalm.com

a. **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.

b. **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. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries;

Non-Executive Independent Directors

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

16. Auditors

Statutory Auditors

Walker Chandiok & Co LLP,Kochi, Chartered Accountants, Chartered Accountants (Firm's Registration No. 001076N/ N500013) were appointed as the Statutory Auditors of the Company to hold office for a period of five years from the conclusion of the fortieth Annual General Meeting (AGM). until the conclusion of the forty fifth Annual General Meeting. The said appointment of the Statutory Auditors was required to be ratified at every Annual General Meeting. However, pursuant to the amendment in the proviso to Section 139 which has been made effective on May 07, 2018, the requirement of ratification of appointment of Statutory Auditors at every Annual General Meeting has been omitted. In view of such omission of proviso, permission of shareholders was sought in the last AGM to continue their appointment without ratification till the completion of their term.

Cost Audit

M/s. Shome & Banerjee, Cost Accountants, 5A, Nurulla Doctor Lane, (West Range), 2nd Floor, Kolkata – 700 017 (Firm registration No.000001) were appointed as cost auditor of the company to conduct audit of the cost records for the FY 2018-19. Cost Audit Report and the Compliance Report for the year ended March 31, 2019 were filed with the Central Government within the due date. Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is required by the Company and accordingly such accounts and records are made and maintained,

Secretarial Audit

In terms of the provisions of Section 204 of the Act and Rule9 of the Companies (Appointment and Remuneration of Managerial

Personnel) Rules, 2014, the Board had appointed M/s. SVJS & Associates, Practicing Company Secretaries, as Secretarial Auditors to conduct Secretarial Audit for the FY 2018-19. The Secretarial Audit Report in Form MR-3 is annexed to this report as Annexure 'F'.

QUALIFICATION, RESERVATION OR ADVERSE REMARK IN THE AUDIT REPORTS

There is no qualification, reservation or adverse remark made by the Statutory and Cost Auditors in their Audit Reports issued by them. With regard to Observation/remark contained in the Secretarial Auditors' Report your Directors' wish to inform that Dir-12 and MR-1 in respect of Whole Time Director will be filed as required by the provisions of the Companies Act 2013 and rules thereunder. There were no frauds reported by the auditors under provisions of the Companies Act, 2013.

16. 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.

17. Awards and Achievements

During the year under review, the Company Received CII-SR EHS Excellence Awards 2018 with 3 star Rating for Best environment Health and Safety practices at Nagamallay, Kumbazha,Mooply, Moongalaar, Wallardie, Pattumallay, Lockhart and Wentworth Estates. Upper Surianalle Tea factory has bagged the Kerala state Safety Award 2018 in category III- Medium factories. Wentworth & Lockhart Estates won Tea Golden Leaf India Awards.

During the year under review, the Company was recognized as a "Great Place to Work – Certified' by the Great Place to Work Organization. HML has also bagged the first runner up National award for outstanding achievement for Industrial relations in a review conducted by All India organization of Employers, (AIOE, an allied body of FICCI) New Delhi.

18. 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 as Annexure 'A' to this Report. Key Financial Ratios for the financial year ended 31st March, 2019, are provided in the Management Discussion and Analysis Report given in 'Annexure-A', which is annexed hereto and forms a part of the Board's Report.

19. Directors' Responsibility Statement

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 FY ended March 31, 2019, the applicable accounting standards have been followed, along with proper explanation relating to material departures if any;

(ii) we have 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, 2019 and of the loss for the period from April 1, 2018 to March 31, 2019;

(iii) we 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 FY ended March 31, 2019 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.

21. Industrial Relations

Plantation is highly labour intensive and your Company considers people as its biggest assets. The welfare and wellbeing of workers are monitored closely. Industrial relations remained cordial throughout the year

22. Internal Control Systems & their Adequacy

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

23. Other Disclosure:

Extract of annual return

Extract of annual return as per Section 92 (3) of the Companies Act, 2013 and Rules framed thereunder is attached as annexure 'G' to this report and also posted on website of company at https://www.harrisonsmalayalam.com/investor_info.htm

Whistle Blower Policy / Vigil Mechanism

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 https://www.harrisonsmalayalam.com/investor_info.htm

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. 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 https://www.harrisonsmalayalam.com/investor_info.htm

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 and there are no complaints which were required to be disposed off or pending as at the end of the financial year. Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Committees of the Board

Currently, the Board has five committees: Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, and the Risk Management Committee. A detailed note on the composition of the Board and its Committees is provided in the Corporate Governance Report Section of this Report

There have been no situations where the Board has not accepted any recommendation of the Audit Committee.

Risk Management

Risk Management is the process of identification, assessment and prioritisation of risks followed by coordinated efforts to minimise, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximise the realisation of opportunities.

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.

Related Party Transactions

All Related Party Transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Hence, the provisions of Section 188 of the Act are not attracted. Thus, disclosure in Form AOC-2 is not required. Further, there are no materially significant Related Party Transactions during the year under review made by the Company with its Promoters, Directors, Key Managerial Personnel or other designated persons, which may have a potential conflict with the interest of the Company at large. All Related Party Transactions are placed before the Audit Committee for approval.

The Policy on Related Party Transactions duly approved by the Board of Directors of the Company is posted on the Company's website and may be accessed at the link: https://www.harrisonsmalayalam.com/investor_info.htm

KEY MANAGERIAL PERSONNEL AND EMPLOYEES

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 is marked as 'Annexure – I' ,which is annexed hereto and forms a part of the Board's 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.

On behalf of the Board of Directors

	Venkitraman Anand	**Cherian M. George**
Kolkata	Whole Time Director	Whole Time Director
May 29, 2019	(DIN: 07446834)	(DIN: 07916123)

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, 2019

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 lighting electricity consumption. LED lighting is being 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.

Introduction of screw compressor in Achoor factory significantly reduced our energy consumption, which is being horizontally deployed in other factories also. Timer controlled withering fan operation with Energy efficient motors considerably reduced the energy consumption at this area, this is being completed in all factories.

ii) Steps taken by the Company to utilize alternate sources of energy 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 all Tea Estate for water harvesting.

B) Technology Absorption

i) Efforts made towards technology absorption and benefits derived thereupon

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.

We could improve quality by introduction of new machine "5T", where by re-processing is eliminated to greater extend.

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 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 2018-19, the foreign exchange earned in terms of actual inflows was ₹ 5917.15 lakhs and foreign exchange outgo in terms of actual outflow was ₹ 88.28 lakhs.

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
			31.03.2019	31.03.2018	**31.03.2019**	31.03.2018
1.	**ELECTRICITY**					
	(a) Purchased					
	Units	(KWH)	**8753780.00**	10566730	**1413223**	1432492
	Total Amount	(₹)	**62652797**	72099925	**10534145**	10358132
	Rate/Unit	(₹ /KWH)	**7.16**	6.82	**7.45**	7.23
	(b) Own Generation					
	Through Diesel Generator					43755
	Units	(KWH)	**604342**	533336	**85320**	114547
	Units per litre of Diesel Oil	(KWH)	**2.51**	2.85	**2.51**	2.62
	Fuel - Cost/Unit	(₹ /KWH)	**27.89**	23.18	**27.97**	25.24
2.	**FIREWOOD**					
	HSD Oil for Transport & Material Handling etc.					
	Quantity	(K.Ltr)	**28334**	37766	**1576**	1974
	Total Cost	(₹)	**40233340**	50976702	**1484835**	2464255
	Rate/Unit Cost	(₹ /K.Ltr	**1420**	1350	**942**	1249
3.	**OTHERS**					
	HSD Oil for Transport & Material Handling etc.					
	Quantity	(K.Ltr)	**99.13**	91.50	**43.34**	47.64
	Total Cost	(₹)	**7271593**	5744065	**3151616**	3018858
	Rate/Unit Cost	(₹ /K.Ltr	**73353**	62744	**72723**	63369
	Consumption per Unit of Production					
	Products					
	TEA/RUBBER	(Kgs.)	**12800915**	15277173	**7414230**	8676986
	Energy Used:					
	Electricity (incl. own generation)	(KWH/Kg)	**0.73**	0.73	**0.20**	0.18
	Briquetted Fuel	(Kgs.)	**5402159**	6027494	**-**	-
	Firewood	(Kgs.)	**-**	18883056	**-**	-
	Veneer Waste	(Kgs.)	**4504453**	3237056	**-**	-
	Coconut Shells	(Kgs.)	**-**	-	**-**	22530
	Coal	(Kgs.)	**4362**	3495	**-**	-
	Wood Waste	(Kgs.)	**1564651**	46500	**-**	-

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (ANNEXURE 'B' TO THE DIRECTORS' REPORT)

OVERVIEW

TEA

India is one of the world's largest consumers of tea, with about three-fourths of the country's total produce consumed locally. Tea production in India during 2018 was 1311.60 million kgs vs 1321.80 million kgs in 2017. The production was impacted by the unprecedented floods in Kerala (August 2018) and lower harvest in South India. Crop output in North India was higher by 6 million kg. The year saw an increase in both the North and South Indian crop prices. Tea prices firmed up at start of the year with strong domestic demand and exports.

Outlook

The outlook for good quality teas is promising and is expected to have good demand. The Company's estates and manufacturing facilities are certified both nationally and internationally by Trustea, Rain Forest Alliance, SA 8000 and Ethical Tea Partnership. These Certifications reaffirm the Company's commitment to produce high-quality products.

OVERVIEW

Rubber

India is the sixth largest producer and fourth largest consumer of natural rubber in the world and also the fifth largest consumer of natural rubber & synthetic rubber put together. The country accounted for about 9 per cent of global consumption in 2018. The total production of rubber in India was 6, 51,000 tonnes whereas the consumption was 12, 11,940 tonnes during the financial year 2018-19 on provisional basis. The production was impacted by the unprecedented floods in Kerala (August 2018) and abnormal leave fall. The deficit in demand and supply is being met through cheaper imports from Thailand, Indonesia and Vietnam.

Outlook

Rubber prices have shown an upward movement in May 2019 primarily on supply concerns. It is expected that prices will improve keeping in view the domestic and international situations.

OPPORTUNITIES AND THREATS

Tea and Rubber plantation is dependent on the vagaries of nature; to combat this we continuously improve our methods in harvesting methodology. It is also labour intensive and subject to stringent labour laws. High labour & 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. These problems will be addressed by improving labour productivity through measures like mechanisation, process engineering and innovative solutions at work place.

Your Company's strategy, keeping in mind the macro trends, is to continually better its performance by driving innovation to deliver differentiation through existing and new products and by moving up the value chain and reducing cost.

With the expected stabilisation of rubber prices and HML achieving better volumes in both tea and rubber through, own and bought operations, the Company should be able to further 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 9,748 (Approx) people at its tea and rubber plantations as on March 31,2019. 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

The total income during the year stood at ₹ 35,990.12 Lakhs. EBITDA (Earnings before Interest, Tax, and Depreciation) was at a loss of ₹ 594.14 Lakhs. The Loss before Tax was at ₹ 2408.95 Lakhs.

Key Financial Ratios	2018-19	2017-18
Debtors Turnover Ratio	29.74	35.67
Inventory Turnover Ratio	10.34	11.42
Interest Coverage Ratio	-0.75	1.38
Current Ratio	0.44	0.46
Debt Equity Ratio	1.54	0.92
Operating Profit Margin (%)	-2.98%	3.58%
Net Profit Margin (%)	-6.69%	1.14%
Return on Net Worth	-30.63%	4.29%

Significant changes in above ratios is on account of, Loss primarily on account of lower production in Tea and Rubber due to floods in Kerala during the month of July and August, Increase in borrowings from ₹ 9,552.93 Lacs to ₹ 12,106.34 Lacs and Increase in finance cost by ₹ 131.49 Lacs due to higher borrowings

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 emphasises 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 command respect, trust and loyalty by way of sustained efforts in the plantation and adoption of latest technologies. The Company also give due importance to its obligation towards the large work force that it employs in the plantation. The Company runs a business that has human face and values environment, people, product, plantations, practices, customers and shareholders. The company believes in achieving its goal which results in enhancement of shareholders value through transparency, professionalization and accountability.

HML is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.

BOARD OF DIRECTORS

Composition of the Board

As on 31 March, 2019, HML's Board of Directors consists of nine Directors, of which five are Independent Directors, including one Independent Woman Director. There is one non-executive non-independent director and three Whole Time Directors.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.

Composition & Category of Directors

The Company has an optimum combination of executive and non-executive directors. As on March 31, 2019, the Company has 9 directors and the composition of the Board of Directors is in compliance with SEBI Listing Regulations. In terms of Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), at least 50% of the Board should comprise of non-executive Independent Directors with at least one woman director. The non-executive Independent Directors constitute 56% of the Board as at March 31, 2019. None of the Directors are related to each other.

NUMBER OF BOARD MEETINGS

In 2018-19, the Board of the Company met five times, on 25.05.2018, 10.08.2018, 26.09.2018, 13.11.2018 and 13.02.2019. The necessary quorum was present for all the meetings. 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.

Table1: Composition of the Board of Directors as on 31 March 2019 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 2	No. of Board Meetings held	No. of Board Meetings attended	Attendance at last AGM
Mr. Haigreve Khaitan*	Non Executive Independent	8	4	3	5	1	No
Mr. G. Momen	Non Executive Independent	6	3	2	5	3	No
Mr.P Rajagopalan	Non Executive Independent	2	0	0	5	4	Yes
Mr. J M Kothary	Non Executive Independent	4	4	2	5	5	Yes
Mr. N. Dharmaraj	Whole Time Director	2	0	0	5	5	Yes
Mr. Kaushik Roy	Non Executive Non Independent	4	1	0	5	1	No
Ms. Kusum Dadoo*	Non Executive Independent	6	5	0	5	1	No
Mr.Venkitraman Anand *	Whole Time Director	1	0	0	5	3	-
Mr. Cherian M. George*	Whole Time Director	6	0	0	5	1	-

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.
3. Mr. Venkitraman Anand & Mr.N Dharmaraj have been appointed as Whole Time Director w.e.f. Oct 1, 2018
4. Ms. Surbhi Singhi resigned w.e.f. 03.12.2018 and Mr.Sachin Nandgaonkar resigned w.e.f 13.02.2019.
5. Mr. Cherian M. George has been appointed as Whole Time Director w.e.f. 13.02.2019 and Ms. Kusum Dadoo has been appointed as an Independent Director w.e.f. 13.02.2019
6. Mr.Haigreve Khaitan has resigned w.e.f June 12,2019 due to other professional obligation & commitments. He has also confirmed that there are no other material reasons other than those provided.
7. None of the Directors on the Board are promotes or related to promoters

Details of Directorship(s) / Committee membership(s) / Chairmanship(s) held by Directors as on March 31, 2019, are as under:

Name of the Director	Directorships in public companies		Committee position		Name of the listed companies	Category of directorship
	Listed	Un listed	Membership (including chairmanship)	Chairmanship		
Golam Momen	6	2	4	2	1. Harrisons Malayalam Ltd. 2. Baghmari Tea Co. Ltd. 3. Williamson Magor & Co. Ltd. 4. The Scottish Assam (India) Ltd 5. Kanco Tea & Industries Ltd. 6. Bengal Tea & Fabrics Ltd.	Independent Independent Independent Independent Independent Independent
J.M. Kothary	2	2	3	1	1. Harrisons Malayalam Ltd. 2. Indian Card Clothing Co. Ltd.	Independent Independent
Haigreve Khaitan	6	3	5	3	1. Harrisons Malayalam Ltd. 2. Torrent Pharmaceuticals Ltd. 3. CEAT Ltd. 4. Gujarat Borosil Ltd. 5. JSW Steel Ltd. 6. Inox Leisure Ltd.	Independent Independent Independent Independent Independent Independent Independent
Kusum Dadoo	6	1	5	0	1. Harrisons Malayalam Ltd. 2. Bhiwani Vanaspati Ltd. 3. Philips Carbon Black Ltd. 4. GKW Ltd. 5. The Standard Batteries Ltd. 6. STEL Holdings Ltd.	Independent Independent Independent Independent Independent Independent
Kaushik Roy	3	2	1	0	1. Harrisons Malayalam Ltd. 2. STEL Holdings Ltd. 3. Philips Carbon Black Ltd.	Non Exe. Non Independent Non Exe Non Independent Executive
P. Rajagopalan	1	1	0	0	Harrisons Malayalam Ltd	Independent
Cherian M. George	1	5	0	0	Harrisons Malayalam Ltd.	Whole Time Director
Venkitraman Anand	1	0	0	0	Harrisons Malayalam Ltd.	Whole Time Director
N. Dharmaraj	1	1	0	0	Harrisons Malayalam Ltd.	Whole Time Director

Notes:

1. Directorships held by Directors in the afore-mentioned Table do not include Private Limited Companies, Foreign Companies, Section 8 Companies, Alternate Directorships and One Person Companies. All the Public Limited Companies, whether listed or not, have been considered in the afore-mentioned Table.

2. Memberships / Chairmanships of only the Audit Committee and the Stakeholders' Relationship Committee of the public limited companies, whether listed or not, have been considered. All other companies including private limited companies, foreign companies and companies under Section 8 of the Act have been excluded.

3. Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.

SEPARATE MEETINGS OF INDEPENDENT DIRECTORS

During 2018-19, the Independent Directors met on March 7, 2019 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; 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

THE FOLLOWING IS THE LIST OF CORE SKILLS/EXPERTISE/ COMPETENCIES IDENTIFIED BY THE BOARD OF DIRECTORS AS REQUIRED IN THE CONTEXT OF ITS BUSINESS(ES) AND SECTOR(S) FOR IT TO FUNCTION EFFECTIVELY AND THOSE ACTUALLY AVAILABLE WITH THE BOARD:

The Board of Directors along with Nomination & Remuneration Committee (NRC), identifies the right candidate with right qualities, skills and practical expertise/ competencies required for the effective functioning of individual member to possess and also the Board as a whole. The Committee focuses on the qualification and expertise of the person, the positive attributes, standard of integrity, ethical behavior, independent judgement of the person in selecting a new Board member. In addition to the above, in case of independent directors, the Committee shall satisfy itself with regard to the independence of the directors to enable the Board to discharge its functions and duties effectively. The same are in line with the relevant provisions of the Listing Regulations. The NRC has identified the following core skills, expertise and competencies for the effective functioning of the Company which is currently available with the Board:

(i) Knowledge - understand the Company's business, policies, and culture major risks and threats and potential opportunities) and knowledge of the industry in which the Company operates,

(ii) Technical/Professional skills and specialized knowledge to assist the ongoing aspects of the business.

(iii) Accounting/Finance/Legal

(iv) CEO/Senior Management Experience

(v) Plantations Business Experience

(vi) General Management and Business Operations

RELATED PARTY TRANSACTIONS

Details of transactions of a material nature with any of the related parties as specified in Indian Accounting Standard (AS) 24 issued by the Institute of Chartered Accountants of India are disclosed in Note 37 to the financial statements for the year 2018-19. 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 available at the Company's website https://www.harrisonsmalayalam.com/investor_info.htm

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 2018-19 and a declaration from the Manager to that effect is given at the end of this report. The code is available on the Company's website https://www.harrisonsmalayalam.com/investor_info.htm

COMMITTEES OF THE BOARD

AUDIT COMMITTEE

As on 31st March 2019, Audit Committee of HML's Board of Directors consisted of Mr. Haigreve Khaitan, Mr. Golam Momen, Mr. J.M. Kothary and Ms. Kusum Dadoo. 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 25.05.2018, 11.08.2018, 21.09.2018, 13.11.2018 and 13.02.2019.

Table 2: Attendance record of Audit Committee members for 2018-19

Name of Members	Status	Category	No. of Meetings	
			Held	Attended
Mr. Haigreve Khaitan*	Chairman	Independent	5	1
Mr. G. Momen	Member	Independent	5	4
Mr. J.M. Kothary	Member	Independent	5	5
Mr. Sachin Nandgaonkar *	Member	Non-Independent	5	3
Ms. Surbhi Singhi*	Member	Independent	5	2
Ms. Kusum Dadoo*	Member	Independent	5	1

Ms. Surbhi Singhi resigned w.e.f. 03.12.2018

Mr. Sachin Nandgaonkar resigned w.e.f. 13.02.2019.

Ms. Kusum Dadoo was appointed as a member on 13.02.2019

Mr.Haigreve Khaitan resigned w.e.f. 12.06.2019

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.

Composition of the Committee is available on Company's website: at https://www.harrisonsmalayalam.com/investor_info.htm

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholder Relationship 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 role of the committee shall inter-alia include the following:

(1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
(2) Review of measures taken for effective exercise of voting rights by shareholders.
(3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

(4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

The Stakeholders Relationship Committee comprises of Mr.G. Momen, Ms.Kusum Dadoo, Mr JM Kothary and Mr. V. Venugopal. Mr. G. Momen is the Chairman of the Committee. The Committee met once during the year on 18.02.2019 Table 3 gives the details of attendance.

Table 3: Attendance record of it as Stakeholder Relationship Committee for 2018-19

Name of Members	Status	Category	No. of Meetings	
			Held	Attended
Mr. G. Momen	Chairman	Independent	1	1
Mr. J.M. Kothary	Member	Independent	1	1
Ms. Kusum Dadoo	Member	Independent	1	0
Mr.V. Venugopal	Member	Manager	1	1

Ms. Surbhi Singhi who was a member resigned w.e.f. 03.12.2018 and Ms Kusum Dadoo was appointed as member by the Board on 13.02.2019

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.

Composition of the Committee is available on Company's website: . https://www.harrisonsmalayalam.com/investor_info.htm

NOMINATION & REMUNERATION COMMITTEE

The Nomination & Remuneration (NRC Committee) is comprised of Mr.Haigreve Khaitan, Mr. Golam Momen and Mr. J.M. Kothary. Mr. Haigreve 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.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.

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 include:

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

During the year, the Committee met on 09.04.2018, 02.08.2018, 21.09.2018 and 04.02.2019.

Table 4: Attendance record of NRC Committee members for 2018-19

Name of Members	Status	Category	No. of Meetings	
			Held	Attended
Mr. Haigreve Khaitan	Chairman	Non-Executive	4	4
Mr. Golam Momen	Member	Non-Executive	4	4
Mr. J.M. Kothary	Member	Non- Executive	4	4

* Mr. Haigreve Khaitan resigned w.e.f June 12,2019

Composition of the Committee is available on Company's website: https://www.harrisonsmalayalam.com/investor_info.htm

DIRECTORS' / MANAGER'S REMUNERATION

Payment of remuneration to the Whole Time Director(s) / Manager is governed by the agreements executed between them and the Company and are governed by Board and shareholders' resolutions. The remuneration structure comprises of salary, variable pay, perquisites and allowances and retirement benefits in the form of superannuation and gratuity, except in case of Mr. N Dharmaraj whose payment is on a consolidated basis. No severance fee is paid and stock option is issued to any Director and criteria of making payments to non-executive directors is as per Nomination & Remuneration Policy as approved by Board and is annexed as annexure to the Board's Report.

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. Haigreve Khaitan	-	0.10	0.10
Mr. G. Momen	-	1.00	1.00
Mr. P. Rajagopalan	-	0.80	0.80
Mr. J. M. Kothary	-	1.50	1.50
Mr. Sachin Nandgaonkar	-	0.70	0.70
Mr. Kaushik Roy	-	0.20	0.20
Ms. Surbhi Singhi	-	0.40	0.40
Ms. Kusum Dadoo	-	0.20	0.20
Mr. Venugopal - Manager	59.12	-	59.12
Mr. N. Dharmaraj	104.64	-	104.64
Mr. Venkitraman Anand	44.34	-	44.34
Mr. Cherian M. George	5.68	-	5.68

The breakups of Salary & Perquisites are stated below:

Mr.Venkitraman Anand, Whole Time Director (w.e.f. October 1, 2018) ₹ in lacs

Basic Salary	Other allowance	Perquisites	Retirement Benefits	Total
18.00	21.48	-	4.86	44.34

Mr.Cherian M George Whole Time Director (w.e.f February 13, 2019)

Basic Salary	Other allowance	Perquisites	Retirement Benefits	Total
2.04	2.94	0.15	0.55	5.68

Mr. N. Dharmaraj, Whole Time Director ₹ in lacs

Basic Salary	Other allowance	Perquisites	Retirement Benefits	Total
104.64	-	-	-	104.64

Mr. V. Venugopal, Manager

₹ in lacs

Basic Salary	Other allowance	Perquisites	Retirement Benefits	Total
26.09	25.40	0.60	7.03	59.12

SHARES HELD BY NON-EXECUTIVE DIRECTORS

As on 31st March 2019, Mr. Golam Momen holds 560 shares. No other Director holds equity shares in HML. The Company has not issued any convertible instruments as on 31 March, 2019, no convertible instruments of the Company are outstanding.

RISK MANAGEMENT COMMITTEE

The Risk Management Committee of the Board is comprised of Mr. Cherian M. George, Mr.Venkitraman Anand, Mr. Ravi A. and Mr.Sajish George 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.

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, 2019 are Mr. Golam Momen, Mr. P. Rajagopalan and Mr. N. Dharmaraj. The CSR Policy can be accessed at the website of the Company at link https://www.harrisonsmalayalam.com/investor_info.htm

SUBSIDIARY COMPANIES

As on 31 March 2019, HML has two unlisted subsidiaries namely Enchanting Plantations Ltd., Harmony Plantations Ltd. and one step down subsidiary Malayalam Plantations Ltd. The Company does not have any material subsidiary, as defined under Regulation 16 of the Listing Regulations and as prescribed for the purpose of Regulation 24. The Company has however framed a Policy for determining Material Subsidiaries, as required pursuant to the said Regulation 16, which is available at www.harrisonsmalayalam.com. Provisions to the extent applicable as required under 24 of SEBI Listing Regulations, with reference to subsidiary companies, were duly complied with.

During the year under review, the Audit Committee reviewed the financial statements of the subsidiaries and in particular, the investments made by the unlisted subsidiaries, to the extent applicable. Minutes of the board meetings of unlisted subsidiaries as well as a statement of all significant transactions and arrangements entered into by the subsidiary, as applicable, were regularly placed before the Board. The policy for determining 'material' subsidiaries is posted at https://www.harrisonsmalayalam.com/investor_info.htm.

MANAGEMENT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

Code of Fair Disclosure, Internal Procedures and Conduct for regulating, monitoring and reporting of trading by insiders – has been adopted by the Board, in accordance with SEBI (prohibition of Insider Trading) Regulations, 2015.

The code lays down guidelines, 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 acts as the Compliance Officer to ensure compliance with the requisite approvals on pre-clearance of trade, monitoring of trades and implementation of the Code under the overall supervision of the Board.

WHISTLE BOWLER POLICY/VIGIL 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 and no personnel have been denied access to audit committee.

The Whistle Bowler Policy/Vigil Policy is posted at https://www.harrisonsmalayalam.com/investor_info.htm

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 on 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.

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

Certificate from Mr.. Thomas P Chacko, Practising Company Secretary, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/ Ministry of Corporate Affairs or any other statutory authority, is annexed to this Report.

FEES PAID ON A CONSOLIDATED BASIS TO THE STATUTORY AUDITOR

The total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm / network entity in which the statutory auditor is a part for the financial year 2018-19 is ₹ 27.86 lakhs.

ACCEPTANCE OF RECOMMENDATIONS OF ANY COMMITTEE OF THE BOARD

All the recommendations made by any Committee of the Board during the financial year 2018-2019 have been duly accepted and taken on record by the Board of Directors of the Company.

SHAREHOLDERS

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	41st	2018	26.09.2018	11.00 a.m.	Kerala Fine Arts Hall, Fine Arts Avenue, Foreshore Road, Cochin – 16
2	40th	2017	03.08.2017	11.00 a.m.	Kerala Fine Arts Hall, Fine Arts Avenue, Foreshore Road, Cochin – 16
3	39th	2016	30.09.2016	10.30 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
41st	Continuance of Directorship of Mr. Golam Momen (DIN:00402662), Independent Director of the Company
	Continuance of Directorship of Mr.JM Kothary (DIN: 00015254) Independent Director of the Company
	Appointment and payment of remuneration to Mr. V. Venugopal, Manager
40th	Appointment and payment of remuneration to Mr. N Dharmaraj, Whole Time Director.
39th	Appointment and payment of remuneration to Mr. N. Dharmaraj, Whole Time Director.

POSTAL BALLOT

Postal Ballot:
2 Postal Ballots was conducted during the Financial Year 2018-19.

SPECIAL RESOLUTION PASSED LAST YEAR THROUGH POSTAL BALLOT:

At the Board meeting held on February 13,2019, notice of Postal Ballot was approved and Mr. P Sivakumar Partner, M/s. SVJS & Associates, Company Secretaries, Kochi, was appointed as Scrutinizer for conducting the postal ballot voting process in a fair and transparent

Pursuant to Section 110 of the Companies Act, 2013 read with, Rule 22 of the Companies (Management and Administration) Rules, 2014, (including any statutory modification(s) or reenactment(s) thereof for the time being in force), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to other applicable laws and regulations, the approval of the Members was sought for: Appointment and Payment of Remuneration to Mr. Cherian Manamel George, Whole Time Director

The procedure for the Postal ballot was stated in the notice of Postal Ballot. Please refer the Notice of Postal Ballot at https://www.harrisonsmalayalam.com/events.htm

The results of the Postal Ballot, including E-Voting are as follows:

SPECIAL BUSINESS – SPECIAL RESOLUTION

Ref No.	Subject matter of Resolution	Particulars of Business	Votes in favour of the resolution		Votes against the resolution	
			No.	%	No.	%
1	Appointment and payment of remuneration to Mr.Cherian Manamel George (DIN:07916123) Whole Time Director	E Voting	9276527	99.99	465	0.01
		Postal Ballot	58371	95.91	2490	4.09
		Total	9334898	99.97	2955	0.03

The above Special Resolution was approved with requisite majority, the result of postal ballot was posted on the website of the Company and necessary disclosures were made to the stock exchanges.

Whether any special resolution is proposed to be conducted through postal ballot- At present there is no proposal to pass any special resolution through 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.

STATUS OF ADOPTION OF THE NON MANDATORY REQUIREMENTS

The Company has duly fulfilled the following discretionary requirements as prescribed in Sub – Regulation 1 of Regulation 27 of the SEBI Listing Regulations as follows:

Reporting of Internal Auditor: Internal Auditors of the Company make presentations to the Audit Committee on their Reports and has direct access to the Audit Committee.

OTHER ITEMS

The rest of the Non Mandatory Requirements will be implemented by the Company as and when required and/or deemed necessary by the Board.

NON-MANDATORY REQUIREMENTS

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

SHAREHOLDER RIGHTS – FURNISHING OF QUARTERLY RESULTS

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

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

Place: Kolkata
Date:29.05.2019

Cherian M. George
Whole Time Director
(DIN:07916123)

Venkitraman Anand
Whole Time Director
(DIN:07446834)

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

ANNUAL GENERAL MEETING

Date : Friday,September 6, 2019
Time : 11.00 A.M.
Venue : Kerala Fine Arts Hall, Fine Arts Avenue, Foreshore Road, Cochin - 682016

FINANCIAL CALENDAR

For the year ended 31 March 2019, results were announced on:
First quarter : 10th August, 2018
Second quarter : 13th November, 2018
Third quarter : 13th February, 2019
Fourth quarter and annual : 29th May, 2018

For the year ending 31 March 2020, results will be announced on:

Quarter ending June 30, 2019	Within August 14, 2019
Quarter ending September 30, 2019	Within November 14, 2019
Quarter ending December 31, 2019	Within February 14, 2020
Year ending March 31, 2020 (Audited)	Within May 30, 2020

BOOK CLOSURE

The Company's Register of Members and Share Transfer Books will remain from August 31,2019 to September 6,2019 (both days inclusive) as Annual closure for the Annual General Meeting.

DIVIDEND

The Board has not recommended any dividend for the FY 2018-19.

LISTING

Equity shares of HML are listed on the BSE Limited, National Stock Exchange of India Ltd.

STOCK CODES

Stock Exchanges	Stock Code
BSE 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 BSE Ltd and National Stock Exchange for the year 2018-19.

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

Year –2018/19	BSE		NSE		Volume (Nos.)	
Months	High (₹)	Low (₹)	High (₹)	Low (₹)	BSE	NSE
April	115.20	74.40	115.50	74.20	774769	3316258
May	124.90	93.50	124.75	92.50	421042	1829274
June	110.85	79.40	111.00	79.70	605531	3975679
July	98.00	81.95	98.00	81.80	239161	1246373
August	108.65	85.00	108.65	83.20	505031	3407693
September	112.40	82.35	112.50	81.60	444844	1653449
October	96.95	76.15	96.90	76.00	939692	1473092
November	91.90	80.70	92.45	81.00	194169	791401
December	86.60	79.25	86.95	79.45	110515	663693
January	88.05	77.05	88.30	77.15	156323	887859
February	80.25	62.05	80.80	61.70	95292	428599
March	79.05	67.70	79.40	67.45	163428	670433

Source: Website: BSE 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 2018-19.

Table 2: Performance comparison to NSE Nifty and BSE Sensex (to update)

As at close of last trading day for each month	HML's closing price on NSE (₹)	NSE Nifty	BSE Sensex
April 2018	112.40	10739.35	35160.36
May 2018	96.30	10736.15	35322.38
June 2018	93.95	10714.30	35423.48
July 2018	89.00	11356.50	37606.58
August 2018	104.30	11680.50	37645.07
September 2018	83.15	10930.45	36227.40
October 2018	84.40	10386.60	34442.05
November 2018	81.20	10876.75	36194.30
December 2018	85.65	10862.55	36068.33
January 2019	78.95	10830.95	36256.69
February 2019	67.50	10792.50	35867.44
March 2019	70.75	11623.90	38672.91

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 2019, dematerialised shares accounted for 17794725 shares – 96.42% 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 2018-19

No of Investor queries/ complaints received from 01.04.2018 to 31.03.2019	No. of complaints pending at the end of the Financial Year
16	Nil

SHAREHOLDING PATTERN

Table 4 and 5 give the pattern of shareholding by ownership and share class respectively

Table 4: Pattern of shareholding by ownership as on 31 March 2019

Category	Shares held (nos)	% of holding
Promoters Holdings (Indian and Foreign)	9283795	50.30
Mutual Funds	6890	0.04
Banks, Financial Institutions, Insurance Companies and others	68129	0.37
Foreign Institutional Investors	0	0
Non Resident Indians	120814	0.65
Corporate Bodies, Indian Public and others	8975777	48.64
TOTAL	**18455405**	**100.00**

Table 5: Pattern of shareholding by share class as on 31 March 2019

No of Equity Shares held	No of Shareholders	No of shares held	% to total Shareholding
Up to 500	23065	2719479	92.28
501 to 1000	1024	811917	4.10
1001 to 2000	453	677810	1.81
2001 to 3000	160	416344	0.64

3001 to 4000	67	242552	0.27
4001 to 5000	45	210490	0.18
5001 to 10000	98	706645	0.39
10001 and above	82	12670168	0.33
TOTAL	**24994**	**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 2016 (₹)	Due date for credit to IEPF
2011-12	27.09.2012	15%	856902	26.09.2019
2012-13	23.09.2013	7.5%	479241	22.09.2020
2013-14	26.09.2014	10%	595056	25.10.2021

During the year under review unpaid/unclaimed dividend amount transferred to IEPF is detailed in note no 11 to financial statements. During the financial year ended March 31, 2019, the Company, after compliance with the due procedure laid down under Section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), the Company had transferred 38,757 number of shares in respect of which dividend has not been claimed for 7 (seven) consecutive years or more, to the Investor Education and Protection Fund ("IEPF Authority").

The Company opened a demat account "Harrisons 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, 2018 to March 31, 2019 are as follows:

	No. of Shareholders	No. of Shares
Aggregate number as on April1, 2018	2335	161468
No. of shareholders who approached the Company / Registrar for transfer of shares from unclaimed Suspense Account during the year.	37	2425
No. of shareholder to whom shares were transferred from the Unclaimed Suspense Account during the year.	37	2425
Shares Transferred to IEPF	118	6256
Aggregate number as on March 31, 2019	2180	152787

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, 2019.

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, 2019 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, 2019

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, 2019, 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, 2019

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

AS PER CLAUSE 10(I) OF PART C OF SCHEDULE V OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATION 2015

I have examined the compliance of provisions of the aforesaid clause 10(i) of Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and to the best of our information and according to the explanations given to us by the Company and the declarations made by the Directors, I certify that none of the Directors of Harrisons Malayalam Limited ("the Company") CIN:L01119KL1978PLC002947 have been debarred or disqualified as on 31.03.2019 from being appointed or continuing as Directors of the Company by SEBI / Ministry of Corporate Affairs or any other Statutory Authority.

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

Cochin
May 29, 2019

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 for the 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.

2. 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.

3. 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

Form No. MR-3

FOR THE FINANCIAL YEAR ENDED 31.03.2019

[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 31.03.2019, 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 31.03.2019 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 thereunderto 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;

   e) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 and The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 to the extent applicable

(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 except that the company is yet to file e Form DIR 12 and MR1 for appointment of a Whole-time Director.

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

CS Vincent P.D.
Managing Partner
CP No.: 7940
FCS: 3067

Kochi
May 29, 2019

ANNEXURE A 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 2019 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

CS Vincent P.D.
Managing Partner
CP No.: 7940
FCS: 3067

Kochi
May 29, 2019

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 around 10,000 numbers of 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.

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 habitants 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 Theme	Activity	Locations	No. of Benefeciaries
1	Education	Rakshita – Centre for Children and Young Adults with Special Needs.	Arrapetta, Wayanad	20
2	Education	Safety and First Aid awareness	Estates in Wayanad, Thrissur, Idukki, Pathanamthitta, Kollam & Nilgiris district, Wentworth & Mooply	1180
3	Education	Summer Camp	Estates in Wayanad, Thrissur, Idukki, Pathanamthitta, Kollam & Nilgiris district, Mooply, Mundakayam & Kundai	724
4	Education	Training and awareness Programme	Mooply & Kundai Estates	140
5	Education	Drawing competition for children conducted on Childrens Day	Wentworth	35
6	Education	Employee Empowerment Programme	Wentworth	100
7	Education	Education kits	Surianalle(Idukki), Lahai(Pathanamthitta) & Mayfield(Nilgiris)	80
8	Environment	World Evnironment Day Celebrations	HML Estates in Wayanad, Thrissur, Idukki, Pathanamthitta, Kollam & Nilgiris district, Mooply, Kundai, Lockhart, Panniar & Wentworth Estates	3320
9	Environment	Waste Management with the help of Local Self Government bodies	Estates in Wayanad, Thrissur, Idukki, Pathanamthitta, Kollam & Nilgiris district	1350
10	Environment	Rain Water Harvesting in Estates	Estates in Wayanad, Thrissur, Idukki, Pathanamthitta, Kollam & Nilgiris district	900
11	Environment	Sustainability Certifications	Estates in Wayanad, Thrissur, Idukki, Pathanamthitta, Kollam & Nilgiris district	1800

Sr. No.	CSR Theme	Activity	Locations	No. of Benefeciaries
12	Environment	Sustainable Agricultural practices to Small Tea Growers	Tea Estates in Wayanad, Idukki & Nilgiris	1800
13	Environment	Water & Soil Conservation	Tea Estates in Wayanad, Idukki & Nilgiris	1800
14	Environment	Dry Day	Tea Estates in Wayanad, Idukki & Nilgiris	5000
15	Environment	Plastic Free Zones	Tea Estates in Wayanad, Idukki & Nilgiris, Mooply & Mundakayam Estates	2220
16	Environment	Kerala Flood Relief	HMLEstates in Wayanad, Thrissur, Idukki, Pathanamthitta, Kollam & Nilgiris district	5000
17	Health	Monsoon Diseases/Communicable diseases awareness campaigns/Observing Dry Days, Chicken Guniya	Estates in Wayanad, Thrissur, Idukki, Pathanamthitta, Kollam & Nilgiris district , Mooply, Kundai Estates, Moongalaar, Wallardie, Pattumalay, Lockhart and Panniar Estates	5649
18	Health	Medical Camps	Estates in Wayanad, Thrissur, Idukki, Pathanamthitta, Kollam & Nilgiris district, Kumbazha, Mooply, Lockhart, Mundakayam, Kundai and Nagamallay Estates	6984
19	Health	Cancer Awareness Session	Sentinel Rock/Arrapetta	100
20	Health	Monkey fever vaccination camp	Kaliyar, Palapilly Estates	640
21	Health	Cloth Collection Campaign	Head Office- Cochin	150
22	Health	Paliative Care	Head Office-Cochin	1
23	Health	Health Campaigns	Estates in Wayanad, Thrissur, Idukki, Pathanamthitta, Kollam & Nilgiris district	5000
24	Welfare	Kerala Flood Relief	Estates in Wayanad, Thrissur, Idukki, Pathanamthitta, Kollam & Nilgiris district, Lockhart & Panniar	8350

Annexure G to the Directors' Report

Form MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2019

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

I. REGSTRATION AND OTHER DETAILS

i.	CIN	L01119KL1978PLC002947
ii.	Registration Date	7th 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 ACTIVITES 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	50.02
2	PLANTATIONS - RUBBER	1291	48.99

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 - 2018				Shareholding at the end of the year - 2019				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	90000	0	90000	0.4877	90030	0	90030	0.4878	0.0001
(b)	Central Government / State Government(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Financial Institutions / Banks	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Any Other (Specify)									
	Promoter Trust	262140	0	262140	1.4204	262140	0	262140	1.4204	0.0000
	Bodies Corporate	**8931575**	**0**	**8931575**	**48.3954**	**8931625**	**0**	**8931625**	**48.3957**	**0.0003**
	Sub Total (A)(1)	**9283715**	**0**	**9283715**	**50.3035**	**9283795**	**0**	**9283795**	**50.3039**	**0.0004**
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.0000	0	0	0	0.0000	0.0000

Sr No	Category of Shareholders	Shareholding at the beginning of the year - 2018				Shareholding at the end of the year - 2019				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(b)	Government	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Institutions	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Foreign Portfolio Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Any Other (Specify)									
	Sub Total (A)(2)	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0.0000**
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	**9283715**	**0**	**9283715**	**50.3035**	**9283795**	**0**	**9283795**	**50.3039**	**0.0004**
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	6500	470	6970	0.0378	6500	390	6890	0.0373	-0.0005
(b)	Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Alternate Investment Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Foreign Venture Capital Investors	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Foreign Portfolio Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
(f)	Financial Institutions / Banks	120036	680	120716	0.6541	67459	670	68129	0.3692	-0.2849
(g)	Insurance Companies	0	0	0	0.0000	0	0	0	0.0000	0.0000
(h)	Provident Funds/ Pension Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(i)	Any Other (Specify)									
	Foreign Bank	0	0	0	0.0000	38	0	38	0.0002	0.0002
	Sub Total (B)(1)	**126536**	**1150**	**127686**	**0.6919**	**73997**	**1060**	**75057**	**0.4067**	**-0.2852**
[2]	Central Government/ State Government(s)/ President of India									
	Central Government / State Government(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Sub Total (B)(2)	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0.0000**
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto ₹ 1 lakh.	4719736	718891	5438627	29.4690	4474267	647755	5122022	27.7535	-1.7155
(ii)	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1854070	0	1854070	10.0462	2056567	0	2056567	11.1434	1.0972
(b)	NBFCs registered with RBI	0	0	0	0.0000	400	0	400	0.0022	0.0022
(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Any Other (Specify)									
	IEPF	185711	0	185711	1.0063	224468	0	224468	1.2163	0.2100
	Trusts	873	0	873	0.0047	873	0	873	0.0047	0.0000
	Hindu Undivided Family	353937	0	353937	1.9178	274803	0	274803	1.4890	-0.4288
	Non Resident Indians (Non Repat)	26726	0	26726	0.1448	29759	0	29759	0.1612	0.0164
	Non Resident Indians (Repat)	42583	3485	46068	0.2496	87370	3685	91055	0.4934	0.2438
	Unclaimed Shares	161368	0	161368	0.8744	152787	0	152787	0.8279	-0.0465
	Clearing Member	95358	0	95358	0.5167	52919	0	52919	0.2867	-0.2300
	Market Maker	1652	0	1652	0.0090	1951	0	1951	0.0106	0.0016
	Bodies Corporate	871333	8281	879614	4.7662	1080769	8180	1088949	5.9004	1.1342
	Sub Total (B)(3)	8313347	730657	9044004	49.0046	8436933	659620	9096553	49.2894	1.2848
	Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)	**8439883**	**731807**	**9171690**	**49.6965**	**8510930**	**660680**	**9171610**	**49.6961**	**-0.0004**
	Total (A)+(B)	**17723598**	**731807**	**18455405**	**100.0000**	**17794725**	**660680**	**18455405**	**100.0000**	**0.0000**
(C)	**Non Promoter - Non Public**									
[1]	Custodian/DR Holder	0	0	0	0.0000	0	0	0	0.0000	0.0000
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Total (A)+(B)+(C)	17723598	731807	18455405	100.0000	17794725	660680	18455405	100.0000	

ii) Shareholding of Promoters

Sr No	Shareholder's Name	Shareholding at the beginning of the year - 2018			Shareholding at the end of the year - 2019			% 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	0.0000	4471063	24.2263	0.0000	0.0000
2	Vayu Udaan Aircraft Llp	2720100	14.7388	0.0000	3448100	18.6834	0.0000	3.9446
3	Swallow Associates Llp	1010722	5.4766	0.0000	1010722	5.4766	0.0000	0.0000
4	Summit Securities Limited	728160	3.9455	0.0000	160	0.0009	0.0000	-3.9446
5	Harsh Vardhan Goenka	45000	0.2438	0.0000	45000	0.2438	0.0000	0.0000
6	Pradip Kumar Khaitan on behalf of HML Trust No. I	43680	0.2367	0.0000	43680	0.2367	0.0000	0.0000
7	Pradip Kumar Khaitan on behalf of HML Trust No. II	43680	0.2367	0.0000	43680	0.2367	0.0000	0.0000
8	Pradip Kumar Khaitan on behalf of HML Trust No. III	43680	0.2367	0.0000	43680	0.2367	0.0000	0.0000
9	Pradip Kumar Khaitan on behalf of HML Trust No. IV	43680	0.2367	0.0000	43680	0.2367	0.0000	0.0000
10	Pradip Kumar Khaitan on behalf of HML Trust No. V	43680	0.2367	0.0000	43680	0.2367	0.0000	0.0000
11	Pradip Kumar Khaitan on behalf of HML Trust No. VI	43680	0.2367	0.0000	43680	0.2367	0.0000	0.0000
12	Sanjiv Goenka	35000	0.1896	0.0000	35000	0.1896	0.0000	0.0000
13	Rama Prasad Goenka	10000	0.0542	0.0000	10000	0.0542	0.0000	0.0000
14	Carniwal Investments Ltd	1230	0.0067	0.0000	1230	0.0067	0.0000	0.0000
15	Instant Holdings Limited	200	0.0011	0.0000	200	0.0011	0.0000	0.0000
16	Saregama India Limited	100	0.0005	0.0000	100	0.0005	0.0000	0.0000
17	Harsh Vardhan Goenka Trustee of Crystal India Tech Trust	10	0.0001	0.0000	10	0.0001	0.0000	0.0000
18	Harsh Vardhan Goenka Trustee of Nucleus Life Trust	10	0.0001	0.0000	10	0.0001	0.0000	0.0000
19	Harsh Vardhan Goenka Trustee of Monitor Portfolio Trust	10	0.0001	0.0000	10	0.0001	0.0000	0.0000
20	Harsh Vardhan Goenka Trustee of Secura India Trust	10	0.0001	0.0000	10	0.0001	0.0000	0.0000
21	Harsh Vardhan Goenka Trustee of Stellar Energy Trust	10	0.0001	0.0000	10	0.0001	0.0000	0.0000
22	Harsh Vardhan Goenka Trustee of Prism Estates Trust	10	0.0001	0.0000	10	0.0001	0.0000	0.0000
23	Malabar Coastal Holdings Llp	0	0.0000	0.0000	10	0.0001	0.0000	0.0001
24	Atlantus Dwellings And Infrastructure Llp	0	0.0000	0.0000	10	0.0001	0.0000	0.0001
25	Chattarpati Apartments Llp	0	0.0000	0.0000	10	0.0001	0.0000	0.0001
26	Ektara Enterprises Llp	0	0.0000	0.0000	10	0.0001	0.0000	0.0001
27	Sofreal Mercantrade Pvt Ltd	0	0.0000	0.0000	10	0.0001	0.0000	0.0001
28	Anant Vardhan Goenka	0	0.0000	0.0000	10	0.0001	0.0000	0.0001
29	Mala Goenka	0	0.0000	0.0000	10	0.0001	0.0000	0.0001
30	Radha Anant Goenka	0	0.0000	0.0000	10	0.0001	0.0000	0.0001
	Total	**9283715**	**50.3035**	**0.0000**	**9283795**	**50.3039**	**0.0000**	**0.0004**

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 - 2018		Transactions during the year		Cumulative Shareholding at the end of the year - 2019	
		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	4471063	24.2263			4471063	24.2263
	At The End Of The Year					4471063	24.2263
2	Vayu Udaan Aircraft Llp	2720100	14.7388			2720100	14.7388

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2018		Transactions during the year		Cumulative Shareholding at the end of the year - 2019	
		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 Oct 2018	728000	3448100	18.6834
	At The End Of The Year					3448100	18.6834
3	Swallow Associates Llp	1010722	5.4766			1010722	5.4766
	At The End Of The Year					1010722	5.4766
4	Harsh Vardhan Goenka	45000	0.2438			45000	0.2438
	At The End Of The Year					45000	0.2438
5	Pradip Kumar Khaitan	43680	0.2367			43680	0.2367
	At The End Of The Year					43680	0.2367
6	Pradip Kumar Khaitan	43680	0.2367			43680	0.2367
	At The End Of The Year					43680	0.2367
7	Pradip Kumar Khaitan	43680	0.2367			43680	0.2367
	At The End Of The Year					43680	0.2367
8	Pradip Kumar Khaitan	43680	0.2367			43680	0.2367
	At The End Of The Year					43680	0.2367
9	Pradip Kumar Khaitan	43680	0.2367			43680	0.2367
	At The End Of The Year					43680	0.2367
10	Pradip Kumar Khaitan	43680	0.2367			43680	0.2367
	At The End Of The Year					43680	0.2367
11	Sanjiv Goenka	35000	0.1896			35000	0.1896
	At The End Of The Year					35000	0.1896
12	Rama Prasad Goenka	10000	0.0542			10000	0.0542
	At The End Of The Year					10000	0.0542
13	Carniwal Investments Ltd	1230	0.0067			1230	0.0067
	At The End Of The Year					1230	0.0067
14	Instant Holdings Limited	200	0.0011			200	0.0011
	At The End Of The Year					200	0.0011
15	Summit Securities Limited	728160	3.9455			728160	3.9455
	Transfer			12 Oct 2018	(728000)	160	0.0009
	At The End Of The Year					160	0.0009
16	Saregama India Limited	100	0.0005			100	0.0005
	At The End Of The Year					100	0.0005
17	Harsh Vardhan Goenka	10	0.0001			10	0.0001
	At The End Of The Year					10	0.0001
18	Harsh Vardhan Goenka	10	0.0001			10	0.0001
	At The End Of The Year					10	0.0001
19	Ektara Enterprises Llp	0	0.0000			0	0.0000
	Transfer			13 Apr 2018	10	10	0.0001
	At The End Of The Year					10	0.0001
20	Chattarpati Apartments Llp	0	0.0000			0	0.0000
	Transfer			13 Apr 2018	10	10	0.0001
	At The End Of The Year					10	0.0001

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2018		Transactions during the year		Cumulative Shareholding at the end of the year - 2019	
		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
21	Radha Anant Goenka	0	0.0000			0	0.0000
	Transfer			27 Apr 2018	10	10	0.0001
	At The End Of The Year					10	0.0001
22	Harsh Vardhan Goenka	10	0.0001			10	0.0001
	At The End Of The Year					10	0.0001
23	Anant Vardhan Goenka	0	0.0000			0	0.0000
	Transfer			27 Apr 2018	10	10	0.0001
	At The End Of The Year					10	0.0001
24	Mala Goenka	0	0.0000			0	0.0000
	Transfer			27 Apr 2018	10	10	0.0001
	At The End Of The Year					10	0.0001
25	Harsh Vardhan Goenka	10	0.0001			10	0.0001
	At The End Of The Year					10	0.0001
26	Harsh Vardhan Goenka	10	0.0001			10	0.0001
	At The End Of The Year					10	0.0001
27	Harsh Vardhan Goenka	10	0.0001			10	0.0001
	At The End Of The Year					10	0.0001
28	Sofreal Mercantrade Pvt Ltd	0	0.0000			0	0.0000
	Transfer			13 Apr 2018	10	10	0.0001
	At The End Of The Year					10	0.0001
29	Malabar Coastal Holdings Llp	0	0.0000			0	0.0000
	Transfer			13 Apr 2018	10	10	0.0001
	At The End Of The Year					10	0.0001
30	Atlantus Dwellings And Infrastructure Llp	0	0.0000			0	0.0000
	Transfer			13 Apr 2018	10	10	0.0001
	At The End Of The Year					10	0.0001

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 - 2018		Transactions during the year		Cumulative Shareholding at the end of the year - 2019	
		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	Angel Fincap Private Limited	7185	0.0389			7185	0.0389
	Transfer			06 Apr 2018	1	7186	0.0389
	Transfer			13 Apr 2018	(290)	6896	0.0374
	Transfer			20 Apr 2018	18106	25002	0.1355
	Transfer			27 Apr 2018	42273	67275	0.3645
	Transfer			04 May 2018	9820	77095	0.4177
	Transfer			11 May 2018	16313	93408	0.5061
	Transfer			18 May 2018	4793	98201	0.5321
	Transfer			25 May 2018	7555	105756	0.5730

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2018		Transactions during the year		Cumulative Shareholding at the end of the year - 2019	
		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			01 Jun 2018	7	105763	0.5731
	Transfer			08 Jun 2018	125	105888	0.5738
	Transfer			15 Jun 2018	44008	149896	0.8122
	Transfer			22 Jun 2018	(2100)	147796	0.8008
	Transfer			30 Jun 2018	(1479)	146317	0.7928
	Transfer			06 Jul 2018	(146317)	0	0.0000
	Transfer			17 Aug 2018	143311	143311	0.7765
	Transfer			24 Aug 2018	(100)	143211	0.7760
	Transfer			31 Aug 2018	5690	148901	0.8068
	Transfer			07 Sep 2018	10183	159084	0.8620
	Transfer			21 Sep 2018	2135	161219	0.8736
	Transfer			29 Sep 2018	(12711)	148508	0.8047
	Transfer			05 Oct 2018	(10409)	138099	0.7483
	Transfer			19 Oct 2018	5000	143099	0.7754
	Transfer			16 Nov 2018	(1900)	141199	0.7651
	Transfer			23 Nov 2018	200	141399	0.7662
	Transfer			30 Nov 2018	200	141599	0.7672
	Transfer			07 Dec 2018	(100)	141499	0.7667
	Transfer			21 Dec 2018	124209	265708	1.4397
	Transfer			04 Jan 2019	200	265908	1.4408
	Transfer			11 Jan 2019	475	266383	1.4434
	Transfer			25 Jan 2019	(400)	265983	1.4412
	Transfer			01 Feb 2019	(200)	265783	1.4401
	Transfer			08 Feb 2019	(3000)	262783	1.4239
	Transfer			15 Feb 2019	(12)	262771	1.4238
	Transfer			01 Mar 2019	400	263171	1.4260
	Transfer			15 Mar 2019	200	263371	1.4271
	Transfer			22 Mar 2019	7500	270871	1.4677
	At The End Of The Year					270871	1.4677
4	Rohan Dipak Randery	79582	0.4312			79582	0.4312
	Transfer			15 Jun 2018	5000	84582	0.4583
	Transfer			30 Jun 2018	5000	89582	0.4854
	Transfer			24 Aug 2018	(364)	89218	0.4834
	Transfer			29 Sep 2018	7890	97108	0.5262
	Transfer			12 Oct 2018	15000	112108	0.6075
	Transfer			19 Oct 2018	(5000)	107108	0.5804
	Transfer			15 Mar 2019	(5000)	102108	0.5533
	At The End Of The Year					102108	0.5533
5	Manjula Venkatakrishnamohan Prabhala	0	0.0000			0	0.0000
	Transfer			07 Sep 2018	100000	100000	0.5418
	At The End Of The Year					100000	0.5418
6	Chandrika Dilip Shah	90000	0.4877			90000	0.4877
	Transfer			06 Jul 2018	(90000)	0	0.0000
	Transfer			10 Aug 2018	90000	90000	0.4877
	At The End Of The Year					90000	0.4877
7	Il And Fs Securities Services Limited	36078	0.1955			36078	0.1955
	Transfer			13 Apr 2018	(700)	35378	0.1917
	Transfer			20 Apr 2018	(8125)	27253	0.1477
	Transfer			27 Apr 2018	(1175)	26078	0.1413
	Transfer			04 May 2018	(90)	25988	0.1408
	Transfer			11 May 2018	(8015)	17973	0.0974
	Transfer			18 May 2018	100	18073	0.0979
	Transfer			25 May 2018	4080	22153	0.1200

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2018		Transactions during the year		Cumulative Shareholding at the end of the year - 2019	
		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			08 Jun 2018	36000	58153	0.3151
	Transfer			15 Jun 2018	24689	82842	0.4489
	Transfer			22 Jun 2018	8056	90898	0.4925
	Transfer			30 Jun 2018	9703	100601	0.5451
	Transfer			06 Jul 2018	(600)	100001	0.5419
	Transfer			13 Jul 2018	7238	107239	0.5811
	Transfer			20 Jul 2018	(5771)	101468	0.5498
	Transfer			03 Aug 2018	599	102067	0.5530
	Transfer			10 Aug 2018	5100	107167	0.5807
	Transfer			17 Aug 2018	7265	114432	0.6200
	Transfer			24 Aug 2018	1000	115432	0.6255
	Transfer			31 Aug 2018	(6777)	108655	0.5887
	Transfer			07 Sep 2018	415	109070	0.5910
	Transfer			14 Sep 2018	(1000)	108070	0.5856
	Transfer			21 Sep 2018	3423	111493	0.6041
	Transfer			29 Sep 2018	(4666)	106827	0.5788
	Transfer			05 Oct 2018	15300	122127	0.6617
	Transfer			12 Oct 2018	(2444)	119683	0.6485
	Transfer			19 Oct 2018	(4000)	115683	0.6268
	Transfer			26 Oct 2018	(7940)	107743	0.5838
	Transfer			09 Nov 2018	(1150)	106593	0.5776
	Transfer			16 Nov 2018	1200	107793	0.5841
	Transfer			23 Nov 2018	16455	124248	0.6732
	Transfer			30 Nov 2018	3274	127522	0.6910
	Transfer			07 Dec 2018	(1140)	126382	0.6848
	Transfer			14 Dec 2018	2634	129016	0.6991
	Transfer			21 Dec 2018	(352)	128664	0.6972
	Transfer			28 Dec 2018	(499)	128165	0.6945
	Transfer			04 Jan 2019	(918)	127247	0.6895
	Transfer			18 Jan 2019	(3568)	123679	0.6702
	Transfer			25 Jan 2019	6179	129858	0.7036
	Transfer			01 Feb 2019	5679	135537	0.7344
	Transfer			08 Feb 2019	(1203)	134334	0.7279
	Transfer			15 Feb 2019	(4129)	130205	0.7055
	Transfer			01 Mar 2019	(5868)	124337	0.6737
	Transfer			08 Mar 2019	1045	125382	0.6794
	Transfer			15 Mar 2019	(7257)	118125	0.6401
	Transfer			22 Mar 2019	(26542)	91583	0.4962
	Transfer			29 Mar 2019	(13254)	78329	0.4244
	At The End Of The Year					78329	0.4244
8	Gurgaon Infospace Limited	50000	0.2709			50000	0.2709
	Transfer			20 Apr 2018	(50000)	0	0.0000
	Transfer			14 Dec 2018	1372	1372	0.0074
	Transfer			21 Dec 2018	128	1500	0.0081
	Transfer			25 Jan 2019	9500	11000	0.0596
	Transfer			01 Feb 2019	13500	24500	0.1328
	Transfer			08 Feb 2019	24450	48950	0.2652
	Transfer			15 Feb 2019	21577	70527	0.3821
	Transfer			01 Mar 2019	2307	72834	0.3946
	At The End Of The Year					72834	0.3946
9	Vineet Nahata	0	0.0000			0	0.0000
	Transfer			20 Apr 2018	21000	21000	0.1138
	Transfer			27 Apr 2018	11500	32500	0.1761
	Transfer			04 May 2018	17816	50316	0.2726
	Transfer			11 May 2018	12000	62316	0.3377

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2018		Transactions during the year		Cumulative Shareholding at the end of the year - 2019	
		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			18 May 2018	8950	71266	0.3862
	Transfer			01 Jun 2018	2900	74166	0.4019
	Transfer			08 Jun 2018	5000	79166	0.4290
	Transfer			22 Jun 2018	(1200)	77966	0.4225
	Transfer			30 Jun 2018	(1800)	76166	0.4127
	Transfer			20 Jul 2018	(385)	75781	0.4106
	Transfer			03 Aug 2018	(128)	75653	0.4099
	Transfer			17 Aug 2018	(13000)	62653	0.3395
	Transfer			31 Aug 2018	50	62703	0.3398
	Transfer			07 Sep 2018	7169	69872	0.3786
	Transfer			14 Sep 2018	2600	72472	0.3927
	Transfer			29 Sep 2018	2650	75122	0.4070
	Transfer			26 Oct 2018	5000	80122	0.4341
	Transfer			16 Nov 2018	(10000)	70122	0.3800
	At The End Of The Year					70122	'0.3800
10	Kinjal Sanjay Morakhia	0	0.0000			0	0.0000
	Transfer			04 May 2018	60000	60000	'0.3251
	At The End Of The Year					60000	'0.3251
11	Axis Bank Limited	78883	0.4274			78883	0.4274
	Transfer			13 Apr 2018	(60)	78823	0.4271
	Transfer			20 Apr 2018	(1455)	77368	0.4192
	Transfer			27 Apr 2018	(845)	76523	0.4146
	Transfer			04 May 2018	(4655)	71868	0.3894
	Transfer			11 May 2018	390	72258	0.3915
	Transfer			18 May 2018	(1200)	71058	0.3850
	Transfer			25 May 2018	1404	72462	0.3926
	Transfer			01 Jun 2018	(782)	71680	0.3884
	Transfer			08 Jun 2018	409	72089	0.3906
	Transfer			15 Jun 2018	(1430)	70659	0.3829
	Transfer			22 Jun 2018	(800)	69859	0.3785
	Transfer			30 Jun 2018	(33695)	36164	0.1960
	Transfer			06 Jul 2018	1998	38162	0.2068
	Transfer			13 Jul 2018	11829	49991	0.2709
	Transfer			20 Jul 2018	(951)	49040	0.2657
	Transfer			27 Jul 2018	(23090)	25950	0.1406
	Transfer			03 Aug 2018	650	26600	0.1441
	Transfer			17 Aug 2018	13900	40500	0.2194
	Transfer			24 Aug 2018	9786	50286	0.2725
	Transfer			31 Aug 2018	(17064)	33222	0.1800
	Transfer			07 Sep 2018	3028	36250	0.1964
	Transfer			21 Sep 2018	20859	57109	0.3094
	Transfer			29 Sep 2018	(967)	56142	0.3042
	Transfer			05 Oct 2018	3027	59169	0.3206
	Transfer			12 Oct 2018	(3327)	55842	0.3026
	Transfer			19 Oct 2018	(1450)	54392	0.2947
	Transfer			26 Oct 2018	(740)	53652	0.2907
	Transfer			02 Nov 2018	(17087)	36565	0.1981
	Transfer			09 Nov 2018	(885)	35680	0.1933
	Transfer			16 Nov 2018	(196)	35484	0.1923
	Transfer			23 Nov 2018	1373	36857	0.1997
	Transfer			30 Nov 2018	(445)	36412	0.1973
	Transfer			07 Dec 2018	(116)	36296	0.1967
	Transfer			14 Dec 2018	425	36721	0.1990
	Transfer			21 Dec 2018	170	36891	0.1999
	Transfer			28 Dec 2018	(70)	36821	0.1995

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2018		Transactions during the year		Cumulative Shareholding at the end of the year - 2019	
		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			31 Dec 2018	(385)	36436	0.1974
	Transfer			04 Jan 2019	610	37046	0.2007
	Transfer			11 Jan 2019	(265)	36781	0.1993
	Transfer			18 Jan 2019	16013	52794	0.2861
	Transfer			25 Jan 2019	2657	55451	0.3005
	Transfer			01 Feb 2019	(24234)	31217	0.1691
	Transfer			08 Feb 2019	650	31867	0.1727
	Transfer			15 Feb 2019	(4113)	27754	0.1504
	Transfer			01 Mar 2019	32609	60363	0.3271
	Transfer			08 Mar 2019	(1425)	58938	0.3194
	Transfer			15 Mar 2019	925	59863	0.3244
	Transfer			22 Mar 2019	(368)	59495	0.3224
	Transfer			29 Mar 2019	(1355)	58140	0.3150
	At The End Of The Year					58140	0.3150
12	The Peninsular Plantations Ltd.	52372	0.2838			52372	0.2838
	Transfer			06 Jul 2018	(52372)	0	0.0000
	Transfer			17 Aug 2018	52372	52372	0.2838
	At The End Of The Year					52372	0.2838
13	Kantharao Uppala .	51875	0.2811			51875	0.2811
	Transfer			06 Jul 2018	(51875)	0	0.0000
	Transfer			10 Aug 2018	51875	51875	0.2811
	Transfer			14 Sep 2018	(4602)	47273	0.2561
	Transfer			05 Oct 2018	(21202)	26071	0.1413
	Transfer			19 Oct 2018	(26071)	0	0.0000
	At The End Of The Year					0	0.0000
14	Jm Financial Services Limited	49287	0.2671			49287	0.2671
	Transfer			06 APR 2019	(17841)	31446	0.1704
	Transfer			13 Apr 2018	(68)	31378	0.1700
	Transfer			20 Apr 2018	27499	58877	0.3190
	Transfer			27 Apr 2018	(25262)	33615	0.1821
	Transfer			04 May 2018	2665	36280	0.1966
	Transfer			11 May 2018	(3289)	32991	0.1788
	Transfer			18 May 2018	(1886)	31105	0.1685
	Transfer			25 May 2018	(3993)	27112	0.1469
	Transfer			01 Jun 2018	(1422)	25690	0.1392
	Transfer			08 Jun 2018	1735	27425	0.1486
	Transfer			15 Jun 2018	6810	34235	0.1855
	Transfer			22 Jun 2018	(18788)	15447	0.0837
	Transfer			30 Jun 2018	(6704)	8743	0.0474
	Transfer			06 Jul 2018	(7743)	1000	0.0064
	Transfer			13 Jul 2018	12965	13965	0.0895
	Transfer			20 Jul 2018	(13415)	550	0.0035
	Transfer			27 Jul 2018	100	650	0.0042
	Transfer			03 Aug 2018	(150)	500	0.0032
	Transfer			10 Aug 2018	30976	31476	0.2017
	Transfer			17 Aug 2018	(14363)	17113	0.0927
	Transfer			24 Aug 2018	(12413)	4700	0.0255
	Transfer			31 Aug 2018	10849	15549	0.0843
	Transfer			07 Sep 2018	(9549)	6000	0.0325
	Transfer			14 Sep 2018	(200)	5800	0.0314
	Transfer			21 Sep 2018	865	6665	0.0361
	Transfer			29 Sep 2018	(4590)	2075	0.0112
	Transfer			05 Oct 2018	1675	3750	0.0203
	Transfer			12 Oct 2018	(2270)	1480	0.0080
	Transfer			19 Oct 2018	1970	3450	0.0187
	Transfer			26 Oct 2018	(2364)	1086	0.0059
	Transfer			02 Nov 2018	(66)	1020	0.0055
	Transfer			09 Nov 2018	(5)	1015	0.0055

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2018		Transactions during the year		Cumulative Shareholding at the end of the year - 2019	
		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			16 Nov 2018	391	1406	0.0076
	Transfer			23 Nov 2018	500	1906	0.0103
	Transfer			30 Nov 2018	(506)	1400	0.0076
	Transfer			07 Dec 2018	(400)	1000	0.0054
	Transfer			14 Dec 2018	(970)	30	0.0002
	Transfer			21 Dec 2018	800	830	0.0045
	Transfer			28 Dec 2018	(830)	0	0.0000
	Transfer			31 Dec 2018	500	500	0.0027
	Transfer			11 Jan 2019	525	1025	0.0056
	Transfer			18 Jan 2019	10187	11212	0.0608
	Transfer			25 Jan 2019	(400)	10812	0.0586
	Transfer			01 Feb 2019	(108120	0	0.0000
	Transfer			08 Mar 2019	325	325	0.0018
	Transfer			15 Mar 2019	1623	1948	0.0106
	Transfer			22 Mar 2019	(1948)	0	0.0000
	At The End Of The Year					0	0.0000
15	Pratik Shailesh Shah	48000	0.2601			48000	0.2601
	Transfer			06 Jul 2018	(22000)	26000	0.1409
	Transfer			10 Aug 2018	22000	48000	0.2601
	Transfer			21 Sep 2018	2500	50500	0.2736
	Transfer			29 Sep 2018	1500	52000	0.2818
	At The End Of The Year					52000	0.2818

v). Shareholding of Directors and Key Managerial Personnel:

Sl No.	For Each of the Directors and KMP	Shareholding at the Beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Golam Momen, Director				
	At the beginning of the year	560	-		
	At the End of the year			560	-
2	V.Venugopal				
	At the beginning of the year	50	-		
	At the End of the year			50	-
3.	Ravi A				
	At the beginning of the year	-	-		
	At the End of the year			-	-
4	G.Satish Pillai				
	At the beginning of the year	-	-		
	At the End of the year			-	-
5	Binu Thomas				
	At the beginning of the year	-	-	-	-
	At the End of the year				

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	7877.93	1675.00	-	9552.93
ii.	Interest due but not paid				
iii.	Interest accrued but not due	25.95	17.33	-	43.28
	Total (i+ii+iii)	**7903.88**	**1692.33**	**-**	**9596.21**
	Change in Indebtedness during the Financial year				
	• Addition	4836.14	1900.00		6736.14
	• Reduction	-1.607.73	-2.575.00		-4182.73
	Net Charges	**3228.41**	**-675.00**		**2553.41**
	Indebtedness at the end of the Financial year				
i.	**Principal Amount**	**11106.34**	**1000.00**	**-**	**12106.34**
ii.	**Interest due but not paid**				
iii.	**Interest accrued but not paid**	**19.59**	**11.13**	**-**	**30.72**
	Total (i +ii +iii)	**11125.93**	**1011.13**		**12137.06**

vii). REMUNERATION OF DIRECTORS AND KEY MANEGERIAL PERSONNEL

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

Sl No.	Particulars of Remuneration	Name of Whole Time Director: Mr. N. Dharmaraj	Name of Whole Time Director: Mr. Venkitraman Anand	Name of Whole Time Director: Mr. Cherian M. George	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	104.64	39.48	4.98	51.49	200.59
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961			0.15	0.60	0.75
	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		4.86	0.55	7.03	12.45
	Total (A)	**104.64**	**44.34**	**5.68**	**59.12**	**213.79**
	Ceiling as per the Act	120	120	120	120	

REMUNERATION TO OTHER DIRECTORS

In Rupees

Sl No	Particulars of Remuneration	Golam Momen	Haigreve Khaitan	J M Kothary	Ms. Surbhi Singhi	Ms. Kusum Dadoo	Sachin Nandgaonkar	P. Rajagopalan	Kaushik Roy	Total (Rs.)
		1	2	3	4	5	6	7	8	9
1.	**Independent Directors**									
	Fee for attending board committee meetings	100,000	10,000	1,50,000	40000	20000	-			320,000
	Commission	-	-	-	-		-		-	-
	Others , please specify	-	-	-	-		-		-	-
	Total (1)	**1,00,000**	**10,000**	**1,50,000**	**40000**	**20000**	**-**			**320,000**
2.	**Other Non-Executie Directors**									
	Fee for attending board committee meetings	-	-	-			70,000	80,000	20,000	1,70,000
	Commission	-	-	-	-		-	-	-	-
	Others , please specify	-	-	-	-		-	-	-	-
	Total (2)	**-**	**-**	**-**			**70,000**	**80,000**	**20,000**	**1,70,000**
	Total (B)= (1+2)	**1,00,000**	**10,000**	**1,50,000**	**40,000**	**20000**	**70,000**	**80,000**	**20,000**	**4,90,000**

Ms. Surbhi Singhi resigned w.e.f. 03.12.2018

Mr. Sachin Nandgaonkar resigned w.e.f. 13.02.2019

Mr. Haigreve Khaitan resigned w.e.f. 12.06.2019

Ms. Kusum Dadoo appointed on 13.02.2019

Total Managerial Remuneration

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

B. REMUNERATION TO KEY MANEGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

In Rupees

Sl No	Particulars of Remuneration	Key Managerial Personnel		
1	**Gross Salary**	**Binu Thomas (Company Secretary)**	**Ravi A. (CFO)**	***G. Satish Pillai (CFO)**
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	542940	3327723	1612722
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	68141	292987	78863
	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	47649	303798	134165
	Total (A)	658730	3924508	1825750
	Ceiling as per the Act	-	-	-

*resigned w.e.f. 25.10.2018

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	NIL				
B. Directors	NIL				
C. Other officers in Default	NIL				
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	62	President	B.Sc.(Botany)	77.61	01.04.1977	-

*Retired on December 31, 2018

1. The remuneration includes salary, allowances, value of perquisites, Company's contribution to provident fund and superannuation fund.
2. 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)

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	0.10
	Mr. G. Momen	0.96
	Mr. P. Rajagopalan	0.77
	Mr. J.M. Kothary	1.44
	Mr. Sachin Nandgaonkar	0.67
	Mr. Kaushik Roy	0.19
	Ms. Surbhi Singhi	0.38
	Mr. N. Dharmaraj	100
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	-
	Mr. G. Momen	-
	Mr. P. Rajagopalan	33
	Mr. J.M. Kothary	50
	Mr. Sachin Nandgaonkar	-
	Mr. Kaushik Roy	-
	Ms. Surbhi Singhi	-
	Mr. N. Dharmaraj	15
	Mr. V. Venugopal	13
	Mr. G. Satish Pillai	-
	Mr. Ravi A.	46
The % increase in the median remuneration of employees in the financial year	2 %	
The number of permanent employees on the rolls of the Company as on 31.03.2019.	9,748 (Approx)	
The explanation on the relationship between average increase in remuneration and Company performance	The Company performance was badly effected on account of floods during August 2018. However considering the salaries prevailing in the industry in which the company operates, a modest increase was provided	
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, 2019 and partly on the individual employee's performance.	

<table>
<tr><td rowspan="4">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.

No public offer has been made since 1993</td><td colspan="3">Variations in Market Capitalisation and PE ratio is as below</td></tr>
<tr><td>Particulars</td><td>31.03.2019</td><td>31.03.2018</td></tr>
<tr><td>Market Cap (₹ Cr)</td><td>130.57</td><td>135.73</td></tr>
<tr><td>PE ratio</td><td>-</td><td>-</td></tr>
<tr><td>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.</td><td colspan="3">The average % increase in the salaries of employees on the rolls as on March 31, 2019 (other than managerial personnel) was 5%. The increase in managerial remuneration for the same financial year was also 5 %. Increase in average percentage is after considering the Company's performance, individual performance and the industry standards.</td></tr>
<tr><td>The key parameters for any variable component of remuneration availed by the Directors.</td><td colspan="3">N.A.</td></tr>
<tr><td>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.</td><td colspan="3">N.A.</td></tr>
<tr><td>Affirmation that the remuneration is as per the remuneration policy of the Company</td><td colspan="3">Remuneration paid during the year ended March 31, 2019 is as per the Remuneration Policy of the Company.</td></tr>
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APPROXIMATE AREA STATEMENT AS AT MARCH 31, 2019

Name of Estate	TEA			RUBBER			Total Planted	Fuel & Other Plantings	Reserve etc.	Total
	Yielding	Non-Yielding	Total	Yielding	Non-Yielding	Total				
	Ha.	Ha.	Ha.	Ha.	Ha.	Ha.	Ha.	Ha.	Ha.	Ha.
Kerala State										
Venture Valley										
Nagamallay				457	131	588	588	167	123	878
Isfield				474	191	665	665	196	188	1049
Venture				387	99	486	486	121	20	627
Rani Valley										
Koney				473	162	635	635	131	297	1063
Kumbazha				578	383	961	961	22	65	1048
Lahai				572	287	859	859	57	96	1012
Mundakayam				398	129	527	527	14	31	572
Mooply Valley										
Mooply				296	248	544	544	43	10	597
Palappilly				379	156	535	535	31	185	751
Kundai				687	334	1021	1021	31	52	1104
Kaliyar				471	62	533	533	28	32	593
Vandiperiyar										
Wallardie	516	0	516				516	162	150	828
Moongalaar	703	26	729				729	205	131	1065
Pattumalay	232	0	232				232	63	5	300
High Range										
Upper Surianalle	654	48	702				702	267	23	992
Lockhart	386	0	386				386	185	74	645
Panniar	301	0	301				301	70	30	401
Wynaad										
Achoor	643	6	649				649	287	2549	3485
Chundale	266	0	266				266	60	556	882
Arrapetta	731	0	731				731	50	687	1468
Sentinel Rock	505	0	505				505	27	983	1515
Touramulla	143	0	143				143	40	110	293
Tamil Nadu										
Nilgiris - Wynaad										
Wentworth	616	0	616				616	276	470	1362
Mayfield	308	0	308				308	88	411	807
	6004	**80**	**6084**	**5172**	**2182**	**7354**	**13438**	**2621**	**7278**	**23337**

Note:-

1. Certain areas of fuel and reserve land remain vested with the State Government as private forest, but the extent which would finally vest has not yet been determined as the litigation involved is not over.
2. Fuel & Other planting include Cardamom,Cocoa, Roads & Buildings etc.

INDEPENDENT AUDITORS' REPORT

To the Members of Harrisons Malayalam Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Harrisons Malayalam Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss (including Other Comprehensive Loss), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. 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 Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2019, and its loss (financial performance including other comprehensive loss), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
(a) Land Litigations The Plantation Companies holds significant land for their operations as disclosed in note 3 to the standalone financial statements. The significant land holdings are inherently prone to litigation risk. As disclosed in Note No.43(A) of the Standalone financial statements, the Company has pending land related litigations with various courts,which is significant considering the total area of cultivable land. The land litigations involve interpretation of various land laws applicable in the State of Kerala and Tamil Nadu. We focused on this area as the eventual outcome of the litigations is uncertain and the positions taken by the management are based on the application of the material judgement and reliance on legal opinions obtained. Accordingly, unexpected adverse outcomes may significantly impact the operations of the Company and hence it has been considered as a key audit matter.	**Our audit procedures included, but were not limited to, the following:** • We obtained an understanding of the management process for ascertaining the outcome of the land litigations and process performed by the management for its assessment. • We obtained an understanding, evaluated and tested controls around management's assessment of the outcome of the land litigations and the testing performed. • Obtained an understanding of the nature of litigations pending against the company and discussed the key developments during the year for key litigations with the management and respective legal counsels handling such cases on behalf of the Company. Tested the independence, objectivity and competence of such management experts involved. • We also monitored and considered the external information sources to conform our understanding of litigations.

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- On a sample basis, obtained and reviewed the necessary evidence which includes correspondence with the external legal counsels and where necessary, inspected minutes of case proceedings available, to support the decisions and rationale of such litigation selected for testing.
- Reviewed each attorney response obtained as above to ensure that the conclusions reached our supported by sufficient legal rationale and adequate information is included for the management to determine the appropriate accounting treatment of such cases in the financial statements.
- Evaluated the disclosures made relating to provisions and contingent liabilities for their appropriateness.

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(b) Valuation of Finished goods

Refer to note 2(j) of Summary of significant accounting policies and other explanatory information for accounting policy for valuation of Inventory and significant accounting judgements, estimates and assumptions related thereto and the note 8 of the standalone financial statements of the Company for the year ended 31 March 2019.

At the balance sheet date 31 March 2019, the Company held ₹ 2947.30 lacs of Inventories. Inventories mainly consists of finished goods – which is valued at lower of cost or net realizable value.

The Company values its Finished goods inventory of tea and rubber at lower of cost and net realizable value (estimated selling price less estimated cost to sell). Considering that there is always a volatility in the selling price of tea and rubber, which is dependent upon various market conditions, determination of the net realizable value for these commodities involves significant management judgement. Moreover, the selling price fetched by tea produced at different estates are different.

Owing to the significance of the carrying value of inventories, the complexities discussed above and the fact that any changes in the management's judgement or assumptions is likely to have a significant impact on the ascertainment of carrying values of inventories, we have considered this area as a key audit matter.

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Our audit procedures in relation to valuation of inventory included, but were not limited to, the following:

- We obtained an understanding of the management process for valuation of Finished goods and ensured that the same is consistently applied.
- Tested the design and operating effectiveness of the internal controls relating to the valuation of Inventories.
- Obtained an understanding on the computation of the net realizable values of the finished goods and tested the reasonableness of the significant judgements applied by the management.
- Compared the estate wise actual realization subsequent to reporting date and assessed the reasonableness of the net realizable value that was estimated and considered by the management.
- Verified the actual costs incurred to sell after the year end and assessed the reasonableness of the cost to sell that was estimated and considered by the management.
- Compared the cost of the finished goods with the estimated net realizable value and checked if the finished goods were recorded at net realizable value where the cost was higher than the net realizable value.

Further, we assessed whether the disclosures related to inventory were appropriate presented in accordance with the applicable accounting standards..

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Information other than the Financial Statements and Auditor's Report thereon

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

   In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

7. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

8. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

9. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

11. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

    - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe

these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

15. As required by section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

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

17. Further to our comments in Annexure I, as required by section 143(3) of the Act, we report that:

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

    b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

    c) the standalone financial statements dealt with by this report are in agreement with the books of account;

    d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

    e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of section 164(2) of the Act;

    f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 29 May 2019 as per Annexure II expressed an unmodified opinion;

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

        i. the Company, as detailed in notes 34 and 43 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2019;

        ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2019;

        iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2019 and;

        iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Krishnakumar Ananthasivan
Partner
Membership No.: 206229

Place: Kolkata
Date: 29 May 2019

Annexure I to the Independent Auditor's Report of even date to the members of Harrisons Malayalam Limited, on the standalone financial statements for the year ended 31 March 2019

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

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

(b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner over a period of 3 years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were 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 deed of immovable properties, as disclosed in Note 3 on Property, plant and equipment to the standalone 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 Lakhs	₹ 27.52 Lakhs

ii. In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.

iii. The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.

iv. In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.

v. In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

vi. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's product and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of customs, goods and service tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable (other than arrears of. ₹ 259.46 Lakhs relating to plantation tax (under the Kerala Plantations (Additional Tax) Act, 1960), arrears of ₹ 276.03 lakhs relating to land tax (under the Kerala Land Tax Act, 1961) which are outstanding for a period of more than six months as on the Balance Sheet date).

b) There are no dues in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute other than those disclosed below:

Statement of Disputed Dues

Name of the statute	Nature of dues	Amount in (₹ Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Income – tax Act , 1961	Income tax and interest thereon	63.02	Year 2006 to 2009	Income tax Appellate Tribunal
		1,284.54	Year 2003 to 2015	AssessingOfficer, Commissioner of Income Tax (Appeals), Assessing Officer
Kerala Agricultural Income Tax Act, 1950/1991	Tax on Agricultural income, interest and penalty thereon	503.90	Year 1980 to 1999	Assessing Officer
		6.03	Year 1995 to 1996	Inspecting Assistant Commissioner , Department of Commercial Taxes
Tamil Nadu Agricultural Income Tax Act, 1955	Tax on agricultural income	3.66	Year 1988 to 2000	Assessing Officer
Kerala Value Added Tax Act, 2003	KVAT and interest thereon	2,963.05	Year 2012 to 2015	Assessing Officer/Assistant Commissioner (Assessment), VAT Special Circle(Produce)

viii. The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution during the year. The Company did not have any borrowings from government and did not have any outstanding debentures during the year.

ix. The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion the term loans were applied for the purposes for which the loans were obtained.

x. No fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.

xi. Managerial remuneration has been paid / provided by the company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.

xii. In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.

xiii. In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the standalone financial statements etc., as required by the applicable Ind AS.

xiv. During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

xv. In our opinion, the company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

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

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Krishnakumar Ananthasivan
Partner
Membership No.: 206229

Place: Kolkata
Date: 29 May 2019

Annexure II to the Independent Auditor's Report of even date to the members of Harrisons Malayalam Limited on the standalone financial statements for the year ended 31 March 2019

Independent Auditor's Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Harrisons Malayalam Limited ('the Company') as at and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Company as at that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors 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 controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI') ('the framework'). 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 the Company's business, including adherence to the 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 Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') 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 IFCoFR were 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 IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, 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 IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR 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 IFCoFR include 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 IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR 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, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2019, based on the framework.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Krishnakumar Ananthasivan
Partner
Membership No: 206229

Place: Kolkata
Date: 29 May 2019

Balance Sheet as at 31 March 2019

(All amounts in ₹ lakhs, unless otherwise stated)

	Note	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-current assets			
Property, plant and equipment	3	**27,946.97**	27,663.92
Capital work-in-progress	3	**1,006.24**	1,109.39
Intangible assets	3	**12.21**	25.52
Financial assets			
- Investments	4	**1.01**	1.01
- Bank balances	5	**1.73**	13.70
- Other financial assets	6	**45.59**	46.30
Other non-current assets	7	**389.17**	833.63
		29,402.92	29,693.47
Current assets			
Inventories	8	**2,947.30**	2,806.71
Financial assets			
- Investments	4	**15.00**	15.00
- Trade receivables	9	**981.41**	1,438.57
- Cash and cash equivalents	10	**107.51**	230.34
- Bank balances other than cash and cash equivalents	11	**129.86**	216.52
- Other financial assets	12	**1,125.60**	972.52
Other current assets	13	**2,460.54**	2,572.33
		7,767.22	8,251.99
Assets held for sale	14	**119.00**	119.00
Total assets		**37,289.14**	38,064.46
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15(a)	**1,845.43**	1,845.43
Other equity	15(b)	**6,020.41**	8,533.03
Total equity		**7,865.84**	10,378.46
Non-current liabilities			
Financial liabilities			
- Borrowings	16	**6,651.92**	3,407.03
Provisions	17	**4,176.32**	5,371.67
		10,828.24	8,778.70
Current liabilities			
Financial liabilities			
- Borrowings	16	**3,855.29**	5,240.18
- Trade payables			
(i) Dues to micro and small enterprises	18	**397.90**	137.51
(ii) Dues to others	18	**2,987.41**	3,655.59
- Other financial liabilities	19	**5,626.47**	4,347.71
Provisions	17	**2,799.32**	2,372.90
Current tax liabilities (net)	20	**442.06**	499.49
Other current liabilities	21	**1,514.61**	1,681.92
		17,623.06	17,935.30
Liabilities directly associated with assets held for sale	22	**972.00**	972.00
		18,595.06	18,907.30
Total liabilities		**29,423.30**	27,686.00
Total equity and liabilities		**37,289.14**	38,064.46

See accompanying notes forming part of these standalone financial statements.

This is the Standalone Balance Sheet referred to in our report of evan date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Krishnakumar Ananthasivan
Partner
Membership No.: 206229

Kolkata
29 May 2019

For and on behalf of the Board of Directors of Harrisons Malayalam Limited

Venkitraman Anand
Whole Time Director
DIN: 07446834

Cherian M George
Whole Time Director
DIN: 07916123

Ravi A.
Chief Financial Officer

Binu Thomas
Company Secretary
M. No. 41851

Kolkata
29 May 2019

Statement of Profit and Loss for the year ended 31 March 2019

(All amounts in ₹ lakhs, unless otherwise stated)

	Note	Year ended March 31, 2019	Year ended March 31, 2018
Income			
Revenue from operations	23	**35,374.84**	38,331.36
Other income	24	**615.29**	872.65
Total income		**35,990.13**	39,204.01
Expenses			
Cost of materials consumed	25	**9,333.74**	10,767.57
Purchases of stock-in-trade	26	**2,143.63**	733.47
Changes in inventories - Decrease/(Increase)	27	**13.14**	(17.61)
Employee benefits expense	28	**15,226.81**	15,239.57
Finance costs	29	**1,399.10**	1,267.61
Depreciation and amortisation expense	30	**415.71**	416.24
Other expenses	31	**9,866.95**	10,352.10
Total expenses		**38,399.08**	38,758.95
(Loss) / Profit before tax		**(2,408.95)**	445.06
Income tax expense:			
- Current tax		**-**	-
- Deferred tax		**-**	-
(Loss) / Profit for the year		**(2,408.95)**	445.06
Other comprehensive income / (loss)			
Items that will not be reclassified to profit and loss			
a) Re-measurement gains/ (losses) in defined benefit plans		**(103.67)**	(312.00)
Income tax effect		**-**	-
		(103.67)	(312.00)
Other comprehensive loss, net of tax		**(103.67)**	(312.00)
Total comprehensive (loss) / income for the year		**(2512.62)**	133.06
Earnings per equity share from operations			
Basic (in ₹)	35	**(13.05)**	2.41
Diluted (in ₹)	35	**(13.05)**	2.41

See accompanying notes forming part of these standalone financial statements.

This is the Statement of Profit and Loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Krishnakumar Ananthasivan
Partner
Membership No.: 206229

Kolkata
29 May 2019

For and on behalf of the Board of Directors of Harrisons Malayalam Limited

Venkitraman Anand
Whole Time Director
DIN: 07446834

Cherian M George
Whole Time Director
DIN: 07916123

Ravi A.
Chief Financial Officer

Binu Thomas
Company Secretary
M. No. 41851

Kolkata
29 May 2019

Statement of Cash Flows for the year ended 31 March 2019

(All amounts in ₹ lakhs, unless otherwise stated)

	Year ended March 31, 2019	Year ended March 31, 2018
A. Cash flow from operating activities		
(Loss)/Profit for the year before exceptional item and tax	**(2,408.95)**	445.06
Adjustments for:		
Depreciation and amortisation expense	**415.71**	416.24
Interest income on bank deposits and other deposits	**(62.20)**	(13.23)
Finance costs	**1,399.10**	1,267.61
Liability no longer required written back	**(0.72)**	-
Profit on sale of fixed assets	**(26.30)**	(59.33)
Operating (Loss)/profit before working capital changes	**(683.36)**	**2,056.35**
Adjustments for working capital changes:		
(Increase) in inventories	**(140.59)**	(305.99)
Decrease/(increase) in trade receivables	**457.16**	(679.20)
Decrease/(increase) in other financial assets and other current and non current assets	**520.46**	(578.43)
(Decrease)/increase in trade payables, other current liabilities and provisions	**(842.11)**	1,503.93
Cash used in generated from operating activities	**(688.44)**	1,996.66
Direct taxes paid, net	**(15.46)**	(6.13)
Net cash used in generated from operating activities	**(703.90)**	**1,990.53**
B. Cash flow from investing activities		
Purchase of fixed assets including capital work in progress	**(420.13)**	(271.09)
Replanting expenses	**(216.31)**	(483.42)
Sale of fixed assets	**54.43**	83.61
Interest received	**28.28**	19.26
Net cash used in investing activities	**(553.73)**	(651.64)
C. Cash flow from financing activities		
Proceeds from long-term borrowings	**4,836.14**	1360.08
Repayment of long-term borrowings	**(897.84)**	(1,475.89)
Proceeds from / (repayments of) working capital loans, net	**(709.89)**	117.10
Proceeds from other short-term borrowings	**1,900.00**	5,597.50
Repayment of other short-term borrowings	**(2,575.00)**	(5,567.50)
Interest paid	**(1,364.92)**	(1,224.94)
Other borrowing costs paid	**(46.73)**	(30.11)
Transfer of unpaid dividend to Investor Education Protection Fund	**(6.96)**	(11.13)
Net cash generated from / (used in) financing activities	**1,134.80**	**(1,234.89)**
D. Net change in cash and cash equivalents	**(122.83)**	104.00
E. Cash and cash equivalents at the beginning of the year	**230.34**	126.34
F. Cash and cash equivalents at the end of the year	**107.51**	230.34
Cash and cash equivalents include		
Cash on hand	**8.36**	14.40
Balances with banks		
- in current accounts	**99.15**	215.94
Cash and cash equivalents as per Note 10	**107.51**	230.34

See accompanying notes forming part of these standalone financial statements.

This is the Statement of Cash Flows referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Krishnakumar Ananthasivan
Partner
Membership No.: 206229

Kolkata
29 May 2019

For and on behalf of the Board of Directors of Harrisons Malayalam Limited

Venkitraman Anand
Whole Time Director
DIN: 07446834

Cherian M George
Whole Time Director
DIN: 07916123

Ravi A.
Chief Financial Officer

Binu Thomas
Company Secretary
M. No. 41851

Kolkata
29 May 2019

Statement of Changes in Equity for the year ended 31 March 2019

(All amounts in ₹ lakhs, unless otherwise stated)

A. Equity share capital

Equity shares of ₹ 10 each, fully paid-up	Equity shares	
	Number (in lakhs)	**Amount**
As at 31 March 2017	184.55	1,845.43
Changes in equity share capital during the year	-	-
As at 31 March 2018	184.55	1,845.43
Changes in equity share capital during the year	-	-
As at 31 March 2019	**184.55**	**1,845.43**

B. Other equity

Particulars	Reserves and surplus					Total
	General reserve	Securities premium	Reserve arising from amalgamation	Housing subsidy reserve	Retained earnings	
Balance as at 31 March 2017	**1,687.82**	**5,002.91**	**291.33**	**5.26**	**1,412.65**	**8,399.97**
Profit for the year	-	-	-	-	445.06	445.06
Re-measurement loss in defined benefit plans, net of tax	-	-	-	-	(312.00)	(312.00)
Total comprehensive income for the year	-	-	-	-	133.06	133.06
Balance as at 31 March 2018	**1,687.82**	**5,002.91**	**291.33**	**5.26**	**1,545.71**	**8,533.03**
Loss for the year	-	-	-	-	(2,408.95)	(2,408.95)
Re-measurement loss in defined benefit plans, net of tax	-	-	-	-	(103.67)	(103.67)
Total comprehensive loss for the year	-	-	-	-	(2,512.62)	(2,512.62)
Balances at 31 March 2019	**1,687.82**	**5,002.91**	**291.33**	**5.26**	**(966.91)**	**6,020.41**

See accompanying notes forming part of these standalone financial statements.

This is the Statement of Changes in Equity referred to in our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Krishnakumar Ananthasivan
Partner
Membership No.: 206229

Kolkata
29 May 2019

For and on behalf of the Board of Directors of Harrisons Malayalam Limited

Venkitraman Anand
Whole Time Director
DIN: 07446834

Cherian M George
Whole Time Director
DIN: 07916123

Ravi A.
Chief Financial Officer

Binu Thomas
Company Secretary
M. No. 41851

Kolkata
29 May 2019

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019
(All amounts in ₹ lakhs, unless otherwise stated)

1. Background

Harrisons Malayalam Limited ("the Company") is a Public Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. It's shares are listed in two recognized stock exchanges in India (NSE and BSE). The registered office of the Company is located at 24/1624, Bristow Road, Willingdon Island, Cochin. The Company is principally engaged in plantation business having tea and rubber estates in Kerala and Tamil Nadu.

2. Summary of significant accounting policies

a) Basis of preparation and presentation of financial statements

i) Statement of compliance with Indian Accounting Standards (Ind AS)

The standalone financial statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and as amended. The aforesaid financial statements have been approved by the Board of Directors in the meeting held on 29 May 2019.

ii) Basis of accounting and measurement

The Company has prepared these financial statements which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss, the Statements of Cash Flows and the Statement of Changes in Equity for the year ended 31 March 2019, and accounting policies and other explanatory information (together hereinafter referred to as "standalone financial statements").

The financial Statements have been prepared using the significant accounting policies and measurement bases summarized below. These accounting policies have been used throughout all periods presented in these financial statements except for the changes below.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, unless otherwise stated. All amounts included in the financial statements are reported in Indian Rupees (₹) lakhs and have been rounded off to nearest decimal of ₹ lakhs.

b) Use of estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The Company bases its estimates and assumptions on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Significant management judgements

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the amounts recognized in the financial statements or that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Classification of leases

The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at the end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry forward can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

Capitalisation of internally developed intangible assets

Distinguishing the research and development phases of a new customized project and determining whether the recognition requirements for the capitalization of development costs are met requires judgement. After capitalization, management monitors whether the recognition requirements continue to be met and whether there any indicators that capitalized costs may be impaired.

Evaluation of indicators for impairment of assets

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets. In assessing impairment, management estimates the recoverable amount of each asset or cash generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Recoverability of advances / receivables

At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

Useful lives of depreciable / amortisable assets

Management reviews its estimate of the useful lives of depreciable / amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain items of property, plant and equipment.

Contingent Liability

Management reviews its estimate of the financial impact of the contingent liability at each reporting date, based on the demands received from various Departmental authorities.

Litigations

Management reviews its estimate of the impact of the litigation liability at each reporting date, including land related litigations pending with various Courts.

Defined benefit obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

c) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has evaluated and considered its operating cycle as 12 months.

d) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

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 and further expenditure incurred at the replanted fields are capitalized.

Property, plant and equipment [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.

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

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

Asset category	**Useful lives (in years)**
Factory buildings	30
Non factory buildings	60
Plant and machinery (including agricultural assets)	3/ 20
Furniture and fittings	6
Water supply	20/ 30/ 60
Vehicles	10
Bearer plants - Rubber trees	28
Bearer plants - Tea bushes	80

e) Bearer Plants

All the expenses incurred on replantuing of Rubber and new Plantings in Tea have been identified and capitalized.

f) Intangible assets

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

Computer software capitalized are amortized on a straight line basis over a period of five years from the date of capitalization. License fees is amortized at lower of the license period and five years.

g) Impairment of property, plant and equipment and intangible assets

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.

h) Assets held for sale

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 realizable value and are shown separately in the financial statements under the head 'Assets held for sale'. Any write-down in this regard is recognized immediately in the Statement of Profit and Loss.

i) Revenue recognition

Revenue from sale of goods

Revenue from sale of tea at auction is recognized on receipt of the sale note from the brokers. Revenue from sale of tea other than at auction and sale of rubber is recognized on transfer of significant risks and rewards of ownership in goods in accordance with the terms of sale.

Revenue from contract with customers

Effective from April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised.The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the Statement of Profit and Loss is not restated. The adoption of the standard did not have any material impact to the financial statements of the Company. Accordingly, the Company recognizes the amount as revenue from contracts with customers, which is received for the transfer of promised goods to customers in exchange for those goods. The relevant point in time or period of time is the transfer of control of the goods. Revenue is reduced for customer returns, taxes on sales, estimated rebates and other similar allowances. The transaction price is determined and allocated to the performance obligations according to the requirements of Ind AS 115. Performance obligations are deemed to have been met when the control of goods is transferred to the customer,

Interest income

Interest income is reported on an accrual basis using the effective interest method and is included under the head "Other income" in the Statement of Profit and Loss.

j) Inventories

Valuation of inventory of finished products of tea and rubber have been done as per Ind AS 2 'Inventories'. Inventories are stated at lower of cost and net realizable 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.

Ind AS 41 'Agriculture' deals with the recognition and valuation of agricultural produce viz. standing crop of tea and rubber as biological assets. The Company has valued its standing crops for tea and rubber at every reporting date and the movement in valuation are routed through the Statement of Profit and Loss.

k) Employee benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Ind AS 19, Employee Benefits.

Defined contribution plan

(i) 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.

(ii) 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 recognizes such contributions as expense in the period in which the related employee services are rendered.

Defined benefit plan

(i) Gratuity

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

(ii) 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 recognized immediately in the Statement of Profit and Loss as income or expense."

The present value of the defined benefit obligation denominated in ₹ is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Service cost on the Company's defined benefit plan is included in employee benefits expense. Employee contributions, all of which are independent of the number of years of service, are treated as a reduction of service cost. Gains and losses through re-measurements of the defined benefit plans are recognized in other comprehensive income, which are not reclassified to profit or loss in a subsequent period. Further, as required under Ind AS compliant Schedule III, the Company transfers those amounts recognized in other comprehensive income to retained earnings in the statement of changes in equity and balance sheet.

Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

l) Foreign currency transactions

Functional and presentation currency

The functional currency of the Company is the Indian Rupee. These financial statements are presented in Indian Rupees (₹).

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in Statement of Profit or Loss.

m) Investments in subsidiaries

The Company's investment in equity instruments in subsidiaries are accounted for at cost. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss.

n) 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 is adjusted against the cost of specific depreciable assets on receipt of such subsidy.

o) Income taxes

Income tax expense comprises current and deferred income tax. Current and deferred tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to setoff the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

p) Provisions and contingencies

Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

Contingent liabilities

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

q) Financial instruments

Financial assets

Initial recognition and measurement

Financial assets (other than trade receivables) are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through statement of profit and loss which are measured initially at fair value. Subsequent measurement of financial assets is described below. Trade receivables are recognized at their transaction price as the same do not contain significant financing component.

Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified and measured based on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset at:

a. Amortized cost

b. Fair Value Through Other Comprehensive Income (FVTOCI) or

c. Fair Value Through Profit or Loss (FVTPL)"

All financial assets are reviewed for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial asset is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

(i) *Financial asset at amortised cost*
Includes assets that are held within a business model where the objective is to hold the financial assets to collect contractual cash flows and the contractual terms gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These assets are measured subsequently at amortized cost using the effective interest method. The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure. The Company shall also measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

(ii) *Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI)*
Includes assets that are held within a business model where the objective is both collecting contractual cash flows and selling financial assets along with the contractual terms giving rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At initial recognition, the Company, based on its assessment, makes an irrevocable election to present in other comprehensive income the changes in the fair value of an investment in an equity instrument that is not held for trading. These elections are made on an instrument-by instrument (i.e., share-by-share) basis. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, impairment gains or losses and foreign exchange gains and losses, are recognized in other comprehensive income. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. The dividends from such instruments are recognized in statement of profit and loss.
The fair value of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.
The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure. The Company shall also measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. The loss allowance shall be recognized in other comprehensive income and shall not reduce the carrying amount of the financial asset in the balance sheet.

(iii) *Financial assets at Fair Value Through Profit or Loss (FVTPL)*
Financial assets at FVTPL include financial assets that are designated at FVTPL upon initial recognition and financial assets that are not measured at amortized cost or at fair value through other comprehensive income. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply. Assets in this category are measured at fair value with gains or losses recognized in statement of profit and loss. The fair value of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.
The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure. The Company shall also measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. The loss allowance shall be recognized in the statement of profit and loss.

De-recognition of financial assets
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's standalone balance sheet) when:

a. The rights to receive cash flows from the asset have expired, or

b. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (i) the Company has transferred substantially all the risks and rewards of the asset, or (ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset."

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

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

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 Financial Instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings.

De-recognition of financial liabilities

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Derivative financial instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognized in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

r) Impairment of financial assets

In accordance with Ind AS 109 Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

The Company tracks credit risk and changes thereon for each customer. For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity uses the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The Company uses default rate for credit risk to determine impairment loss allowance on portfolio of its trade receivables.

Trade receivables

The Company applies the approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of receivables.

Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

s) Fair value measurement

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

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

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

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

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

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

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

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

t) Segment reporting

The Company is engaged in plantations having tea and rubber estates. The business segments identified for segment reporting are Tea, Rubber and Others.

u) Earnings/ (Loss) per Share (EPS)

Basic EPS is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS is calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares, if any) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

v) Recent accounting pronouncements

Standards issued but not yet effective

(1) Ind AS 116 'Leases'

On March 30, 2019, Ministry of Corporate Affairs ('MCA') has clarified that Ind AS 116 is effective for annual periods beginning on or after April 1, 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees - leases of 'low-value' assets and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognize a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognize the interest expense on the lease liability and the depreciation expense on the right-of-use asset. The Company is evaluating the requirements of the amendment

(2) Amendment to Ind AS 12, Income taxes

On March 30, 2019, Ministry of Corporate Affairs ("MCA") has notified Appendix C to Ind-AS 12 Income taxes – "Uncertainty over Income Tax Treatments". The amendment to Ind AS 12 requires the entities to consider recognition and measurement requirements when there is uncertainty over income tax treatments. In such a circumstance, an entity shall recognize and measure its current or deferred tax asset or liability accordingly. The effective date of amendment is April 1, 2019. Further, there has been amendments in relevant paragraphs in Ind-AS 12 "Income Taxes" which clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events in accordance with Ind-AS 109. The Company is evaluating the requirements of the amendment

3 Property, plant and equipment and Intangible assets

₹ Lakhs

Particulars	Property, plant and equipment								Intangible assets	Capital work-in-progress
	Land and Development - Freehold and leasehold (Note 1 below)	Bearer plants	Buildings	Plant and machinery	Furniture and fittings	Water supply	Vehicles	Total	Computer software	
Gross carrying amount										
Balance as at 31 March 2017	22,921.48	2,318.94	1,275.50	1,220.55	28.75	221.96	170.57	28,157.75	52.15	790.85
Additions	-	-	-	9.60	3.40	-	0.35	13.35	-	726.58
Transfer on capitalization	-	214.41	0.82	184.94	7.08	0.79	-	408.04	-	(408.04)
Disposals	-	-	(0.20)	(9.86)	(0.43)	(7.17)	(14.32)	(31.98)	-	-
Balance as at 31 March 2018	**22,921.48**	**2,533.35**	**1,276.12**	**1,405.23**	**38.80**	**215.58**	**156.60**	**28,547.16**	**52.15**	**1,109.39**
Additions	-	-	-	4.87	4.05	0.13	9.17	18.22	-	592.21
Transfer on capitalization	-	348.48	70.85	255.35	4.08	0.93	15.67	695.36	-	(695.36)
Disposals	-	-	(0.13)	(20.41)	(1.21)	(0.67)	(23.51)	(45.93)	-	-
Balance as at 31 March 2019	**22,921.48**	**2,881.83**	**1,346.84**	**1,645.04**	**45.72**	**215.97**	**157.93**	**29,214.81**	**52.15**	**1,006.24**
Accumulated depreciation/amortization										
Balance as at 31 March 2017	-	39.00	97.08	276.48	6.94	24.31	44.19	488.00	13.32	-
Depreciation/amortization expense for the year	**-**	**43.81**	**90.03**	**212.39**	**6.07**	**20.99**	**29.64**	**402.93**	**13.31**	**-**
Reversal on disposal of assets	-	-	(0.01)	(3.12)	(0.14)	(0.71)	(3.71)	(7.69)	-	-
Balance as at 31 March 2018	-	82.81	187.10	485.75	12.87	44.59	70.12	883.24	26.63	-
Depreciation/amortization charge during the year	**-**	**54.88**	**80.71**	**221.98**	**6.96**	**18.41**	**19.46**	**402.40**	**13.31**	**-**
Reversal on disposal of assets	-	-	(0.05)	(6.50)	(0.66)	(0.00)	(10.59)	(17.80)	-	-
Balance as at 31 March 2019	**-**	**137.69**	**267.76**	**701.23**	**19.17**	**63.00**	**78.99**	**1,267.84**	**39.94**	**-**
Net carrying amount										
Balance as at 31 March 2018	**22,921.48**	**2,450.54**	**1,089.02**	**919.48**	**25.93**	**170.99**	**86.48**	**27,663.92**	**25.52**	**1,109.39**
Balance as at 31 March 2019	**22,921.48**	**2,744.14**	**1,079.08**	**943.81**	**26.55**	**152.97**	**78.94**	**27,946.97**	**12.21**	**1,006.24**

Notes

1 Land and development includes certain leasehold lands the value of which is not separately ascertainable.

Also refer Note 43

2 Title deeds of the immovable properties set out in the above table are in the name of Malayalam Plantations Limited (MPL)/ Harrisons Crossfield Limited (HCL) except as set out below which are in the name of the Company. Interalia, 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, interalia the immovable properties of Harrisons Crossfield (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 as at 31 March 2019 are:

	Gross block	Net block
Land and building	136.72	27.52

3 **Property, plant and equipment pledged as security**

Details of properties pledged are as per Note 39.

4 **Capital work in progress**

Capital work in progress mainly represents the immature bearer plants awaiting capitalisation.The capitalised portion of the same is disclosed separately in the above table.

		As at 31 March 2018	As at 31 March 2017
	Financials assets		
4	**Investments**		
	Non-current		
	Investment in Government Securities		
	National Savings Certificate	0.01	0.01
	Treasury Savings Account	1.00	1.00
		1.01	1.01
	Aggregate amount of:		
	- Quoted investments and market value thereof	-	-
	- Unquoted investments	1.01	1.01
	- Provision for diminution in value of investments other than temporary	-	-
	Current		
	Investment in equity instruments(fully paid-up)		
	Unquoted		
	Subsidiaries		
	Enchanting Plantations Limited	10.00	10.00
	(100,000 equity shares of ₹ 10 each)		
	Harmony Plantations Limited	5.00	5.00
	(50,000 equity shares of ₹ 10 each)		
		15.00	15.00
	Aggregate amount of:		
	- Quoted investments and market value thereof	-	-
	- Unquoted investments	15.00	15.00
	- Provision for diminution in value of investments other than temporary	-	-
5	**Bank balances**		
	Margin money deposit with banks having maturity more than 12 months	-	11.97
	Bank deposit on lien	1.73	1.73
		1.73	13.70

		As at 31 March 2019	As at 31 March 2018
6	**Other financial assets (Non current)**		
	Subsidy receivable	45.59	46.30
		45.59	46.30
7	**Other non-current assets**		
	(Unsecured, considered good)		
	Capital advances	2.37	31.39
	Electricity and other deposits	386.80	310.96
	Advance to workers	-	491.28
		389.17	833.63
8	**Inventories**		
	(valued at lower of cost and net realisable value)		
	Finished goods	1,534.71	1,547.85
	Stores and spares *	1,388.38	1,216.03
	Nurseries	24.21	17.91
	Raw materials (Latex)	-	24.92
		2,947.30	2,806.71
	* Stores and spares includes packing materials of ₹ 512.57.00 (31 March 2018: ₹ 417.00).		
9	**Trade receivables**		
	Unsecured		
	Trade receivables considered good - secured	-	-
	Trade receivables considered good - unsecured	981.41	1,438.57
	Trade receivables which have significant increase in credit risk	-	-
	Trade receivables - credit impaired	509.75	509.75
	Less: Allowances for expected credit loss	(509.75)	(509.75)
		981.41	1,438.57
10	**Cash and cash equivalents**		
	Balance with banks		
	- In Current accounts	99.15	215.94
	Cash on hand	8.36	14.40
		107.51	230.34
11	**Bank balances other than cash and cash equivalents**		
	Deposits with maturity more than 3 months but less than 12 months	110.22	189.92
	Unpaid dividend account	19.64	26.60
		129.86	216.52
	For the purpose of statement of cash flows, cash and cash equivalents comprises the following:		
	Balance with banks		
	- In current accounts	99.15	215.94
	Cash on hand	8.36	14.40
		107.51	230.34

		As at 31 March 2019	As at 31 March 2018
12	**Other financial assets (Current)**		
	(Unsecured, considered good)		
	Advances to employees	192.48	110.24
	Claims recoverable	19.25	60.86
	Subsidy receivable	799.11	642.45
	Unbilled revenue	28.48	28.48
	Export entitlement	86.28	122.44
	Interest accrued on bank deposits	-	8.05
		1,125.60	972.52
	(Unsecured, considered doubtful)		
	Export entitlement	13.54	13.54
	Less: provision for doubtful advances	(13.54)	(13.54)
		-	-
		1,125.60	972.52
13	**Other current assets**		
	(Unsecured, considered good)		
	Advance to suppliers	308.48	406.94
	Balances with government authorities	2,015.70	2,014.53
	Prepayments	136.36	150.86
		2,460.54	2,572.33
	(Unsecured, 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)
		2,460.54	2,572.33
14	**Assets held for sale**		
	Disposal group	119.00	119.00
		119.00	119.00

Asset held for sale represents WDV of building which is proposed to be sold by the Company.

15(a)	Equity share capital	As at 31 March 2019 Number	As at 31 March 2019 ₹ lakhs	As at 31 March 2018 Number	As at 31 March 2018 ₹ lakhs
	Authorized				
	Equity Shares of ₹ 10 each	3,00,00,000	3,000.00	3,00,00,000	3,000.00
	Issued, subscribed and fully paid up				
	Equity Shares of ₹ 10 each fully paid up	1,84,55,405	1,845.54	1,84,55,405	1,845.54
	Less: Allotment Money in Arrears	-	(0.11)	-	(0.11)
		1,84,55,405	**1,845.43**	1,84,55,405	1,845.43

i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31 March 2019 No. of shares	As at 31 March 2019 ₹ lakhs	As at 31 March 2018 No. of shares	As at 31 March 2018 ₹ lakhs
Equity share of ₹ 10 each				
Opening balance	1,84,55,405	1,845.43	1,84,55,405	1,845.43
Issue of shares during the year	-	-	-	-
Closing balance	**1,84,55,405**	**1,845.43**	1,84,55,405	1,845.43

ii) Terms/right attached to equity shares

The Company has issued only one class of equity shares having a face value of ₹ 10 per share. Each holder of equity shares is entitled to 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.

iii) Shareholders holding more than 5% of the aggregate shares in the Company

	As at 31 March 2019 Nos.	As at 31 March 2019 % holding	As at 31 March 2018 Nos.	As at 31 March 2018 % holding
Equity Shares of ₹ 10 each				
Rainbow Investments Limited	44,71,063	24.23%	44,71,063	24.23%
Vayu Udaan Aircraft LLP	34,48,100	18.68%	27,20,100	14.74%
Swallow Associates LLP	10,10,722	5.48%	10,10,722	5.48%

iv) There were no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and buy back of shares during the last 5 years immediately preceding 31 March 2019.

		As at 31 March 2019	As at 31 March 2018
15(b)	**Other equity**		
	General reserve	1,687.82	1,687.82
	Securities premium account	5,002.91	5,002.91
	Reserve arising from amalgamation	291.33	291.33
	Housing subsidy reserve	5.26	5.26
	Retained earnings	(966.91)	1,545.71
		6,020.41	8,533.03

Description of nature and purpose of each reserve

a. General reserve

General reserve was created form time to time by way of transfer of profits from retained earnings for appropriation purposes.

b. Securities premium

The amount received in excess of face value of the equity shares was recognised in securities premium. The reserve is utilised in accordance with the provisions of the Act.

c. Reserve arising from Amalgamation

Pertains to reserve created on account of amalgation effected between erstwhile companies during 1978-79 ₹ 4.43 Lacs and 2009-10 ₹ 286.90 Lacs.

d. Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

		As at 31 March 2019	As at 31 March 2018
16	**Borrowings (Refer note 39)**		
	Non-current		
	Secured		
	Term loan		
	-from banks	8,013.08	4,063.70
	-from others	237.97	249.05
		8,251.05	4,312.75
	Less: Current maturities of long-term debt	(1,599.13)	(905.72)
		6,651.92	3,407.03
	Current		
	Secured		
	Cash credit from banks repayable on demand *	2,855.29	3,565.18
		2,855.29	3,565.18
	Unsecured		
	From banks	250.00	500.00
	From others	750.00	1,175.00
		1,000.00	1,675.00
		3,855.29	5,240.18

* Secured by equitable mortgage of immovable property of the Company situated in Arapetta Estate, hypothecation of standing crop in all estates, stocks of tea, rubber, stores and spares, book debts and other movable assets both present and future.

		As at 31 March 2019	As at 31 March 2018
17	**Provisions**		
	Non-current		
	Provisions for employee benefits		
	Gratuity (Refer note 42)	4,077.74	4,777.33
	Compensated absence	98.58	102.34
		4,176.32	4,879.67
	Other provisions:		
	Contingencies	-	492.00
		-	492.00
		4,176.32	5,371.67
	Current		
	Provisions for employee benefits		
	Gratuity (Refer note 42)	755.06	318.74
	Compensated absence	42.61	52.51
	Contingency reserve **	1,879.01	1,879.01
		2,676.68	2,250.26
	Other provisions :		
	Fringe benefit tax (Net of advance tax of ₹ 92.42 Lakhs, 31 March 2018: ₹ 92.42 Lakhs).	122.64	122.64
		122.64	122.64
		2,799.32	2,372.90

** 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 31 March 2019	As at 31 March 2018
18	**Trade payables**		
	Dues to micro enterprises and small enterprises (Refer Note (a) below)	397.90	137.51
	Dues to creditors other than micro enterprises and small enterprises	2,987.41	3,655.59
		3,385.31	3,793.10

The carrying values of trade payables are considered to be a reasonable approximation of fair value.

a) **Dues to micro, small and medium enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006:**

		31 March 2019	31 March 2018
i)	Principal amount remaining unpaid	299.28	73.85
ii)	Interest due thereon	7.83	5.08
iii)	Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year	-	-
iv)	Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	27.13	10.59
v)	Interest accrued and remaining unpaid as at the year end	98.62	63.66
vi)	Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	34.96	15.68

The above disclosure has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

19	**Other financial liabilities**		
	Current maturities of long-term debt	1,599.13	905.72
	Interest accrued but not due on borrowings	30.72	43.28
	Unpaid dividends	19.64	26.60
	Employee benefits payable	3,303.11	3,227.31
	Derivative - Foreign exchange forward contracts	0.38	1.64
	Security deposits	673.49	143.16
		5,626.47	4,347.71
20	**Current tax liabilities (Net)**		
	Provision for income tax (net of advance tax ₹ 14,005.86 Lakhs, 31 March 2018: ₹ 13,948.42 Lakhs,)	442.06	499.49
		442.06	499.49
21	**Other current liabilities**		
	Statutory dues	773.37	805.85
	Advance from customers	741.24	876.07
		1,514.61	1,681.92
22	**Liabilities directly associated with assets held for sale**		
	Advance received	972.00	972.00
		972.00	972.00
23	**Revenue from operations**		
	Sale of products	33,938.58	37,667.44
		33,938.58	37,667.44
	Other operating revenues		
	Tea board subsidy (Refer note (i) below)	243.04	300.15
	Export entitlements	280.36	193.33
	Sale of rubber / Grevillea Trees	740.30	9.90
	Others	172.56	160.54
		1,436.26	663.92
		35,374.84	38,331.36

Note (i): The subsidy relates to the manufacture of orthodox tea. There are no unfulfilled conditions or other contingencies attaching to these grants.

Effective from April 1, 2018, the Company has adopted Ind AS 115 - Revenue from Contracts with Customers, using the cumulative effect method and the comparative information is not restated. The adoption of the standard did not have any material impact on the financial statements of the Company.

		Year ended 31 March 2019	Year ended 31 March 2018
24	**Other income**		
	Interest income on bank deposits and other deposits	62.20	13.23
	Profit on sale of fixed assets	26.30	59.33
	Liability no longer required written back	0.72	-
	Other non-operating income	526.07	800.09
		615.29	872.65
25	**Cost of materials consumed**		
	(all indigenous)		
	Inventory at the beginning of the year	24.92	15.23
	Add: Purchases	9,308.82	10,777.26
	Less: Inventory at the end of the year	-	(24.92)
	Cost of materials consumed	**9,333.74**	10,767.57
26	**Purchase of stock-in-trade**		
	Cenex / Technically specified rubber	2,141.89	727.01
	Fruits, spices and others	1.74	6.46
		2,143.63	733.47
27	**Changes in inventories**		
	Inventory at the beginning of the year		
	Tea	1,122.11	944.46
	Rubber	425.74	585.78
		1,547.85	1,530.24
	Inventory at the end of the year		
	Tea	1,176.64	1,122.11
	Rubber	358.07	425.74
		1,534.71	1,547.85
		13.14	(17.61)
28	**Employee benefits expense**		
	Salaries and wages	12,825.63	12,728.64
	Contribution to provident fund	1,253.81	1,310.00
	Contribution to superannuation fund	98.50	91.48
	Gratuity (Refer note 42)	609.88	662.26
	Staff welfare expenses	404.27	414.46
	Employee training expense	34.72	32.73
		15,226.81	15,239.57
29	**Finance costs**		
	Finance charges	1,352.37	1,237.49
	Other borrowing cost	46.73	30.12
		1,399.10	1,267.61
30	**Depreciation and amortisation expense**		
	Depreciation of property, plant and equipment (Refer note 3)	402.40	402.93
	Amortisation of intangible assets (Refer note 3)	13.31	13.31
		415.71	416.24
31	**Other expenses**		
	Consumption of stores and spare parts	1,546.48	1,655.00
	Consumption of packing material	857.71	916.39
	Contract costs	1,257.61	1,582.92

	year ended 31 March 2019	year ended 31 March 2018
Power and fuel	2,066.95	2,229.78
Rent	146.35	120.55
Rates and taxes	149.83	229.44
Repairs and maintenance		
- Buildings	373.25	310.03
- Plant and machinery	428.30	355.95
- Others	88.34	92.56
Insurance	118.20	100.93
Tea cess	-	20.30
Travelling and conveyance	636.68	555.03
Legal and Professional charges (Refer note 36)	557.48	585.83
Brokerage and discount	176.21	167.89
Commission to selling agent	14.24	16.75
Freight, shipping, transport and other charges	855.84	873.09
Directors' sitting fees	4.90	5.10
Fair value loss on foreign exchange forward contracts	0.38	1.64
Miscellaneous expenses	588.20	532.92
	9,866.95	10,352.10

32 Fair value measurements

(i) Financial instruments by category

The carrying value and fair value of financial instruments by categories were as follows:

Particulars	Note	As on 31 March 2019			As on 31 March 2018		
		Amortised cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVTOCI	Amortised cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVTOCI
Assets:							
Investments	4	16.01	-	-	16.01	-	-
Cash and cash equivalents	10	107.51	-	-	230.34	-	-
Bank balances other than cash and cash equivalents	5, 11	131.59	-	-	230.22	-	-
Trade receivable	9	981.41	-	-	1,438.57	-	-
Other financial assets	6,12						
- Advances to employees		192.48	-	-	110.24	-	-
- Claims recoverable		19.25	-	-	60.86	-	-
- Subsidy receivable		844.70	-	-	642.45	-	-
- Unbilled revenue		28.48	-	-	28.48	-	-
- Export entitlement		86.28	-	-	122.44	-	-
- Interest accrued on bank deposits		-	-	-	8.05	-	-
Total		**2,407.71**	**-**	**-**	2,887.66	-	-
Liabilities:							
Borrowings	16	12,106.34	-	-	9,552.93	-	-
Trade payable	18	3,385.31	-	-	3,793.10	-	-
Other financial liabilities	19						
- Unpaid dividend		19.64	-	-	26.60	-	-
- Interest accrued but not due on borrowings		30.72	-	-	43.28	-	-
- Employee benefits payable		3,303.11	-	-	3,227.31	-	-
- Derivative - Foreign exchange forward contracts		-	0.38	-	-	1.64	-
- Security deposits		673.49	-	-	143.16	-	-
Total		**19,518.61**	**0.38**	**-**	16,786.38	1.64	-

The management assessed that the fair value of cash and cash equivalents, trade receivables, loans, other financial assets, trade payables and working capital loans approximate the carrying amount largely due to short-term maturity of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

(ii) Fair value of financial assets and liabilities measured at amortised cost

The management assessed that for amortised cost instruments, fair value approximate largely to the carrying amount.

(iii) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

a) Assets and liabilities measured at fair value - recurring fair value measurement

As at 31 March 2019	Note	Level 1	Level 2	Level 3	Total
Derivatives measured at fair value					
Foreign exchange forward contracts	19	-	0.38	-	0.38

As at 31 March 2018	Note	Level 1	Level 2	Level 3	Total
Derivatives measured at fair value					
Foreign exchange forward contracts	19	-	1.64	-	1.64

(iv) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the fair value of foreign exchange forward contracts is determined using market observable inputs, including prevalent forward rates for the maturities of the respective contracts and interest rate curves as indicated by banks and third parties.

33 Scheme of Amalgamation

The 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 9 March 2017.

34 Contingent liabilities and commitments

		As at March 31, 2019	As at March 31, 2018
a)	**Contingent liabilities**		
1	**Claims against the Company not acknowledged as debt**		
i)	Employee related	505.04	423.16
ii)	Disputed income tax matters	1,236.62	1,204.23
iii)	Sales tax matters	895.89	117.32
iv)	Government of Kerala had notified the minimum wages for plantation workers vide GO/377/2006/LBR dated 18-02-2006. Aggrieved by the unilateral notification , HML had approached the High Court of Kerala challenging the notification and an interim stay was obtained. Meanwhile the Plantation Labour Committee members were advised to disburse the amount notified as advance to all employees. Considering the long pendency of the matter and in order to maintain harmonious industrial relations, HML had disbursed the notified wages. Subsequently , the writ petition filed by HML was closed	-	205.47
2	**Others**		
i)	Outstanding bills discounted with bank	65.28	206.62
		2,702.83	2,156.80
b)	**Commitments**		
i)	Estimated amount of contracts remaining to be executed on capital Account and not provided for, net of advance payments of ₹ 2.36 lakhs (31 March 2018: ₹ 31.39 lakhs)	57.39	139.16
		57.39	139.16

		Year ended 31 March 2019	Year ended 31 March 18
35	**Earnings/(loss) per share**		
a)	**Basic earnings per share**		
	Basic earnings/ (loss) per share attributable to the equity holders of the Company	(13.05)	2.41
b)	**Diluted earnings/(loss) per share**		
	Diluted earnings/(loss) per share attributable to the equity holders of the Company	(13.05)	2.41
c)	**Weighted average number of share used as the denominator**		
	Weighted average number of equity share used as the denominator in calculating basic earnings per share	1,84,55,405	1,84,55,405
	Adjustments for calculation of dilutive earnings per share:	-	-
	Weighted average number of equity share and potential equity shares used as the denominator in calculating dilutive earnings per share	**1,84,55,405**	1,84,55,405

36	**Remuneration to auditors**		
	As auditor		
	Audit fee (including audit of consolidated financial statements)	14.00	14.00
	Tax audit fee	3.50	-
	Limited review fee	6.00	6.00
	Other services	0.60	0.60
	Reimbursement of expenses	3.76	3.41
		27.86	24.01

37 Related party disclosures

a) Names of related parties and nature of relationship:

Nature of relationship	Name of related party
Wholly owned subsidiaries	Enchanting Plantations Limited (EPL)
	Harmony Plantations Limited (HPL)
	Malayalam Plantations Limited (MPL) (100% subsidiary of EPL)
Key management personnel	Mr. V. Venugopal (Manager)
	Mr. N. Dharmaraj (Whole Time Director)
	Mr. Venkitraman Anand (Whole Time Director)w.e.f. 1 October 2018
	Mr. Cherian M George (Whole Time Director)w.e.f .13 February 2019

b) Transactions with related parties

Transaction	Related Party	Year ended 31 March 2019	Year ended 31 March 2018
Remuneration to key managerial personnel	Mr. V. Venugopal	59.12	52.30
	Mr. N. Dharmaraj	104.64	91.04
	Mr. Venkitraman Anand	44.34	-
	Mr. Cherian M George	5.68	-

c) Balances with related parties

Transaction	Related Party	As at 31 March 2019	As at 31 March 2018
Investment in subsidiaries	Enchanting Plantations Limited (EPL)	10.00	10.00
	Harmony Plantations Limited (HPL)	5.00	5.00
Remuneration payable	Mr. V. Venugopal	2.87	2.99
	Mr. N. Dharmaraj	10.66	6.15
	Mr. Venkitraman Anand	3.73	-
	Mr. Cherian M George	2.25	-

38 Deferred/Current tax

(i) The Company has not recognised any deferred tax asset in respect of unabsorbed depreciation/ brought forward losses and other temporary differences in accordance with Ind AS 12 “Income Taxes” in the absence of reasonable certainty that probable taxable profit will be available against which the deductible temporary difference can be utilised.

(ii) The Company has not recognised MAT credit on a prudent basis in the absence of reasonable certainty that sufficient future tax profit against which such credit could be realised.

Unused tax losses for which no deferred tax asset has been recognised:

The Company has unabsorbed business loss of ₹ 807.97 Lacs under the provisions of Income-tax Act, 1961 and ₹ 9646.03 Lacs under the provisions of Kerala Agricultural Income Tax Act, 1991 which expires on the 8th year from the end of the relevant assessment year.

The Company has unabsorbed depreciation loss under the provisions of Income-tax Act, 1961 amounting to ₹ 2022.66 Lacs which has no limit for expiry.

39 Details of security, repayment terms, applicable interest rates

Term loan from banks - Non Current

a Loan availed of ₹ 4,000.00 Lacs during 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 spread payable on a monthly basis from disbursement of the loan. Year end balance is ₹ 2,100.00 Lacs (as at 31 March 2018 ₹ 2,900.00 Lacs)."

b Loan availed of ₹ 1,223.48 Lacs during 2017-18 and ₹ 1776.52 Lacs during 2018 - 19 is repayable in 24 equal quarterly instalments commencing from June 2019, is secured by equitable mortgage created on immovable properties of the Company situated in Kollam, Fort Kochi and Coimbatore. The loan carries an interest rate of base rate plus spread payable on a monthly basis from disbursement of the loan. Year end balance of the loan is ₹ 2,953.08 Lacs net of processing fees (As at 31 March 2018 Lacs ₹ 1,163.70 Lacs)

c Loan availed of ₹ 3,000.00 Lacs during 2018 - 19 is repayable in 20 quarterly instalments commencing from September 2019 , is secured by a charge created on immovable property of the company situated at Kumbazha rubber estate , Kerala. The loan carries an interest of base rate plus spread payable on a monthly from the disbursement of the loan. Year end balance of the loan is ₹ 2,960.00 Lacs net of processing fee (As at 31 March 2018 ₹ Nil)

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 13.00%).

Particulars	**As at 31 March 2019**	As at 31 March 2018
Repayment terms for term loans from others		
Payable in 0-1 year	124.13	105.72
Payable in 1-2 years	88.41	88.53
Payable in 2-3 years	20.27	52.81
Payable in 3-4 years	4.98	1.99
Payable in 4-5 years	0.18	-
	237.97	**249.05**

40 Capital management

The capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

Particulars	**As at 31 March 2019**	**As at 31 March 2018**
Long term borrowings	6,651.92	3,407.03
Current maturities of long-term debt	1,599.13	905.72
Short term borrowings	3,855.29	5,240.18
Less: Cash and cash equivalents	107.51	230.34
Less: Bank balances other than cash and cash equivalents	129.86	216.52
Net debt (A)	**11,868.97**	9,106.07
Equity	1,845.43	1,845.43
Other equity (excluding revaluation reserve)	6,020.41	8,533.03
Equity (B)	**7,865.84**	10,378.46
Capital and net debt (A + B)	**19,734.81**	19,484.53
Gearing ratio (A/(A+B))	**60%**	47%

42 Financial risk management

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on it's financial performance. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer.

The risk management activity focuses on actively securing the Company's short to medium-term cash flows by minimising the exposure to volatile financial markets.

The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed are described below.

(A) Credit risk

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables as summarised below:

Assets under credit risk	As at 31 March 2019	As at 31 March 2018
Investments	16.01	16.01
Bank balances	1.73	13.70
Trade receivables	981.41	1,438.57
Cash and cash equivalents	107.51	230.34
Bank balances other than cash and cash equivalents	129.86	216.52
Other financial assets	1,171.19	1,018.82
Total	**2,407.71**	2,933.96

A1 Trade receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers located in India and outside India. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, Financial Instruments, the Company uses expected credit loss model to assess the impairment loss or gain. The provision for expected credit loss takes into account available external and internal credit risk factors including the credit ratings of the various customers and Company's historical experience for customers.

Particulars	**As at 31 March 2019**	**As at 31 March 2018**
Loss allowance as at the beginning	509.75	509.75
Changes in loss allowance	-	-
Loss allowance as at the end	**509.75**	509.75

Financial assets that are neither past due nor impaired

Cash and cash equivalents, loans and advances to employees and other financial assets are neither past due nor impaired.

Financial assets that are past due but not impaired

There are no other classes of financial assets that is past due but not impaired.

(B) Liquidity risk

Liquidity risk is that the Company might be unable to meet its obligations. The Company manages its liquidity needs by monitoring scheduled debt servicing payments for long-term financial liabilities as well as forecast cash inflows and outflows on a day-to-day business. The data used for analyzing these cash flows is consistent with that used in the contractual maturity analysis below. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on a monthly, quarterly, and yearly basis depending on the business needs. Net cash requirements are compared to available borrowing facilities in order to determine headroom or any shortfalls. This analysis shows that available borrowing facilities are expected to be sufficient over the lookout period.

Maturities of financial liabilities

As at 31 March 2019	**Less than 1 year**	**1 year to 5 years**	**More than 5 years**	**Total**
Borrowings	5,440.11	5,931.55	734.68	12,106.34
Other financial liabilities	4,027.34	-	-	4,027.34
Total	**9,467.45**	**5,931.55**	**734.68**	**16,133.68**

As at 31 March 2018	Less than 1 year	1 year to 5 years	More than 5 years	Total
Borrowings	7,096.17	3,690.01	437.68	11,223.86
Other financial liabilities	3,442.09	-	-	3,442.09
Total	**105,328.26**	**3,690.01**	**437.68**	**14,665.95**

(C) Market risk

The Company is exposed to market risk through its use of financial instruments and specifically to currency risk, interest rate risk and certain other price risk, which result from both its operating and investing activities.

(i) Foreign currency sensitivity

The Company operates internationally and has transactions in USD, Euro and GBP currency and consequently the Company is exposed to foreign exchange risk through its sales to overseas customers. The exchange rate between the rupee and foreign currencies may fluctuate substantially in the future. Consequently, the results of the Company's operations are adversely affected as the rupee appreciates/ depreciates against these currencies.

Foreign currency denominated financial assets which expose the Company to currency risk are fully hedged by derivative cover.

Derivative financial instruments

The Company holds derivative financial instruments such as foreign currency forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank or a financial institution. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace.

The following table gives details in respect of outstanding foreign exchange forward contracts:

Particulars **Forward contracts** (Denominated in foreign currency, value presented in ₹ lakhs)	As at 31 March 2019	As at 31 March 2018
In USD	262.82	309.36
In EURO	68.07	-

The foreign exchange forward contracts mature within twelve months. The table below analyses the derivative financial instruments into relevant maturity groupings based on the remaining period as of the Balance Sheet date:

USD

Particulars (Denominated in foreign currency, value presented in ₹ lakhs)	As at 31 March 2019	As at 31 March 2018
Not later than one month	127.29	122.91
Later than one month and not later than three months	135.53	186.45
Later than three months and not later a year	-	-

EURO

Particulars (Denominated in foreign currency, value presented in ₹ lakhs)	As at 31 March 2019	As at 31 March 2018
Not later than one month	29.41	-
Later than one month and not later than three months	38.66	-
Later than three months and not later a year	-	-

(ii) Interest rate risk

The Company's fixed rate borrowings are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, Financial Instruments - Disclosures. As neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

42 Employee benefit obligations

The Company has provided for the gratuity liability and leave encashment liability (defined benefit plan), as per actuarial valuation carried out by an independent actuary on the Balance Sheet date.

a) Defined contribution Plan

The Company makes contribution to statutory provident fund as per Employees Provident Fund and Miscellaneous Provision Act, 1952 for its employees. Also the group makes contribution to superannuation fund for its employees. This is a defined contribution plan as per Ind AS 19, Employee benefits. Total contribution made during the year ₹ 1,352.31 Lacs (31 March 2018: ₹1,401.48 Lacs).

b) Defined benefit plans

The Company has provided for gratuity and leave encashment liability, for its employees as per actuarial valuation carried out by an independent actuary on the Balance Sheet date. The valuation has been carried out using the Project Unit Credit Method as per Ind AS 19 to determine the present value of Defined Benefit Obligations and the related current service cost. This is a defined benefit plan as per Ind AS 19.

The gratuity plan is governed by the provisions of the Payment of Gratuity Act, 1972 (as amended from time to time). Employees are entitled to all the benefits enlisted under this Act.

c) Sensitivity analysis

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary overtime. Thus, the group is exposed to various risks in providing the above benefit which are as follows:

i) Interest rate risk

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability as shown in financial statements.

ii) Liquidity risk

This is the risk when the Company is not able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash/ cash equivalents to meet the liabilities or holding of illiquid assets not being sold in time.

iii) Salary escalation risk

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of employees in future. Deviation in the rate of interest in future for employees from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

iv) Demographic risk

The group has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

v) Regulatory risk

Gratuity benefits are paid in accordance with the requirements of the Payment of Gratuity Act,1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts.

	As at 31 March 2019	As at 31 March 2018
Changes in the present value of the defined benefit obligation are as follows		
Projected benefit obligation at the beginning of the year	5,096.07	4,923.35
Interest cost	346.96	348.24
Current service cost	262.92	314.02
Benefits paid	(976.82)	(801.54)
Actuarial (gain) / loss	103.67	312.00
Projected benefit obligation at the end of the year	**4,832.80**	**5,096.07**
Unfunded	**4,832.80**	**5,096.07**
Components of net gratuity costs are:		
Current service cost	262.92	314.02
Interest cost	346.96	348.24
Net amount recognised in the income statement	**609.88**	**662.26**
Premeasurements		
Net actuarial (gain)/ loss	103.67	312.00
Net amount recognised in other comprehensive income	**103.67**	**312.00**
Total gratuity cost recognised	**713.55**	**974.26**
Principal actuarial assumptions used:		
a) Discount rate	7.53%	7.70%
b) Long-term rate of compensation increase	5.00%	5.00%
c) Attrition rate	3.00%	3.00%
d) Mortality rate	Indian Assured Lives Mortality (2006-2008)	

The estimates of rate of escalation in salary considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary. The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

The significant actuarial assumptions for the determination of the defined benefit obligation are the attrition rate, discount rate and the long-term rate of compensation increase. The calculation of the net defined benefit liability is sensitive to these assumptions. The following table summarises the effects of changes in these actuarial assumptions on the defined benefit liability at 31 March 2019.

Gratuity

Particulars	Year ended 31 March 2019		Year ended 31 March 2018	
	Increase	Decrease	Increase	Decrease
Discount Rate (- / + 0.5%)	4,698.96	4,973.51	4,956.18	5,243.16
Salary Growth Rate (- / + 0.5%)	4,977.77	4,693.90	5,248.34	4,950.16
Attrition rate (- / + 0.5%)	4,843.47	4,822.14	5,107.70	5,084.42
Mortality rate (- / + 10%)	4,856.26	4,809.35	5,120.88	5,071.24

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The method and type of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

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

43 (A)

a. An area of 807 hectares (approximately) [31 March 2018: 807 hectares (approximate)], 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 was allowed by the District Court, Ooty and the matter is now remanded for denovo enquiry and is pending. Meanwhile, Madras High Court held that out of this area, the notification of 335 Hectares (31 March 2018: 335 Hectares) as forest by the Settlement Officer is valid and has directed that in the event of patta being granted in respect of the notified areas the same will stand modified to that extent.

b. An area of 2588 hectares (approximately) [31 March 2018: 2588 hectares (approximate)] 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.

c. An area of 535 hectares (approximate) [31 March 2018: 535 hectares (approximate)] in respect of which cases filed by Janmies (original owners) of Lahai Estate challenging the validity of the lease is pending before the Sub-Court, Pathanamthitta and High Court of Kerala.

d. An area of 1982.45 hectares (31 March 2018: 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.

The above litigations are considered as Key audit matter.

43 (B)

a. An area of 178 hectares (approximately) [31 March 2018: 178 hectares (approximate)] 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.

b. The Vythiri Taluk Land Board's order directing the Company to surrender 707 hectares (approximately) [31 March 2018: 707 hectares (approximate)] 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.

c An area of 415 hectares (approximately) [31 March 2018: 415 hectares (approximate)] 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.

d. An area of 1580 hectares (approximate) [31 March 2018: 1187 hectares (approximate)] in respect of which cases filed by Janmies (original owners) of Koney and Arrapetta Estates challenging the validity of the lease is pending before the Sub-Court, Pathanamthitta , Sulthan Bathery, Thodupuzha and High Court of Kerala.

e. The Government of Kerala vide G.O dated 27.06.2018 waived the levy of Seigniorage on rubber trees cut and removed from the rubber plantations. A writ petition has been filed before the Hon'ble High Court of Kerala challenging the said Government Order and the Hon'ble Court by interim order dated 18.02.2019 has permitted felling of trees on condition that a bond undertaking to pay Seigniorage is furnished to the Government of Kerala, if ultimately the writ petition is allowed. The matter is pending consideration.

f. The Government by order dated 04.01.2008 directed the Company to remit an amount ₹ 96.84 lakhs alleging violation of lease condition in Mooply Valley Estates. The said order has been challenged before the Sub Court, Irinjalakuda and by order dated 08.04.2008 granted temporary prohibitory injunction restraining Government from taking any further action. On appeal filed by the Government, the Hon'ble High Court by judgment dated 04.08.2008 sustained the order of injunction and directed the Company to furnish security for ₹ 96.84 lakhs and accordingly the company has furnished bank guarantee for the said amount and the suit is still pending.

g. An extent of approximately 142 Hectares of rubber planted area in Kumbazha Estate has been encroached by the members of Sadhu Jana Vimochana Samyuktha Vedi in 2007 and the company filed a writ petition seeking eviction of the encroachers and Police protection to its property. By judgment dated 24.08.2007, the Hon'ble High Court directed the Government to evict the encroachers. However, the said direction was not complied with and a contempt case in this connection is still pending consideration before the Hon'ble High Court.

h. The Special Officer appointed by the Government had issued a notice under the Kerala Land Conservancy Act, for inspecting the properties of the company in Wayanad District. The company challenged the notice before the Hon'ble High Court of Kerala and by judgment dated 11.04.2018 the said notice was set aside by the Hon'ble Court. The Government filed a review petition in the matter and by order dated 06.08.2018 the Hon'ble Court directed the company to file its objections to the inspection notice. Accordingly the company has filed its detailed objection with relevant documents and the same is pending with the Special Officer.

i. An area of 301 hectares (approximately) [31 March 2018: 301 hectares (approximate)] 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.

44 Segment information

Management currently identifies the Company's three business lines as its operating segments: Tea, Rubber and others.

Other Segment comprise of Fruits, Spices and others and Wyanad Medical Fund.

Segment information for the reporting period is as follows: **₹ Lacs**

		Year ended 31 March 2019			Year ended 31 March 2018		
A	**Segment revenues and profits**	**Tea**	**Rubber**	**Others**	**Tea**	**Rubber**	**Others**
	Revenue						
	From external customers	17,696.20	17,329.33	349.31	20,090.18	17,885.18	356.00
	Other income	373.99	54.29	124.83	404.02	72.85	86.17
	Segment revenues	18,070.19	17,383.62	474.14	20,494.20	17,958.03	442.17
	Cost of material consumed	2,870.89	6,462.85	-	3,371.83	7,395.74	-
	Purchases of stock-in-trade	-	2,143.63	-	-	733.47	-
	Changes in inventories	(54.53)	67.67	-	(177.63)	160.02	-
	Employee benefits expense	9,303.62	5,871.90	51.29	9,287.99	5,855.58	96.00
	Depreciation and amortisation expense	258.13	94.47	63.11	254.19	109.05	53.00
	Other expenses	6,872.49	2,892.80	101.67	7,271.62	3,013.31	67.17
	Segment profits/(losses)	(1,180.41)	(149.70)	258.07	486.20	690.86	226.00

		As at 31 March 2019			
B	**Segment assets and liabilities**	**Tea**	**Rubber**	**Others**	**Unallocated**
	Segment assets	27,403.44	9,373.75	256.97	254.98
	Segment liabilities	7,739.81	7,982.23	38.64	13,662.62

		As at 31 March 2018			
		Tea	**Rubber**	**Others**	**Unallocated**
	Segment assets	27,662.55	9,654.63	257.36	489.92
	Segment liabilities	8,683.68	8,706.01	92.60	10,203.71

Income/ expenses of a financial nature, and the assets / liabilities they are attributable to, have not been allocated to any segment as they are managed on a group basis. Current taxes, deferred taxes and items of income and expense have not been allocated to any segment since these items are also managed on a group basis.

C The totals presented for the Company's operating segments reconcile to the key financial figures as presented in its financial statements as follows:

C1	Reconciliation of profit	Year ended 31 March 2019	Year ended 31 March 2018
	Segment profit	(1,072.04)	1,403.06
	Add / (less):		
	Finance costs	(1,352.36)	(1,237.00)
	Unallocable Income	62.18	309.00
	Unallocable Expenditure	(46.73)	(30.00)
	Profit before tax	(2,408.95)	445.06

C2	Reconciliation of segment assets	As at 31 March 2019	As at 31 March 2018
	Total reportable segment assets	37,034.16	37,574.54
	Cash and cash equivalents	107.51	230.34
	Bank balances other than cash and cash equivalents	129.86	216.52
	Current investments	15.00	15.00
	Non-current investments	-	1.01
	Non-current bank balances	1.73	13.70
	Other-current assets	0.88	13.35
	Total assets	**37,289.14**	38,064.46

C3	Reconciliation of segment liabilities	As at 31 March 2019	As at 31 March 2018
	Total reportable segment liabilities	15,760.68	17,482.29
	Non-current borrowings including current maturities	8,251.05	4,312.75
	Current borrowings	3,855.29	5,240.18
	Provisions	122.64	613.04
	Other current liabilities	1,433.64	37.74
	Total liabilities	**29,423.30**	**27,686.00**

D The revenues from external customers are divided into the following geographical areas:

	Year ended 31 March 2019	Year ended 31 March 2017
India (country of domicile)	29,457.69	33,986.86
Outside India	5,917.15	4,344.50
	35,374.84	**38,331.36**

E Non-current assets are divided into the following geographical areas (Refer note below):

	As at 31 March 2019	As at 31 March 2018
India (country of domicile)	29,354.59	29,632.46
Outside India	-	-
	29,354.59	**29,632.46**

Reportable assets for the purpose of this note constitute non-current assets other than financial assets, deferred tax assets and other tax assets.

F Revenue from major customers

There are no customers contributing to 10 percent or more of Company's revenues from product sale.

45 Prior year Comparatives

The Previous year's figures have been regrouped and reclassified, where very necessary to Conform to current year's presentation.

For and on behalf of the Board of Directors of Harrisons Malayalam Limited

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Krishnakumar Ananthashivan
Partner
Membership No.: 206229

Kolkata
29 May 2019

Venkitraman Anand
Whole Time Director
DIN: 07446834

Cherian M George
Whole Time Director
DIN: 07916123

Ravi A.
Chief Financial Officer

Binu Thomas
Company Secretary
M. No. 41851

Kolkata
29 May 2019

INDEPENDENT AUDITORS' REPORT

To the Members of Harrisons Malayalam Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Harrisons Malayalam Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), which comprise the Consolidated Balance Sheet as at 31 March 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the consolidated state of affairs (consolidated financial position) of the Group as at 31 March 2019, and its consolidated loss (consolidated financial performance including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	**How our audit addressed the key audit matter**
(a) Land Litigations The Plantation Companies holds significant land for their operations as disclosed in note 3 to the Consolidated financial statements. The significant land holdings are inherently prone to litigation risk. As disclosed in Note No.43(A) of the Consolidated financial statements, the Holding Company has pending land related litigations with various courts, which is significant considering the total area of cultivable land. The land litigations involve interpretation of various land laws applicable in the State of Kerala and Tamil Nadu. We focused on this area as the eventual outcome of the litigations is uncertain and the positions taken by the management are based on the application of the material judgement and reliance on legal opinions obtained. Accordingly, unexpected adverse outcomes may significantly impact the operations of the Holding Company and hence it has been considered as a key audit matter.	**Our audit procedures included, but were not limited to, the following:** • We obtained an understanding of the management process for ascertaining the outcome of the land litigations and process performed by the management for its assessment. • We obtained an understanding, evaluated and tested controls around management's assessment of the outcome of the land litigations and the testing performed. • Obtained an understanding of the nature of litigations pending against the company and discussed the key developments during the year for key litigations with the management and respective legal counsels handling such cases on behalf of the Company. Tested the independence, objectivity and competence of such management experts involved. • We also monitored and considered the external information sources to conform our understanding of litigations.

	• On a sample basis, obtained and reviewed the necessary evidence which includes correspondence with the external legal counsels and where necessary, inspected minutes of case proceedings available, to support the decisions and rationale of such litigation selected for testing. • Reviewed each attorney response obtained as above to ensure that the conclusions reached our supported by sufficient legal rationale and adequate information is included for the management to determine the appropriate accounting treatment of such cases in the financial statements. • Evaluated the disclosures made relating to provisions and contingent liabilities for their appropriateness.
(b) Valuation of Finished goods Refer to note 2(j) of Summary of significant accounting policies and other explanatory information for accounting policy for valuation of Inventory and significant accounting judgements, estimates and assumptions related thereto and the note 8 of the Consolidated financial statements of the Company for the year ended 31 March 2019. At the balance sheet date 31 March 2019, the Company held ₹ 2947.30 lakhs of Inventories. Inventories mainly consists of finished goods – which is valued at lower of cost or net realizable value. The Company values its Finished goods inventory of tea and rubber at lower of cost and net realizable value (estimated selling price less estimated cost to sell). Considering that there is always a volatility in the selling price of tea and rubber, which is dependent upon various market conditions, determination of the net realizable value for these commodities involves significant management judgement. Moreover, the selling price fetched by tea produced at different estates are different. Owing to the significance of the carrying value of inventories, the complexities discussed above and the fact that any changes in the management's judgement or assumptions is likely to have a significant impact on the ascertainment of carrying values of inventories, we have considered this area as a key audit matter.	**Our audit procedures in relation to valuation of inventory included, but were not limited to, the following:** • We obtained an understanding of the management process for valuation of Finished goods and ensured that the same is consistently applied. • Tested the design and operating effectiveness of the internal controls relating to the valuation of Inventories. • Obtained an understanding on the computation of the net realizable values of the finished goods and tested the reasonableness of the significant judgements applied by the management. • Compared the estate wise actual realization subsequent to reporting date and assessed the reasonableness of the net realizable value that was estimated and considered by the management. • Verified the actual costs incurred to sell after the year end and assessed the reasonableness of the cost to sell that was estimated and considered by the management. • Compared the cost of the finished goods with the estimated net realizable value and checked if the finished goods were recorded at net realizable value where the cost was higher than the net realizable value. Further, we assessed whether the disclosures related to inventory were appropriate presented in accordance with the applicable accounting standards..

Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. The respective Board of Directors/management 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 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

9. Those Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

11. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group (covered under the Act) have adequate internal financial controls system in place and the operating effectiveness of such controls.

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

15. We did not audit the financial statements of three subsidiaries, whose financial statements reflects total assets of ₹ 4.40 lakhs and net assets of ₹ 4.06 lakhs as at 31 March 2019, total revenues of ₹ 0.12 lakhs and net cash outflows amounting to ₹ 0.52 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act, based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 15, on separate financial statements of the subsidiaries, we report that the Holding Company, covered under the Act paid remuneration to their directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that subsidiary companies, covered under the Act have not paid or provided for any managerial remuneration during the year.

17. As required by Section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, we report, to the extent applicable, that:

    a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

    b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

    c) the consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

    d) in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act;

    e) on the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies, none of the directors of the Group companies, covered under the Act, are disqualified as on 31 March 2019 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 companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure I';

g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries:

   i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, as detailed in Notes 34 and 43 to the consolidated financial statements.;

   ii. the Holding Company, and its subsidiaries did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2019;

   iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, during the year ended 31 March 2019;

   iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these consolidated financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Krishnakumar Ananthasivan
Partner
Membership No.: 206229

Place: Kolkata
Date: 29 May 2019

Annexure I to the Independent Auditor's Report of even date to the members of Harrisons Malayalam Limited on the consolidated financial statements for the year ended 31 March 2019

Independent Auditor's Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Harrisons Malayalam Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Holding Company and its subsidiary companies, which are companies covered under the Act, as at that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies covered under the Act, 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. 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 the company's business, including adherence to the 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 IFCoFR of the Holding Company and its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') 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 IFCoFR were 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 IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, 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 auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the IFCoFR of the Holding Company and its subsidiary companies as aforesaid.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR 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 IFCoFR include 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 IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR 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 and based on the consideration of the reports of the other auditors on IFCoFR of the subsidiary companies, the Holding Company and its subsidiary companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2019, based on the framework.

Other Matters

9. We did not audit the IFCoFR in so far as it relates to three subsidiary companies, which are companies covered under the Act, whose financial statements reflect total assets of ₹ 4.40 lakhs and net assets of ₹ 4.06 lakhs as at 31 March 2019, total revenues of ₹ 0.12 lakhs and net cash outflows amounting to ₹ 0.52 lakhs for the year ended on that date, as considered in the consolidated financial statements. The audit of IFCoFR of these subsidiary companies, which are companies covered under the Act, and reporting under Section 143(3)(i) is exempted vide MCA notification no G.S.R. 583(E) dated 13 June 2017 read with corrigendum dated 14 July 2017. Our opinion is not modified in respect of the above matter.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Krishnakumar Ananthasivan
Partner
Membership No.: 206229

Place: Kolkata
Date: 29 May 2019

Consolidated Balance Sheet as at 31 March 2019

(All amounts in ₹ lakhs, unless otherwise stated)

	Note	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-current assets			
Property, plant and equipment	3	27,946.97	27,663.92
Capital work-in-progress	3	1,006.24	1,109.39
Intangible assets	3	12.21	25.52
Financial assets			
- Investments	4	1.01	1.01
- Bank balances	5	1.73	13.70
Other financial assets	6	45.59	46.30
Other non-current assets	7	389.17	833.63
		29,402.92	29,693.47
Current assets			
Inventories	8	2,947.30	2,806.71
Financial assets			
- Trade receivables	9	981.41	1,438.57
- Cash and cash equivalents	10	110.60	233.20
- Bank balances other than cash and cash equivalents	11	131.17	218.58
- Other financial assets	12	1,125.60	972.52
Other current assets	13	2,460.54	2,572.33
Assets held for sale	14	**119.00**	119.00
		7,875.62	8,360.91
Total assets		**37,278.54**	38,054.38
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15(a)	1,845.43	1,845.43
Other equity	15(b)	6,009.46	8,522.60
Total equity		**7,854.89**	10,368.03
Non-current liabilities			
Financial liabilities			
- Borrowings	16	6,651.92	3,407.03
Provisions	17	4,176.32	5,371.67
		10,828.24	8,778.70
Current liabilities			
Financial liabilities			
- Borrowings	16	3,855.29	5,240.18
- Trade payables			
(i) Dues to micro and small enterprises	18	397.90	137.51
(ii) Dues to others	18	2,987.76	3,655.94
- Other financial liabilities	19	5,626.47	4,347.71
Provisions	17	2,799.32	2,372.90
Current tax liabilities (net)	20	442.06	499.49
Other current liabilities	21	1,514.61	1,681.92
		17,623.41	17,935.65
Liabilities directly associated with assets classified as held for sale	22	**972.00**	972.00
		18,595.41	18,907.65
Total liabilities		**29,423.65**	27,686.35
Total equity and liabilities		37,278.54	38,054.38

See accompanying notes forming part of these consolidated financial statements.

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

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Krishnakumar Ananthasivan
Partner
Membership No.: 206229

Kolkata
29 May 2019

For and on behalf of the Board of Directors of Harrisons Malayalam Limited

Venkitraman Anand
Whole Time Director
DIN: 07446834

Cherian M George
Whole Time Director
DIN: 07916123

Ravi A.
Chief Financial Officer

Binu Thomas
Company Secretary
M. No. 41851

Kolkata
29 May 2019

Consolidated Statement of Profit and Loss for the year ended 31 March 2019

(All amounts in ₹ lakhs, unless otherwise stated)

	Note	**Year ended March 31, 2019**	Year ended March 31, 2018
Income			
Revenue from operations	23	**35,374.84**	38,331.36
Other income	24	**615.41**	873.03
Total income		**35,990.25**	39,204.39
Expenses			
Cost of materials consumed	25	**9,333.74**	10,767.57
Purchases of stock-in-trade	26	**2,143.63**	733.47
Changes in inventories - Decrease/(Increase)	27	**13.14**	(17.61)
Employee benefits expense	28	**15,226.81**	15,239.57
Finance costs	29	**1,399.10**	1,267.61
Depreciation and amortisation expense	30	**415.71**	416.24
Other expenses	31	**9,867.59**	10,352.77
Total expenses		**38,399.72**	38,759.62
(Loss) / Profit before tax		**(2,409.47)**	444.77
Income tax expense:			
- Current tax		**-**	-
- Deferred tax		**-**	-
(Loss) / Profit for the year		**(2,409.47)**	444.77
Other comprehensive income / (loss)			
Items that will not be reclassified to profit and loss			
a) Re-measurement gains / (losses) in defined benefit plans		**(103.67)**	(312.00)
Income tax effect		**-**	-
Other comprehensive loss, net of tax		**(103.67)**	(312.00)
Total comprehensive (loss) / income for the year		**(2,513.14)**	132.77
Earnings per equity share from operations			
Basic (in ₹)	35	**(13.06)**	2.41
Diluted (in ₹)	35	**(13.06)**	2.41

See accompanying notes forming part of these consolidated financial statements.

This is the Consolidated statement of Profit and Loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Krishnakumar Ananthasivan
Partner
Membership No.: 206229

Kolkata
29 May 2019

For and on behalf of the Board of Directors of Harrisons Malayalam Limited

Venkitraman Anand
Whole Time Director
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DIN: 07916123

Ravi A.
Chief Financial Officer

Binu Thomas
Company Secretary
M. No. 41851

Kolkata
29 May 2019

Consolidated Statement of Cash Flows for the year ended 31 March 2019

(All amounts in ₹ lakhs, unless otherwise stated)

	Year ended March 31, 2019	Year ended March 31, 2018
A. Cash flow from operating activities		
(Loss)/Profit for the year before exceptional item and tax	(2,409.47)	444.77
Adjustments for:		
Depreciation and amortisation expense	415.71	416.24
Interest income on bank deposits and other deposits	(62.20)	(13.39)
Finance costs	1,399.10	1,267.61
Liability no longer required written back	(0.72)	(0.22)
Profit on sale of fixed assets	(26.30)	(59.33)
Operating (Loss)/profit before working capital changes	**(683.88)**	2,055.68
Adjustments for working capital changes:		
(Increase) in inventories	(140.59)	(305.99)
Decrease/(increase) in trade receivables	457.16	(679.20)
Decrease/(increase) in other financial assets and other current and non current assets	521.20	(578.13)
(Decrease)/increase in trade payables, other current liabilities and provisions	(842.10)	1,503.93
Cash used in/ generated from operating activities	**(688.21)**	1,996.29
Direct taxes paid, net	(15.46)	(6.13)
Net cash used in/ generated from operating activities	(703.67)	1,990.16
B. Cash flow from investing activities		
Purchase of fixed assets including capital work in progress	(420.17)	(271.09)
Replanting expenses	(216.31)	(483.42)
Sale of fixed assets	54.47	83.61
Interest received	28.28	19.42
Net cash used in investing activities	(553.73)	(651.48)
C. Cash flow from financing activities		
Proceeds from long-term borrowings	4,836.14	1360.08
Repayment of long-term borrowings	(897.84)	(1,475.89)
Proceeds from / (repayments of) working capital loans, net	(709.89)	117.10
Proceeds from other short-term borrowings	1,900.00	5,597.50
Repayment of other short-term borrowings	(2,575.00)	(5,567.50)
Interest paid	(1,364.92)	(1,224.94)
Other borrowing costs paid	(46.73)	(30.11)
Transfer of unpaid Dividend to Investor Education Protection Fund	(6.96)	(11.13)
Net cash generated from / (used in) financing activities	**1,134.80**	(1,234.89)
D. Net change in cash and cash equivalents	(122.60)	103.79
E. Cash and cash equivalents at the beginning of the year	233.20	129.41
F. Cash and cash equivalents at the end of the year	110.60	233.20
Cash and cash equivalents include		
Cash on hand	8.36	14.40
Balances with banks		
- in current accounts	102.24	218.80
Cash and cash equivalents as per note 10	110.60	233.20

See accompanying notes forming part of these consolidated financial statements.

This is the Consolidated Statement of Cash Flows referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Krishnakumar Ananthasivan
Partner
Membership No.: 206229

Kolkata
29 May 2019

For and on behalf of the Board of Directors of Harrisons Malayalam Limited

Venkitraman Anand
Whole Time Director
DIN: 07446834

Cherian M George
Whole Time Director
DIN: 07916123

Ravi A.
Chief Financial Officer

Binu Thomas
Company Secretary
M. No. 41851

Kolkata
29 May 2019

Consolidated Statements of Changes in Equity for the year ended 31 March 2019

(All amounts in ₹ lakhs, unless otherwise stated)

A. Equity share capital

Equity shares of ₹ 10 each, fully paid-up	Equity shares	
	Number (in lakhs)	**Amount**
As at 31 March 2017	184.55	1,845.43
Changes in equity share capital during the year	-	-
As at 31 March 2018	184.55	1,845.43
Changes in equity share capital during the year	-	-
As at 31 March 2019	184.55	1,845.43

B. Other equity

Particulars	Reserves and surplus						Total
	General reserve	Securities premium	Fixed assets revaluation reserve	Reserve arising from amalgama-tion	Housing subsidy reserve	Retained earnings	
Balance as at 31 March 2017	**1,687.82**	**5,002.91**	**-**	**291.33**	**5.26**	**1,402.51**	**8,389.83**
Profit for the year	-	-	-	-	-	444.77	444.77
Re-measurement loss in defined benefit plans, net of tax	-	-	-	-	-	(312.00)	(312.00)
Total comprehensive income for the year	-	-	-	-	-	132.77	132.77
Balance as at 31 March 2018	**1,687.82**	**5,002.91**	**-**	**291.33**	**5.26**	**1,535.28**	**8,522.60**
Profit for the year	-	-	-	-	-	(2,409.47)	(2,409.47)
Re-measurement loss in defined benefit plans, net of tax	-	-	-	-	-	(103.67)	(103.67)
Total comprehensive income for the year	-	-	-	-	-	(2,513.14)	(2,513.14)
Balances at 31 March 2019	**1,687.82**	**5,002.91**	**-**	**291.33**	**5.26**	**(977.86)**	**6,009.46**

See accompanying notes forming part of these consolidated financial statements.

This is the Consolidated Statements of Changes in Equity referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Krishnakumar Ananthasivan
Partner
Membership No.: 206229

Kolkata
29 May 2019

For and on behalf of the Board of Directors of Harrisons Malayalam Limited

Venkitraman Anand
Whole Time Director
DIN: 07446834

Cherian M George
Whole Time Director
DIN: 07916123

Ravi A.
Chief Financial Officer

Binu Thomas
Company Secretary
M. No. 41851

Kolkata
29 May 2019

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

(All amounts in ₹ lakhs, unless otherwise stated)

1. Principles of Consolidation

The 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 Standards on "Consolidated financial Statements" (IndAS-110) prescribed under Section 133 of the Companies Act, 2013 of India (the 'Act') and are prepared as set out below:

(i) The financial statements of the Company and its subsidiary are combined on a line-by-line basis by adding together the book values of items like assets, liabilities, income and expenses, after eliminating material intra-group balances and intra-group transactions and resulting unrealised profits or losses on intra-group transactions.

(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.

Following Subsidiaries including (step down subsidiary) of the Parent Company have been considered in the preparation of these Consolidated financial Statements
Enchanting Plantations Limited - Indian Entity
Harmony Plantations Limited - Indian Entity
Malayalam Plantations Limited (Step down) - Indian Entity (Subsidiary of Enchanting Plantations Limited)

Name of the Company	% of share holding and voting power	
	As at 31st March,2019	As at 31st March,2018
Subsidiary Company		
Enchanting Plantations Limited - Indian Entity	100%	100%
Harmony Plantations Limited - Indian Entity	100%	100%

Name of the Company	Net Assets (Total Assets- Total Liabilities)		Share in Profit / loss	
Parent	7,865.84	100%	(2,408.95)	100%
Subsidiary				
Enchanting Plantations Limited		0%	(0.36)	0%
Harmony Plantations Limited		0%	(0.16)	0%
	7854.89		(2,409.47)	

2. Summary of significant accounting policies

a) Basis of preparation and presentation of Consolidated Financial Statements

i) Statement of compliance with Indian Accounting Standards (Ind AS)

The consolidated financial statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and as amended. The aforesaid financial statements have been approved by the Board of Directors in the meeting held on 29 May 2019.

ii) Basis of accounting and measurement

In accordance with the notification issued by the Ministry of Corporate Affairs, the group is required to prepare its financial statements as per the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016 with effect from 1 April 2017. Accordingly, the group has prepared these financial statements which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss, the Statements of Cash Flows and the Statement of Changes in Equity for the year ended 31 March 2019, and accounting policies and other explanatory information (together hereinafter referred to as "consolidated financial statements").

The financial Statements have been prepared using the significant accounting policies and measurement bases summarized below. These accounting policies have been used throughout all periods presented in these financial statements except for the changes below.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, unless otherwise stated. All amounts included in the financial statements are reported in Indian Rupees (₹) lakhs and have been rounded off to nearest decimal of ₹ lakhs.

b) Use of estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The group bases its estimates and assumptions on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the group. Such changes are reflected in the assumptions when they occur.

Significant management judgements

The following are significant management judgements in applying the accounting policies of the group that have the most significant effect on the amounts recognised in the financial statements or that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Classification of leases
The group enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at the end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialised nature of the leased asset.

Recognition of deferred tax assets
The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry forward can be utilised. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

Capitalisation of internally developed intangible assets
Distinguishing the research and development phases of a new customised project and determining whether the recognition requirements for the capitalisation of development costs are met requires judgement. After capitalisation, management monitors whether the recognition requirements continue to be met and whether there any indicators that capitalised costs may be impaired.

Evaluation of indicators for impairment of assets
The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets. In assessing impairment, management estimates the recoverable amount of each asset or cash generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Recoverability of advances / receivables
At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

Useful lives of depreciable / amortisable assets
Management reviews its estimate of the useful lives of depreciable / amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain items of property, plant and equipment.

Contingent liability
Management reviews its estimate of the financial impact of the contingent liability at each reporting date, based on the demands received from various Departmental authorities.

Litigations
Management reviews its estimate of the impact of the litigation liability at each reporting date, including land related litigations pending with various Courts.

Defined benefit obligation (DBO)
Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements
Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent

with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

c) Current versus non-current classification

The group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.
The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The group has evaluated and considered its operating cycle as 12 months.

d) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by management.

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 and further expenditure incurred at the replanted fields are capitalised.

Property, plant and equipment [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.

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

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

Asset category	Useful lives (in years)
Factory buildings	30
Non factory buildings	60
Plant and machinery (including agricultural assets)	3/ 20
Furniture and fittings	6
Water supply	20/ 30/ 60
Vehicles	10
Bearer plants - Rubber trees	28
Bearer plants - Tea bushes	80

e) Bearer Plants

All the expenses incurred on replanting of rubber and new planting in tea have been identified and capitalized.

f) Intangible assets

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.

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.

g) Impairment of property, plant and equipment and intangible assets

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 recognised 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.

h) Assets held for sale

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 'Assets classified as held for sale'. Any write-down in this regard is recognised immediately in the Statement of Profit and Loss.

i) Revenue recognition

Revenue from Sale of goods

Revenue from sale of tea at auction is recognized on receipt of the sale note from the brokers. Revenue from sale of tea other than at auction and sale of rubber is recognized on transfer of significant risks and rewards of ownership in goods in accordance with the terms of sale.

Revenue from contract with customers

Effective from April 1, 2018, the group has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. The group has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the Statement of Profit and Loss is not restated. The adoption of the standard did not have any material impact to the financial statements of the group. Accordingly, the group recognizes the amount as revenue from contracts with customers, which is received for the transfer of promised goods to customers in exchange for those goods. The relevant point in time or period of time is the transfer of control of the goods. Revenue is reduced for customer returns, taxes on sales, estimated rebates and other similar allowances. The transaction price is determined and allocated to the performance obligations according to the requirements of Ind AS 115. Performance obligations are deemed to have been met when the control of goods is transferred to the customer.

Interest income

Interest income is reported on an accrual basis using the effective interest method and is included under the head "Other income" in the Statement of Profit and Loss.

j) Inventories

Valuation of inventory of finished products of tea and rubber have been done as per Ind AS 2 'Inventories'. Inventories are stated at lower of cost and net realizable 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.

Ind AS 41 'Agriculture' deals with the recognition and valuation of agricultural produce viz. standing crop of tea and rubber as biological assets. The group has valued its standing crops for tea and rubber as every reporting dates and the movement in valuation are routed through the Statement of Profit and Loss.

K) Employee benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Ind AS 19, Employee Benefits.

Defined contribution plan

(i) 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 group has no further obligations for future provident fund benefits in respect of these employees other than its monthly contributions.

(ii) Superannuation

This is a defined contribution plan. The group contributes as per the scheme to superannuation fund administered by Life Insurance Corporation of India (LIC). The group 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.

Defined benefit plan

(i) 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.

(ii) 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.

The present value of the defined benefit obligation denominated in ₹ is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Service cost on the groups's defined benefit plan is included in employee benefits expense. Employee contributions, all of which are independent of the number of years of service, are treated as a reduction of service cost. Gains and losses through re-measurements of the defined benefit plans are recognised in other comprehensive income, which are not reclassified to profit or loss in a subsequent period. Further, as required under Ind AS compliant Schedule III, the group transfers those amounts recognised in other comprehensive income to retained earnings in the statement of changes in equity and balance sheet.

Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

Expenses and liabilities in respect of employee benefits are recorded in accordance with Ind AS 19, Employee Benefits.

l) Foreign currency transactions

Functional and presentation currency

The functional currency of the group is the Indian Rupee. These financial statements are presented in Indian Rupees (₹).

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of Profit or Loss.

m) Investments in subsidiaries

The group's investment in equity instruments in subsidiaries are accounted for at cost. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss.

n) 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 is adjusted against the cost of specific depreciable assets on receipt of such subsidy.

o) Income taxes

Income tax expense comprises current and deferred income tax. Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to setoff the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

P) Provisions and contingencies

Provisions

A provision is recognised if, as a result of a past event, the group has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or it cannot be measured with sufficient reliability. The group does not recognise a contingent liability but discloses its existence in the financial statements.

q) Financial instruments

Financial assets

Initial recognition and measurement

Financial assets (other than trade receivables) are recognised when the group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through statement of profit and loss which are measured initially at fair value. Subsequent measurement of financial assets is described below. Trade receivables are recognised at their transaction price as the same do not contain significant financing component.

Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified and measured based on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset at:
a. Amortised cost
b. Fair Value Through Other Comprehensive Income (FVTOCI) or
c. Fair Value Through Profit or Loss (FVTPL)

All financial assets are reviewed for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

(i) *Financial asset at amortised cost*

Includes assets that are held within a business model where the objective is to hold the financial assets to collect contractual cash flows and the contractual terms gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These assets are measured subsequently at amortised cost using the effective interest method. The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure. The group shall also measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

(ii) *Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI)*

Includes assets that are held within a business model where the objective is both collecting contractual cash flows and selling financial assets along with the contractual terms giving rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At initial recognition, the group, based on its assessment, makes an irrevocable election to present in other comprehensive income the changes in the fair value of an investment in an equity instrument that is not held for trading. These elections are made on an instrument-by instrument (i.e.., share-by-share) basis. If the group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, impairment gains or losses and foreign exchange gains and losses, are recognised in other comprehensive income. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. The dividends from such instruments are recognised in statement of profit and loss.

The fair value of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure. The group shall also measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. The loss allowance shall be recognised in other comprehensive income and shall not reduce the carrying amount of the financial asset in the balance sheet.

(iii) Financial assets at Fair Value Through Profit or Loss (FVTPL)

Financial assets at FVTPL include financial assets that are designated at FVTPL upon initial recognition and financial assets that are not measured at amortised cost or at fair value through other comprehensive income. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply. Assets in this category are measured at fair value with gains or losses recognised in statement of profit and loss. The fair value of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure. The group shall also measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. The loss allowance shall be recognised in the statement of profit and loss.

De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the group's consolidated balance sheet) when:

a. The rights to receive cash flows from the asset have expired, or

b. The group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (i) the group has transferred substantially all the risks and rewards of the asset, or (ii) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the group continues to recognise the transferred asset to the extent of the group's continuing involvement. In that case, the group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the group could be required to repay.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 Financial Instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to Profit & Loss However, the group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The group has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Derecognition of financial liabilities

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

Offsetting of financial instruments

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

Derivative financial instruments

Initial recognition and subsequent measurement

The group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

r) Impairment of financial assets

In accordance with Ind AS 109 Financial Instruments, the group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

The group tracks credit risk and changes thereon for each customer. For recognition of impairment loss on other financial assets and risk exposure, the group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity uses the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The group uses default rate for credit risk to determine impairment loss allowance on portfolio of its trade receivables.

Trade receivables

The group applies approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of receivables.

Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the group determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

s) Fair value measurement

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

- In the principal market for the asset or liability, or

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

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

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

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

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

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

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

t) Segment reporting

The group is engaged in plantations having tea and rubber estates. The business segments identified for segment reporting are Tea, Rubber and Others.

u) Earnings / (Loss) per Share (EPS)

Basic EPS are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the group (after adjusting for interest on the convertible preference shares, if any) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

v) Recent accounting pronouncements

Standards issued but not yet effective

(1) Ind AS 116 'Leases'

On March 30, 2019, Ministry of Corporate Affairs ('MCA') has clarified that Ind AS 116 is effective for annual periods beginning on or after April 1, 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees - leases of 'low-value' assets and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognize a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognize the interest expense on the lease liability and the depreciation expense on the right-of-use asset. The group is evaluating the requirements of the amendment

(2) Amendment to Ind AS 12, Income taxes

On March 30, 2019, Ministry of Corporate Affairs ("MCA") has notified Appendix C to Ind-AS 12 Income taxes – "Uncertainty over Income Tax Treatments". The amendment to Ind AS 12 requires the entities to consider recognition and measurement requirements when there is uncertainty over income tax treatments. In such a circumstance, an entity shall recognize and measure its current or deferred tax asset or liability accordingly. The effective date of amendment is April 1, 2019. Further, there has been amendments in relevant paragraphs in Ind-AS 12 "Income Taxes" which clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events in accordance with Ind-AS 109. The group is evaluating the requirements of the amendments

3 Property, plant and equipment and Intangible assets

Particulars	Property, plant and equipment								Intangible assets	Capital work-in-progress
	Land and Development - Freehold and leasehold (Note 1 below)	Bearer plants	Buildings	Plant and machinery	Furniture and fittings	Water supply	Vehicles	Total	Computer software	
Gross carrying amount										
Balance as at 31 March 2017	22,921.48	2,318.94	1,275.50	1,220.55	28.75	221.96	170.57	28,157.75	52.15	790.85
Additions	-	-	-	9.60	3.40	-	0.35	13.35	-	726.58
Transfer on capitalisation	-	214.41	0.82	184.94	7.08	0.79	-	408.04	-	(408.04)
Disposals	-	-	(0.20)	(9.86)	(0.43)	(7.17)	(14.32)	(31.98)	-	-
Balance as at 31 March 2018	**22,921.48**	**2,533.35**	**1,276.12**	**1,405.23**	**38.80**	**215.58**	**156.60**	**28,547.16**	**52.15**	**1,109.39**
Additions	-	-	-	4.87	4.05	0.13	9.17	18.22	-	592.21
Transfer on capitalisation	-	348.48	70.85	255.35	4.08	0.93	15.67	695.36	-	(695.36)
Disposals	-	-	(0.13)	(20.41)	(1.21)	(0.67)	(23.51)	(45.93)	-	-
Balance as at 31 March 2019	**22,921.48**	**2,881.83**	**1,346.84**	**1,645.04**	**45.72**	**215.97**	**157.93**	**29,214.81**	**52.15**	**1,006.24**
Accumulated depreciation/ amortisation										
Balance as at 31 March 2017	**-**	**39.00**	**97.08**	**276.48**	**6.94**	**24.31**	**44.19**	**488.00**	**13.32**	
Depreciation/amortisation expense for the year	-	43.81	90.03	212.39	6.07	20.99	29.64	402.93	13.31	-
Reversal on disposal of assets	-	-	(0.01)	(3.12)	(0.14)	(0.71)	(3.71)	(7.69)	-	-
Balance as at 31 March 2018	**-**	**82.81**	**187.10**	**485.75**	**12.87**	**44.59**	**70.12**	**883.24**	**26.63**	**-**
Depreciation/amortisation charge during the year		54.88	80.71	221.98	6.96	18.41	19.46	402.40	13.31	-
Reversal on disposal of assets	-	-	(0.05)	(6.50)	(0.66)	-	(10.59)	(17.80)	-	-
Balance as at 31 March 2019	**-**	**137.69**	**267.76**	**701.23**	**19.17**	**63.00**	**78.99**	**1,267.84**	**39.94**	**-**
Net carrying amount										
Balance as at 31 March 2018	**22,921.48**	**2,450.54**	**1,089.02**	**919.48**	**25.93**	**170.99**	**86.48**	**27,663.92**	**25.52**	**1,109.39**
Balance as at 31 March 2019	**22,921.48**	**2,744.14**	**1,079.08**	**943.81**	**26.55**	**152.97**	**78.94**	**27,946.97**	**12.21**	**1,006.24**

Notes

1 Land and development includes certain leasehold lands the value of which are not separately ascertainable. Also refer Note 43

2 Title deeds of the immovable properties set out in the above table are in the name of Malayalam Plantations Limited (MPL)/ Harrisons Crossfield Limited (HCL) except as set out below which are in the name of the Company. Interalia, 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, interalia the immovable properties of Harrisons Crossfield (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 as at 31 March 2019 are:

	Gross block	Net block
Land and building	136.72	27.52

3 **Property, plant and equipment pledged as security**
Details of properties mortgaged are as per Note 39.

4 **Capital work in progress**
Capital work in progress mainly represents the immature bearer plants awaiting capitalisation.The capitalised portion of the same is disclosed seperately in the above table.

		As at 31 March 2019	As at 31 March 2018
	Financials assets		
4	**Investments**		
	Non-current		
	Investment in Government Securities		
	National Savings Certificate	0.01	0.01
	Treasury Savings Account	1.00	1.00
		1.01	1.01
	Aggregate amount of:		
	- Quoted investments and market value thereof	-	-
	- Unquoted investments	1.01	1.01
	- Provision for diminution in value of investments other than temporary	-	-
5	**Bank balances**		
	Margin money deposit with banks having maturity more than 12 months	-	11.97
	Bank deposit on lien	1.73	1.73
		1.73	13.70
6	**Other financial assets (Non current)**		
	Subsidy Recievable	45.59	46.30
		45.59	46.30
7	**Other non-current assets**		
	(Unsecured, considered good)		
	Capital advances	2.37	31.39
	Electricity and other deposits	386.80	310.96
	Advance to workers	-	491.28
		389.17	833.63
8	**Inventories**		
	(valued at lower of cost and net realisable value)		
	Finished goods	1,533.34	1,547.85
	Stores and spares *	1,389.75	1,216.03
	Nurseries	24.21	17.91
	Raw materials (Latex)	-	24.92
		2,947.30	2,806.71

* Stores and spares includes packing materials of ₹ 512.57 Lacs (31 March 2018: ₹ 417.00 Lacs)

		As at 31 March 2019	As at 31 March 2018
9	**Trade receivables**		
	Unsecured		
	Trade receivables considered good - secured	-	-
	Trade receivables considered good - unsecured	981.41	1,438.57
	Trade receivables which have significant increase in credit risk	-	-
	Trade receivables - credit impaired	509.75	509.75
	Less: Allowances for expected credit loss	(509.75)	(509.75)
		981.41	1,438.57

		As at 31 March 2019	As at 31 March 2018
10	**Cash and cash equivalents**		
	Balance with banks		
	- In Current accounts	102.24	218.80
	Cash on hand	8.36	14.40
		110.60	233.20
10	**Bank balances other than cash and cash equivalents**		
	Deposits with maturity more than 3 months but less than 12 months	111.53	191.98
	Unpaid dividend account	19.64	26.60
		131.17	218.58
	For the purpose of statement of cash flows, cash and cash equivalents comprises the following:		
	Balance with banks		
	- In current accounts	102.24	218.80
	Cash on hand	8.36	14.40
		110.60	233.20
12	**Other financial assets (Current)**		
	(Unsecured, considered good)		
	Advances to employees	192.48	110.24
	Claims recoverable	19.25	60.86
	Subsidy receivable	799.11	642.45
	Unbilled revenue	28.48	28.48
	Export entitlement	86.28	122.44
	Interest accrued on bank deposits	-	8.05
		1,125.60	972.52
	(Unsecured, considered doubtful)		
	Export entitlement	13.54	13.54
	Less: provision for doubtful advances	(13.54)	(13.54)
		-	-
		1,125.60	972.52
13	**Other current assets**		
	(Unsecured, considered good)		
	Advance to suppliers	308.48	406.94
	Balances with government authorities	2,015.70	2,014.53
	Prepayments	136.36	150.86
		2,460.54	2,572.33
	(Unsecured, 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)
		-	-
		2,460.54	2,572.33
14	**Assets held for sale**	**119.00**	**119.00**
	Asset held for sale represents WDV of building which is prepared to be sold by the Group.		

15(a) Equity share capital

	As at 31 March 2019		As at 31 March 2018	
	Number	**Amount**	Number	Amount
Authorized				
Equity Shares of ₹ 10 each	3,00,00,000	3,000.00	3,00,00,000	3,000.00
Issued, subscribed and fully paid up				
Equity Shares of ₹ 10 each fully paid up	1,84,55,405	1,845.54	1,84,55,405	1,845.54
Less: Allotment Money in Arrears	-	(0.11)	-	(0.11)
	1,84,55,405	**1,845.43**	1,84,55,405	1,845.43

i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31 March 2019		As at 31 March 2018	
	No. of shares	**Amount**	No. of shares	Amount
Equity share of ₹ 10 each				
Opening balance	1,84,55,405	1,845.43	1,84,55,405	1,845.43
Issue of shares during the year	-	-	-	-
Closing balance	**1,84,55,405**	**1,845.43**	1,84,55,405	1,845.43

ii) Terms/right attached to equity shares

The Group has issued only one class of equity shares having a face value of ₹ 10 per share. Each holder of equity shares is entitled to 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 Group, in proportion to their shareholding.

iii) Shareholders holding more than 5% of the aggregate shares in the Group

	As at 31 March 2019		As at 31 March 2018	
	Nos.	**% holding**	Nos.	% holding
Equity Shares of ₹ 10 each				
Rainbow Investments Limited	44,71,063	24.23%	44,71,063	24.23%
Vayu Udaan Aircraft LLP	34,48,100	18.68%	27,20,100	14.74%
Swallow Associates LLP	10,10,722	5.48%	10,10,722	5.48%

iv) There were no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and buy back of shares during the last 5 years immediately preceding 31 March 2019.

	As at 31 March 2019	As at 31 March 2018
15(b) Other equity		
General reserve	1,687.82	1,687.82
Securities premium account	5,002.91	5,002.91
Reserve arising from amalgamation	291.33	291.33
Housing subsidy reserve	5.26	5.26
Retained earnings	(977.86)	1,535.28
	6,009.46	**8,522.60**

Description of nature and purpose of each reserve

a. General reserve

General reserve was created form time to time by way of transfer of profits from retained earnings for appropriation purposes.

b. Securities premium

The amount received in excess of face value of the equity shares was recognised in securities premium. The reserve is utilised in accordance with the provisions of the Act.

c. Reserve arising from Amalgamation

Pertains to reserve created on account of amalgation effected between erstwhile companies during 1978-79 ₹ 4.43 Lacs and 2009-10 ₹ 286.90 Lacs.

d. Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

		As at 31 March 2019	As at 31 March 2018
16	**Borrowings (Refer note 39)**		
	Non-current		
	Secured		
	Term loan		
	-from banks	8,013.08	4,063.70
	-from others	237.97	249.05
		8,251.05	4,312.75
	Less: Current maturities of long-term debt	(1,599.13)	(905.72)
		6,651.92	3,407.03
	Current		
	Secured		
	Cash credit from banks repayable on demand *	2,855.29	3,565.18
		2,855.29	3,565.18
	Unsecured		
	From banks	250.00	500.00
	From others	750.00	1,175.00
		1,000.00	1,675.00
		3,855.29	5,240.18

Secured by equitable mortgage of immovable property of the group situated in Arapetta Estate, hypothecation of standing crop in all estates, stocks of tea, rubber, stores and spares, book debts and other movable assets both present and future.

17	**Provisions**		
	Non-current		
	Provisions for employee benefits		
	Gratuity (Refer note 42)	4,077.74	4,777.33
	Compensated absence	98.58	102.34
		4,176.32	4,879.67
	Other provisions:		
	Contingency	-	492.00
		-	492.00
		4,176.32	5,371.67
	Current		
	Provisions for employee benefits		
	Gratuity (Refer note 42)	755.06	318.74
	Compensated absence	42.61	52.51
	Contingency reserve **	1,879.01	1,879.01
		2,676.68	2,250.26
	Other provisions :		
	Fringe benefit tax (Net of advance tax of ₹ 92.42 Lacs 31 March 2018: ₹ 92.42 Lacs)	122.64	122.64
		122.64	122.64
		2,799.32	2,372.90

** 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 group.

18	**Trade payables**		
	Dues to micro enterprises and small enterprises (Refer Note (a) below)	397.90	137.51
	Dues to creditors other than micro enterprises and small enterprises	2,987.76	3,655.94
		3,385.66	3,793.45

The carrying values of trade payables are considered to be a reasonable approximation of fair value.

		As at 31 March 2019	As at 31 March 2018
a)	**Dues to micro, small and medium enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006:**		
i)	Principal amount remaining unpaid	299.28	73.85
ii)	Interest due thereon	7.83	5.08
iii)	Interest paid by the group in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year	-	-
iv)	Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	27.13	10.59
v)	Interest accrued and remaining unpaid as at the year end	98.62	63.66
vi)	Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	34.96	15.68

The above disclosure has been determined to the extent such parties have been identified on the basis of information available with the Group. This has been relied upon by the auditors.

		As at 31 March 2019	As at 31 March 2018
19	**Other financial liabilities**		
	Current maturities of long-term debt	1,599.13	905.72
	Interest accrued but not due on borrowings	30.72	43.28
	Unpaid dividends	19.64	26.60
	Employee benefits payable	3,303.11	3,227.31
	Derivative - Foreign exchange forward contracts	0.38	1.64
	Security deposits	673.49	143.16
		5,626.47	4,347.71
20	**Current tax liabilities (Net)**		
	Provision for income tax (net of advance tax ₹ 14,005.86 Lakhs, 31 March 2018: ₹13,948.42 Lakhs)	442.06	499.49
		442.06	499.49
21	**Other current liabilities**		
	Statutory dues	773.37	805.85
	Advance from customers	741.24	876.07
		1,514.61	1,681.92
22	**Liabilities directly associated with assets classified as held for sale**		
	Advance received	972.00	972.00
		972.00	972.00

		Year ended 31 March 2019	Year ended 31 March 2018
23	**Revenue from operations**		
	Sale of products	33,938.58	37,667.44
		33,938.58	37,667.44
	Other operating revenues		
	Tea board subsidy (Refer note (i) below)	243.04	300.15
	Export entitlements	280.36	193.33
	Sale of rubber / Grevillea Trees	740.30	9.90
	Others	172.56	160.54
		1,436.26	663.92
		35,374.84	38,331.36

Note (i): The subsidy relates to the manufacture of orthodox tea. There are no unfulfilled conditions or other contingencies attaching to these grants.

Effective from April 1, 2018, the group has adopted Ind AS 115 - Revenue from Contracts with Customers, using the cumulative effect method and the comparative information is not restated. The adoption of the standard did not have any

		As at 31 March 2019	As at 31 March 2018
	material impact on the financial statements of the group.		
24	**Other income**		
	Interest income on bank deposits and other deposits	62.32	13.39
	Profit on sale of fixed assets	26.30	59.33
	Liability no longer required written back	0.72	0.22
	Other non-operating income	526.07	800.09
		615.41	873.03
25	**Cost of materials consumed**		
	(all indigenous)		
	Inventory at the beginning of the year	24.92	15.23
	Add: Purchases	9,308.82	10,777.26
	Less: Inventory at the end of the year	-	(24.92)
	Cost of materials consumed	**9,333.74**	10,767.57
26	**Purchase of stock-in-trade**		
	Cenex / Technically specified rubber	2,141.89	727.01
	Fruits, spices and others	1.74	6.46
		2,143.63	733.47
27	**Changes in inventories**		
	Inventory at the beginning of the year		
	Tea	1,122.11	944.46
	Rubber	425.74	585.78
		1,547.85	1,530.24
	Inventory at the end of the year		
	Tea	1,176.64	1,122.11
	Rubber	358.07	425.74
		1,534.71	1,547.85
		13.14	(17.61)
28	**Employee benefits expense**		
	Salaries and wages	12,825.63	12,728.64
	Contribution to provident fund	1,253.81	1,310.00
	Contribution to superannuation fund	98.50	91.48
	Gratuity (Refer note 42)	609.88	662.26
	Staff welfare expenses	404.27	414.46
	Employee training expense	34.72	32.73
		15,226.81	15,239.57
29	**Finance costs**		
	Finance charges	1,352.37	1,237.49
	Other borrowing cost	46.73	30.12
		1,399.10	1,267.61
30	**Depreciation and amortisation expense**		
	Depreciation of property, plant and equipment (Refer note 3)	402.40	402.93
	Amortisation of intangible assets (Refer note 3)	13.31	13.31
		415.71	416.24

		As at 31 March 2019	As at 31 March 2018
31	**Other expenses**		
	Consumption of stores and spare parts	1,546.48	1,655.00
	Consumption of packing material	857.71	916.39
	Contract costs	1,257.61	1,582.92
	Power and fuel	2,066.95	2,229.78
	Rent	146.35	120.55
	Rates and taxes	150.00	229.44
	Repairs and maintenance		
	- Buildings	373.25	310.03
	- Plant and machinery	428.30	355.95
	- Others	88.34	92.56
	Insurance	118.20	100.93
	Tea cess	-	20.30
	Travelling and conveyance	636.68	555.03
	Legal and Professional charges (Refer note 36)	557.94	586.50
	Brokerage and discount	176.21	167.89
	Commission to selling agent	14.24	16.75
	Freight, shipping, transport and other charges	855.84	873.09
	Directors' sitting fees	4.90	5.10
	Fair value loss on foreign exchange forward contracts	0.38	1.64
	Miscellaneous expenses	588.21	532.92
		9,867.59	10,352.77

32 Fair value measurements

(i) Financial instruments by category

The carrying value and fair value of financial instruments by categories were as follows:

Particulars	Note	As on 31 March 2019			As on 31 March 2018		
		Amortised cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVTOCI	Amortised cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVTOCI
Assets:							
Investments	4	1.01	-	-	1.01	-	-
Cash and cash equivalents	10	110.60	-	-	233.20	-	-
Bank balances other than cash and cash equivalents	5, 11	132.90	-	-	232.28	-	-
Trade receivable	9	981.41	-	-	1,438.57	-	-
Loans							
Other financial assets	6,12						
Advances to employees		192.48	-	-	110.24	-	-
Claims recoverable		19.25	-	-	60.86	-	-
Subsidy receivable		844.70	-	-	642.45	-	-
Unbilled revenue		28.48	-	-	28.48	-	-
Export entitlement		86.28	-	-	122.44	-	-
Interest accrued on bank deposits		-	-	-	8.05	-	-
Total		2,397.11	-	-	2,877.58	-	-
Liabilities:							
Borrowings	16	12,106.34	-	-	9,552.93	-	-
Trade payable	18	3,385.66	-	-	3,793.45	-	-
Other financial liabilities	19						
Unpaid dividend		19.64	-	-	26.60	-	-
Interest accrued but not due on borrowings		30.72	-	-	43.28	-	-
Employee benifts payble	19	3303.11	-	-	3227.31	-	-
Other Payables			-	-	-	-	-
Derivative - Foreign exchange forward contracts		-	0.38	-	-	1.64	-
Security deposits		673.49	-	-	143.16	-	-
Total		**19,518.96**	**0.38**	-	16,786.73	1.64	-

The management assessed that the fair value of cash and cash equivalents, trade receivables, loans, other financial assets, trade payables and working capital loans approximate the carrying amount largely due to short-term maturity of this instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

(ii) Fair value of financial assets and liabilities measured at amortised cost

The management assessed that for amortised cost instruments, fair value approximate largely to the carrying amount.

(iii) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

a) Assets and liabilities measured at fair value - recurring fair value measurement

As at 31 March 2019	Note	Level 1	Level 2	Level 3	Total
Derivatives measured at fair value					
Foreign exchange forward contracts	19	-	0.38	-	0.38

As at 31 March 2018	Note	Level 1	Level 2	Level 3	Total
Derivatives measured at fair value					
Foreign exchange forward contracts	19	-	1.64	-	1.64

(iv) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the fair value of foreign exchange forward contracts is determined using market observable inputs, including prevalent forward rates for the maturities of the respective contracts and interest rate curves as indicated by banks and third parties.

33 Scheme of Amalgamation

The group 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 group and the group has intimated to the Stock Exchanges in which the group'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 group Law Tribunal, Chennai, as directed vide order dated 9 March 2017.

35 Contingent liabilities and commitments

a)	**Contingent liabilities**		
1	**Claims against the Company not acknowledged as debt**		
i)	Employee related	505.04	423.16
ii)	Disputed income tax matters	1,236.62	1,204.23
iii)	Sales tax matters	895.89	117.32
iv)	Government of Kerala had notified the minimum wages for plantation workers vide GO/377/2006/LBR dated 18-02-2006. Aggrieved by the unilateral notification , HML had approached the High Court of Kerala challenging the notification and an interim stay was obtained. Meanwhile the Plantation Labour Committee members were advised to disburse the amount notified as advance to all employees. Considering the long pendency of the matter and in order to maintain harmonious industrial relations, HML had disbursed the notified wages. Subsequently , the writ petition filed by HML was closed	-	205.47
2	**Others**		
i)	Outstanding bills discounted with bank	65.28	206.62
		2,702.83	2,156.80
b)	**Commitments**		
i)	Estimated amount of contracts remaining to be executed on capital Account and not provided for, net of advance payments of ₹ 2.37 lakhs (31 March 2018: ₹ 31.39 lakhs)	57.39	139.16
		57.39	139.16

		Year ended 31 March 2019	Year ended 31-Mar-18
36	**Earnings/(loss) per share**		
a)	**Basic earnings/ (loss) per share**		
	Basic earnings/ (loss) per share attributable to the equity holders of the Company	(13.06)	2.41
b)	**Diluted earnings / (loss) per share**		
	Diluted earnings/(loss) per share attributable to the equity holders of the Company	(13.06)	2.41
		No. of shares	**No. of shares**
c)	**Weighted average number of share used as the denominator**		
	Weighted average number of equity share used as the denominator in calculating basic earnings per share	1,84,55,405	1,84,55,405
	Adjustments for calculation of dilutive earnings per share:	-	-
	Weighted average number of equity share and potential equity shares used as the denominator in calculating dilutive earnings per share	**-**	-
		1,84,55,405	1,84,55,405

36 Remuneration to auditors

As auditor		
Audit fee (including audit of consolidated financial statements)	14.24	14.24
Tax audit fee	3.50	-
Limited review fee	6.00	6.00
Other services	0.60	0.60
Reimbursement of expenses	3.76	3.41
	28.10	24.25

37 Related party disclosures

a) Names of related parties and nature of relationship:

Nature of relationship	Name of related party
Wholly owned subsidiaries	Enchanting Plantations Limited (EPL) Harmony Plantations Limited (HPL) Malayalam Plantations Limited (MPL) (100% subsidiary of EPL)
Key management personnel	Mr. V. Venugopal (Manager) Mr. N. Dharmaraj (Whole Time Director) Mr. Venkitraman Anand (Whole Time Director) w.e.f. 1 October 2018 Mr. Cherian M George (Whole Time Director) w.e.f .13 February 2019

b) Transactions with related parties

Transaction	Related Party	Year ended 31 March 2019	Year ended 31 March 2018
Remuneration to key managerial personnel	Mr. V. Venugopal	59.12	52.30
	Mr. N. Dharmaraj	104.64	91.04
	Mr. Venkitraman Anand	44.34	-
	Mr. Cherian M George	5.68	-

c) Balances with related parties

Transaction	Related Party	As at 31 March 2019	As at 31 March 2018
Investment in subsidiaries	Enchanting Plantations Limited (EPL)	10.00	10.00
	Harmony Plantations Limited (HPL)	5.00	5.00
Remuneration payable	Mr. V. Venugopal	2.87	2.99
	Mr. N. Dharmaraj	10.66	6.15
	Mr. Venkitraman Anand	3.73	-
	Mr. Cherian M George	2.25	-

38 Deferred/Current tax

(i) The group has not recognised any deferred tax asset in respect of unabsorbed depreciation/ brought forward losses and other temporary differences in accordance with Ind AS 12 “Income Taxes” in the absence of reasonable certainty that probable taxable profit will be available against which the deductible temporary difference can be utilised.

(ii) The group has not recognised MAT credit on a prudent basis in the absence of reasonable certainty that sufficient future tax profit against which such credit could be realised.

Unused tax losses for which no deferred tax asset has been recognised:

The group has unabsorbed business loss of ₹ 807.97 Lakhs. under the provisions of Income-tax Act, 1961 and ₹ 9646.03 Lakhs. under the provisions of Kerala Agricultural Income Tax Act, 1991 which expires on the 8th year from the end of the relevant assessment year.

The group has unabsorbed depreciation loss under the provisions of Income-tax Act, 1961 amounting to ₹ 2022.66 Lakhs. which has no limit for expiry.

39 Details of security, repayment terms, applicable interest rates

Term loan from banks

a 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 group situated in Kumbazha estate. The loan carries an interest rate of base rate plus spread payable on a monthly basis from disbursement of the loan. Year end balance is ₹ 2,100.00 Lacs (as at 31 March 2018 ₹ 2,900.00 Lacs).

b Loan availed of ₹ 1,223.48 Lacs during 2017-18 and ₹ 1776.52 Lacs during 2018 - 19 is repayable in 24 equal quarterly instalments commencing from June 2019, is secured by equitable mortgage created on immovable properties of the group situated in Kollam, Fort Kochi and Coimbatore. The loan carries an interest rate of base rate plus spread payable on a monthly basis from disbursement of the loan. Year end balance of the loan is ₹ 2,953.08 Lacs net of processing fees (As at 31 March 2018 ₹ 1,163.70 Lacs)

c Loan availed of ₹ 3,000.00 Lacs during 2018 - 19 is repayable in 20 quarterly instalments commencing from September 2019, is secured by a charge created on immovable property of the group situated at Kumbazha rubber estate, Kerala. The loan carries an interest of base rate plus spread payable on a monthly from the disbursement of the loan. Year end balance of the loan is ₹ 2,960.00 Lacs net of processing fee (As at 31 March 2018 ₹ Nil)

Term loan from others

e 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 13.00%).

Particulars	As at 31 March 2019	As at 31 March 2018
Repayment terms for term loans from others		
Payable in 0-1 year	124.13	105.72
Payable in 1-2 years	88.41	88.53
Payable in 2-3 years	20.27	52.81
Payable in 3-4 years	4.98	1.99
Payable in 4-5 years	0.18	-
	237.97	**249.05**

40 Capital management

The capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximise the shareholder value.

Particulars	As at 31 March 2019	As at 31 March 2018
Long term borrowings	6,651.92	3,407.03
Current maturities of long-term debt	1,599.13	905.72
Short term borrowings	3,855.29	5,240.18
Less: Cash and cash equivalents	(110.60)	(233.20)
Less: Bank balances other than cash and cash equivalents	(131.17)	(218.58)
Net debt (A)	**11,864.57**	9,101.15
Equity	1,845.43	1,845.43
Other equity (excluding revaluation reserve)	6,009.46	8,522.60
Equity (B)	**7,854.89**	10,368.03
Capital and net debt (A + B)	**19,719.46**	19,469.18
Gearing ratio (A/(A+B))	**60%**	47%

42 Financial risk management

The group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The group's focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on it's financial performance. The group's exposure to credit risk is influenced mainly by the individual characteristic of each customer.

The risk management activity focuses on actively securing the group's short to medium-term cash flows by minimising the exposure to volatile financial markets.

The group does not actively engage in the trading of financial assets for speculative purposes nor does it writes options. The most significant financial risks to which the Group is exposed are described below.

(A) Credit risk

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables as summarised below:

Assets under credit risk	As at 31 March 2019	As at 31 March 2018
Investments	1.01	1.01
Bank balances	1.73	13.70
Trade receivables	981.41	1,438.57
Cash and cash equivalents	110.60	233.20
Bank balances other than cash and cash equivalents	131.17	218.58
Other financial assets	1,125.60	972.52
Total	**2,351.52**	2,877.58

A1 Trade receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers located in India and outside India. Credit risk has always been managed by the group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the group grants credit terms in the normal course of business. On account of adoption of Ind AS 109, Financial Instruments, the group uses expected credit loss model to assess the impairment loss or gain. The provision for expected credit loss takes into account available external and internal credit risk factors including the credit ratings of the various customers and group's historical experience for customers.

Particulars	As at 31 March 2019	As at 31 March 2018
Loss allowance as at the beginning	509.75	509.75
Changes in loss allowance	-	-
Loss allowance as at the end	**509.75**	509.75

Financial assets that are neither past due nor impaired
Cash and cash equivalents, loans and advances to employees and other financial assets are neither past due nor impaired.

Financial assets that are past due but not impaired
There are no other classes of financial assets that is past due but not impaired.

41 Financial risk management (Continued)

(B) Liquidity risk

Liquidity risk is that the group might be unable to meet its obligations. The group manages its liquidity needs by monitoring scheduled debt servicing payments for long-term financial liabilities as well as forecast cash inflows and outflows on a day-to-day business. The data used for analysing these cash flows is consistent with that used in the contractual maturity analysis below. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on a monthly, quarterly, and yearly basis depending on the business needs. Net cash requirements are compared to available borrowing facilities in order to determine headroom or any shortfalls. This analysis shows that available borrowing facilities are expected to be sufficient over the lookout period.

Maturities of financial liabilities

As at 31 March 2019	Less than 1 year	1 year to 5 years	More than 5 years	Total
Borrowings	5,440.11	5,931.55	734.68	12,106.34
Other financial liabilities	4,027.34	-	-	4,027.34
Total	**9,467.45**	**5,931.55**	**734.68**	**16,133.68**

As at 31 March 2018	Less than 1 year	1 year to 5 years	More than 5 years	Total
Borrowings	7,096.17	3,690.01	437.68	11,223.86
Other financial liabilities	3,442.09	-	-	3,442.09
Total	**10,538.26**	**3,690.01**	**437.68**	**14,665.95**

(C) Market risk

The group is exposed to market risk through its use of financial instruments and specifically to currency risk, interest rate risk and certain other price risk, which result from both its operating and investing activities.

(i) Foreign currency sensitivity

The group operates internationally and has transactions in USD, Euro and GBP currency and consequently the group is exposed to foreign exchange risk through its sales to overseas customers. The exchange rate between the rupee and foreign currencies may fluctuate substantially in the future. Consequently, the results of the group's operations are adversely affected as the rupee appreciates/ depreciates against these currencies.

Foreign currency denominated financial assets which expose the group to currency risk are fully hedged by derivative cover.

Derivative financial instruments

The group holds derivative financial instruments such as foreign currency forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank or a financial institution. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace.

The following table gives details in respect of outstanding foreign exchange forward contracts:

Particulars		
Forward contracts (Denominated in foreign currency, value presented in ₹)	**As at 31 March 2019**	As at 31 March 2018
In USD	262.81	309.36
In EURO	68.07	-
In GBP	-	-

The foreign exchange forward contracts mature within twelve months. The table below analyses the derivative financial instruments into relevant maturity groupings based on the remaining period as of the Balance Sheet date:

USD

Particulars (Denominated in foreign currency, value presented in ₹)	**As at 31 March 2019**	As at 31 March 2018
Not later than one month	127.29	122.91
Later than one month and not later than three months	135.53	186.45
Later than three months and not later a year	-	-

EURO

Particulars (Denominated in foreign currency, value presented in ₹)	**As at 31 March 2019**	As at 31 March 2018
Not later than one month	29.41	-
Later than one month and not later than three months	38.66	-
Later than three months and not later a year	-	-

(iii) Interest rate risk

The group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, Financial Instruments - Disclosures, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

42 Employee benefit obligations

The group has provided for the gratuity liability and leave encashment liability (defined benefit plan), as per actuarial valuation carried out by an independent actuary on the Balance Sheet date.

a) Defined contribution Plan

The group makes contribution to statutory provident fund as per Employees Provident Fund and Miscellaneous Provision Act, 1952 for its employees. Also the group makes contribution to superannuation fund for its employees. This is a defined contribution plan as per Ind AS 19, Employee benefits. Total contribution made during the year ₹ 1,352.31 Lakhs (31 March 2018: ₹1,401.48 Lakhs).

b) Defined benefit plans

The group has provided for gratuity and leave encashment liability, for its employees as per actuarial valuation carried out by an independent actuary on the Balance Sheet date. The valuation has been carried out using the Project Unit Credit Method as per Ind AS 19 to determine the present value of Defined Benefit Obligations and the related current service cost. This is a defined benefit plan as per Ind AS 19.

The gratuity plan is governed by the provisions of the Payment of Gratuity Act, 1972 (as amended from time to time). Employees are entitled to all the benefits enlisted under this Act.

c) Sensitivity analysis

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary overtime. Thus, the group is exposed to various risks in providing the above benefit which are as follows:

i) Interest rate risk

The plan exposes the group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability as shown in financial statements.

ii) Liquidity risk

This is the risk that the group is not able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash/ cash equivalents to meet the liabilities or holding of illiquid assets not being sold in time.

iii) Salary escalation risk

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of employees in future. Deviation in the rate of interest in future for employees from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

iv) Demographic risk

The group has used certain mortality and attrition assumptions in valuation of the liability. The group is exposed to the risk of actual experience turning out to be worse compared to the assumption.

v) Regulatory risk

Gratuity benefits are paid in accordance with the requirements of the Payment of Gratuity Act,1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts.

	As at 31 March 2019	As at 31 March 2018
Changes in the present value of the defined benefit obligation are as follows		
Projected benefit obligation at the beginning of the year	5,096.07	4,923.35
Interest cost	346.96	348.24
Current service cost	262.92	314.02
Benefits paid	(976.82)	(801.54)
Actuarial (gain) / loss	103.67	312.00
Projected benefit obligation at the end of the year	**4,832.80**	**5,096.07**
Unfunded	**4,832.80**	**5,096.07**
Components of net gratuity costs are:		
Current service cost	262.92	314.02
Interest cost	346.96	348.24
Net amount recognised in the income statement	**609.88**	**662.26**
Remeasurements		
Net actuarial (gain) / loss	103.67	312.00
Net amount recognised in other comprehensive income	**103.67**	**312.00**
Total gratuity cost recognised	**713.55**	**974.26**
Principal actuarial assumptions used:		
a) Discount rate	7.53%	7.70%
b) Long-term rate of compensation increase	5.00%	5.00%
c) Attrition rate	3.00%	3.00%
d) Mortality rate	Indian Assured Lives Mortality (2006-2008)	

The estimates of rate of escalation in salary considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary. The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

42 Employee benefit obligations

The significant actuarial assumptions for the determination of the defined benefit obligation are the attrition rate, discount rate and the long-term rate of compensation increase. The calculation of the net defined benefit liability is sensitive to these assumptions. The following table summarises the effects of changes in these actuarial assumptions on the defined benefit liability at 31 March 2019.

Gratuity

Particulars	**Year ended 31 March 2019**		Year ended 31 March 2018	
	Increase	**Decrease**	Increase	Decrease
Discount Rate (- / + 0.5%)	4,698.96	4,973.51	4,956.18	5,243.16
Salary Growth Rate (- / + 0.5%)	4,977.77	4,693.90	5,248.34	4,950.16
Attrition rate (- / + 0.5%)	4,843.47	4,822.14	5,107.70	5,084.42
Mortality rate (- / + 10%)	4,856.26	4,809.35	5,120.88	5,071.24

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The method and type of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

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

43 (A)

a. An area of 807 hectares (approximately) [31 March 2018: 807 hectares (approximate)], 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 was allowed by the District Court, Ooty and the matter is now remanded for denovo enquiry and is pending. Meanwhile, Madras High Court held that out of this area, the notification of 335 Hectares (31 March 2018: 335 Hectares) as forest by the Settlement Officer is valid and has directed that in the event of patta being granted in respect of the notified areas the same will stand modified to that extent.

b. An area of 2588 hectares (approximately) [31 March 2018: 2588 hectares (approximate)] 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.

c. An area of 535 hectares (approximate) [31 March 2018: 535 hectares (approximate)] in respect of which cases filed by Janmies of Lahai Estate challenging the validity of the lease is pending before the Sub-Court, Pathanamthitta and High Court of Kerala.

d. An area of 1982.45 hectares (31 March 2018: 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.

The above litigations are considered as Key audit matter.

43 (B)

a. An area of 178 hectares (approximately) [31 March 2018: 178 hectares (approximate)] 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.

b. The Vythiri Taluk Land Board's order directing the Company to surrender 707 hectares (approximately) [31 March 2018: 707 hectares (approximate)] 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.

c An area of 415 hectares (approximately) [31 March 2018: 415 hectares (approximate)] 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.

d. An area of 1580 hectares (approximate) [31 March 2018: 1187 hectares (approximate)] in respect of which cases filed by Janmies of Koney and Arrapetta Estates challenging the validity of the lease is pending before the Sub-Court, Pathanamthitta , Sulthan Bathery, Thodupuzha and High Court of Kerala.

e. The Government of Kerala vide G.O dated 27.06.2018 waived the levy of Seigniorage on rubber trees cut and removed from the rubber plantations. A writ petition has been filed before the Hon'ble High Court of Kerala challenging the said Government Order and the Hon'ble Court by interim order dated 18.02.2019 has permitted felling of trees on condition that a bond undertaking to pay Seigniorage is furnished to the Government of Kerala, if ultimately the writ petition is allowed. The matter is pending consideration.

f. The Government by order dated 04.01.2008 directed the Company to remit an amount ₹ 96.84 lakhs alleging violation of lease condition in Mooply Valley Estates. The said order has been challenged before the Sub Court, Irinjalakuda and by order dated 08.04.2008 granted temporary prohibitory injunction restraining Government from taking any further action. On appeal filed by the Government, the Hon'ble High Court by judgment dated 04.08.2008 sustained the order of injunction and directed the Company to furnish security for ₹ 96.84 lakhs and accordingly the company has furnished bank guarantee for the said amount and the suit is still pending.

g. An extent of approximately 142 Hectares of rubber planted area in Kumbazha Estate has been encroached by the members of Sadhu Jana Vimochana Samyuktha Vedi in 2007 and the company filed a writ petition seeking eviction of the encroachers and Police protection to its property. By judgment dated 24.08.2007, the Hon'ble High Court directed the Government to evict the encroachers. However, the said direction was not complied with and a contempt case in this connection is still pending consideration before the Hon'ble High Court.

h. The Special Officer appointed by the Government had issued a notice under the Kerala Land Conservancy Act, for inspecting the properties of the company in Wayanad District. The company challenged the notice before the Hon'ble High Court of Kerala and by judgment dated 11.04.2018 the said notice was set aside by the Hon'ble Court. The Government filed a review petition in the matter and by order dated 06.08.2018 the Hon'ble Court directed the company to file its objections to the inspection notice. Accordingly the company has filed its detailed objection with relevant documents and the same is pending with the Special Officer.

i. An area of 301 hectares (approximately) [31 March 2018: 301 hectares (approximate)] 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.

44 Segment information

Management currently identifies the Company's three business lines as its operating segments: Tea, Rubber and others.

Other Segment comprise of Fruits, Spices and others and Wyanad Medical Fund.

Segment information for the reporting period is as follows:

		Year ended 31 March 2019			Year ended 31 March 2018		
A	**Segment revenues and profits**	**Tea**	**Rubber**	**Others**	Tea	Rubber	Others
	Revenue						
	From external customers	17,696.20	17,329.33	349.31	20,090.18	17,885.18	356.00
	Other income	373.99	54.29	124.95	404.02	72.85	86.55
	Segment revenues	**18,070.19**	**17,383.62**	**474.26**	**20,494.20**	**17,958.03**	**442.55**
	Cost of material consumed	2,870.89	6,462.85	-	3,371.83	7,395.74	-
	Purchases of stock-in-trade	-	2,143.63	-	-	733.47	-
	Changes in inventories	(54.53)	67.67	-	(177.63)	160.02	-
	Employee benefits expense	9,303.62	5,871.90	51.29	9,287.99	5,855.58	96.00
	Depreciation and amortisation expense	258.13	94.47	63.11	254.19	109.05	53.00
	Other expenses	6,872.49	2,892.80	102.31	7,271.62	3,013.31	67.84
	Segment profits/(losses)	**(1,180.41)**	**(149.70)**	**257.55**	**486.20**	**690.86**	**225.71**

		As at 31 March 2019			
B	**Segment assets and liabilities**	**Tea**	**Rubber**	**Others**	**Unallocated**
	Segment assets	27,403.44	9,373.75	256.97	244.38
	Segment liabilities	7,739.81	7,982.23	38.64	13,662.97

	As at 31 March 2018			
	Tea	Rubber	Others	Unallocated
Segment assets	27,662.55	9,654.63	257.36	479.84
Segment liabilities	8,683.68	8,706.01	92.60	10,204.06

Income/ expenses of a financial nature, and the assets / liabilities they are attributable to, have not been allocated to any segment as they are managed on a Group basis. Current taxes, deferred taxes and items of income and expense have not been allocated to any segment since these items are also managed on a Group basis.

C The totals presented for the Group's operating segments reconcile to the key financial figures as presented in its financial statements as follows:

C1

Reconciliation of profit	**Year ended 31 March 2019**	Year ended 31 March 2018
Segment profit	(1,072.56)	1,402.77
Add / (less):		
Finance costs	(1,352.36)	(1,237.00)
Unallocable Income	62.18	309.00
Unallocable Expenditure	(46.73)	(30.00)
Profit before tax	**(2,409.47)**	**444.77**

C2

Reconciliation of segment assets	**As at 31 March 2019**	As at 31 March 2018
Total reportable segment assets	37,034.16	37,574.54
Cash and cash equivalents	110.60	233.20
Bank balances other than cash and cash equivalents	131.17	218.58
Non-current investments	-	1.01
Non-current bank balances	1.73	13.70
Other-current assets	0.88	13.35
Total assets	**37,278.54**	38,054.38

C3

Reconciliation of segment liabilities	**As at 31 March 2019**	As at 31 March 2018
Total reportable segment liabilities	15,760.68	17,482.29
Non-current borrowings including current maturities	8,251.05	4,312.75
Non-current borrowings	3,855.29	5,240.18
Provisions	122.64	613.04
Other current liabilities	1,433.99	38.09
Total liabilities	**29,423.65**	27,686.35

D The revenues from external customers are divided into the following geographical areas:

	Year ended 31 March 2019	Year ended 31 March 2018
India (country of domicile)	29,457.69	33,986.86
Outside India	5,917.15	4,344.50
	35,374.84	**38,331.36**

E Non-current assets are divided into the following geographical areas (Refer note below):

	As at 31 March 2019	As at 31 March 2018
India (country of domicile)	29,354.59	29,632.46
Outside India	-	-
	29,354.59	29,632.46

Reportable assets for the purpose of this note constitute non-current assets other than financial assets, deferred tax assets and other tax assets.

F Revenue from major customers

There are no customers contributing to 10 percent or more of group's's revenues from product sale.

45 Prior year comparitives

The previous year's figures have been regouped and reclassified, wherever necessary to conform to current year's presentation.

For and on behalf of the Board of Directors of Harrisons Malayalam Limited

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Krishnakumar Ananthasivan
Partner
Membership No.: 206229

Kolkata
29 May 2019

Venkitraman Anand
Whole Time Director
DIN: 07446834

Cherian M George
Whole Time Director
DIN: 07916123

Ravi A.
Chief Financial Officer

Binu Thomas
Company Secretary
M. No. 41851

Kolkata
29 May 2019

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 presented with amounts in ₹ Lakhs)

1	Sl No.	1	2	3
2	Name of the Subsidiary	Enchanting Plantations Limited	Harmony Plantations Limited	Malayalam Plantations Limited
3	Date since when subsidiary was acquired	-	-	-
3	Reporting period for the subsidiary concerned, if different from the holding company's repor ting 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	Equity Share Capital	10.00	5.00	5.00
6	Other Equity	(3.63)	(3.55)	(3.75)
7	Total Assets	1.48	1.55	1.36
8	Total Liabilities	0.11	0.11	0.11
9	Investments	5.00	-	-
10	Turnover	0.04	0.04	0.03
11	Profit / (Loss) before tax	(0.18)	(0.16)	(0.17)
12	Provision for taxation	-	-	-
13	Profit / (Loss) after tax	(0.18)	(0.16)	(0.17)
14	Proposed Dividend	-	-	-
15	% of shareholding	-	-	-

1 All subsidiaries are yet to commence operations

NOTES

HARRISONS MALAYALAM LIMTED

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-id…………………...........................…………………………….... Signature………………......…………. or failing him/her

(2) Name ………..…………………………. Address……………………………...........……………….

…………………………………………….....................................…………………………………………………………………………

Email-id…………………...........................…………………………….... Signature………………......…………. or failing him/her

(3) Name ………..…………………………. Address……………………………...........……………….

…………………………………………….....................................…………………………………………………………………………

Email-id…………………...........................…………………………….... Signature………………......…………. or failing him/her

As my / our Proxy to attend and vote (on a Poll) for me / us on my /our behalf at the Forty Second Annual General Meeting of the Company to be held on Friday, the 6th day of September, 2019 at 11.00 a.m. 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	For	Against
Ordinary Business			
1	**To receive, consider and adopt:** a) The Audited Financial Statements of the Company for the financial year ended March 31, 2019, together with the Reports of the Board of Directors and the Auditors thereon; and b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2019, together with the Report of the 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		
Special Business			
3	Re-appointment of Mr. Golam Momen (DIN:00402662) as an Independent Director of the Company.		
4	Re-appointment of Mr. J.M. Kothary (DIN: 00015254) as an Independent Director of the Company.		
5	Continuance of Directorship of Mr. P. Rajagopalan, Independent Director.		
6	Appointment and payment of remuneration to Mr. V. Venugopal, Manager of the Company		
7	Ratification of Cost Auditors remuneration for financial year 2019-20.		

Signed this .... day of 2019

Signature of Shareholder(s) ....

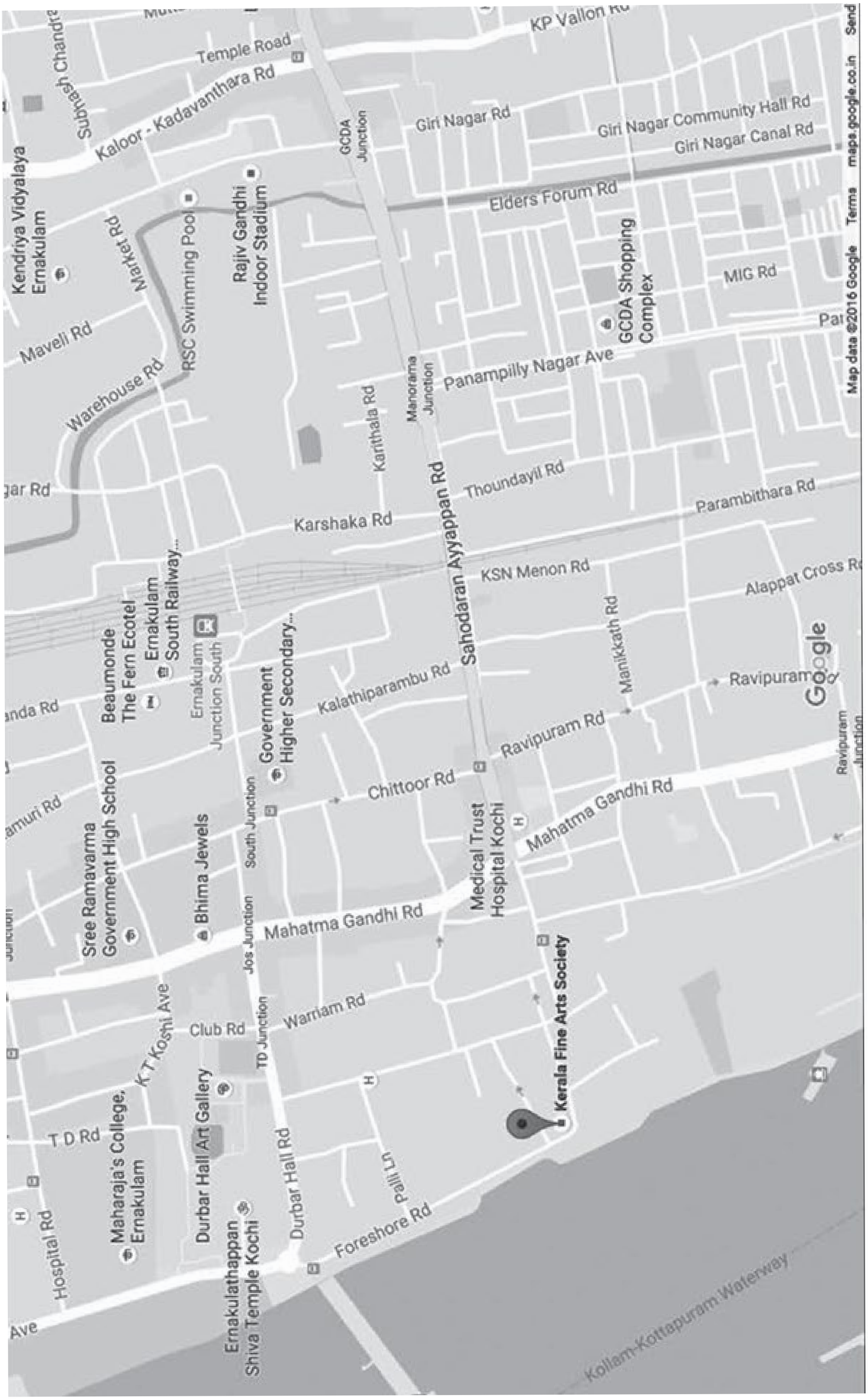
Signature of Proxy holder(s)..

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 Forty First Annual General Meeting.
3. A shareholder may vote either for or against this resolutions.

ROUTE MAP


Kerala Fine Arts Society
Temple Road
Kaloor - Kadavanthara Rd
KP Vallon Rd
Giri Nagar Rd
Giri Nagar Community Hall Rd
Giri Nagar Canal Rd
Elders Forum Rd
GCDA Junction
Kendriya Vidyalaya Ernakulam
Rajiv Gandhi Indoor Stadium
RSC Swimming Pool
Market Rd
Maveli Rd
Warehouse Rd
GCDA Shopping Complex
MIG Rd
Panampilly Nagar Ave
Manorama Junction
Karithala Rd
Thoundayil Rd
Karshaka Rd
Parambithara Rd
Sahodaran Ayyappan Rd
KSN Menon Rd
Alappat Cross Rd
Manikkath Rd
Ernakulam South Railway...
Beaumonde The Fern Ecotel
Ernakulam Junction South
Government Higher Secondary...
Kalathiparambu Rd
Ravipuram
Ravipuram Rd
Ravipuram Junction
Chittoor Rd
South Junction
Sree Ramavarma Government High School
Bhima Jewels
Medical Trust Hospital Kochi
Mahatma Gandhi Rd
Jos Junction
Warriam Rd
Club Rd
K T Koshi Ave
TD Junction
T D Rd
Maharaja's College, Ernakulam
Durbar Hall Art Gallery
Durbar Hall Rd
Palli Ln
Hospital Rd
Ernakulathappan Shiva Temple Kochi
Foreshore Rd
Kollam-Kottapuram Waterway
Google
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