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**THE BOMBAY BURMAH TRADING CORPORATION, LIMITED**

(4 LINES)  
FAX :0091-22- 2207 1612 / 6772  
Email: [bbtcl@bom2.vsnl.net.in](mailto:bbtcl@bom2.vsnl.net.in)  
Website: [www.bbtcl.com](http://www.bbtcl.com)  
CIN: L99999MH1863PLC000002

REGD. OFFICE : 9, WALLACE STREET,FORT,  
MUMBAI 400 001, INDIA.

18<sup>th</sup> August, 2016.

General Manager,  
Department of Corporate Affairs,  
BSE Limited,  
P.J. Towers,  
Dalal Street,  
Mumbai – 400 001.

General Manager,  
National Stock Exchange of India Limited,  
Exchange Plaza,  
Bandra Kurla Complex,  
Mumbai – 400 051.

Dear Sirs,

**Sub: Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – Annual Report for the financial year 2015-16 of the 151<sup>st</sup> Annual General Meeting of the Corporation.**

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we are submitting herewith the Annual Report for the financial year 2015-16, duly approved and adopted by the members as per the provisions of the Companies Act, 2013, at the 151<sup>st</sup> Annual General Meeting of the Corporation held on the 5<sup>th</sup> August, 2016.

We request you to note the above and acknowledge the receipt.

Thanking you,

Yours faithfully,  
For The Bombay Burmah Trading  
Corporation, Limited.

Vice President Corporate &  
Company Secretary.

Encl : As above.



The Bombay Burmah  
Trading Corporation, Limited  
*A Wadia Enterprise*

**151<sup>st</sup> Annual Report  
2015-16**

A Tradition of Trust



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151<sup>st</sup> Annual General Meeting  
Friday, 5<sup>th</sup> August 2016, 4.00 pm; Rama & Sundri Watumull Auditorium,  
Kishinchand Chellaram College Dinshaw Wachha Road  
Churchgate, Mumbai – 400 020.

# The Bombay Burmah Trading Corporation, Limited

## ANNUAL REPORT 2015-2016

### DIRECTORS

NUSLI N. WADIA, Esq., Chairman

A. K. HIRJEE, Esq., Vice Chairman

M. L. APTE, Esq.

D. E. UDWADIA, Esq.

JEH WADIA, Esq.

Dr. (Mrs.) SHEELA BHIDE

NESS WADIA, Esq., Managing Director

A. PANJWANI, Esq., Managing Director  
(upto 8<sup>th</sup> February, 2016)

### VICE PRESIDENT CORPORATE & COMPANY SECRETARY

N. H. DATANWALA, Esq.

### CHIEF FINANCIAL OFFICER

AMIT CHHABRA, Esq.

### REGISTERED OFFICE

9, WALLACE STREET, FORT, MUMBAI 400 001.  
Tel. No. 2219 7101

### PRINCIPAL BANKERS

HDFC BANK LIMITED  
AXIS BANK LIMITED  
KOTAK MAHINDRA BANK LIMITED  
THE HONGKONG & SHANGHAI BANKING  
CORPORATION LIMITED  
THE FEDERAL BANK LIMITED

### AUDITORS

B S R & CO., LLP  
Lodha Excelus  
5th Floor, Apollo Mills Compound,  
N. M. Joshi Marg, Mahalakshmi,  
Mumbai 400 011  
India

### SOLICITORS

CRAWFORD BAYLEY & CO.  
State Bank Building, 4th Floor,  
Hutatma Chowk, Fountain,  
Mumbai 400 001.

UDWADIA & CO.  
Elphinstone House, 1st Floor,  
17, Murzban Road, Fort,  
Mumbai 400 001.

# The Bombay Burmah Trading Corporation, Limited

## LOCATION OF CORPORATION'S ESTATES AND FACTORIES

- Tea and Coffee Estates : (1) Mudis Group of Estates, Mudis P.O.,  
Coimbatore Dist.,  
Tamil Nadu 642 117.
- (2) Singampatti Group of Estates,  
Manjolai P.O., Tirunelveli Dist.,  
Tamil Nadu 627 420.
- (3) Dunsandle Estate, Dunsandle P.O.,  
Ootacamund, Nilgiri Dist.,  
Tamil Nadu 643 005.
- (4) Elkhill Group of Estates, P.O. Box No. 12,  
Sidapur P & T.O., South Coorg,  
Karnataka 571 253.
- (5) Usambara Group,  
Marvera & Herkulu Estate,  
P.O. Box 22, Soni, Tanzania.
- Weighing Products Division : Plot 304, New GIDC,  
Gundlav,  
Valsad, Gujarat 396 035.
- Healthcare Division : Plot No. 161-B, Village Danpur,  
Rudrapur Kashipur Road,  
Paragana-Rudrapur, Tehsil Kichha,  
Udhamsingh Nagar, Uttarakhand 263 153.
- Auto Electric Components Division : Plot no. 128-133, 3rd Cross Street,  
Nehru Nagar, Kottivakkam, Chennai,  
Tamil Nadu 600 041.
- Malaysian Branch : Suite 628, 6th Floor, Pan Global Plaza,  
Jalan Wong Ah Fook 80000,  
Johor Bahru, Malaysia.

## NOTICE

NOTICE is hereby given that the One Hundred and Fifty-first Annual General Meeting of the members of The Bombay Burmah Trading Corporation, Limited will be held on Friday, the 5<sup>th</sup> day of August, 2016 at 4.00 pm at Rama & Sundri Watumull Auditorium, Kishinchand Chellaram College, Dinshaw Wachha Road, Churchgate, Mumbai 400 020, to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt :
  - (a) the audited Financial Statements of the Corporation for the Financial Year ended 31<sup>st</sup> March, 2016 together with the Auditors thereon;
  - and
  - (b) the audited Consolidated Financial Statements of the Corporation for the Financial Year ended 31<sup>st</sup> March, 2016 together with the Report of the Auditors thereon.
2. To declare a dividend.
3. To appoint a Director in place of Mr. Jeh Wadia [DIN: 00088831] who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
4. To consider and if thought fit, to convey assent or dissent to the following Ordinary Resolution:
 

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions of the Companies Act, 2013 ( the Act) read with the Companies (Audit and Auditors) Rules, 2014 ( including any statutory modification(s) or re-enactment thereof for the time being in force), the appointment of Messrs B S R & Co.LLP, Chartered Accountants [Registration No.101248W/W-100022] as Statutory Auditors of the Corporation to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting to be held in the financial year 2017 , be and is hereby ratified, and the Board of Directors is hereby authorized to determine their remuneration as recommended by the Audit Committee.”
5. To consider and if thought fit, to convey assent or dissent to the following Ordinary Resolution:
 

“RESOLVED THAT the Board of Directors( hereinafter referred to as “the Board”) be and is hereby authorised to appoint for the current financial year, in consultation with the Corporation’s Auditors namely Messrs B S R & Co. LLP, in respect of the audit of the accounts of the Corporation’s branch offices outside India, a person who is either qualified for appointment as auditor of the Corporation under Section 141 of the Companies Act, 2013 or an accountant duly qualified to act as an auditor of the accounts of such branch offices in accordance with the applicable laws of the concerned countries; and to determine the remuneration and other terms and conditions of their appointment as Branch Auditors as recommended by the Audit Committee.”

### **SPECIAL BUSINESS :**

6. To consider and if thought fit, to convey assent or dissent to the following resolution as an Ordinary Resolution:
 

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 ( “the Act”) read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. GLS & Associates, Cost & Management Accountants, Coimbatore, [ICWA Registration No M 4482], the Cost Auditors appointed by the Board to conduct the audit of the cost records of the Plantations and Auto Electric Components Divisions of the Corporation for the financial year ending 31<sup>st</sup> March, 2017, be paid remuneration of ₹ 200,000/- (Rupees Two lakhs only) plus service tax as applicable and reimbursement of actual out-of-pocket expenses.

“RESOLVED FURTHER THAT the Board of Directors of the Corporation 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.”

7. To consider and if thought fit, to convey assent or dissent to the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 (“the Act”), and the rules made thereunder (including any statutory modification(s) or re-enactment thereof) read with Section II of Part II of Schedule V of the Act and subject to the approval of Central Government, and other approvals, sanctions or permissions, if and to the extent necessary, consent of the Corporation be and is hereby accorded to the re-appointment of Mr. Ness Wadia [DIN:00036049], as Managing Director of the Corporation for a period of 5 years with effect from 1<sup>st</sup> April, 2016 to 31<sup>st</sup> March 2021 at the remuneration and upon other terms and conditions recommended by the Nomination and Remuneration Committee and approved by the Board, which are set out in the Statement of Material Facts annexed to this Notice.

“RESOLVED FURTHER THAT the Board (which expression shall also include a duly constituted committee thereof) be and is hereby authorized to fix, alter or vary from time to time, Mr. Ness Wadia’s remuneration within the overall ceiling as approved by the shareholders and/or the other terms and conditions of his re-appointment, subject however to the provisions of the said Schedule V and other applicable provisions of the Act for the time being in force and the approval of the Central Government, and other approvals, sanctions or permissions, if and to the extent required.

“RESOLVED FURTHER THAT where in any financial year during the currency of tenure of Mr. Ness Wadia as Managing Director, the Corporation has no profits or its profits are inadequate, the Corporation shall pay Mr. Ness Wadia for a period not exceeding 3 years commencing from 1<sup>st</sup> April 2016, remuneration as determined by the Board pursuant to the authority vested in it in terms of this Resolution, subject to the provisions of Schedule V and other applicable provisions of the Act, and the approval of the Central Government and other approvals, sanctions or permissions, if and to the extent required and that such remuneration shall be treated as the minimum remuneration payable to Mr. Ness Wadia.

“RESOLVED FURTHER THAT the Board be and is hereby authorized to enter into an Agreement on behalf of Corporation with Mr. Ness Wadia on the terms and conditions set out in the Statement of Material Facts annexed to this Notice.

“RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, proper or expedient to give effect to this Resolution.”

By Order of the Board,

N. H. DATANWALA  
Vice President Corporate  
& Company Secretary

*Registered Office:*  
9, Wallace Street,  
Fort, Mumbai 400 001

Date: 27<sup>th</sup> May, 2016.

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE CORPORATION. However, a person may act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Corporation. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Corporation carrying voting rights , then such proxy shall not act as proxy for any other person or shareholder.

The instrument of proxy in order to be effective, should be deposited at the Registered offices of the Corporation, duly completed and signed, not less than forty-eight hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

2. A Statement of material facts pursuant to Section 102 of the Companies Act, 2013, which sets out the material facts relating to the Special Business set out in the accompanying Notice is attached hereto as Annexure I.
3. A brief resume of Directors proposed to be appointed/re-appointed, nature of their expertise in functional areas, names of companies in which they hold directorships and memberships/ chairmanships of Board Committees, shareholding are attached hereto as Annexure II.
4. The Register of Members and the Share Transfer Books of the Corporation will be closed from Saturday, 30<sup>th</sup> July, 2016 to Friday, 5<sup>th</sup> August, 2016 (both days inclusive).
5. Dividend, if declared at the Annual General Meeting, shall be paid to the members on or after Wednesday, 10<sup>th</sup> August, 2016 to those members whose names appear on the Register of Members of the Corporation on 29<sup>th</sup> July, 2016, after giving effect to all valid share transfers lodged with the Corporation's Registrar & Share Transfer Agents, M/s. Karvy Computershare Pvt. Ltd. on or before 29<sup>th</sup> July, 2016 in respect of shares held in physical form. In respect of shares held in electronic form, dividend will be paid to the beneficial owners of shares as at the closing hours of 29<sup>th</sup> July, 2016 as per details furnished by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) for this purpose.
6. Members are requested to notify immediately any change of address to their Depository Participants (DPs) in respect of their demat accounts, and in respect of their physical shareholdings, quoting their folio numbers, to the Corporation's Registrar & Share Transfer Agents :

M/s. Karvy Computershare Pvt. Ltd (Unit : Bombay Burmah)  
Karvy Selenium Tower B, Plot 31-32, Gachibowli,  
Financial District, Nanakramguda, Hyderabad,  
Telangana – 500 032, India  
Telephone number: +91 40 6716 2222  
Fax number: +91 40 2342 0814  
E-mail: einward.ris@karvy.com

OR

M/s. Karvy Computershare Pvt. Ltd.  
B- 24, Rajabhadur Mansion,  
6, Ambalal Doshi Marg (Behind Bombay Stock Exchange),  
Fort, Mumbai 400 001  
Telephone Number : 66235412/27



7. In view of the circular issued by SEBI, the Electronic Clearing Services (ECS/NECS) facility should mandatorily be used by Companies for distribution of dividend to its members. In order to avail the facility of ECS/NECS, members holding shares in physical form are requested to provide bank account details to the Corporation or its Registrar and Share Transfer Agents.

Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Corporation for payment of dividend. The Corporation or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.

8. Pursuant to the provisions of Sections 205A and 205C and other applicable provisions of the Companies Act, 1956, ( which are still applicable as the relevant sections under the Companies Act, 2013 are yet to be notified) dividends for the financial year ended 31<sup>st</sup> March, 2009 and thereafter, which remain unpaid or unclaimed for a period of 7 years from the respective dates of transfer to the unpaid dividend account of the Corporation are due for transfer to the Investor Education & Protection Fund (IEPF) on the dates given in the table below:

<b>Financial Year</b>	<b>Date of Declaration of Dividend</b>	<b>Due date for transfer to IEPF</b>
2008-2009	28.7.2009	2.9.2016
2009-2010	10.8.2010	15.9.2017
2010-2011	5.08.2011	10.9.2018
2011-2012	8.08.2012	13.9.2019
2012-2013	7.08.2013	12.9.2020
2013-2014	13.8.2014	18.9.2021
2014-2015	5.8.2015	10.9.2022

Members who have so far not encashed the Dividend Warrants for the above years are advised to submit their claim at the earliest to the Registrars at either of the aforesaid addresses immediately quoting their folio number/ DP ID & Client ID.

9. Members holding shares in physical form may avail themselves of the facility of nomination in terms of Section 72 of the Companies Act, 2013 by nominating a person to whom their securities shall vest in the event of their death. The prescribed form may be obtained from the Corporation's Registered Office at 9, Wallace Street, Fort, Mumbai 400001 or from the Registrars.
10. As part of the Green Initiative in Corporate Governance, the Ministry of Corporate Affairs ("MCA"), Government of India, through its Circular Nos. 17/2011 and 18/2011, dated April 21, 2011 and April 29, 2011 respectively, has allowed companies to send official documents through electronic mode.

In the spirit of the above circulars and as part of the Corporation's Green Initiative, the Corporation has been sending Annual Reports in the past few years to the e-mail address provided by some of the members.

We therefore appeal to all members to be a part of the said 'Green Initiative' and request all members to provide/ update their email addresses giving their Registered Folio Number and/or DP ID/Client ID at e-mail id [inward.ris@karvy.com](mailto:inward.ris@karvy.com).

Members are also informed that the full text of all Notices, Reports etc. sent by email to them will also be made available on our website <http://bbtcl.com/investor-relations/annual-reports/>

11. SEBI has also mandated the submission of Permanent Account Number (PAN) by members. Therefore, members holding shares in physical form are requested to submit their PAN to the Corporation or Karvy and members holding shares in electronic form may submit their PAN to their respective Depository Participants.

12. Members intending to require information about the Financial Statements, to be explained at the Meeting are requested to inform the Corporation at least a week in advance of their intention to do so, so that the papers relating thereto may be made available, if the Chairman permits such information to be furnished.
13. Members/Proxies attending the meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting hall.
14. Members are requested to bring their copy of the Annual Report to the meeting.
15. Voting through electronic means:

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Corporation is pleased to provide the facility to exercise members' right to vote at the 151<sup>st</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on 2<sup>nd</sup> August, 2016 at 9.00 am and ends on 4<sup>th</sup> August, 2016 at 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 29<sup>th</sup> July, 2016 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](http://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](http://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	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• 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).</li> </ul>

- (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 BOMBAY BURMAH TRADING CORPORATION, LIMITED.
- (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 login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (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. 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](http://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](mailto: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](mailto: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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**NOTE :** Any person, who acquires shares of the Corporation and becomes member of the Corporation after 8<sup>th</sup> July, 2016 ie. the date considered for dispatch of the notice, and holding shares as the cut - off date ie. 29<sup>th</sup> July, 2016 and who have not updated their PAN as also members who have not received the intimation of sequence number may obtain the login ID and sequence number by sending a request to Karvy Computershare Pvt Ltd.

16. Mr Tushar Shridharani, Practicing Company Secretary, (Membership No. FCS 2690) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
17. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Corporation and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Corporation.
18. The Results declared alongwith the Scrutinizer's Report shall be placed on the Corporation's website [www.bbtcl.com](http://www.bbtcl.com) and on the website of CDSL within three (3) days of passing of the resolutions at the AGM of the Corporation and communicated to the NSE and BSE Limited.
19. MEMBERS HOLDING EQUITY SHARES IN ELECTRONIC FORM, AND PROXIES THEREOF, ARE REQUESTED TO BRING THEIR DP ID AND CLIENT ID FOR IDENTIFICATION.

## **ANNEXURE I TO THE NOTICE**

### **STATEMENT OF MATERIAL FACTS IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

#### **Item No. 6**

The Board of Directors on the recommendation of the Audit Committee has approved the appointment of M/s. GLS & Associates , Cost & Management Accountants, Coimbatore, (ICWA Registration No. 4482 ) as Cost Auditors at a remuneration of ₹ 2,00,000/- (Rupees Two lakh only) plus applicable service tax and reimbursement of actual out of pocket expenses incurred by them for the conduct of audit of the cost records of the Plantation and Auto Electric Components Divisions of the Corporation for the financial year ending 31<sup>st</sup> March, 2017. A Certificate issued by the above firm regarding their eligibility for appointment as Cost Auditors will be available for inspection at the Registered office of the Corporation during 11.00 A.M to 1.00 P.M on all working days.

The approval of the shareholders is required to be obtained for payment of remuneration to the Cost Auditors for the financial year ending 31<sup>st</sup> March, 2017. Hence, the resolution at Item no. 6 of the Notice.

None of the Directors or Key Managerial Personnel of the Corporation or their relatives is in any way concerned or interested in the Resolution set out at Item no. 6 of the Notice.

The Board of Directors recommends the said resolution for approval by the shareholders.

**Item no. 7**

Mr. Ness Wadia (hereinafter referred to as "Mr. Wadia") was appointed as the Managing Director ("MD") of the Corporation by the Board for a period of 5 years with effect from 1<sup>st</sup> April, 2011. His term as MD expired on 31<sup>st</sup> March, 2016.

The Board of Directors at its meeting held on 23<sup>rd</sup> March, 2016, re-appointed, Mr. Wadia as Managing Director of the Corporation subject to the approval of the shareholders, pursuant to provisions of Sections 196, 197 and 203, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, for a further period of five years with effect from 1<sup>st</sup> April, 2016 upto 31<sup>st</sup> March, 2021 on such terms and conditions including remuneration, as recommended by the Nomination and Remuneration Committee and set out in the draft of the Agreement to be entered between the Corporation and Mr. Wadia.

The material terms of his re-appointment contained in the draft of the Agreement proposed to be entered into by the Corporation with Mr. Wadia are summarized below:

1. Mr. Wadia will serve the Corporation as Managing Director for a period of 5 years with effect from 1<sup>st</sup> April, 2016 upto 31<sup>st</sup> March 2021.
2. Subject to the superintendence, control and direction of the Board and subject to such restrictions or limitations as the Board may in its discretion determine from time to time, Mr. Wadia will be in charge of the general conduct and management of the whole business and affairs of the Corporation and to carry out such functions, exercise such powers and perform such duties as the Board may, from time to time, in their absolute discretion determine and entrust to him.

PROVIDED HOWEVER THAT Mr. Wadia shall not to exercise any of the powers on behalf of the Corporation which are to be exercised by means of resolutions to be passed at the meetings of the Board.

3. Mr. Wadia shall devote his whole time and attention during business hours to the business of the Corporation, exert his best endeavours to promote its interests and welfare and attend his place of employment at all proper times.
4. Mr. Wadia shall undertake such travelling in and outside India as may be necessary in the interest of the Corporation's business or as may from time to time be required or directed by the Board in connection with or in relation to the business of the Corporation.

Mr. Wadia shall be entitled to reimbursement of all expenses including travelling, entertainment/business promotion and other out-of pocket expenses incurred by him in connection with or in relation to the business of the Corporation.

5. In terms of Article 137 of the Articles of Association of the Corporation, Mr. Wadia shall not be liable to retire by rotation during his tenure as Managing Director.
6. In consideration of the faithful and proper performance of his duties and functions as Managing Director, Mr. Wadia shall be paid the following remuneration:
  - Basic Salary upto a maximum of ₹ 35,00,000/- per month with increments each year, as may be determined by the Board, based on the recommendations of the Nomination & Remuneration Committee;
  - Benefits, perquisites and allowances as may be recommended by the Nomination & Remuneration Committee and determined by the Board, from time to time, or as may be applicable in accordance with the rules and policies of the Corporation, upto a maximum of ₹ 17,50,000/- per month.
  - Reimbursement of actual medical expenses incurred on self and family.

- Bonus as may be determined by the Board, based on the recommendations of the Nomination & Remuneration Committee on the performance criteria;
- Contribution to Provident Fund, Superannuation Fund or Gratuity Fund as per the Rules of the Corporation.

For the purpose of computing the ceilings, wherever applicable, perquisites would be valued as per the Income Tax Rules, 1962, and provision for use of car for official duties and telephone at residence (including payment for local calls and long distance official calls) and Corporation's cars with drivers shall not be included in such computation.

The aggregate of the remuneration shall be within the maximum limits as laid down under provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V of the Companies Act, 2013, and shall be subject to the approval of the Central Government, if and to the extent necessary.

The contribution to provident fund, superannuation fund or annuity fund, if any, which shall not exceed 27% of the remuneration or such higher percentage as permissible under Rule 87 of the Income Tax Rules, 1962, and gratuity, if any, payable at a rate not exceeding half a month's salary for each completed year of service and encashment of leave at the end of the tenure as per the rules/policies of the Corporation, shall not be included in the computation of the ceilings on remuneration.

The Nomination and Remuneration Committee or the Board of Directors may, at its discretion, fix the actual remuneration of Mr. Wadia and revise the same from time to time, within the maximum limits specified hereinabove.

During the tenure of 5 years of his appointment, if the Corporation for any period of 3 financial years has no profits or its profits are inadequate, the Corporation shall pay Mr. Wadia remuneration as determined from time to time by the Nomination and Remuneration Committee or the Board of Directors pursuant to the authority vested in them, subject to compliance with the applicable provisions of the Schedule V to the Act, with the approval of the Central Government, if and to the extent necessary and that such remuneration shall be treated as the minimum remuneration payable to Mr. Wadia in the absence or inadequacy of profits, in accordance with the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V of the Companies Act, 2013.

7. The rules and policies of the Corporation which are applicable to other senior executives of the Corporation shall also apply to Mr. Wadia.

Mr Wadia shall be entitled to leave in accordance with the rules of the Corporation.

8. Mr. Wadia shall not be paid any sitting fees for attending Meetings of the Board or of any Committee thereof.
9. Mr. Wadia shall not, as long as he functions as MD of the Corporation, become interested or otherwise concerned directly or indirectly in any contract or arrangement with the Corporation as contemplated under Section 188 of the Act without the prior approval of the members of the Corporation.
10. Mr. Wadia shall not, except in the proper course of his duties during the continuance of his employment with the Corporation or any time thereafter divulge or disclose to any persons whomsoever or make use whatsoever for his own purpose or for any purpose of any information or knowledge obtained by him during his employment as to the business and/or affairs of the Corporation and/or trade secrets or secret processes of the Corporation.

11. Mr. Wadia shall not in the event of his ceasing to be MD of the Corporation before the expiry of the term of 5 years, for the remainder of such period:
- (a) either alone or jointly with or as an employee of any person, firm or company, directly or indirectly, carry on or engage in any activities or business which shall be in competition with the business of the Corporation; and
  - (b) in connection with carrying on any business similar to or in competition with the business of the Corporation on his behalf or on behalf of any person, firm or company, directly or indirectly:
    - (i) seek to procure orders or do business with any person, firm or company, who has at any time during the two years, immediately preceding such cessation of employment, done business with the Corporation; or
    - (ii) endeavour to entice away from the Corporation any person who has at anytime during the two years immediately preceding such cessation of employment, done business with, or engaged by, the Corporation. Provided that nothing in this clause shall prohibit seeking or procuring of orders or doing of business not related or similar to the business/businesses of the Corporation.
12. The employment of Mr. Wadia shall forthwith determine if he becomes insolvent or cease to be a Director of the Corporation. He shall cease to be a Director if the Agreement is terminated or he ceases to be employed as MD.
13. If Mr. Wadia be guilty of any misconduct or any breach of the Agreement which in the opinion of the Board may render his retirement from the office of MD desirable, the Corporation may, by not less than 30 days' notice in writing to him, determine the Agreement and he shall cease to be MD of the Corporation upon the expiration of such notice.
14. Either party shall be entitled to terminate the Agreement by giving not less than six calendar months' prior notice in writing in that behalf to the other party; provided that the Corporation shall be entitled to terminate Mr. Wadia's employment at any time by payment to him of six months' basic salary in lieu of such notice.
15. If Mr. Wadia ceases to be MD of the Corporation, he shall be deemed to have resigned from the office of Director as and from the date of such cessation.

The Board will have the authority to vary/modify/amend any of the aforesaid terms and conditions provided such variation/modification/amendment is in conformity with the applicable provisions of the Act as amended from time to time.

The Directors consider the aforesaid remuneration payable to Mr. Wadia to be commensurate with his duties and responsibilities as Managing Director.

Approval of the members is also being sought by way of special resolution for payment of remuneration to Mr Wadia as may be determined by the Board from time to time as minimum remuneration, in the event the Corporation has no profits or has inadequate profits, for a period of 3 years commencing from 1<sup>st</sup> April, 2016 subject to approval of Central Government and other approvals, sanctions or permissions, if and to the extent required.

The draft of the Agreement to be entered into by the Corporation with Mr. Wadia is available for inspection by the members at the Registered Office of the Corporation between 11.00 a.m. and 1.00 p.m. on any working day except Saturdays, Sundays and public holidays upto the date of the Annual General Meeting.

Mr. Ness Wadia, Mr. Nusli N. Wadia and Mr. Jehangir N. Wadia, who are related to each other, are concerned or interested in the Special Resolution at Item no. 7 as it relates to the re-appointment and remuneration of Mr. Ness Wadia, as Managing Director.

This may also be treated as an abstract of the terms of the Agreement between Mr. Ness Wadia and the Corporation when executed, and memorandum of interest pursuant to Section 190 of the Act.

**Additional Information as required under Section II of Part II of Schedule V of the Companies Act, 2013 is given below:**

**I. General Information:**

- (i) Nature of Industry: The Corporation is a multi-product and multi-divisional organisation with diverse business interests viz. Plantations (Tea and Coffee), Auto Electric Components, Healthcare, real estate and weighing products.
- (ii) Date or expected date of commencement of commercial production: The Corporation was incorporated on 4<sup>th</sup> September, 1863 and commercial production has commenced about 150 years ago.
- (iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable.
- (iv) Financial performance based on given indicators: As per published audited financial results for the year ended 31<sup>st</sup> March, 2016.

<b>Particulars</b>	<b>Stand Alone</b>
	<b>(₹ in Lakhs)</b>
Turnover & Other Income	26,674.15
Profit/(Loss) after tax	(3314.46)
Net Worth (share capital + reserves other than revaluation reserve)	21,080.84

- (v) Foreign investments or collaborations, if any: The Corporation has substantial interests outside India in the form of investments in/by its foreign subsidiaries and the Corporation owns and operates tea estates in Tanzania. Besides this, the Corporation's 100% subsidiary in Singapore is engaged in the activities of horticulture, landscaping and decorative plants and another subsidiary in USA is engaged in specialty tea.

**II. Information about the appointee:**

- (i) Background details:

Mr. Ness Wadia, 45, is M. Sc in Engineering Business Management (Warwick University, UK). He had received extensive training in management at the Warwick University, UK. Mr. Wadia has more than 23 years of experience in the fields of overall general management to run business Units. He holds directorships in various leading companies in India such as Bombay Dyeing and Manufacturing Company Ltd., Britannia Industries Ltd., National Peroxide Ltd. and Wadia Techno-Engineering Services Ltd.

- (ii) Past Remuneration:

<b>FINANCIAL YEAR</b>	<b>AMOUNT (₹ in lakhs)</b>
2013-14	243.52
2014-15	340.88
2015-16	340.88

- (iii) Recognition or Awards:

Mr. Wadia was awarded Rotary Medal of Honour for Bravery (1980-81).

- (iv) Job Profile and suitability:

Mr. Ness Wadia is a part of the senior management responsible for the operations and affairs of the Corporation. He has been actively involved with the various businesses of the Wadia group in general and in particular, with the day to day business affairs of the Corporation for the past five years.



Mr. Wadia has played an important role in restructuring and consolidating the operations of the Corporation and is now leading the Corporation's expansion project spanning its core area of business viz. Plantations and the Corporation's diversification into real estate projects, retail and hospitality industries.

- (v) Remuneration proposed : as detailed in para 6 of the Statement of Material Facts in respect of to Item no. 7 forming part of this Notice.
- (vi) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):

Taking into consideration the size of the Corporation, the profile of the appointees, the responsibilities shouldered by him and the industry benchmarks, the remuneration paid/proposed to be paid to Mr. Wadia is commensurate with the remuneration package paid to similar senior level appointees in other companies and has been recommended by the Nomination & Remuneration Committee at its meeting held on 23<sup>rd</sup> March, 2016 and approved by the Board.

- (vii) Pecuniary relationship directly or indirectly with the Corporation or relationship with the managerial personnel, if any:

Mr. Wadia does not, directly or indirectly have any other material pecuniary relationship with the Corporation, except to the extent of his remuneration and shareholding in the Corporation.

- (viii) Mr. Ness Wadia holds 5000 shares in the Corporation.

### III. Other Information:

- (i) Reasons for absence or inadequate profits:

Adverse weather conditions and increase in wages and rising fuel costs resulted in increased cost of production of Tea which could not be offset by any increase in prices due to adverse market conditions in the domestic and international markets. Continued volatility in coffee prices world-wide affected margins and although volumes were higher, sales realization reduced by about 10%;

The slowdown in the auto industry resulted in the Auto Electric Components Division not being able to achieve its targeted growth rate. The proposed schedule of unlocking value of land parcels could not be achieved due to sluggish market conditions in the real estate sector due to politico-economic conditions.

New projects aimed at reducing energy consumption, increasing Tea yield, lowering overall costs of production were undertaken which required large outlay of funds resulting in increased finance costs. These costs along with return of capital employed would be realisable only in the medium term due to the long gestation periods involved.

- (ii) Steps taken or proposed to be taken for improvement:

Various steps, including replanting, are being taken to improve tea yields; operations are being enhanced and there are plans to launch in-house retail brand of mainstream and speciality tea in India. Some of the new projects launched in the past year are expected to yield results in the coming years. All efforts are on to move up the value chain.

Real Estate projects for unlocking land values are being considered and pursued vigorously, although these are expected to yield revenues only in the next 3-4 years.

The Auto Electric Components Division is entering into engineering services, developing new products and looking out for strategic alliances in order to improve volumes and profitability.

The healthcare Division is in the process of introducing new product and product mixes to ensure higher volumes in manufactured and traded products .

Mr. Ness Wadia is interested in the resolution set out at Item no. 7 since it relates to his appointment as Managing Director and the remuneration payable to him; Mr Nusli Wadia and Mr. Jehangir Wadia are deemed to be interested being relatives of Mr. Ness Wadia.

The Board of Directors recommends the said resolution for approval by the shareholders.

## **ANNEXURE II TO THE NOTICE**

### **Brief resume of Directors proposed to be appointed/ re-appointed as Directors**

#### **1. Mr. Jeh Wadia ( Item no. 3)**

Mr. Jehangir N. Wadia, 43, is a Master in Science from the Warwick University in Coventry, UK. He is the co-author of the restructuring of the Wadia Group. The restructuring involved looking at new financial and strategic investments for the group. The investments concluded ranged from a Venture Fund for technology companies to Ports, Clinical research, Education, Real Estate and Aviation.

Presently, he is Managing Director of Bombay Dyeing & Manufacturing Co. Ltd and Go Airlines (India) Ltd. (a low cost Airline in India). He is also a Director on the Boards of Britannia Industries Limited, Wadia Techno – Engineering Services Limited & other eight Private Limited Companies. He is a member of the Corporate Social Responsibility ( CSR) Committee of the Corporation and is also a member of Stakeholders’ Relationship Committees of Bombay Dyeing & Manufacturing Co. Ltd and Britannia Industries Limited.

Mr. Jeh Wadia holds 3500 equity shares of the Corporation and is a relative of Mr Nusli Wadia and Mr Ness Wadia, being promoters of the Corporation.

By Order of the Board

N. H. DATANWALA  
Vice President Corporate  
& Company Secretary

*Registered Office:*  
9, Wallace Street,  
Fort, Mumbai 400 001

Dated, the 27<sup>th</sup> May, 2016.

**DIRECTORS' REPORT**

Your Directors hereby present their Annual Report together with Audited Financial Statements for the year ended 31st March, 2016:

**1. Financial Results:**

	<b>2015-2016</b>	<b>2014-2015</b>
	<b>₹ in lakhs</b>	<b>₹ in lakhs</b>
Profit before depreciation, finance costs, exceptional items and tax	767.94	4383.98
Less : Finance costs	3180.38	2694.45
Less : Depreciation	793.10	686.84
Profit/ (Loss) before Tax	(3205.54)	1002.69
Less : Provision for Taxation	108.92	299.75
Profit/ (Loss) for the year	(3314.46)	702.94
Add: Balance in Statement of Profit and Loss	16853.41	16848.19
Amount available for Appropriation	13538.95	17551.13
Appropriations :		
Proposed Dividend	697.72	697.72
Corporate Dividend Tax thereon	142.06	-
Transfer to General Reserve	-	-
Closing Balance carried to Balance Sheet	<u>12,699.17</u>	<u>16853.41</u>

The Corporation achieved a gross income of ₹26,674 lakhs compared to ₹27,622 lakhs in 2014-2015 which represents a marginal decline of about 3.43 % over the previous year. The financial results for the year was severely affected due to under performance of both Tea & Coffee business during the year under review. The major factors that have bearing on Tea & Coffee business is the weather pattern. South India, in last 2 years has witnessed extreme weather in form of high temperature, uneven scattered rainfall and pest attack. These factors alone have brought down the own tea production from 57 lakh kgs in 2013-14 to 45 lakh kgs during the year under review. The other factor that affects the business is the rising wage rates which has gone up substantially over the last two years. Employment costs which are fixed in nature constitute significant part of the total costs of production. The increasing wage rate and declining own crop severely impacted the Tea business during the year which resulted in substantial loss.

Coffee business was also affected to an extent by inclement weather, rising wage cost and weak Coffee market.

Healthcare & Electromags Divisions performed satisfactorily. As a result, the Corporation's

loss for the years was ₹ 3,314 lakhs as against loss of ₹885 Lakhs (excluding the dividend of ₹1,587 Lakhs from the overseas subsidiary) in FY 2014-15.

**2. Divisionwise Performance:**

**(a) South India Estates:**

**i) Tea :**

Production of own Tea was lower at 45 Lakh kgs against the already low 51 lakh kgs of the previous year. Overall production of Tea including bought leaf was marginally higher at 74.18 lakh kgs compared to 72.08 lakh kgs. Average selling price per kg of Tea was marginally lower at ₹110/- compared to ₹115/- in the previous year. The wage rate per day also went up during the year. All these factors adversely impacted the overall Tea business.

**ii) Coffee :**

Own Coffee production for the year was at 625 Tons compared to 670 Tons in the previous year. Production of Coffee from outsourced beans was higher at 981 Tons as compared to

835 Tons in the previous year. The sales turnover for the year at 975 Tons was almost at same level compared to 1022 Tons in the previous year. Average selling prices were lower at ₹1.86 Lakhs per Ton compared to ₹2.13 Lakhs per Ton in the previous year. Further, weak coffee markets and lower production of pepper affected the profitability of Coffee business.

#### (b) Tanzanian Estates:

The crop for the year under review at 4.85 lakh kgs was lower compared to 5.67 lakh kgs. achieved in 2014-15. Sales were at ₹ 342 lakhs compared to ₹446 lakhs in the previous year. As a result, the working of the Division was adversely impacted.

#### (c) Electromags - Auto Electric Components Division

The turnover for the year was marginally higher at ₹10,418 lakhs compared to ₹10,171 Lakhs in 2014-15. However, the results were marginally impacted due to increase in wages and pressure on selling prices.

#### (d) Healthcare Division:

Healthcare Division performed satisfactorily and reported marginally higher turnover at ₹2370 lakhs compared to ₹2190 lakhs of previous year. Profit margins have also improved due to product mix and lower raw material cost.

### 3. Consolidated Financial Results

The Corporation has prepared Consolidated Financial Statements in accordance with the applicable Accounting Standards as prescribed under the Companies (Accounts) Rules, 2014 of the Companies Act, 2013. The Consolidated Financial Statements reflect the results of the Corporation and those of its subsidiaries and associates. As required under Regulation 33 of the Listing Conditions, the Audited Consolidated Financial Statements together with the Independent Auditors' Report thereon are annexed and form part of this Annual Report.

Consolidated sale of products and services of the Corporation for the year ended 31st March, 2016 was ₹ 896,896 lakhs as compared with ₹ 812,338 lakhs in 2014-2015, registering a growth of 10 %. Consolidated Net Profit for

the year ended 31st March 2016 was higher by 6.75 % at ₹ 38,096 lakhs compared with ₹ 35,687 lakhs in the previous year.

The summarized consolidated financial results are as under:

Particulars	₹ in lakhs)	
	FY 2015-2016	FY 2014-2015
Sale of Products	884,319.62	812,318.27
Sale of Service	12,576.45	20.56
Other Operating Revenues	7,375.27	7,331.73
Other income	14,646.76	15,549.72
Profit before finance costs, exceptional items and tax	122,563.52	86,075.29
Finance costs	4,392.40	4,065.78
Exceptional Items	(1,033.00)	14,606.00
Profit Before Tax	117,138.12	96,075.51
Profit After Tax	38,096.39	35,687.29

#### Subsidiaries and Associate Companies

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, the statement containing the salient features of the financial statements of the Corporation's subsidiaries and associates, the accounts of which have been consolidated with that of the Corporation, forms part of the consolidated financial statements. The said statement also provides the details of performance and financial position of each of the subsidiaries/associates. The Corporation has only one material listed Indian subsidiary, viz. Britannia Industries Limited.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements of the Corporation including the consolidated financial statements, and the audited accounts of each subsidiary, are available on the Corporation's website (<http://bbtcl.com/investor-relations/annual-reports/>)

#### 4. Dividend

Your Directors have recommended payment of dividend @ 50 % i.e ₹1.00/- per share of ₹2/- each (Previous year ₹1.00/- per share). The dividend, if approved by the shareholders at the Annual General Meeting, will be paid to those shareholders whose names appear on the Register of Members of the Corporation at the close of business on 29th July, 2016.

## 5. Internal Financial Controls

The Corporation maintains adequate and effective internal control systems which are commensurate with the nature, size and complexity of its business and ensure orderly and efficient conduct of the Corporation's business. The internal control systems in all Divisions of the Corporation including the Head office are routinely tested and verified by independent Internal Auditors and significant audit observations and follow-up actions are reported to the Audit Committee. The Audit Committee reviews the adequacy and effectiveness of the Corporation's internal control requirement and monitors the implementation of audit recommendations.

The Corporation has in place adequate Internal Financial Controls with reference to Financial Reporting which ensure adherence to the Corporation's policies, safeguarding of its assets, maintaining proper accounting records and providing reliable financial information. During the year, such controls were tested and no reportable material weaknesses in design or operation were observed.

## 6. Risk Management Policy

The Corporation has formulated a Risk Management Policy. Major risks identified by each of the businesses and functions are systematically addressed through mitigating actions on a continuing basis and are reported periodically to the Audit Committee and the Board. The details of the Risk Management functions are covered in the Corporate Governance Report.

## 7. Insurance

The Corporation's plant and machinery, building, stocks and assets are adequately insured.

## 8. Directors' Responsibility Statement

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

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) they have selected such accounting policies and applied them consistently

and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Corporation at the end of the financial year and of the loss of the Corporation for that period;

- iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Corporation and for preventing and detecting fraud and other irregularities;
- iv) they have prepared the annual accounts on a going concern basis;
- v) they have laid down internal financial controls to be followed by the Corporation and that such internal financial controls are adequate and were operating effectively; and
- vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Corporation, reports of the internal, statutory, cost and secretarial auditors duly reviewed by the management and the Board including the Audit Committee, the Board is of the opinion that the Corporation's internal financial controls were adequate and operating effectively during the financial year 2015-16.

## 9. Management Discussion & Analysis

In terms of the provisions of Regulation 34 of the SEBI(LODR) Regulations, 2015, the Management Discussion & Analysis forms part of the Annual Report.

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

Information pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo in accordance with the provisions of clause (m) of sub-section (3) of Section 134 of the Companies Act, 2013, read with Rule 8(3) of The Companies (Accounts) Rules, 2014 is appended as **Annexure A** to this Report.

## 11. Related Party Transactions

The Corporation has formulated a Policy

on Related Party Transactions which is disclosed on its website (<http://bbtcl.com/related-party-transaction-policy/>)

All transactions entered into with related parties as defined under the Companies Act, 2013, Clause 49 of the Listing Agreement and Regulation 2(1)(zc) and Regulation 23 of the SEBI (LODR) Regulations, 2015 during the year under review, were in the ordinary course of business and on an arms' length basis and did not attract the provisions of Section 188 of the Companies Act, 2013. With regard to transactions with Related parties under the provisions of Regulation 23 of the Listing Regulations, 2015, prior approval of the Audit Committee was obtained wherever required.

During the year under review, the Corporation had not entered into any contract/ arrangement /transactions with related parties which could be considered as material in nature.

Disclosures pertaining to transactions with related parties are given in Note no. 34 of the Notes forming part of the Standalone Financial Statements for the year 2015-2016.

## **12. Particulars of Loans, Guarantees and Investments**

The details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in Note nos. 12, 13, and 18 forming part of the Standalone Financial Statements for the year 2015-2016.

## **13. Directors**

Dr. (Mrs.) Sheela Bhide was appointed as Independent Woman Director of the Corporation for a period of five years from 5th August, 2015 to 4th August, 2020 at the Annual General Meeting held on 5th August, 2015.

In accordance with the provisions of Section 152 of the Companies Act, 2013 ('the Act') and the Articles of Association of the Corporation, Mr. Jeh Wadia, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Necessary resolution for his re-appointment as Director has been included in the Notice convening the ensuing Annual General Meeting and requisite details have been provided in the Statement of Material facts under section 102 of the Act

and annexed to the Notice. Your Directors recommend the re-appointment of Mr Jeh Wadia as Director of the Corporation.

During the year under review, Mr. Ashok Panjwani resigned as Managing Director and Director of the Corporation. The Board places on record its appreciation of the services rendered by Mr Panjwani during his tenure as Managing Director of the Corporation.

Mr Ness Wadia was re-appointed as Managing Director of the Corporation for a term of five years with effect from 1st April, 2016 by the Board of Directors subject to the approval of the shareholders, which is being sought at the ensuing Annual General Meeting. Necessary information with respect to the re-appointment of Mr Ness Wadia as Managing Director has been provided in the Statement of material facts under section 102 of the Act and annexed to the Notice .

### **Declaration by Independent Directors:**

The Corporation has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013, that he/ she meets the criteria of independence laid down in Section 149 (6) of the Act and the Listing Regulations.

### **Board Meetings :**

During the year, five Board Meetings were duly convened and held, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two meetings was within the period prescribed under the Companies Act, 2013.

## **14. Key Managerial Personnel**

Mr Amit Chhabra was appointed as Chief Financial Officer of the Corporation with effect from 8th February, 2016.

## **15. Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013, and Regulation 19 of the Listing Regulations, 2015, the Board carried out an annual performance evaluation of its own performance and that of its Committees viz. Audit Committee, Stakeholders' Relationship Committee and Nomination and Remuneration Committee, and of the individual Directors. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.



## 16. Nomination and Remuneration Policy

The Board, on the recommendation of the Nomination & Remuneration Committee, has formulated a Policy for the remuneration of Directors and Senior Management. Brief details of the Policy is provided in the Corporate Governance Report and also posted on the website of the Corporation (<http://bbtcl.com/remuneration-policy/>)

## 17. Statutory Auditors

Pursuant to the provisions of Section 139 of the Companies Act, 2013 ("the Act") and the Rules made thereunder, Messrs. B S R & Co. LLP, Mumbai, Chartered Accountants, were appointed as Statutory Auditors of the Corporation for a period of five years at the Annual General Meeting held on 13th August, 2014, subject to ratification by the members at every Annual General Meeting. M/s. B S R & Co., LLP have submitted a written consent that they are eligible to hold office as Statutory Auditors of the Corporation in terms of Section 139 of the Act and that they also satisfy the criteria provided in Section 141 of the Act. The Auditors have confirmed that they hold a valid Certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India as required under Regulation 33(1)(d) of the SEBI (LODR) Regulations, 2015. Their appointment will be required to be ratified by the Members at the ensuing Annual General Meeting.

## 18. Cost Audit

Pursuant to the provisions of Section 148 of the Companies Act, 2013 ("the Act") read with the relevant Rules, the Board of Directors on the recommendation of Audit Committee, appointed M/s GLS & Associates, (GLS) as Cost Auditors of the Plantations and Auto Electric Components divisions of the Corporation for the financial year 2016-17 at a remuneration of ₹200,000/- (Rupees Two lakhs) plus service tax as applicable and reimbursement of actual out of pocket expenses. The remuneration payable to them is required to be ratified by the shareholders at the ensuing Annual General Meeting.

## 19. Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014,

the Corporation appointed Mr. Tushar Shridharani, Practicing Company Secretary as Secretarial Auditor for the year 2015-2016. The Report of the Secretarial Auditor is appended as **Annexure B**.

With respect to the observation in the Secretarial Audit Report on the office of the Chief Financial Officer having remained vacant for a period of more than six months, it is hereby informed that this was due to non-availability of appropriate candidatures with the requisite qualifications and abilities.

The Corporation has applied to the Central Government for approval of payment of remuneration to Mr. Ness Wadia for the financial years 2014-2015 and 2015-2016 in excess of limits prescribed under the Act and the requisite approvals are awaited.

## 20. Internal Auditors

M/s Ernst & Young LLP were appointed Internal Auditors of the Corporation with effect from 1st October, 2015.

The Board has re-appointed them as Internal Auditors for the Financial year 2016-2017.

## 21. Auditors' Qualifications

There were no qualifications, reservations, adverse remarks or disclaimers made by the Statutory auditors, Internal Auditors or the Secretarial Auditors in their respective reports. The observation of the Secretarial Auditors have been dealt with appropriately in this Report.

## 22. Corporate Governance Report

In accordance with the provisions of the SEBI (LODR) Regulations, 2015, a separate report on Corporate Governance along with the Auditors' Certificate on compliance of the conditions of Corporate Governance is appended to this Report as **Annexure C**.

## 23. Corporate Social Responsibility

The Board of Directors constituted the Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013 comprising of three directors including two Independent Directors. The CSR Policy of the Corporation and initiatives taken by the Corporation with respect to Corporate Social Responsibility during the year under review are in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The

requisite details are appended to this Report as **Annexure D**.

#### **24. Audit Committee**

The composition, powers, role and terms of reference of the Audit Committee are in accordance with the requirements mandated under Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations, 2015. The details of the Audit Committee along with number of meetings held during the period under review are covered in the Corporate Governance Report.

The Corporation has established a vigil mechanism through the Audit Committee, wherein genuine concerns of employees and other Directors could be redressed. Accordingly, a Whistle Blower Policy has been formulated which also provides for adequate safeguards against victimization of employees who express their concerns.

The details of the Whistle Blower Policy is covered in the Corporate Governance Report. The said Policy is available on the website of the Company (<http://www.bbtcl.com/whistleblowerpolicy>).

#### **25. Particulars of Employees**

The information as per Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended to this Report as **Annexure E**.

Having regard to the provisions of the first proviso to Section 136(1) of the Act, the Annual Report is being sent to the members and others entitled thereto, excluding the information on employees' particulars as required under Rule 5(2) of the aforesaid Rules. The said information is available for inspection by the members at the Registered Office of the Corporation during business hours on working days up to the date of the ensuing Annual General Meeting. If any member is interested in obtaining a copy thereof, such member may write to the Company Secretary and the same will be furnished on request.

#### **26. Significant & Material Orders Passed By The Regulators**

There are no significant and material orders passed by the Regulators or Courts or

Tribunals impacting the going concern status and the Corporation's operations in future.

#### **27. Extract Of Annual Return**

The details forming part of the extract of the Annual Return in Form MGT 9 pursuant to the provisions of section 92 of the Act read with Rule 12 of the Companies ( Management and Administration) Rules, 2014 is appended to this Report as **Annexure F**.

#### **28. Business Responsibility Report**

Pursuant to Regulation 32(2)(f) of SEBI(LODR) Regulations, 2015, the Business Responsibility Report of the Corporation for the Financial Year 2015-16 forms part of this Annual Report.

#### **29. Change of Registrar And Share Transfer Agent**

Securities and Exchange Board of India (SEBI) vide its Order PR No. 66/2016 dated 22nd March, 2016 had passed an interim order against the Corporation's Registrar & Transfer Agent, Sharepro Services (India) Pvt. Ltd. ("Sharepro"), inter-alia restraining Sharepro and several entities linked with the management of Sharepro from buying, selling or dealing in the securities market or associating themselves with securities market, either directly or indirectly, in any manner, till further directions. Companies who were clients of Sharepro were also advised by SEBI to change the Registrars.

In line with the SEBI directive and in view of the fact that the Corporation's existing agreement with Sharepro came to an end on 31st March, 2016, the Board appointed M/s. Karvy Computershare Private Limited, ("Karvy") having its Registered Office at "Karvy House" No 46, Avenue 4, Street No. 1, Banjara Hills, Hyderabad 500 034, as the Corporation's Registrar and Transfer Agent with effect from 1st April, 2016.

#### **30. Acknowledgements**

Your Directors would like to thank all customers, shareholders, suppliers, bankers, employees and all other business associates for their continued support.

On behalf of the Board

**Nusli N Wadia**  
Chairman

Mumbai; 27 May, 2016



**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION,  
FOREIGN EXCHANGE EARNINGS & OUTGO**

**(A) CONSERVATION OF ENERGY:**

(1) Steps taken on conservation of Energy :

At Plantation Division :

- a) Rigid emphasis and close monitoring of maintenance of optimum Power factor in Group factories.
- b) Trials with installation of MD controller at Gajam Mudi Factory to prevent Demand surge by way of Tripper Mechanism/ Hooter Alarm.
- c) Optimizing Rating of Pump/ Motor installations in the estates for :
  - i. Reduction in number of motors;
  - ii. Reduction in HP rating;
  - iii. Reduction in Units/ Hour;

These measures have resulted in consequent reduction in power bill and allied reduction in operational personnel by consideration of Timer fitted/ Mobile controlled start/ stop operation dispensing off with pump operator. Overall saving in excess of 5% in energy consumption is expected.

At Auto Electric Components:

Environment Management Programme (LED & Solar lights to reduce consumption from 2000 watts to 1000 watts)

(2) Steps taken for utilizing alternate sources of energy:

The Corporation in partnership with Scalene Energy Water Corporation Ltd. has set up the Bio-Methanation and Waste Water

Treatment Plant at the Elkhill Coffee Estates. Production of bio-gas (which conforms to IS 16087 standards) is increasing gradually and is soon expected to reach the targeted quantity per day. The requirement of water which was earlier 35 litres per kg of coffee has reduced to 0.8 litres per kg of coffee.

**(B) TECHNOLOGY ABSORPTION:**

(i) Efforts made towards Technology Absorption:

At the Plantations, new light weight shears designed by giving inputs to UPASI/TRI with additional features like check nut and washer with bearing. Self sharpening blade with light weight fibre trays were also used to make the new design more effective and user friendly.

At the Auto Electric Components Division , technological development of Solar Home Lighting system and USB Charger Kits are being carried out.

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution:

Benefits from the above measures shall be studied in the current financial year.

(iii) There was no import of technology during the last three years.

**(C) FOREIGN EXCHANGE EARNING AND OUTGO:**

(i) Foreign Exchange earned during the year in terms of actual inflows : ₹6,988.50 Lakhs.

(ii) Foreign Exchange outgo during the year in terms of actual outflows: ₹1068.03 Lakhs.

**Annexure B**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED ON 31 MARCH, 2016

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

To,  
The Members  
The Bombay Burmah Trading Corporation, Limited  
9, Wallace Street, Fort  
Mumbai – 400 001

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by The Bombay Burmah Trading Corporation, Limited (**"the Company"**). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March, 2016 (**"Audit Period"**) 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.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Audit Period according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The erstwhile Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 notified with effect from 15 May, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

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

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

I have also examined compliance with the applicable regulations of the following:

(a) Secretarial Standards issued by The Institute of Company Secretaries of India notified with effect from 1 July, 2015;

(b) The Listing Agreements entered into by the Company with stock exchanges and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified with effect from 1 December, 2015.

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above to the extent applicable; subject to the following:

(a) appointment on 8<sup>th</sup> February, 2016 of Mr. Amit Chhabra as Chief Financial Officer of the Company in a casual vacancy that arose due to resignation of Mr. Jayant S. Gadgil effective 28<sup>th</sup> March, 2015 was beyond requirement of six months from the date of such vacancy in pursuance of sub-section (4) of section 203 of the Act;

(b) the Company is pursuing to seek consents of the Ministry of Corporate Affairs with respect to payments of Managerial Remuneration to Mr. Ness Wadia during financial years 2014-15 and 2015-16 in pursuance of provisions of section 197 (3) of the Act;

Having regard to the compliance system prevailing in the Company and on examination on the test check basis of the relevant records, I further report that the Company has complied with the following laws as are specifically applicable to the Company:

(a) The Tea Act, 1953 and the rules made thereunder;

(b) The Coffee Act, 1942 and the rules made thereunder;

(c) The Plantation Labour Act, 1951 and the rules made thereunder.

**I further report that:**

The Board of Directors of the Company is duly constituted with the 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 notes on agenda were sent 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.

During the Audit Period, all decisions at Board Meetings and Committee Meetings were carried out unanimously.

**I 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.

**I further report that** during the audit period, the Company had no specific event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, regulations, guidelines, standards etc.

Place: Mumbai  
Date: 27<sup>th</sup> May, 2016

**(Tushar Shridharani)**  
Practicing Company Secretary  
FCS 2690 / COP 2190

## Annexure C

**CORPORATE GOVERNANCE REPORT****1. Corporation's Philosophy on Corporate Governance:**

The Corporation believes that good Corporate Governance is a pre-requisite for achieving sustainable corporate growth and enhancing value for all stakeholders in the business.

Good corporate governance emerges from transparency in business dealings and having in place robust systems and processes defining accountability, integrity, fairness and ethics in business practices, thereby fulfilling the responsibilities of corporate citizenship.

**2. Board of Directors:**

The Board of Directors of the Corporation, headed by Mr. Nusli N. Wadia, Non-Executive Promoter Director, comprises of eminent persons with considerable professional experience and expertise in diverse business areas. As on 31<sup>st</sup> March, 2016, the Board comprised of seven (7) Directors out of which four (4) are Independent Directors ( including Woman Director) and one (1) is Executive Director.

During the year under review, five (5) Board Meetings were held, the dates being 22<sup>nd</sup> May 2015; 5<sup>th</sup> August, 2015; 2<sup>nd</sup> November, 2015; 8<sup>th</sup> February, 2016 and 23<sup>rd</sup> March, 2016.

The details of number of Other Directorships and attendance at Board Meetings and Annual General Meetings are as follows:

Name of the Director	Category	No. of Board Meetings attended (out of 5)	Whether attended last AGM held on 5.8.2015	No. of Directorships in other public companies +		No. of Committee positions held in other public companies#	
				Chairman	Member	Chairman	Member
Mr. Nusli N. Wadia, Chairman	Promoter / Non-Executive	5	Yes	3	4	-	-
Mr. A. K. Hirjee, Vice Chairman	Independent	4	Yes	2	2	4	2
Mr. M. L. Apte	Independent	5	Yes	-	5	-	4
Mr. D. E. Udawadia	Independent	5	Yes	1	8	1	6
Mr. Jeh Wadia	Promoter / Non-Executive	5	Yes	-	4	-	2
Dr. (Mrs) Sheela Bhide	Independent	3	Yes	-	4	2	2
Mr. Ness Wadia, Managing Director**	Promoter/ Managing Director	5	Yes	1	5	-	2
Mr. Ashok Panjwani, Managing Director (upto 08/02/2016)**	Managing Director	3	Yes	-	-	-	-

+ Excludes alternate directorship and directorship in foreign companies and private companies which are neither subsidiaries nor holding companies of public companies.

# Excludes Committees other than Audit Committee and Stakeholders' Relationship Committee of Public Limited Companies.

\*\* Mr. Ashok Panjwani resigned as Managing Director and Director of the Corporation with effect from 8<sup>th</sup> February, 2016.

\*\* Mr. Ness Wadia was re-appointed as Managing Director of the Corporation for a term of 5 years w.e.f. 1<sup>st</sup> April, 2016, subject to shareholders' approval.

Note: Mr Nusli N. Wadia, Mr. Jeh Wadia and Mr. Ness Wadia are relatives as per section 2(77) of the Companies Act, 2013 read with Companies (Specification of Definitions Details) Rules, 2014.

Mr. A K Hirjee, Mr. M L Apte and Mr. D E Udwardia were appointed as Independent directors at the 149<sup>th</sup> Annual General Meeting of the Corporation held on 13<sup>th</sup> August, 2014 for a period of five years upto 12<sup>th</sup> August, 2019. Dr.(Mrs) Sheela Bhide was appointed as Independent Director at the 150<sup>th</sup> Annual General Meeting of the Corporation held on 5<sup>th</sup> August, 2015 for a period of five years upto 4<sup>th</sup> August,2020.

### 3. Committees of the Board :

The Board has four Committees: the Audit Committee, the Nomination and Remuneration Committee, the Stakeholders' Relationship Committee and the Corporate Social Responsibility (CSR) Committee.

#### (a) Audit Committee:

The composition, powers, role and terms of reference of the Audit Committee are in accordance with the requirements of section 177 of the Companies Act, 2013 and the Rules made thereunder read with Regulation 18 and Part C of Schedule II of the SEBI (LODR) Regulations, 2015.

The Audit Committee comprises of 3 Independent Directors:

- Mr. M. L. Apte ( Chairman)
- Mr. D. E. Udwardia
- Mr. A. K. Hirjee

Mr. Ness Wadia, Managing Director, Mr Amit Chhabra, Chief Financial Officer, Statutory Auditors and Internal Auditors attend Audit Committee meetings as Invitees. Mr. N H Datanwala, Vice President Corporate and Company Secretary, acts as the Secretary to the Committee.

The role of the Audit Committee flows directly from the Board of Directors' overview function on corporate governance, which holds the management accountable to the Board and the Board accountable to the stakeholders. The terms of reference of the Audit Committee broadly includes review of the Corporation's financial statements, internal financial reporting process, internal financial controls, the audit process, adequacy, reliability and effectiveness of the internal control systems and risk management process, vigil mechanism, related party transactions, monitoring process for compliance with laws and regulations and the Code of Conduct. The Audit Committee also reviews management letters and the responses thereto by the management.

During the year under review, eight ( 8 ) Meetings of the Audit Committee were held, the dates being 29<sup>th</sup> April, 2015; 18<sup>th</sup> May, 2015; 22<sup>nd</sup> May, 2015; 31<sup>st</sup> July, 2015; 7<sup>th</sup> October, 2015; 30<sup>th</sup> October, 2015; 5<sup>th</sup> February, 2016 and 12<sup>th</sup> March, 2016.

Details of attendance of each member at the Audit Committee Meetings are as follows:

<b>Name</b>	<b>No. of Audit Committee Meetings attended</b>
Mr. M. L. Apte	8
Mr. D E. Udwardia	8
Mr. A. K. Hirjee	5

**Internal Audit and Control:**

M/s. S. P. Paramasivan & Co. and M/s. Shanp & Tannan, Goa were the internal auditors upto 30th September 2015 for the plantation & other Division respectively.

M/s. Ernst & Young, LLP were appointed as the internal auditors of the Corporation with effect from 1<sup>st</sup> October, 2015.

The appointment and remuneration of the internal auditors and the internal audit plan are approved by the Audit Committee.

The reports and findings of the internal auditor and the internal control system are periodically reviewed by the Audit Committee.

**Vigil Mechanism/ Whistle Blower Policy:**

The Corporation believes in the conduct of the affairs of its constituents in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior. Towards this end, the Corporation has implemented a Whistle Blower Policy, with a view to provide a mechanism for employees and Directors of the Corporation to approach the Ethics Committee or Chairman of the Audit Committee of the Corporation to report instances of violations of laws, rules and regulations, unethical behavior, actual or suspected, fraud or violation of the Corporation's code of conduct or ethics policy. The vigil mechanism also provides adequate safeguards against victimisation of persons who use such mechanisms and also to ensure direct access to the Ethics Committee or Chairman of the Audit Committee in appropriate or exceptional cases.

**(b) Nomination and Remuneration Committee:**

The composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the SEBI (LODR) Regulations, 2015.

The Committee has also adopted the NRC Charter.

The Nomination and Remuneration Committee (NRC) comprises of 3 Independent Directors and 1 Non-Executive Promoter Director:

- Mr. M. L. Apte (Chairman)
- Mr. Nusli N. Wadia
- Mr. A. K. Hirjee
- Mr. D. E. Udawadia

The broad terms of reference of the Nomination and Remuneration Committee include :

- Recommend the set up and composition of the Board, its committees and the leadership team of the Corporation comprising of Key Managerial Personnel ("KMP") as defined by the Companies Act, 2013) and executive team (as defined by the Committee);
- Evaluation of performance of the Board, its committees and individual directors;
- Appointment and Remuneration of directors, KMP and KRAs for the Business Heads Oversight of the familiarisation programme of directors.
- Oversight of the HR Philosophy, HR and People Strategy and key HR practices.
- Board Performance Evaluation.

During the year under review, 3 meetings of the Committee were held on 22<sup>nd</sup> May, 2015, 5<sup>th</sup> February, 2016 and 23<sup>rd</sup> March, 2016.

Name	No. of NRC Meetings attended
Mr. M. L. Apte	3
Mr. Nusli N. Wadia	3
Mr. A. K. Hirjee	3
Mr. D. E. Udwadia	3

**Remuneration Policy:**

Pursuant to the provisions of the Companies Act, 2013 and Regulation 19 of the SEBI(LODR) Regulations,2015, the Remuneration Policy was formulated and adopted by the NRC/ Board.

The broad objectives of the Policy are :

- to evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board;
- to recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management;
- to provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Corporation's operations; and
- to retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

(i) Remuneration to Executive Directors :

The remuneration structure of Managing Director comprises of basic salary, special allowance, perquisites and retiral benefits and performance bonus as may be decided by the NRC, subject to the overall limits of remuneration governed by the respective shareholders' approval.

Details of remuneration paid to Managing Directors during the year 2015-16 are given below:

( In rupees)

	Salary (including allowances and bonus)	Contribution to Provident & other Funds excluding Gratuity	Perquisites in cash or kind
Mr. Ashok Panjwani	8,527,365	2,302,388	2,495,808
Mr. Ness Wadia	28,274,400	5,089,392	724,000

The Corporation has not granted any stock options to its wholtime directors during the year. Mr. Ness Wadia holds 5000 Shares in the Corporation.

Although there has been no increase in the remuneration paid to Mr. Ness Wadia in the FY 2015-2016, in view of inadequacy of profits, the Corporation has applied to the Central Government for approval to the payment of the same remuneration to Mr. Ness Wadia as it is in excess of the limits prescribed by Schedule V of the Companies Act, 2013.

The application has been made as Mr. Ness Wadia holds direct and indirect interest in the capital of the Corporation, although the condition of holding professional qualification is satisfied under the aforesaid Circular.

(ii) Remuneration to Non- Executive Directors:

The Non-Executive Directors do not draw any remuneration from the Corporation other than sitting fees and such commission not exceeding 1% of the net profits of the Corporation as approved by the shareholders and computed in the manner laid down in section 198 of the Companies Act, 2013, as may be determined by the Board from time to time. In view of inadequacy of profits, no commission has been paid to the Non-Executive Directors.

Details of payments made to Non-Executive Directors during the year 2015-16 are given below:

(In Rupees)

Name of Director	Sitting fees for Board and Committee Meetings	Total No. of Shares held in the Corporation as on 31 <sup>st</sup> March, 2016
Mr. Nusli N. Wadia	160,000	61,41,505
Mr. A. K. Hirjee	360,000	1,750
Mr. M. L. Apte	460,000	Nil
Mr. D. E. Udhwadia	340,000	Nil
Mr. Jeh Wadia	120,000	3,500
Dr. (Mrs) Sheela Bhide	80,000	Nil

During the year ended 31<sup>st</sup> March, 2016, the Corporation paid ₹ 1,10,000/- to the law firm M/s. Udhwadia & Co. as fees for professional services provided by it from time to time. Mr. D. E. Udhwadia is the proprietor of the above concern. The Corporation has received confirmation from M/s. Udhwadia & Co. that the professional fees paid during the year ended 31<sup>st</sup> March, 2016 to it is less than 10% of the gross turnover of the firm.

#### **Evaluation of Performance of the Board, Its Committees and Individual Directors**

Pursuant to the provisions of the Companies Act, 2013 ("Act") and the corporate governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as may be applicable), the Board of Directors ("Board") has carried out an annual evaluation of its own performance, and that of its Committees and individual directors.

The performance of the Board and individual directors was evaluated by the Board seeking inputs from all the Directors. The performance of the Committees was evaluated by the Board seeking inputs from the Committee members. The Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual Directors. A separate meeting of Independent Directors was also held to review the performance of non-independent Directors, performance of the Board as a whole and performance of the Chairman of the Corporation, taking into account the views of executive Directors and non-executive Directors. This was followed by a Board meeting that discussed the performance of the Board, its Committees and individual Directors.

The criteria for performance evaluation of the Board included aspects like Board composition and structure, effectiveness of Board processes, information and functioning etc. The criteria for performance evaluation of Committees of the Board included aspects like composition of committees, effectiveness of committee meetings etc. The criteria for performance evaluation of the individual directors included aspects on contribution to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc. In addition, the Chairman was also evaluated on the key aspects of his role.

#### **(c) Stakeholders' Relationship Committee:**

The composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations, 2015.

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

- i) To look into the redressal of grievances such as transfer of security, non-receipt of annual reports, dividends, interest etc. of shareholders of the Corporation;



- ii) To approve and monitor transfers, transmission, splitting, consolidation, dematerialisation, rematerialisation of securities issued by the Corporation;
- iii) To carry out the functions as envisaged under the Code of Conduct to regulate, monitor and report trading by insiders and code of practices and procedures for fair disclosures of unpublished price sensitive information adopted by the Corporation in terms of Regulations 8(1), 9(1) and 9(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Stakeholders' Relationship Committee (SRC) comprises of two Independent Directors and 1 Promoter-Executive Director :

- Mr. A. K. Hirjee (Chairman)
- Mr. M. L. Apte
- Mr. Ness Wadia

During the year under review, five meetings of this Committee were held, the dates being 22<sup>nd</sup> May, 2015; 5<sup>th</sup> August, 2015; 2<sup>nd</sup> November, 2015, 5<sup>th</sup> February, 2016 and 31<sup>st</sup> March, 2016.

Name of Director	No. of Meetings attended
Mr. A. K. Hirjee	4
Mr. M. L. Apte	5
Mr. Ness Wadia	5

The Board has given authority to any two Directors residing in Mumbai to approve the transfer deeds presented in respect of transfer of shares of the Corporation held in physical form. The transfer deeds are sent to the directors every week for their approval and the same are confirmed at the subsequent Board Meeting.

All shares received for transfer which were correct and valid in all respects, were registered and dispatched within 15 days of receipt of the documents. During the year under review, Transfer Deeds were sent 23 times for the approval of the Directors.

Mr. N.H. Datanwala, Vice President Corporate & Company Secretary is the Compliance Officer of the Corporation.

No. of shareholders' complaints received during the year	32
No. of complaints not resolved to the satisfaction of shareholders	Nil
No. of pending share transfers	Nil

Note: The Corporation has designated an e-mail ID exclusively for registering complaints by investors and investors can reach the Corporation at [investorservices@bbtcl.com](mailto:investorservices@bbtcl.com)

**(d) Corporate Social Responsibility (CSR) Committee:**

The CSR Committee's constitution and terms of reference are in compliance with provisions of the Section 135 of the Companies Act, 2013.

The CSR Committee consists of two Independent Directors and one Promoter Non- Executive Director :

- Mr. A. K. Hirjee (Chairman)
- Mr. M. L. Apte
- Mr. Jeh Wadia

During the year, one meeting of the CSR Committee was held on 23<sup>rd</sup> March, 2016 wherein all the members were present

The broad terms of reference of the CSR Committee include:

- (i) formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy which shall indicate the activities to be undertaken by the Corporation as specified in Schedule VII;
- (ii) recommend the amount of expenditure to be incurred on the activities referred to in clause (i); and
- (iii) monitor the CSR Policy of the Corporation from time to time.

**(e) Independent Directors' Meeting:**

During the year under review, a separate meeting of the Independent Directors was held on March 23, 2016, inter alia, to discuss:

- performance of non-independent Directors and the Board as a whole;
- performance of the Chairman;
- the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The meeting was attended by all the Independent Directors to enable them discuss matters pertaining to the Corporation's affairs and put forth their combined views to the Board of Directors.

**Familiarisation program for Independent Directors**

The Board members are provided with necessary documents, reports and internal policies to enable them familiarize themselves with the Corporation's procedures and practices. Detailed presentations on the overall business, division-wise performance, business strategy, risks involved and mitigation measures adopted are made at Board / Audit Committee meetings. Details of the familiarization module are given in the Corporation's website <http://bbtcl.com/corporate-governance/>

**4. General Body Meetings:**

- (a) Location and time of Annual General Meetings held in the three previous years and Special resolutions passed thereat:

Sr. No	Date and Time of AGM	Venue	Special Resolutions passed
1	7 <sup>th</sup> August, 2013 at 3.45 pm	Rama Watumull Auditorium, Dinshaw Wachha Road, Mumbai 400020	Approval under section 309(4) read with Section 309(7) of the Companies Act, 1956 to pay its Directors (other than Managing Director or the Whole time director) commission not exceeding 1% of the net profits of the Corporation for each of five financial years commencing from 1 <sup>st</sup> April, 2013.

Sr. No	Date and Time of AGM	Venue	Special Resolutions passed
2	13 <sup>th</sup> August, 2014 at 4.00 pm	Y. B. Chavan Auditorium, Gen Jagannath Bhosale Marg, Mumbai 400021	1) Consent of the Corporation under section 180(1)(c) of the Companies Act, 2013 to borrow monies upto ₹600 crores over and above the aggregate of the paid-up Capital and free reserves;  2) Consent of the Corporation under section 180(1)(a) of the Companies Act, 2013 to create charges, hypothecation etc. on its assets upto ₹600 crores over and above the aggregate of the paid-up Capital and free reserves;
3	5 <sup>th</sup> August, 2015 at 3.45pm	Y. B. Chavan Auditorium, Gen Jagannath Bhosale Marg, Mumbai 400021	Approval under Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and rules made thereto to pay remuneration to Mr. Ness Wadia, Managing Director with effect from April, 01, 2014, on the terms and conditions as recommended by the NRC for the remaining period of his tenure ie. Up to March, 31, 2016.

(b) Whether any Special Resolutions were passed last year through postal ballot: No.

(c) Whether any Special Resolution is proposed to be passed through postal ballot this year: Currently, there is no proposal to pass any Special resolution through Postal Ballot. Special resolutions by way of Postal Ballot, if required to be passed in the future, will be decided at the relevant time.

## 5. Other Disclosures:

(a) Related Party Transactions :

The Corporation has formulated a policy on Related Party Transactions and also on dealing with Related Party Transactions. The policy is disclosed on the website of the Corporation <http://bbtcl.com/related-party-transaction-policy/>. All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the Listing Regulations, 2015 during the financial year were in the ordinary course of business and on an arms' length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. However in compliance with the requirement of the aforesaid Regulation 23, prior approval of the Audit Committee was sought for entering into the Related Party Transactions wherever required.

All transactions with related parties are reported to the Audit Committee periodically. None of the transactions during the year under review was in conflict with the interests of the Corporation. Suitable disclosure as required by AS-18 has been made under Note No. 34 of the Notes to Standalone Financial Statements for the year 2015-16.

(b) Accounting Treatment :

In the preparation of the financial statements, no treatment materially different from that prescribed in Accounting Standards had been followed.

(c) Risk Management:

A detailed review of business risks and the Corporation's plan to mitigate them is presented to the Audit Committee and Board. The Corporation has been taking steps to mitigate foreseeable business risks. Business risk evaluation and management is an ongoing and continuous process within the Corporation and regularly updated to the Audit Committee and Board.

(d) Code of Conduct:

The Corporation has laid down a Code of Conduct for the members of the Board as well as for all employees of the Corporation. The Code has also been posted on the Corporation's website - <http://bbtcl.com/corporate-governance/>

The Managing Director has confirmed and declared that all members of the Board and Senior Management have affirmed compliance with the Code of Conduct.

(e) Details of non-compliance by the Corporation, penalties, and strictures imposed on the Corporation by Stock Exchange or Securities and Exchange Board of India or any statutory authority, on any matter related to capital markets, during the last three years: None.

(f) CEO/ CFO Certification:

Mr. Ness Wadia, Managing Director, and Mr. Amit Chhabra, CFO, have provided the Certificate to the Board in accordance with Regulation 33 of the Listing Regulations, 2015 pertaining to CEO/ CFO certification for the financial year ended 31<sup>st</sup> March, 2016.

(g) Code for Prevention of Insider Trading:

The Corporation has adopted a Code of Conduct to regulate, monitor and report trading by insiders and code of practices and procedures for fair disclosures of unpublished price sensitive information in terms of Regulations 8(1), 9(1) and 9(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code has also been posted on the Corporation's website <http://bbtcl.com/corporate-governance/>

All Promoters, Directors, Key Managerial Persons and other Specified persons who could have access to unpublished price sensitive information of the Corporation are governed by this Code.

(h) Disclosures under the Prevention of Sexual Harassment of Women at Workplace( Prevention, Prohibition and Redressal) Act, 2013;

The Corporation has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at workplace.

The Corporation has not received any complaint on sexual harassment during the financial year 2015-2016.

(i) Details of compliance with mandatory requirements and discretionary requirements Revelation 27:

The Corporation has complied with all the mandatory requirements of Corporate Governance. As regards the discretionary requirements, the extent of compliance has been stated in this report against each item.

**6. Means of Communication:**

(i) Quarterly/ Annual results :

The unaudited quarterly and half yearly results are announced within forty-five days from the end of the quarter/half-year and the audited annual results within sixty days from the end of the last quarter as stipulated under the Listing Agreement with the Stock Exchanges and are sent to the Stock Exchanges immediately after these are approved by the Board.

(ii) Publication of Quarterly/Annual results:

The results are sent to the Stock Exchanges immediately on approval by the Board and are published in The Free Press Journal (English) and Navshakti ( Marathi).

(iii) Website where displayed: <http://www.bbtcl.com>

(iv) Whether website also displays official news releases: As and when applicable.

(v) Whether presentations made to institutional investors or to the analysts: No

(vi) Whether Management Discussion and Analysis Report forms part of the Annual Report : Yes

**7. General Shareholder Information :**

**(a) AGM : Date, Time and Venue:**

Friday, 5<sup>th</sup> August, 2016 at 4.00 pm at Rama & Sundri Watumull Auditorium, K.C. College, Dinshaw Wachha Road, Mumbai 400020.

**(b) Financial Calendar (tentative):**

Financial reporting for the quarter ending June, 2016	By 15 <sup>th</sup> August, 2016
Financial reporting for the quarter ending September, 2016	By 15 <sup>th</sup> November, 2016
Financial reporting for the quarter ending December, 2016	By 15 <sup>th</sup> February, 2017
Financial reporting for the year ending 31 <sup>st</sup> March, 2017	By 30 <sup>th</sup> May, 2017
Annual General Meeting for the year ending 31 <sup>st</sup> March, 2017	Last week of July/first week of August, 2017

**(c) Book closure period:** 30<sup>th</sup> July, 2016 to 5<sup>th</sup> August, 2016 (both days inclusive).

**(d) Dividend payment date:** 10<sup>th</sup> August, 2016.

**(e) Listing on Stock Exchanges:** The Corporation's Securities are listed at

(1) BSE Limited, Mumbai; and

(2) The National Stock Exchange of India Ltd., Mumbai.

Listing fees as prescribed, have been paid to the aforesaid Stock Exchanges upto March, 2017.

**(f) Stock Code:**

BSE Ltd. : 501425

National Stock Exchange of India Ltd. : BBTC EQ

**(g) Stock Market Data:** Please see Annexure 1.

**(h) Stock Performance:** Please see Annexure 2.

**(i) Registrar & Transfer Agents:**

The Corporation's agreement with M/s. Sharepro Services(India) Ltd. (Sharepro) to act as Registrar & Transfer Agent ended on 31<sup>st</sup> March, 2016. In view of SEBI's Order against Sharepro, the Corporation has initiated the process of share audit, the report of which is awaited as at the date of this Report.

Karvy Computershare Pvt. Ltd were appointed as the Registrar and Transfer Agent (R&TA) with effect from 1<sup>st</sup> April, 2016 to handle the entire share registry work, both physical and electronic. Accordingly, all documents, transfer deeds, demat requests and other communications in relation thereto should be addressed to the R&TA at its following offices:

**Karvy Computershare Pvt. Ltd.**

**Unit: The Bombay Burmah Trading Corporation, Limited**

Karvy Selenium Tower B, Plot 31-32, Gachibowli,  
Financial District, Nanakramguda, Hyderabad – 500 032

Email Id: einward.ris@karvy.com

Phone: +91 40 6716 2222; Fax No: +91 40 2342 0814

Website: www.karvycomputershare.com

E-mail: einward.ris@karvy.com

**(j) Share Transfer System:**

Share transfers in physical form are registered within a period of 7 to 15 days from the date of receipt in case documents are complete in all respects. The total number of transfers/transmissions received and total number of shares transferred/transmitted during the year 1<sup>st</sup> April, 2015 to 31<sup>st</sup> March, 2016 were:

Particulars	No. of Transfers	No. of Shares
Transfers	35	25,450
Transmission	33	54,400
Total	68	79,850

**(k) Dematerialisation of shares:**

The Corporation's shares are available for dematerialization with both the Depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). 87.80 % of the paid-up capital of the Corporation were held in dematerialized form as on 31<sup>st</sup> March, 2016.

**(l) (i) Distribution of shareholding as on 31<sup>st</sup> March, 2016.**

Group of Shares	No. of Shareholders	No. of Shares held	% of Total Shares
1 to 500	14211	20,93,683	3.00
501 to 1000	1443	12,04,073	1.72
1001 to 2000	922	14,11,454	2.02
2001 to 3000	449	11,55,849	1.65
3001 to 4000	202	7,05,862	1.01
4001 to 5000	126	5,08,429	0.83
5001 to 10000	265	18,43,738	2.66
10001 and above	219	6,07,76,812	87.11
<b>Total</b>	<b>17837</b>	<b>6,97,71,900</b>	<b>100.00</b>

**2) Shareholding pattern as on 31<sup>st</sup> March, 2016.**

	No. of Shares held	% of Shares
Promoter Group*	4,59,85,745	65.91
Financial Institutions/Banks	1,59,490	0.23
Insurance Companies	6,75,400	0.97
Mutual Fund & Unit Trust of India	29,02,171	4.16
FIs and Foreign Banks	100	0.00
Others	2,00,48,994	28.73
<b>Total</b>	<b>6,97,71,900</b>	<b>100.00</b>

\*Promoter Group includes Mr. Nusli N. Wadia and his relatives in terms of Section 2 (77) of the Companies Act, 2013, Archway Investments Company Limited, Nowrosjee Wadia & Sons Limited, N W Exports Limited, National Peroxide Limited, Naperol Investments Limited, Sunflower Investments & Textiles Pvt. Ltd., Wadia Investments Limited, Go Investment & Trading Pvt. Ltd., Nesville Trading Pvt. Ltd. And Varnilam Investment & Trading Co. Ltd.

**(m) Audit of Reconciliation of Share Capital:**

As stipulated by SEBI, a qualified Practicing Company Secretary carries out the Audit of Reconciliation of Share Capital to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and paid up capital. This audit is carried out every quarter and the report there on is submitted to the Stock Exchanges, NSDL and CDSL and is placed before the Board. The audit, inter alia, confirms that the total issued and paid up capital of the Corporation is in agreement with the aggregate of the total number of shares in dematerialized form held with NSDL and CDSL and total number of shares in physical form.

**(n) Unpaid Dividend :**

In terms of Section 205C of the Companies Act, 1956 read with the Investor Education and Protection Fund (Awareness and Protection of Investor) Rules, 2001, during the year ended 31 March 2016, the Corporation has transferred an amount of ₹619,891/- being unpaid dividend pertaining to the FY 2007-2008 to the Investor Education and Protection Fund (IEPF).

**(o) Plant Locations:**

Tea and Coffee Estates	1) Mudis Group of Estates, Mudis P.O., Coimbatore Dist. Tamil Nadu, 642117 2) Singampatti Group of Estates, Manjolai P.O Tirunelveli Dist. Tamil Nadu, 627420 3) Dunsandle Estate, Dunsandle P.O., Ootacamund, Nilgiri Dist., Tamil Nadu 643 005 4) Elk Hill Group of Estates, P.O. Box No.12, Sidapur P & T.O., South Coorg, Karnataka 571253 5) Usambara Group, Marvera & Herkulu Estate, P.O. Box 22, Soni, Tanzania
Auto Ancillary Division	Plot no. 128-133, Illrd Cross Street, Nehru Nagar, Kottivakkam, Tiruvanmiyur, Chennai, Tamil Nadu 600041
Dental Products of India Division	Plot No.161-B, Village Danpur, Rudrapur Kashipur Road, Paragana-Rudrapur, Tehsil Kichha, Udham Singh Nagar, Uttarakhand 263153
Weighing Products Division	Plot 304, New GIDC, Gundlav, Valsad, Gujarat 396035

Registered Office: 9, Wallace Street, Fort, Mumbai 400001.

Email: [bbtcl@bom2.vsnl.net.in](mailto:bbtcl@bom2.vsnl.net.in)

**(p) Green Initiative :**

By virtue of Ministry of Corporate Affairs ("MCA") Circular Nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively, read with Rule 11 of the Companies (Accounts) Rules, 2014, service of documents may be made to members through electronic mode.

The Corporation has been sending Annual Reports in the past few years by email to all those

members whose email addresses are registered in the member records as maintained by the Registrar and Transfer Agent. Physical copies are also provided to such members on specific request.

We therefore appeal to the members to join the 'Green Initiative' and request the members to register their name for receiving the said documents in electronic mode by sending an email giving their Registered Folio Number and/or DP Id/Client ID to the Registrars, Karvy Computershare Pvt. Ltd. at email id: einward.ris@karvy.com.

**8. Discretionary Requirements :**

**1. Chairman's office expenses:**

The Corporation reimburses secretarial and travel expenses incurred by the Chairman's office in the performance of his duties on time-spent basis.

**2. Shareholder rights:**

As the Corporation's quarterly and half yearly results are published in English and regional newspapers having adequate circulation and are also posted on its website, they are not sent separately to the shareholders other than on receipt of specific request from any shareholder in this regard.

**3. Qualifications in Financial Statements :**

There are no qualifications in the Auditors' Report on the accounts for the year 2015-2016.

**4. Report of internal audit:**

The Internal Auditors report directly to the Audit Committee.

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**DECLARATION**

As provided under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to confirm that all the Directors and Members of Senior Management have affirmed compliance with the Code of Conduct for the financial year ended 31<sup>st</sup> March, 2016.

For The Bombay Burmah Trading Corporation, Limited

Ness Wadia  
Managing Director

Mumbai, 27<sup>th</sup> May, 2016



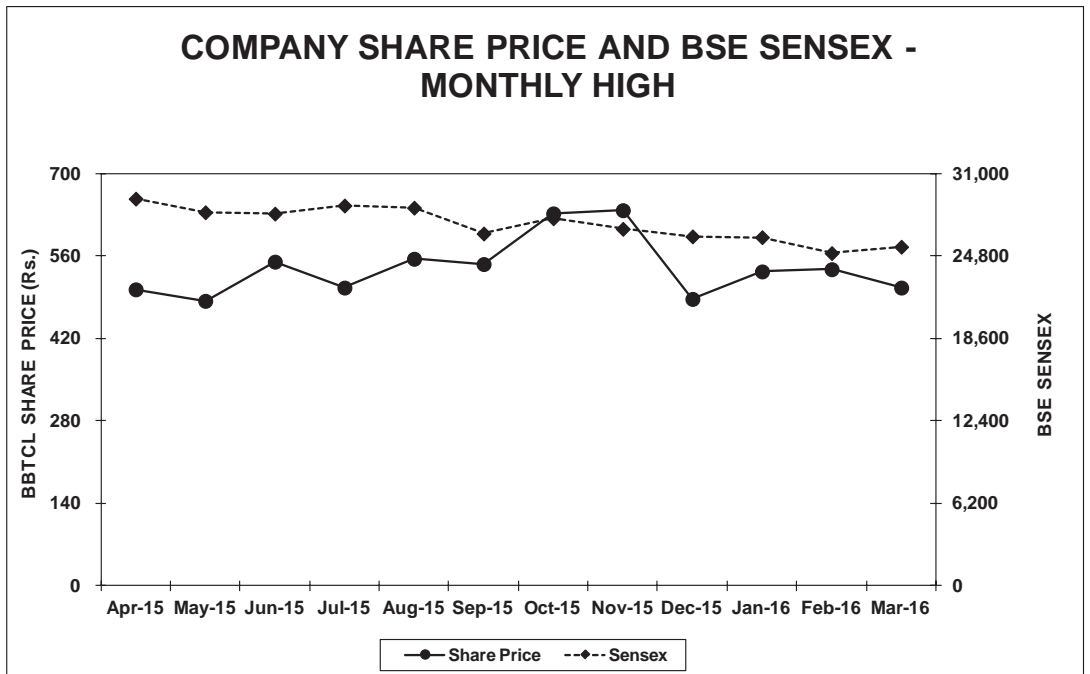
**Annexure 1**

**STOCK MARKET DATA 2015-16**

Month	Month's High Price (In ₹)		Month's Low Price(In ₹)		No. of Shares Traded		No. of Trades	
	BSE	NSE	BSE	NSE	BSE	NSE	BSE	NSE
Apr-15	506.00	506.00	393.75	392.10	1645883	325810	85440	101513
May-15	554.90	554.90	405.00	414.00	1838201	4821644	68212	150238
Jun-15	545.95	573.95	462.45	463.00	1297623	3443337	43699	114444
Jul-15	631.95	632.30	492.00	491.00	1671093	5433067	51542	154344
Aug-15	637.50	637.70	417.60	418.00	1825933	3728496	44664	119999
Sep-15	486.75	479.90	429.30	431.00	444909	1081900	15511	47645
Oct-15	533.40	533.75	478.05	482.50	701942	1560876	23747	63988
Nov-15	537.75	539.00	480.00	479.00	389311	1124587	17284	43321
Dec-15	517.75	511.70	432.95	430.10	495264	1353720	17041	53531
Jan-16	506.00	506.40	385.50	386.00	261232	647615	9012	30489
Feb-16	436.10	433.90	311.00	310.00	151753	434740	9197	20878
Mar-16	394.45	394.91	332.50	327.30	228575	782639	10565	25099

**Annexure 2**

**COMPANY SHARE PRICE AND BSE SENSEX- MONTHLY HIGH**



**CERTIFICATE**

**Auditors' certificate on Corporate Governance**

**To the Members of The Bombay Burmah Trading Corporation, Limited**

We have examined the compliance of conditions of Corporate Governance by The Bombay Burmah Trading Corporation, Limited ('the Company'), for the year ended 31 March 2016, as stipulated in Clause 49 of the Listing Agreement ('Listing Agreement') of the Company with the stock exchanges for the period 1 April 2015 to 30 November 2015 and as per regulations 17-27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the period 1 December 2015 to 31 March 2016.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as specified in clause 49 of the Listing Agreement or regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraphs C, D and E of Schedule V of the Listing Regulations, as applicable.

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

**Restrictions on Use**

This Certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

For **B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration No: 101248W/W-100022

**Vijay Bhatt**  
Partner  
Membership No: 036647

Mumbai, 27 May, 2016

**REPORT ON CSR ACTIVITIES – FINANCIAL YEAR 2015-2016**

1. Web-link to the Corporation's CSR Policy and projects / programs:  
<http://bbtcl.com/corporate-social-responsibility/>
2. The Composition of the CSR Committee:  
 The Committee comprises of Mr. A. K. Hirjee, Mr. M. L. Apte, (Independent Directors) and Mr. Jeh Wadia (Promoter Director).
3. Average net profit of the company for last three financial years: ₹1,150.46 lakhs.
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): ₹23.01 lakhs
5. Details of CSR spent during the financial year:
  - (a) Total amount to be spent for the financial year: ₹23.01 lakhs
  - (b) Amount unspent, if any : Nil
  - (c) Manner in which the amount spent during the financial year is detailed below.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR Project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other; (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise ₹in lakhs	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on project or programs; (2) Overheads ₹in lakhs	Cumulative expenditure up to the reporting period ₹ in lakhs	Amount spent: Direct or through implementing agency ₹ in lakhs
1.	Public Roads through the Estates	Transportation Infrastructure	Mudis, Singampatti, and Dunsandle Estates (Tamil Nadu)	20.00	43.10	43.10	Direct
2.	Maintenance of buildings for community benefits including water supply thereto	Housing	Mudis, Singampatti and Dunsandle Estates (Tamil Nadu)	2.00	2.81	2.81	Direct
3.	Maintenance of school buildings	Infrastructure	Mudis, Singampatti and Dunsandle Estates (Tamil Nadu)	1.10	0.86	0.86	Direct
	<b>TOTAL</b>			<b>23.10</b>	<b>46.77</b>	<b>46.77</b>	

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

For The Bombay Burmah Trading Corporation, Ltd.

For and on behalf of the CSR Committee of  
The Bombay Burmah Trading Corporation, Ltd.

Nusli N. Wadia  
Chairman

A. K. Hirjee  
Chairman, CSR Committee

Mumbai : 27th May, 2016

## Annexure 'E'

**Statement of Disclosure of Remuneration Under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- i. Ratio of the remuneration of each Managing Director to the median remuneration of the employees of the Corporation for the financial year 2015-16, the percentage increase in remuneration of Key Managerial Personnel during the financial year 2015-16.

S. No.	Name of Director/ KMP	Designation	Ratio of remuneration of each Director to median remuneration of employees	Percentage increase in Remuneration
1.	Ness Wadia	Managing Director	336.5	Nil
2.	Ashok Panjwani (upto 8.2.2016)	Managing Director	131.5	Nil
3.	Nitin H. Datanwala	Vice President Corporate & Company Secretary	Not applicable	7.50%
4	Amit Chhabra	Chief Financial Officer	Not applicable	Not applicable*

- \* Since the CFO joined the Corporation during the year 2015-2016.

**Note :**

- a) The Non-Executive Directors of the Corporation were paid only sitting fees during the year under review, the details of which are provided in the Corporate Governance Report and the Extract of Annual Return. The ratio of remuneration and percentage increase for Non-Executive Directors' Remuneration is therefore not considered for the purpose above.
- b) There was no increase in the remuneration of Managing Directors in the financial year 2015-16 as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- c) Employees for the purpose above includes all employees at all divisions of the Corporation.
- ii. The percentage increase in the median remuneration of employees for the financial year 2015-2016 was 4.2 %.
- iii. There are 5252 permanent employees on the pay roll of the Corporation as on 31<sup>st</sup> March, 2016.
- iv. Relationship between average increase in remuneration and Corporation's performance:

Out of the 5252 employees of the Corporation, over 4600 are employed in the Plantations Division which is governed by the Plantation Labour Act, 1951. Wage settlements and periodic revisions are determined by the Planters' Associations of the respective States in which the Estates are situated and in case of staff salaries, by the United Planters Association of South India. As a result, average increase in remuneration of about 89% of the employees of the Corporation is not relatable to the performance of the Corporation.

- v. The revenues for FY 2015-2016 were 3.43 % lower than that of FY 2014-2015. Average increase in remuneration of MDs and KMPs in FY 2014-2015 was 2.50%.
- vi. The closing share price at BSE as on 31.3.2016 was ₹ 368.05 and at NSE was ₹ 366.80 on a face value of ₹ 2/- and the market capitalization as on 31.3.2016 was ₹ 2567.95 crores as compared to ₹ 3067.17 crores as on 31.3.2015.
- vii. P/E ratio as at 31.3.2016: not applicable in view of loss; as at 31.3.2015: 435.25.
- viii. During the year 2015-2016, no employee was paid remuneration in excess of the highest paid Managing Director.
- ix. The remuneration paid during the year 2015-2016 is as per the Remuneration Policy of the Corporation.

**FORM NO. MGT 9**

**Annexure 'F'**

**EXTRACT OF ANNUAL RETURN**

as on financial year ended on 31.03.2016

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

**I. REGISTRATION AND OTHER DETAILS:**

i	CIN	L99999MH1863PLC000002
ii	Registration Date	04/09/1863
iii	Name of the Company	THE Bombay Burmah Trading Corporation, Ltd
iv	Category/Sub-category of the Company	Limited Company
v	Address of the Registered office & contact details	9, Wallace Street, Fort, Mumbai 400001
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Karvy Computershare Pvt. Ltd Karvy House No.46, Avenue 4, Street no. 1 Banjara Hillsa, Hyderabad 500034

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sl. No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Tea	1271	36.79
2	Coffee	1272	7.51
3	Autoancillary	2930,0271,0273	43.07
4	Dental Products	3250	9.74

**III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES**

Sl. No.	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD*	APPLICABLE SECTION
1	AFCO Industrial & Chemicals Ltd	U24110MH1983PLC012744	Subsidiary	100	<b>2(87)</b>
2	Sea Wind Investment & Trading CO.Ltd	U65993MH1988PLC047564	Subsidiary	100	<b>2(87)</b>
3	DPI Products & Services Ltd	U85100MH1962PLC012345	Subsidiary	100	<b>2(87)</b>
4	Subham Viniyog Private Ltd.	U65990MH1987PTC042358	Subsidiary	100	<b>2(87)</b>
5	Leila Lands Sdn. Bhd	Foreign Company	Subsidiary	100	<b>2(87)</b>

Sl. No.	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD*	APPLICABLE SECTION
6	Naira Holdings Limited	Foreign Company	Subsidiary	100	<b>2(87)</b>
7	Island Horti-Tech Holdings Pte. Limited	Foreign Company	Subsidiary	100	<b>2(87)</b>
8	Leila Lands Limited	Foreign Company	Subsidiary	100	<b>2(87)</b>
9	Restpoint Investments Limited	Foreign Company	Subsidiary	100	<b>2(87)</b>
10	Island Landscape & Nursery Pte. Limited	Foreign Company	Subsidiary	100	<b>2(87)</b>
11	ILN Investments Pte. Limited	Foreign Company	Subsidiary	100	<b>2(87)</b>
12	Innovative Organics Inc.	Foreign Company	Subsidiary	58.80%	<b>2(87)</b>
13	ABI Holding Limited	Foreign Company	Subsidiary	100	<b>2(87)</b>
14	Britannia Brands Limited	Foreign Company	Subsidiary	100	<b>2(87)</b>
15	Associated Biscuits International Limited	Foreign Company	Subsidiary	100	<b>2(87)</b>
16	Dowbiggin Enterprises Pte. Limited	Foreign Company	Subsidiary	100	<b>2(87)</b>
17	Nacupa Enterprises Pte. Limited	Foreign Company	Subsidiary	100	<b>2(87)</b>
18	Spargo Enterprises Pte. Limited	Foreign Company	Subsidiary	100	<b>2(87)</b>
19	Valletort Enterprises Pte. Limited	Foreign Company	Subsidiary	100	<b>2(87)</b>
20	Bannatyne Enterprises Pte. Limited	Foreign Company	Subsidiary	100	<b>2(87)</b>
21	Granum Inc.	Foreign Company	Subsidiary	58.80%	<b>2(87)</b>
22	Britannia Industries Limited	L15412WB1918PLC002964	Subsidiary	50.75	<b>2(87)</b>
23	Boribunder Finance & Investments Private Limited	U65990MH1983PTC030883	Subsidiary	100	<b>2(87)</b>
24	Flora Investments Company Private Limited	U65990MH1983PTC030875	Subsidiary	100	<b>2(87)</b>
25	Gilt Edge Finance & Investments Private Limited	U65990MH1983PTC030884	Subsidiary	100	<b>2(87)</b>
26	Ganges Valley Foods Private Limited	U15440WB1992PTC054793	Subsidiary	51.00	<b>2(87)</b>
27	International Bakery Products Limited	U15419TN1997PLC037876	Subsidiary	100	<b>2(87)</b>
28	J. B. Mangharam Foods Private Limited	U15100MH1984PTC031983	Subsidiary	100	<b>2(87)</b>
29	Manna Foods Private Limited	U15400KA1994PTC015687	Subsidiary	100	<b>2(87)</b>
30	Sunrise Biscuit Company Private Limited	U15412AS1985PTC002361	Subsidiary	99.16	<b>2(87)</b>
31	Daily Bread Gourmet Foods (India) Private Limited	U01549KA2003PTC031859	Subsidiary	100	<b>2(87)</b>

The Bombay Burmah Trading Corporation, Limited

Sl. No.	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD*	APPLICABLE SECTION
32	Britannia Dairy Private Limited	U15201WB2002PTC191511	Subsidiary	100	<b>2(87)</b>
33	Britannia and Associates (Mauritius) Private Limited	Foreign Company	Subsidiary	100	<b>2(87)</b>
34	Britannia and Associates (Dubai) Private Company Limited	Foreign Company	Subsidiary	100	<b>2(87)</b>
35	Al Sallan Food Industries Company SAOG	Foreign Company	Subsidiary	65.46	<b>2(87)</b>
36	Strategic Food International Company LLC	Foreign Company	Subsidiary	100	<b>2(87)</b>
37	Strategic Brands Holding Company Limited	Foreign Company	Subsidiary	100	<b>2(87)</b>
38	Britannia Dairy Holdings Private Limited	Foreign Company	Subsidiary	100	<b>2(87)</b>
39	Britannia Employees Welfare Association Pvt. Ltd.	U85110MH1992GAT24375	Subsidiary	NA	<b>2(87)</b>
40	Britannia Employees Medical Welfare Assocn Pvt Ltd.	U91120MH1992PTC242376	Subsidiary	NA	<b>2(87)</b>
41	Britannia Employees General Welfare Assocn Pvt. Ltd.	U85110MH1992GAT243304	Subsidiary	NA	<b>2(87)</b>
42	Snacko Bisc Pvt Ltd	U15419TN1997PLC037876	Subsidiary	100	<b>2(87)</b>
43	Vasna Agrex & Herbs Pvt Ltd.	U01119TN1996PTC034766	Subsidiary	100	<b>2(87)</b>
44	Lima Investment & Trading Co.Pvt. Ltd	U65990MH1988PTC047567	Associate	50	<b>2(6)</b>
45	Cincinnati Investment & Trading Co. Pvt. Ltd	U65993MH1988PTC047463	Associate	50	<b>2(6)</b>
46	Shadhak Investment & Trading Co. Pvt. Ltd	U65990MH1988PTC047734	Associate	50	<b>2(6)</b>
47	Roshnara Investment & Trading Co. Pvt. Ltd	U65990MH1988PTC046569	Associate	50	<b>2(6)</b>
48	MSIL Investments Pvt. Ltd	U65990MH1985PTC035497	Associate	50	<b>2(6)</b>
49	Lotus Viniyog Pvt. Ltd	U67120MH1987PTC042172	Associate	50	<b>2(6)</b>
50	Medical Microtechnology Limited	U33100MH1991PLC061881	Associate	50	<b>2(6)</b>
51	Harvard Plantations Limited	U65120MH1988PLC048746	Associate	50	<b>2(6)</b>
52	Placid Plantations Limited	U67120MH1988PLC048681	Associate	50	<b>2(6)</b>
53	Klasssik Foods Pvt. Ltd.	U15120MH1981PTC025662	Associate	26.02	<b>2(6)</b>
54	Nalanda Biscuits Company Limited	U15410BR1986PLC002262	Associate	35	<b>2(6)</b>

\* Percentage holding in Subsidiaries/Associates represents aggregate percentage of shares held by the Corporation and/or its Subsidiaries.

## IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical		Total
<b>A. Promoters</b>								
<b>(1) Indian</b>								
a) Individual/HUF	17000	-	17000	0.02	17000	-	17000	0.02
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-
c) Bodies Corporates	39827240	-	39827240	57.08	39827240	-	39827240	57.08
d) Bank/Fl	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-
<b>SUB TOTAL: (A) (1)</b>	<b>39844240</b>	-	<b>39844240</b>	<b>57.10</b>	<b>39844240</b>	-	<b>39844240</b>	<b>57.10</b>
<b>(2) Foreign</b>								
a) NRI- Individuals	6141505	-	6141505	8.81	6141505	-	6141505	8.81
b) Other Individuals	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-
d) Banks/Fl	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-
<b>SUB TOTAL (A) (2)</b>	<b>6141505</b>	-	<b>6141505</b>	<b>8.81</b>	<b>6141505</b>	-	<b>6141505</b>	<b>8.81</b>
<b>Total Shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>45985745</b>	-	<b>45985745</b>	<b>65.91</b>	<b>45985745</b>	-	<b>45985745</b>	<b>65.91</b>
<b>B. PUBLIC SHAREHOLDING</b>								
<b>(1) Institutions</b>								
a) Mutual Funds	2672419	750	2673169	3.83	2901421	750	2902171	4.16
b) Banks/Fl	112923	32750	145673	0.21	126740	32750	159490	0.23
c) Central govt	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-
f) Insurance Companies	675400	-	675400	0.97	675400	-	675400	0.97
g) FII/S	18850	-	18850	0.03	-	-	-	-
								-0.03



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Trusts	4912	-	4912	0.01	17300	15500	32800	0.05	0.04
<b>SUB TOTAL (B)(1):</b>	<b>3484504</b>	<b>33500</b>	<b>3518004</b>	<b>5.05</b>	<b>3720861</b>	<b>49000</b>	<b>3769861</b>	<b>5.40</b>	<b>0.35</b>
(2) Non Institutions									
a) Bodies corporates									
i) Indian	1679124	66700	1745824	2.5	1735928	66200	1802128	2.58	0.08
ii) Overseas	-	5660700	5660700	8.11	-	5660700	5660700	8.11	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹2 lakhs	8457186	2586397	11043583	15.83	8507753	2494452	11002205	15.77	-0.06
ii) Individuals shareholders holding nominal share capital in excess of ₹ 2 lakhs	1002525	68500	1071025	1.54	702520	-	702520	1.01	-0.54
c) Others (specify)	422119	324900	747019	1.07	610341	238400	848741	1.19	0.12
<b>NRI, Firign National</b>									
<b>SUB TOTAL (B)(2):</b>	<b>11560954</b>	<b>8707197</b>	<b>20268151</b>	<b>29.05</b>	<b>11556542</b>	<b>8459752</b>	<b>20016294</b>	<b>28.69</b>	<b>-0.36</b>
<b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>	<b>15045458</b>	<b>8740697</b>	<b>23786155</b>	<b>34.09</b>	<b>15277403</b>	<b>8508752</b>	<b>23786155</b>	<b>34.09</b>	<b>-</b>
<b>C. Shares held by Custodian for GDR &amp; ADRs</b>									
	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>61031203</b>	<b>8740697</b>	<b>69771900</b>	<b>100</b>	<b>61263148</b>	<b>8508752</b>	<b>69771900</b>	<b>100</b>	<b>-</b>

## (ii) SHARE HOLDING OF PROMOTERS

Sl No.	Shareholders' Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Nowrosjee Wadia and Sons Ltd.	2297520	3.29	0.14	1305000	1.87	-	there has been no change in holdings
2	N. W. Exports Ltd.	9817275	14.07	0.72	9817275	14.07	0.72	
3	Sunflower Investments and Textiles Pvt. Ltd.	6576120	9.43	2.08	6576120	9.43	1.75	
4	Nusli Neville Wadia	6141505	8.81	-	6141505	8.81	-	
5	National Peroxide Ltd.	1252200	1.79	-	1252200	1.79	-	
6	Wadia Investments Ltd.	2472500	3.54	-	2472500	3.54	-	
7	Archway Investment Co. Ltd.	13038600	18.69	-	13038600	18.69	-	
8	Go Investments and Trading Pvt. Ltd.	112625	0.16	-	112625	0.16	-	
9	Varnilam Investments & Trading Co. Ltd.	34500	0.05	-	34500	0.05	-	
10	Naperol Investments Ltd.	4208400	6.03	-	4208400	6.03	-	
11	Ness Nusli Wadia	5000	0.01	-	5000	0.01	-	
12	Maureen Nusli Wadia	8500	0.01	-	8500	0.01	-	
13	Jehangir Nusli Wadia	3500	0.01	-	3500	0.01	-	
14	Nessville Trading Pvt. Ltd.	17500	0.03	-	17500	0.03	-	
	<b>Total</b>	<b>45985745</b>	<b>65.91</b>	<b>2.94</b>	<b>45985745</b>	<b>65.91</b>	<b>2.47</b>	<b>-</b>

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

	Share holding at the beginning of the Year		Cumulative Share holding during the year	
	No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	45985745	65.91	45985745	65.91
Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	NO CHANGE	NO CHANGE		
At the end of the year	45985745	65.91	45985745	65.91

(iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS & HOLDERS OF GD<sup>₹</sup>& AD<sup>₹</sup>)

Sl. No.	For Each of the Top 10 Shareholders	At the beginning of the year	% of total shares of the Company	Date	Increase/ (Decrease) in share-holding	Reason	Cumulative Shareholding during the year	
							No. of shares	% of total shares of the company
1	Wallace Brothers Trading & Industrial Ltd.	5659700	8.11			Nil	5659700	8.11
2	Reliance Capital Trustee Co. Ltd.-A/c. Savings Fund	2000000	2.87					
				11.09.2015	38780	transfer	2038780	2.92
				18.09.2015	2619	transfer	2041399	2.93
				25.09.2015	8005	transfer	2049404	2.93
				30.09.2015	596	transfer	2050000	2.93
				30.10.2015	5113	transfer	2055113	2.99
				06.11.2015	32719	transfer	2087832	2.99
				13.11.2015	12168	transfer	2100000	3.00
				15.01.2016	25000	transfer	2125000	3.04
3	The New India Assurance Co. Ltd.	675400	0.97			-	675400	0.97
4	Akash Bhanshali	386320	0.55			-	386320	0.55

Sl. No.	For Each of the Top 10 Shareholders	At the beginning of the year	% of total shares of the Company	Date	Increase/ (Decrease) in share-holding	Reason	Cumulative Shareholding during the year	
							No. of shares	% of total shares of the company
5	Sunil Kumar Jain	136500	0.19					
				05.06.15	(3000)	transfer	133500	0.19
				31.07.15	(5000)	transfer	128500	0.18
				31.12.15	(5000)	transfer	123500	0.17
6	Dwarkadhish Trading Pvt. Ltd.	150000	0.21		Nil	-	150000	0.21
		118000	0.20					
				07.08.15	(4000)	transfer	114000	0.19
				11.09.15	(12500)	transfer	101500	0.18
8	Wallfort Financial Services Ltd.	113000	0.14					
				17.04.15	(18000)	transfer	95000	0.13
				25.12.15	13000	transfer	108000	0.15
				31.12.15	25000	transfer	133000	0.19
9	Phillip Finance & Investment Services Pvt. Ltd.	1442	0.12	-	-	-	-	-
10	Reliance Capital Trustee Co. Ltd.-A/c. Elss Fund	520541	0.74					
				9.05.15	(1442)	transfer		
				10.04.2015	19459	transfer	540000	0.77
11	Lata Bhanshali	193200	0.28	10.04.15	(193200)	transfer		
12	Sanika A. Shilotri	124000	0.18		Nil	-	124000	-

(v) SHAREHOLDING OF DIRECTORS & KMP

Sl. No.	For Each of the Directors & KMP	At the beginning of the year	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	Shareholding at the end 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	Mr. Nusii N Wadia	6141505	-	6141505	8.82	6141505	8.82
2	Mr. A.K.Hirjee	1750	-	1750	0.01	1750	0.01
3	Mr. Ness N Wadia	5000	-	5000	0.01	5000	0.01
4	Mr. Jeh N Wadia	3500	-	3500	0.01	3500	0.01
5	Mr.M L Apte	-	-	-	-	-	-
6	Mr.D.E.Udwadia	-	-	-	-	-	-
7	Mr Ashok Panjwani (upto 08/02/2016)	-	-	-	-	-	-
8	Dr. (Mrs.) Sheela Bhide	-	-	-	-	-	-
9.	Mr. N. H. Datanwala	-	-	-	-	-	-
10.	Mr. Amit Chhabra	-	-	-	-	-	-

**V. INDEBTEDNESS**

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

(₹ in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits (ICD)	Total Indebtedness
<b>Indebtness at the beginning of the financial year</b>				
i) Principal Amount	24191.05	6500.00	5000	35691.05
ii) Interest due but not paid				
iii) Interest accrued but not due	125.62			125.62
<b>Total (i+ii+iii)</b>	<b>24316.67</b>	<b>6500</b>	<b>5000</b>	<b>35816.67</b>
<b>Change in Indebtedness during the financial year</b>				
Additions	4938.76	2500	-	7438.76
Reduction	-6532.35	-2500	-1000	-10032.35
<b>Net Change</b>	<b>-1593.59</b>	<b>-</b>	<b>-1000</b>	<b>-2593.59</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	22597.46	6500	4000	33097.46
ii) Interest due but not paid	-			-
iii) Interest accrued but not due	131.16			131.16
<b>Total (i+ii+iii)</b>	<b>22728.62</b>	<b>6500</b>	<b>4000</b>	<b>33228.62</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole time director and/or Manager:**

Sl. No.	Particulars of Remuneration	Name of the MD/WTD/ Manager		Total Amount ₹
		A. PANJWANI	NESS WADIA	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	8,527,365	18,849,600	27,376,965
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	2,495,808	10,148,800	12,644,608
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	as % of profit			
	others (specify)			
5	Others, please specify	Retirals		
		2,302,388	5,089,392	7,391,780
	<b>Total (A)</b>	13,325,561	34,087,792	47,413,353
	<b>Ceiling as per the Act</b>			not applicable

**B. Remuneration to other directors:**

Sl. No	Particulars of Remuneration	Name of the Directors				Total Amount ₹
		A K HIRJEE	M L APTE	D E UDWADIA	DR. SHEELA BHIDE	
1	Independent Directors					
	(a) Fee for attending board committee meetings	360,000	460,000	340,000	80,000	1,240,000
	(b) Commission	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-
	<b>Total (1)</b>	360,000	460,000	340,000	80,000	1,240,000
2	Other Non Executive Directors	NUSLI WADIA	JEH WADIA			
	(a) Fee for attending board committee meetings	160,000	120,000			280,000
	(b) Commission	-	-	-	-	-
	<b>(c) Others, please specify.</b>	-	-	-	-	-
	<b>Total (2)</b>	160,000	120,000			280,000
	<b>Total (B)=(1+2)</b>					1,520,000
	<b>Total Managerial Remuneration</b>					48,933,353
	<b>Overall Ceiling as per the Act.</b>					not applicable

## C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration		Key Managerial Personnel		
			CEO	Company Secretary	CFO*
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.		6,068,044	1,256,451	7,324,495
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961		-	54,645	54,645
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		-		
2	Stock Option		-		
3	Sweat Equity		-		
4	Commission		-		
	as % of profit				
	others, specify				
5	Bonus		800,000	-	800,000
	Retrials		-	79,355	79,355
	Total		6,868,044	1,390,451	8,258,495

\* CFO has been employed for part of the year

## VII 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)
<b>A. COMPANY</b>					
Penalty					
Punishment		NIL			
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment		NIL			
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment		NIL			
Compounding					



**MANAGEMENT DISCUSSION AND ANALYSIS 2015-16**

**Division-Wise Business Analysis**

**Plantation Business:**

**(A) TEA:**

**Industry structure and development:**

**Indian tea Crop:**

India's Tea output stood at 1233.14 million kgs. for FY 15-16 compared to 1197.18 million kgs for FY 14-15, an increase of 35.96 million kgs. North India Tea output was at 1008.56 million kgs compared to 935.71 million kgs in previous year, recording an increase of 52.74 million kgs. However South India Tea output was 224.58 million kgs compared to 241.36 million kgs, registering a decline of 16.78 million kgs. Total Exports for FY 15-16 has been at 220.84 million kgs compared to 199.08 million kgs in FY 14-15.

Indian Tea Industry is primarily divided into two geographies viz. North India consisting of Assam & other North-Eastern states contributing about 80% of the total tea output and South India consisting of Tamil Nadu & Kerala contributing about 20% of the total output. Further, India has always been a Tea surplus country where the total output of tea exceeds the domestic demands. As such, the Indian Tea industry also depends on its capability to export which brings in global challenges from dominant Tea producing countries like Kenya, the global economic conditions and customer behavioral trends in the international market.

The other major factors that affect the Tea industry is the weather pattern, rising input costs and unremunerative prices for tea as a 'commodity' compared to value added branded tea.

South India Tea, particularly in the last two years witnessed extreme weather pattern in form of high temperatures, uneven scattered rainfall and increased pest activity with change in bio diversity and drought conditions.

All these resulted in crop loss, challenges in productivity and rising input costs. The companies which are only in plantation activities compared to those engaged in branded tea / packaged tea, have been adversely impacted due to these of factors.

Your company has its Tea Plantation Estates in South India and has traditionally been a commodity market player. It has been facing these challenges over last two years and in particular, in FY 15-16 during which, the tea business was severally impacted as detailed hereinbefore.

**Performance Highlights:**

	FY 2015-16	FY 2014-15
Tea Production own leaf (lakh kgs)	44.96	51.07
Tea Production bought leaf (lakh kgs)	29.22	21.01
Total Tea production (lakh kgs)	74.18	72.08
Total Tea sales (lakh kgs)	78.06	71.17
Total Tea turnover (₹ in lakh)	8,556	8,158

Total tea production during the year ended 31st March, 2016 increased by about 3% and total tea sales increased by approximately 10 % as compared to the previous year. However, average selling price decreased by about 4% due to lower realisation in domestic markets. Overall domestic volumes improved by 24% though average price realized declined by 3.13%.

Exports: Overall export quantities of BBTC's teas declined by 18.40%, However the price realization were higher by 3.72%; benefiting from a weaker rupee. Due to adverse weather conditions, Organic crops declined and consequently Organic quantity exported was lower.

**Opportunities & Threats:**

Our products in Green Tea segment addresses the current consumer trends and we foresee significant growth in this area. There is a growing demand for premium products. Our capability to make good liquoring teas will help us to improve the overall price realizations. This, added with better awareness of health benefits of Organic teas will drive growth in the current year.

We have made beginning in the areas of packaged tea by introducing “Oothu” and “Manjolai” brands in Organic Green and black tea segment. The Corporation’s pioneering efforts and expertise in producing Organic tea will help to consolidate the Corporation’s position in major Organic market globally. Your company continues to strive to meet these expectations by expanding the category of teas and cost rationalization. Further it has started shifting its focus from being a commodity players to value added tea and brand building.

However, the production being largely dependent on the vagaries of nature, adverse climatic conditions affect the quality of tea leaves and volumes. Onslaught of pests like Tea Mosquito Bugs is difficult to contain especially in the light of prescribed usages of pesticides under the Plant Protection Code. Being a labour-intensive industry, rising input costs due to wage revisions and settlements controlled by plantation associations and possibility of migration of labour to urban areas are areas of concern.

#### **Outlook:**

The consumer product choices are increasingly shifting towards health, wellness and lifestyle. There is a growing trend for more premium produce of higher quality tea. Much of the growth is expected to come from rise in Green Tea demand. The customers are becoming value conscious and seek better values. Private labels and regional players are growing in market share. On the export front, better relationship with our neighbouring countries and a lower Kenyan crop should bode well for the Indian market. Russia and Iran have picked up higher quantities this year and this trend is expected to continue giving a fillip for the Orthodox tea produce. Weakening rupee and a fall in freight charges are also expected to support exports. Indian consumption has been steadily growing with share of packaged teas improving.

Lower global production and good export demand is likely to firm up the global tea prices in the current year.

#### **(B) COFFEE**

##### **Industry structure and developments:**

The global production of coffee for the year FY 2015-2016 was 144.75 million bags and the consumption at 148.08 million bags. As per International Coffee Organisation (ICO), the consumption grew at approx. 2% over the previous year.

With total production of 5.83 million bags, India is an insignificant player in the global market. Further domestic demand is also restricted to 2.25 million bags. Hence the Coffee business largely depends on International markets.

Coffee prices in International as well as domestic market were caught up in a broader commodity cycle with similar movements observed in other agricultural commodities.

##### **Performance Highlights:**

During the year, own Coffee production was 625 tonnes as compared to 670 tonnes in the previous year and that from bought beans was 981 tonnes compared to 835 tonnes in the previous year.

Average price per Kg. realised in last two years are as follows:

Grade	NYCE/LIFFEE Prices 2014-15 USD	Corporation Average for Exports 2014/15 USD	NYCE/LIFFEE Prices 2015-16 USD	Corporation Average for Exports 2015/16 USD
Washed Arabica	4.40	4.74	3.52	4.85
Washed Robusta	2.23	3.37	1.95	3.36

##### **Opportunities and threats:**

Offtake to new markets like South Korea, has helped us offset recessionary pricing from Europe. Continued focus on increasing sales to retail roasters, and exploring non-European markets is expected to keep our export prices stable.

The continuous recession in commodity markets, is an area of concern as buyers will look at pricing based on NYCE/LIFFEE indicators. Competitors are offering coffees at prices substantially lower than ours. Exports to non traditional markets, like South Korea has increased offtake of Arabicas and ensured better prices than what could be achieved from European markets.

Coffee production worldwide, is expected to fall due to erratic weather conditions. This is expected to have a positive impact on prices in the second half of 2016.

The lack of rainfall in the last four months is cause for concern and could impact crop and affect percentage of primary grades in season 2016-17.

White stem borer is a major threat being faced by Arabica growers across the industry. Vagaries of nature is another threat since the industry is dependent on nature.

**Outlook:**

We produce and market premium Coffees such as Washed Arabica and Robusta, Speciality and Monsoon Coffee. Premium Coffees are the core of our business and signifies our drive to move away from commoditization. Our thrust towards improving quality has won number of awards and is reflected in better realization of the prices.

Retail roasters continue to need good, consistent coffees in their blends and this has helped us maintain prices closer to previous year’s levels and better than the international benchmark price as is reflected in the above table.

The Corporation’s Coffee curing unit is well equipped to handle not only the in-house curing / processing requirements but also the Bought beans from small growers. This has helped the Corporation to increase its overall activities and improve the price realization by catering to export / direct sales to ultimate consumer. The Corporation has also implemented management and conversion of the effluents at the pulp house and convert the same into energy.

Looking ahead, there are increasing concerns in the international market that dryness caused by El Niño could reduce output in the second half of the year, with reports emerging that this could increase Colombia’s susceptibility to damage from coffee berry borer. Drought is also affecting supply expectations in Vietnam and Espirito Santo in Brazil, which could lend support to Robusta prices in the near future.

**AUTO ELECTRIC COMPONENTS BUSINESS**

**Industry Structure and Developments:**

The Indian Auto-Components Industry continued to be subdued due to the unfavorable economic conditions and poor market sentiments led by an atmosphere of uncertainty and volatility; growing input costs and imposition of infrastructure cess in the FY 16-17 Budget. The industry accounts for 7.1 per cent of the country’s Gross Domestic Product (GDP).

However, several initiatives by the Government and the major automobile players in the Indian market are expected to make India a global leader in the Two Wheeler (2W) and Four Wheeler (4W) market by 2020 according to ACMA, the Automotive Component Manufacturers Association of India.

Globally, the automotive landscape is also witnessing unprecedented changes driven by the need for better fuel efficiency, increased safety and stricter emission norms. The Indian Auto Components Industry needs to gear-up to these changes in the rapidly changing global environment.

ELECTROMAGS division, engaged in manufacturing Auto Electric Components viz. Solenoids, Sliprings switches etc. is dependent on the Auto Industry especially Passenger cars, Two Wheelers and Commercial vehicles and hence the performance of the industry has a direct impact on the Division’s performance.

- 1) Passenger Vehicles : Domestic and Export sales of passenger car segment have grown 5.69 % in India compared to previous year. The sales of utility vehicles in India have grown by 12.12% compared to fiscal 14-15. Maruti and Hyundai continue to hold up 70% of market share.
- 2) Commercial Vehicles grew by 28.15% with 337,565 units compared to 263,407 units in the previous year.
- 3) The two wheeler segment has seen marginal growth of 2.73% over the previous year and is expected to decline over 6% in the coming year as per Hero Moto Corp & Bajaj.

**Performance Highlights:**

The segment wise share of business for the division for the FY 15-16 was as follows:

Segment	FY 15-16
Four Wheelers	81%
Two Wheelers	10%
ATM Parts	8%
Power Equipments	1%

Even though the overall Auto Industry grew marginally during the year, the Divisions major end Customers like WABCO, TATA Motors, Delphi, and NCR had flat sales for our range of product supplied during FY 15-16. The New Product Development Projects were also adversely impacted due to longer validation periods with OEM's and end Customers.

#### **Opportunities and Threats**

Due to recent Government Policy change - 100 % FDI through Make in India effort, more foreign OEM's and Auto component manufacturers are likely to set up facilities in India.

Environmental imperatives and safety requirements are two critical issues facing the Auto Industry worldwide. Indian Auto industry in the last decade has made significant progress in the environmental front by adopting stringent emission norms and is progressively aligning with international technical and safety standards. The new Euro VI norms will be in place by 2020 and as a result drastic changes are expected in the Auto Electricals - Engine segment.

Suspension, braking system and engine parts segment is estimated to grow with high demand, with players maintaining a diversified customer base. The Division's New Product Development team is working towards these opportunities.

The major areas of concern are volatility in raw material costs, increased input and labor costs. Rapidly changing technology and the need to introduce new models by OEM's is making product life cycles shorter and therefore rapid New Product Development is necessary to maintain share of business.

There is also increased pressure on margins due to increase in input costs and value expectation from end customers on existing product range.

High attrition, limited availability of stable and trained manpower are major concerns for the Division.

#### **Outlook**

The major contribution is expected from the New Product Developments. New Products for the Division are mainly in the area of moving up the value chain and this is expected to deliver additional turnover during the Financial Year.

The Division is actively exploring opportunities in the non-auto segment as well. Few Products in Non-Auto segment are lined up to be started in FY 16-17 to increase our non auto share.

The Supplier quality expectation by Customers is ever increasing in the industry and is now comparable to international standards which need to be matched with improved manufacturing facilities with fully automated lines and in-house testing equipment. There were numerous product recalls in the previous two years, resulting in increased focus on quality by OEM's.

#### **HEALTHCARE BUSINESS:**

##### **Industry Structure and Development**

The global dental products market is growing at a rate of CAGR 5% in the last five years with the Asian markets showing highest growth of 10% followed by the US at almost half the rate of 5.5% With over 5000 dental laboratories and 297 dental institutes, the Indian dental market is vast and it is predicted that India will soon be the single largest country market for dental products and materials. The current 'dentist to population' ratio in urban area is 1:9000 and in rural areas it is 1:200000. The total market for dental equipments and materials is estimated to be around US\$ 90 million annually.

In the last decade, the dental services scenario in India has vastly improved due to growing healthcare awareness ,better economic growth ,increased healthcare expenditure ,investor friendly government policies and reduction in customs duty.

Majority of the dental market in India is private. Several large multinational players are setting up a chain of dental clinics to tap into this rapidly growing dental market. Over 90% of the dentists work in and around major cities. Every year approximately 12,000 to 15,000 new practices start in the country. There is a greater demand than supply of dental technicians in India. Currently there are about 5000 dental laboratories, yet only 32 colleges which offer diploma courses for the post of a dental technician. More colleges are now offering the course to match the growing demand.

##### **Performance Highlights:**

The Dental Products division has performed well during the year under review registering a growth rate of 6% over last years' sales. The sale of the Division's key product –"alloy" has declined by 4% compared to the previous year, since dentists prefer more composites than alloy for teeth restoration. However, the Division has outperformed in another key product group viz. "dental impression materials" with 24% increase in sales as compared to previous year. The Division launched "Dental x-ray film" during the latter part of 2015 and performed well in this category.

**Opportunities and Threats:**

The dental market is expected to have a growth rate of above 20 percent, with investment groups building multispecialty hospitals offering general dentistry and specialist treatments. A large portion of dental products are imported into the country. About 85% of India's annual requirement is supplied by Germany, USA, Italy, Japan and China. Foreign companies are investing in the Indian dental equipment market by establishing their production units in India. India is rapidly becoming a manufacturing hub for supplying dental equipment and material to less developed countries such as Africa, Sri Lanka and parts of the Middle East. Looking at India's rapidly growing dental market, many multinationals have set up offices in India. The Division is evaluating some of these opportunities to grow the business in line with the market trends.

**Outlook:**

While the market for dental impression materials and X-ray films is expected to show reasonably good growth, one of the major product categorizing Dental Alloys is expected to be static in terms of growth. The Division is planning to launch "dental implants" and also to add some more consumable products in the portfolio. Overall, the outlook for the ensuing year looks favourable.

**Internal Control Systems and Adequacy:**

The Corporation has adequate internal control procedures commensurate with its size and nature of business. These business control procedures ensure efficient use and protection of the resources and also compliance with the policies, procedures and statutory requirements. The internal control systems provide for well documented guidelines, authorization and approval procedures. The Corporation carries out audit of the same through internal auditors. The prime objective of such audit is to test the existence, adequacy, and operating efficiency of all internal financial controls laid down by the management and to suggest improvements.

The Internal Auditors monitor and evaluate the efficacy and adequacy of internal financial control policies and procedures. The internal audit plan and the reports and findings of the internal auditors on the internal financial control systems are periodically reviewed by the Audit Committee. Significant audit observations and corrective actions thereon are also presented to the Audit Committee.

Based on the framework of internal financial controls and compliance systems established and maintained by the Corporation and duly reviewed by the management and the Audit Committee, the Board is of the opinion that the Corporation's internal financial controls were adequate and operating effectively during the year under review.

**Human Resources:**

The Corporation regards human resources as a valuable asset. The Corporation evaluates performance of all employees on annual basis. Key result areas of employees have been well defined. The Corporation has initiated incentive schemes for employees to reward exceptional performance. The training needs of employees are periodically assessed and training programs are conducted using internal resources and also by engaging external trainers/facilitators.

**Cautionary Statement:**

*Statements in the Management Discussion and Analysis describing the Corporation's objectives, projections, estimates, and expectations may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Corporation's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Corporation operates, changes in the Government regulations, tax laws, vagaries of nature and other incidental factors.*

**BUSINESS RESPONSIBILITY REPORT**

[under Regulation 34(2)(f) of the SEBI (LODR)Regulations, 2015]

**SECTION A : GENERAL INFORMATION ABOUT THE COMPANY**

1	Corporate Identity Number(CIN) of the Company	L99999MH1863PLC000002
2	Name of the Company	The Bombay Burmah Trading Corporation, Limited
3	Registered Address	9, Wallace Street, Fort, Mumbai 400001.
4	Website	www.bbtcl.com
5	Email id	bbtcl@bom2.vsnl.net.in
6	Financial Year reported	2015-2016
7	Sector(s) that the Company is engaged in	Plantations, Auto Electric Components, Healthcare
8	List three key products/ services that the Company manufactures/ provides	Tea, Coffee, Auto Electric Components, Dental Products
9	Total number of locations where business activity is undertaken by the Company: (a) Number of International locations (provide details of major 5);  (b) Number of National locations.	(a) Two International locations: (i) Usambara Group, Marvera & Herkulu Estate, P.O. Box 22, Soni, Tanzania. (ii) Suite 628, 6th Floor, Pan Global Plaza, Jalan Wong Ah Fook 80000, Johor Bahru, Malaysia. (b) Seven National locations: details are provided under 'General Shareholder Information' in the Corporate Governance Report.
10	Markets served by the Company: Local/State/ National/ International	The products of the Corporation have national and international presence.

**SECTION B : FINANCIAL DETAILS OF THE COMPANY**

1	Paid up Capital (INR)	₹ 1,396.27 lakhs
2	Total Turnover (INR)	₹ 26,674.15 lakhs
3	Total Profit /(Loss) after taxes (INR)	₹ (3314.46 lakhs)
4	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	₹ 46.77 lakhs; 4.06% of the average of previous 3 years' profits.
5	List of activities in which expenditure in 4 above has been incurred.	(a) Maintenance of Roads through the Estates at Mudis, Dunsandle and Singampatti for public use; (b) Maintenance of residential quarters and water supply to these quarters used by Government authorities; (c) Repairs and maintenance of school buildings owned by the Corporation and used by general public.

**SECTION C : OTHER DETAILS**

1	Does the Company have subsidiary/ subsidiaries	Yes; the list of subsidiaries is provided in Form MGT 9 forming part of Directors' Report as Annexure F.
2	Do the subsidiary companies participate in the Business Responsibility initiatives of the parent Company? If yes, then indicate the number of such subsidiary companies	No; the subsidiaries undertake their own BR initiatives as applicable and appropriate.
3	Do any other entity/ entities( eg suppliers/ distributors etc.) that the company does business with participate in the Business Responsibility activities of the Company? If yes, then indicate the percentage of such entity/ entities.[less than 30 %, 30%-60%, more than 60%]	Corporation engages with its stakeholders through its BR initiatives as appropriate.

**SECTION D: BR INFORMATION**

1	(a) Details of Director/ Directors responsible for Business Responsibility	Mr. Ness Wadia DIN : 00036049 Designation: Managing Director
2	(b) Details of the Business Responsibility Head	Name : Mr. Amit Chhabra Designation: Chief Financial Officer Telephone No.: 22197101 Email id : bbtcl@bom2.vsnl.net.in

**2. Principle-wise (as per NVGs) BR Policy/ Policies**

The National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are :

- P1 : Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
- P2 : Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
- P3 : Businesses should promote the well being of all employees.
- P4 : Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
- P5 : Businesses should respect and promote human rights.
- P6 : Businesses should respect, protect and make efforts to restore the environment.
- P7 : Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
- P8 : Businesses should support inclusive growth and equitable development.

P9 : Businesses should engage with and provide value to their customers and consumers in a responsible manner.

**(a) Details of Compliances (Reply in Y/N)**

Sr No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Yes								
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	The policies conform to National and International standards as applicable.								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Policies mandated under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 are approved by the Board and other policies are approved by the Managing Director or Business Heads of the various Divisions.								
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	The Corporation has Ethics Committee, CSR Committee, Audit Committee, Complaints Committee and also adequate internal control systems to oversee the implementation of policies.								
6	Indicate the link for the policy to be viewed online?	The links to view the policies online are given herein below.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes, wherever applicable.								
8	Does the company have in-house structure to implement the policy/policies.	Yes								
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes, wherever appropriate.								
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Yes, wherever appropriate.								



**Links to the Corporation’s Policies:**

- Wadia Code of Conduct  
<http://bbtcl.com/wadia-code-of-ethics-and-business-principles/>
- Corporate Social Responsibility Policy  
<http://bbtcl.com/corporate-social-responsibility/>
- Whistle Blower Policy  
<http://bbtcl.com/whistle-blower-policy/>

**(b) If answer to the question at serial no. 1 against any principle is ‘No’, please explain why: (tick upto 3 options)**

Sr No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles	Not Applicable								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

**3. Governance related to Business Responsibility(BR)**

**(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, more than 1 year :**

This is the first BR Report required to be published by the Corporation. The BR performance will be assessed periodically.

**(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

This is the first BR Report being published by the Corporation for FY 2015-16. The same will be disclosed on the website of the Corporation [www.bbtcl.com](http://www.bbtcl.com)

**SECTION E : PRINCIPLE-WISE PERFORMANCE**

**Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability**

**1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?**

The Corporation abides by the Wadia Group Code of Conduct which strives for transparency and fairness in all business dealings. Good Corporate Governance has been an integral part of the running of businesses within the Wadia Group much before it became legally enforceable.

The Wadia Code of Conduct outlines the principles, policies and laws that govern the activities of the Corporation and which the employees of the Corporation must adhere to. The Code is circulated to all employees and Directors and others associated with the business of the Company and offers guidance for professional conduct.

Annual affirmations are taken from all Directors, Business Heads, Key Managerial Personnel and senior employees.

Further, the Corporation has adopted the Whistle Blower Policy to provide a mechanism for employees and Directors to approach the Ethics Committee or Chairman of the Audit Committee for reporting genuine concerns. The Code of Business Conduct and Whistle Blower Policy provide a platform for reporting unethical behavior, fraud and actual or potential violation of the Code.

The Corporation also has in place Anti Sexual Harassment Policy to maintain a work environment free from any form of discrimination or conduct which can be considered as harassing, coercive or disruptive.

- 2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

During the past financial year, no complaint was received from any stakeholder under the Code of Conduct.

**Principle 2 : Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.**

- 1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities:**

The Corporation is into Tea and Coffee Plantations spread over four groups of Estates in Tamil Nadu and Karnataka. The Corporation is certified under the international codes of Fairtrade, Rainforest Alliance, UTZ and Organic norms which ensure that environmental and social concerns are taken care of. FSSAI licenses for factories has been obtained and mandatory Trustea certification is in process.

- 2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):**

(a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The Corporation has set up a Bio- Methanisation and Water Treatment Plant at its Coffee Estates at Elkhill at Coorg, Karnataka. The Plant not only treats the effluent water and makes it good for consumption but also uses coffee mucilage as feedstock for producing bio-gas which has enabled reduction in usage of electricity and firewood. Windmills in the windbelt of Tamilnadu offset a percentage of the energy requirements of the tea factories. Rainwater harvesting tanks have been installed at Mudis and Elkhill Estates which harness water for irrigation purpose. Further details are provided in Annexure A to the Directors' Report.

- 3. Does the Company have procedures in place for sustainable sourcing (including transportation)?**

Yes.

**4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**

The Corporation procures tea leaves (bought leaf operations) and outsourced coffee beans from small and local producers there by providing them a ready market for their produce and also improving their capacities and capabilities.

**5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

The Corporation has set up the Bio-gas Plant at Elkhill Estates, Coorg, Karnataka which recycles waste water and coffee mucilage from the coffee processing plant to produce potable water and bio-gas. Details are provided in Annexure A to the Directors' Report.

During the year, segregated domestic plastic waste was recycled into plastic piping in a pilot project at Mudis Group of Estates.

**Principle 3: Businesses should promote the well being of all employees.**

The Corporation believes that it is the knowledge, expertise and passion of its employees that puts any Company in the growth trajectory.

Towards this objective, the Corporation provides a work environment that is free from any discrimination or harassment, promotes individual and collective growth and has adopted various policies, procedures and manuals for the protection and welfare of its employees. The Corporation is a Fairtrade Producer thereby ensuring optimum wages and safe working environment.

1. Total number of employees : 5252
2. Total number of employees hired on temporary/contractual/casual basis : 711
3. Number of permanent women employees : 2546
4. Number of permanent employees with disabilities : 1
5. Do you have an employee association that is recognized by management : Yes, at the Plantations Division.
6. What percentage of your permanent employees is members of this recognized employee association : 63.67 %.
7. Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year : Nil
8. What percentage of your under mentioned employees were given safety & skill up- gradation training in the last year?
  - (a) Permanent Employees : 95%
  - (b) Permanent Women Employees : 98%
  - (c) Casual/Temporary/Contractual Employees : 100%
  - (d) Employees with Disabilities : 100%

**Principle 4 : Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.**

The Corporation aims to meet the expectations of all its stakeholders that include shareholders, consumers, employees, farmers and various service providers. The Corporation understands the needs of its stakeholders and develops the action plans to fulfil them while achieving its business goals.

The Corporation also has in place an investor grievance redressal system, Ethics Committee which ensures the protection of interests of the shareholders and employees. The website of the Corporation contains details of its products, business, financial information, and other statutory disclosures.

- 1. Has the company mapped its internal and external stakeholders? Yes**
- 2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders:**

Yes, the Corporation is committed to engaging with all its employees, business associates, customers and communities who may be disadvantaged, vulnerable or marginalized.

- 3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

The Corporation has founded the Bombay Burmah Plantation Welfare Trust to provide education, medical care, pension, provision and maintenance of public utilities and to generally work towards the upliftment and promotion of welfare of past and present employees of the Plantations Division and the general public at the Estates.

#### **Principle 5 : Businesses should respect and promote human rights.**

The Corporation's approach to uphold and promote Human Rights is underlined by the Code of Business Conduct, Whistle Blower Policy, Anti-sexual harassment Policy and a host of other employee- welfare policies.

- 1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

Code of Business Conduct extends to employees and other who work with, or represent the Corporation directly or indirectly. The Anti Sexual harassment policy is applicable to all employees including contractual employees, trainees, consultants etc.

The Corporation is a Fairtrade Producer and the Fairtrade premium received by it goes into a communal fund for workers and farmers to improve their social, economic and environmental conditions.

- 2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

During the year, the Corporation has not received any complaint with respect to violation of human rights.

#### **Principle 6 : Businesses should respect, protect and make efforts to restore the environment.**

The Corporation understands its responsibility towards environment and has taken various steps to reduce energy consumption as well as improving energy efficiency and conservation.

Details are provided in the Annexure A to the Directors' Report.

- 1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others:**

The Corporation adheres to all statutory compliances with respect to Environment, Health and Safety requirements.

- 2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

Initiatives taken by the Corporation include Rainwater harvesting, conversion of effluents into bio-methane gas and recycling of waste water from coffee processing plant.

- 3. Does the company identify and assess potential environmental risks?**

Sustainable development is at the core of the Corporation's operations which is also outlined in the Environment, Health and Safety Practices. The Corporation follows sound environmental management practices across all its manufacturing units to assess and address potential environmental risks.

- 4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

The Plantations Division of the Corporation with Tea & Coffee Estate based in Tamil Nadu and Karnataka is a carbon sink with a two storied canopy of trees in Coffee which is extremely bird friendly and supports a variety of flora and fauna.

As part of Clean Development Mechanism, the Corporation provides the workforce at Mudis and Ellhill Estates with high efficiency smokeless stoves to replace cooking stoves using woodfire.

The Bio-Methanation plant at the Coffee Estates converts effluents into bio-methane gas which replaces use of Liquid Petroleum Gas.

Energy produced by the windmills installed by the Corporation is used to set off 60% of the electricity costs for tea production.

- 5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

Please refer Annexure A to the Directors' Report.

- 6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

As per the Corporation's monitoring and measurement, all applicable statutory requirements with respect to emissions/ waste are complied with.

- 7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

The Corporation did not receive any show cause/ legal notices from CPCB/SPCB which are pending as on end of the Financial Year 2015-16.

**Principle 7 : Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.**

- 1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

Yes, the Corporation is a member of various trade and industrial associations like BCCI, CII etc. The Corporation is also certified as a Fairtrade, Rainforest and Organic Producer.

- 2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas ( drop box: Governance**

**and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others):**

The Corporation is actively represented in organisations like UPASI (United Planters' Association of South India). However, the Corporation prefers to be part of the broader policy development process and does not practice lobbying on any specific issue.

**Principle 8 : Businesses should support inclusive growth and equitable development.**

The Corporation supports the principle of inclusive growth and equitable development through its core business activities and through its CSR initiatives.

**1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

CSR initiatives are part of the business process of the Corporation. Details of CSR initiatives are provided in Annexure D to the Directors' Report.

**2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?**

The initiatives are undertaken through in-house team.

**3 Have you done any impact assessment of your initiative?**

The CSR activities are placed before the CSR Committee for its review and assessment.

**4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?**

₹ 46.77 lakhs in FY 2015-2016; details are provided in Annexure D to the Directors' Report.

**5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

The Corporation's CSR activities are of ongoing nature and hence are continuously benefiting the community at large.

**Principle 9 : : Businesses should engage with and provide value to their customers and consumers in a responsible manner**

**1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

The Corporation has resolved all customer complaints received during the year 2015-2016.

**2. Does the company display product information on the product label, over and above what is mandated as per local laws?**

The Corporation displays product related information that is required as per extant laws.

**3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

None.

**4. Did your company carry out any consumer survey/ consumer satisfaction trends?**

The Corporation carries out customer satisfaction surveys periodically and the results are shared with the relevant stakeholders to take necessary action.

## INDEPENDENT AUDITORS' REPORT

### To the Members of The Bombay Burmah Trading Corporation, Limited

#### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of The Bombay Burmah Trading Corporation, Limited, ("the Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information, in which are incorporated the Returns for the year ended on that date audited by the branch auditors' of the Company's branches at Johor Bahru in Malaysia and Usambara in Tanzania.

#### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

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

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

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

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

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

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016, and its loss and its cash flows for the year ended on that date.

#### Emphasis of matter

We draw attention to the following matters in the Notes to the financial statements:

Note 36(b) of the standalone financial statements which more fully explains that in respect of managerial remuneration amounting to ₹ 289.98 lakhs for the year ended 31 March 2016, the Company has made an

application to the Central Government pursuant to the provisions of Section 197 read with Schedule V of the Act, which is pending approval.

Our audit opinion is not modified in respect of this matter.

**Other Matter**

We did not audit the financial statements of 2 branches included in the standalone financial statements of the Company whose financial statements reflect total assets of ₹ 119.68 lakhs as at 31 March 2016 and total revenues of ₹ 361.99 lakhs for the year ended on that date, as considered in the standalone financial statements. The financial statements of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors.

Our opinion is not modified in respect of this matter.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
  - (c) The reports on the accounts of the branch offices of the Company audited under Section 143 (8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.
  - (d) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from the branches not visited by us.
  - (e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (f) On the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" and
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 28 to the financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts as at 31 March 2016 for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

**Vijay Bhatt**

Partner

Membership No: 036647

Mumbai  
27 May 2016



**ANNEXURE A TO INDEPENDENT AUDITORS' REPORT – 31 MARCH 2016**  
(Referred to in our report of even date)

- 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 by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. In our opinion, and according to information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) In our opinion and according to information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company except for the following which are not held in the name of the Company pending registration in the name of the Company pursuant to the merger of Electromags Automotive Private Limited with the Company:

₹ in lakhs

Particulars	Freehold Land	Buildings
Gross block as at 31 March 2016	1506	420
Net block as at 31 March 2016	1506	255
Total no of cases	5	5

- ii. The inventory, except for goods-in-transit and stocks lying with third parties, have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at the year-end, written confirmations have been obtained and in respect of goods-in-transit, subsequent goods receipt have been verified or confirmations have been obtained from those parties. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- iii. The Company has granted unsecured loan to one company covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). The Company has not granted any loans, secured or unsecured, to firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. In our opinion and according to the information and explanations given to us, the Company does not consider the reimbursement of cost charged and outstanding to fall under purview of loans.
- (a) In our opinion, the rate of interest and other terms and conditions on which the loan had been granted to the company listed in the register maintained under Section 189 of the Act is not, prima facie, prejudicial to the interest of the Company.
- (b) The loan granted to a company covered in the register maintained under Section 189 of the Act is repayable on demand. The loan was not demanded during the year. The borrower has been regular in the payment of interest.
- (c) The loan granted to a company covered in the register maintained under Section 189 of the Act is repayable on demand. The loans was not demanded during the year.
- iv. In our opinion and according to information and explanations given to us, the Company has complied with provisions of Section 185 and 186 of the Act in respect of loans, investments, guarantees and security.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public during the year in terms of the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- 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 Section 148(1) of the Act, in respect of products manufactured by the Company, 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 cost records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Duty of Customs, Duty of Excise, Value added tax, Cess and any other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Duty of Customs, Duty of Excise, Value added tax, Cess and any other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of Income tax, Service tax, Sales tax, Value added tax, Duty of Customs, Excise duty and Cess which have not been deposited with the appropriate authorities on account of any dispute, except as stated below:

Name of the Statute	Nature of the dues	Amount (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act	Tea cess	1.47 12.64	2005-2006 2006-2013	High Court CESTAT
Central Excise Act	Excise duty	37.65	May 2004 to December 2005	Appellate tribunal of Central Excise
Central Excise Act	Excise duty	3.45	September 2004 to January 2007	Appellate tribunal of Central Excise
Central Excise Act	Excise duty	3,553.24*	September 2006 to October 2011	Appellate tribunal of Central Excise
Income tax Act	Income tax	64.26	2008-09	Commissioner of Income tax (Appeals)

\*Net of deposit of ₹ 175 lakhs

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions or banks. The Company does not have any loans or borrowings from government or dues to debenture holders during the year.
- ix. According to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained. The Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year.
- x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us, the Company has paid managerial remuneration amounting to ₹ 289.98 lakhs for the year ended 31 March 2016. The Company has made an application to the Central Government for approval of payment of such remuneration pursuant to the provisions of Section 197 read with Schedule V of the Act, which is pending approval. Pending disposal of the Company's application, the said amount has been charged to the Statement of profit and loss.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with Section 177 and 188 of Act, and where applicable the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him.
- xvi. According to information and explanations given to us, the Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

**For B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration No: 101248W/W-100022

Mumbai  
27 May 2016

**Vijay Bhatt**  
Partner  
Membership No: 036647

**ANNEXURE B TO INDEPENDENT AUDITORS' REPORT – 31 MARCH 2016**  
**(Referred to in our report of even date)**

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

We have audited the internal financial controls over financial reporting of The Bombay Burmah Trading Corporation, Limited ("the Company") as at 31 March 2016 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

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

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

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

**Meaning of Internal Financial Controls Over Financial Reporting**

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

- (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (b) 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
- (c) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Other matters**

We did not audit the internal financial controls over financial reporting of 2 branches of the Company. The internal financial controls over financial reporting of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the internal financial controls over financial reporting included in respect of these branches, is based solely on the report of such branch auditors.

**For B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration No: 101248W/W-100022

Mumbai  
27 May 2016

**Vijay Bhatt**  
Partner  
Membership No: 036647

The Bombay Burmah Trading Corporation, Limited

**BALANCE SHEET AS AT 31ST MARCH, 2016**

		(₹ in Lakhs)	
		As at	As at
		31 <sup>st</sup> March, 2016	31 <sup>st</sup> March, 2015
<b>A</b>	<b>EQUITY AND LIABILITIES</b>		
	SHAREHOLDERS' FUNDS		
	Share capital	1,396.27	1,396.27
	Reserves and surplus	20,227.56	24,398.65
		<u>21,623.83</u>	<u>25,794.92</u>
	NON-CURRENT LIABILITIES		
	Long-term borrowings	8,488.07	9,885.24
	Other long-term liabilities	37.17	46.13
	Long-term provisions	2.16	2.16
		<u>8,527.40</u>	<u>9,933.53</u>
	CURRENT LIABILITIES		
	Short-term borrowings	21,687.21	19,273.46
	Total Outstanding dues of micro and small enterprises	-	-
	Total Outstanding dues of creditors other than micro and small enterprises	1,664.24	2,633.40
	Other current liabilities	5,131.18	8,218.33
	Short-term provisions	1,373.19	1,505.41
		<u>29,855.82</u>	<u>31,630.60</u>
	<b>TOTAL</b>	<u><u>60,007.05</u></u>	<u><u>67,359.05</u></u>
<b>B</b>	<b>ASSETS</b>		
	NON-CURRENT ASSETS		
	Fixed assets		
	- Tangible assets	11,659.56	11,094.33
	- Intangible assets	44.00	26.48
	- Capital work-in-progress	76.10	92.47
		<u>11,779.66</u>	<u>11,213.28</u>
	Non-current investments	16,545.47	16,545.80
	Deferred tax assets (net)	-	104.81
	Long-term loans and advances	7,553.51	8,066.25
	Other non current assets	30.09	30.01
		<u>24,129.07</u>	<u>24,746.87</u>
	CURRENT ASSETS		
	Inventories	9,253.56	9,899.07
	Trade receivables	4,327.67	4,903.00
	Cash and bank balance	609.67	5,428.68
	Short-term loans and advances	9,554.02	9,224.27
	Other current assets	353.40	1,943.88
		<u>24,098.32</u>	<u>31,398.90</u>
	<b>TOTAL</b>	<u><u>60,007.05</u></u>	<u><u>67,359.05</u></u>

**SIGNIFICANT ACCOUNTING POLICIES**

The notes referred to above form an integral part of the Financial Statement

As per our attached report of even date.

For B S R & Co.LLP

Chartered Accountants

Firm's Registration No. 101248W / W-100022

For and on behalf of the Board of Directors

The Bombay Burmah Trading Corporation, Limited

CIN : L99999MH1863PLC000002

Vijay Bhatt  
Partner  
Membership No. 036647

Ness Wadia  
Managing Director  
DIN :00036049

Dr. (Mrs) Sheela Bhide  
Director  
DIN :01843547

Nusli N Wadia  
Chairman  
DIN :00015731

N H Datanwala  
Vice President Corporate  
and Company Secretary

Jeh Wadia  
Director  
DIN :00088831

A K Hirjee  
Vice Chairman  
DIN :00044765

Mumbai,  
Dated : 27<sup>th</sup> May, 2016

Amit Chhabra  
Chief Financial Officer

M L Apte  
Director  
DIN :00003656

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016**

		(₹ in Lakhs)	
	Note	For the year ended 31 <sup>st</sup> March, 2016	For the year ended 31 <sup>st</sup> March, 2015
<b>INCOME</b>			
Revenue from Operations			
Sale of Product	20	24,362.15	23,925.84
Less: Excise duty	20	748.53	622.56
		<u>23,613.62</u>	<u>23,303.28</u>
Sale of Service	20	17.34	20.56
Other Operating Revenues	20	560.27	740.73
		<u>24,191.23</u>	<u>24,064.57</u>
Other income	21	2,482.92	3,557.65
		<u>26,674.15</u>	<u>27,622.22</u>
<b>EXPENDITURE</b>			
Cost of materials consumed	22	7,936.59	7,804.60
Purchases of stock-in-trade	22	1,599.00	1,471.63
Changes in inventories of finished goods, work-in-progress and stock-in-trade	22	554.97	(1,077.55)
Employee benefits	23	7,651.45	7,258.67
Finance costs	24	3,180.38	2,694.45
Depreciation and amortisation		793.10	686.84
Other expenses	25	8,080.85	7,690.19
Cost relating to Real estate under development	26	83.35	90.70
		<u>29,879.69</u>	<u>26,619.53</u>
<b>(Loss)/Profit before tax</b>		<b>(3,205.54)</b>	<b>1,002.69</b>
Tax expense:			
Current tax expense for current year		-	269.75
Current tax expense relating to prior years		4.11	-
Deferred tax		104.81	30.00
		<u>108.92</u>	<u>299.75</u>
<b>(Loss)/Profit after tax</b>		<b>(3,314.46)</b>	<b>702.94</b>
<b>Earnings per Share of Face Value of ₹2/- each</b>	<b>27</b>		
Basic and Diluted		<b>(4.75)</b>	<b>1.01</b>
<b>SIGNIFICANT ACCOUNTING POLICIES</b>			

The notes referred to above form an integral part of the Financial Statement

As per our attached report of even date.

For B S R & Co.LLP

Chartered Accountants

Firm's Registration No. 101248W / W-100022

Vijay Bhatt  
Partner  
Membership No. 036647

Ness Wadia  
Managing Director  
DIN :00036049

N H Datanwala  
Vice President Corporate  
and Company Secretary

Amit Chhabra  
Chief Financial Officer

For and on behalf of the Board of Directors

The Bombay Burmah Trading Corporation, Limited

CIN :L99999MH1863PLC000002

Dr. (Mrs) Sheela Bhide  
Director  
DIN :01843547

Jeh Wadia  
Director  
DIN :00088831

Nusli N Wadia  
Chairman  
DIN :00015731

A K Hirjee  
Vice Chairman  
DIN :00044765

M L Apte  
Director  
DIN :00003656

Mumbai,  
Dated : 27<sup>th</sup> May, 2016

**CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET FOR YEAR ENDED 31ST MARCH, 2016**

	(₹ in Lakhs)	
	2015-16	2014-15
<b>A. Cash flows from operating activities :</b>		
Profit / (Loss) before Taxation	(3,205.54)	1,002.69
Adjustments for :		
Depreciation	793.10	686.84
Unrealised Exchange Fluctuation (gain) / loss (net)	(75.65)	(93.84)
Profit on Sale of Fixed Assets (net)	(1.82)	(93.86)
Provision for Doubtful Debts, Advances/ Doubtful Debts written off, written back (net)	(127.87)	33.18
Interest expense	3,136.50	2,638.30
Interest income	(1,791.65)	(1,396.70)
Dividend income	(237.22)	(1,823.98)
	<u>1,695.39</u>	<u>(50.06)</u>
Operating Profit before working capital changes	(1,510.15)	952.63
Adjustments for :		
Decrease / (Increase) in Trade and other receivables	737.29	(870.53)
Decrease / (Increase) in Inventories	645.51	(1,492.46)
Increase in Trade Payables and Provisions	(471.55)	162.78
	<u>911.25</u>	<u>(2,200.21)</u>
Cash from operations	(598.90)	(1,247.58)
Currency alignment on conversion of accounts of non-integral foreign branches & on fixed assets and investments	(2.24)	(44.87)
Direct taxes paid (net)	(52.22)	(219.75)
<b>Net cash used in operating activities</b>	<u>(653.36)</u>	<u>(1,512.20)</u>
<b>B. Cash flows from investing activities :</b>		
Purchase of fixed assets (net of capital work-in-progress, capital creditors and capital advances)	(1,418.00)	(1,977.51)
Proceeds from sale of fixed assets	2.70	96.46
Intercompany Deposits placed / repaid (net)	-	(6,380.00)
Intercompany Deposits taken / called back (net)	200.00	4,803.00
Advances & Loans to Related Parties (net)	(105.28)	(135.34)
Deposits with Bank (long term)	(0.08)	(30.01)
Interest received	1,746.90	1,430.94
Dividend received	1,824.00	237.20
<b>Net cash used in investing activities</b>	<u>2,250.24</u>	<u>(1,955.26)</u>

**CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET FOR YEAR ENDED 31ST MARCH, 2016 (CONTD.)**

	(₹ in Lakhs)	
	2015-16	2014-15
<b>C. Cash flows from financing activities :</b>		
Repayment of Hire Purchase loan (net)	(7.34)	(27.20)
Proceeds from Banks - working capital loans, cash credit and overdraft (net)	2,413.75	4,737.73
Bank Term Loan Proceeds / (Repayments) (net)	(5,000.00)	7,100.00
Interest paid	(3,130.97)	(2,630.74)
Dividends paid (including Corporate Dividend Tax)	(691.33)	(808.79)
<b>Net cash from / (used in) financing activities</b>	<b>(6,415.89)</b>	<b>8,371.00</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(A + B + C) (4,819.01)</b>	<b>4,838.78</b>
Cash and cash equivalents as at the commencement of the year	5,428.68	589.90
Cash and cash equivalents as at the end of the year in respect of continuing operations	<b>609.67</b>	<b>5,428.68</b>
<b>Net increase / (decrease) as disclosed above</b>	<b>(4,819.01)</b>	<b>4,838.78</b>
<b>Components of Cash and Cash Equivalents as at</b>	<b>31-03-2016</b>	<b>31-03-2015</b>
<b>Cash on hand</b>	<b>21.93</b>	<b>35.23</b>
<b>Balances with Banks - in Current Accounts</b>	<b>485.27</b>	<b>5,180.32</b>
- in EEFC Accounts	12.68	150.29
- in Deposit Accounts	52.97	1.97
- In bank accounts held by foreign branches	36.82	60.87
	<b>609.67</b>	<b>5,428.68</b>

The notes forming an integral part of Financial Statements

**Notes:**

- 1) The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Accounting standard (AS - 3) "Cash Flow Statements" as notified under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014.
- 2) Component of Cash and Cash Equivalents exclude bank deposits with maturity of more than 3 months aggregating to ₹ 30.09 lakhs (Previous Year ₹30.01 lakhs).
- 3) Figures relating to Previous Year have been recast where necessary to conform to figures of the current year.

As per our attached report of even date.

For B S R & Co.LLP

Chartered Accountants

Firm's Registration No. 101248W / W-100022

For and on behalf of the Board of Directors

The Bombay Burmah Trading Corporation, Limited

CIN :L99999MH1863PLC000002

Vijay Bhatt  
Partner  
Membership No. 036647

Ness Wadia  
Managing Director  
DIN :00036049

Dr. (Mrs) Sheela Bhide  
Director  
DIN :01843547

Nusli N Wadia  
Chairman  
DIN :00015731

N H Datanwala  
Vice President Corporate  
and Company Secretary

Jeh Wadia  
Director  
DIN :00088831

A K Hirjee  
Vice Chairman  
DIN :00044765

Mumbai,  
Dated : 27<sup>th</sup> May, 2016

Amit Chhabra  
Chief Financial Officer

M L Apte  
Director  
DIN :00003656



## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

### I. Significant Accounting Policies:

#### A. Basis of Accounting:

The financial statements are prepared under the historical cost convention on an accrual basis and in accordance with generally accepted accounting principles in India (GAAP) and in compliance with the applicable accounting standards and provisions of the Companies Act, 2013 (here after referred to 'the Act').

The preparation of financial statements in conformity with GAAP requires that the management of the Corporation makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of fixed assets, provision for doubtful debts / advances, future obligations in respect of retirement benefit plans, etc. Difference between actual results and estimates are recognised in the period in which the results are known / materialise.

#### B. Current-non-current classification:

The Schedule III to the Act requires assets and liabilities to be classified either Current or Non-current.

a. An asset shall be classified as current when it satisfies any of the following criteria:

- i) it is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
- ii) it is held primarily for the purpose of being traded;
- iii) it is expected to be realized within twelve months after the reporting date; or
- iv) it is Cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Current assets include the current portion of non-current financial assets.

b. All assets other than current assets shall be classified as non-current.

c. A liability shall be classified as current when it satisfies any of the following criteria:

- i) it is expected to be settled in the company's normal operating cycle;
- ii) it is held primarily for the purpose of being traded;
- iii) it is due to be settled within twelve months after the reporting date; or
- iv) the company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Current liabilities include the current portion of non-current financial liabilities.

d. All liabilities other than current liabilities shall be classified as non-current.

#### C. Method of Depreciation of Tangible Fixed Assets:

Depreciation in respect of all tangible assets is provided on straight line method over the useful lives of assets based on the evaluation. Depreciation on such assets which are purchased / sold during the period is proportionately charged and for the assets acquired prior to 1<sup>st</sup> April, 2014, the carrying amount as on 1<sup>st</sup> April, 2014 is depreciated over the remaining useful life based on an evaluation. The useful life of fixed assets is as follows:

**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS**

Categories of Assets	Useful life
Plant and machinery *	10 – 15 years
Furniture and fixtures *	10 – 16 years
Motor vehicles (scooters)	10 years
Motor vehicles (Cars)	8 years
Computer hardware	3 years
Office equipment	5 years
Buildings	30 years
Leasehold lands	Lease period
Non-carpeted roads	3 years
Development- Plantations	Based on life of a plant/ saplings
Mould and Dies *	5 years

\* The Corporation believes the useful lives as given above best represent the useful life of these assets based on internal assessment where necessary, which is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Assets costing less than ₹ 5,000/- are fully depreciated in the year of purchase.

**D. Valuation of Tangible Fixed Assets:**

- i) Fixed Assets are valued at cost of acquisition or construction. They are stated at historical costs or other amounts substituted for historical costs (vide note (ii) below). In respect of new projects pre-operative expenses including financing costs attributable to the acquisition / construction of fixed assets (net of income during trial run) upto the date of commencement of commercial production is included in cost.
- ii) The Land and Building of the Auto electric component division as on 1<sup>st</sup> April, 2006 and the Plant and Machinery of South India Branches (Plantations) as on 30<sup>th</sup> September, 1985 other than additions during that year were revalued on the basis of the then present worth as per valuation made by the external valuers and are stated at revalued amounts. The resultant increase was credited to Revaluation Reserve on the respective dates.
- iii) Expenditure in respect of new crops including cost of development is capitalised until the year of maturity of the Plantation.
- iv) Fixed Assets held by non-integral foreign branches are stated at cost by converting at the closing rate of exchange at the balance sheet date.

**E. Intangible Assets:**

Intangible assets are recognised as per the criteria specified in Accounting Standard (AS 26) "Intangible Assets" as notified under section 133 of the Act read with Companies (Accounts) Rules, 2014.

Technical know-how fees for new product development is amortised over the period not exceeding five years, of agreement with supplier of technology.

Goodwill represents the excess of costs of business acquired over the fair market value of net tangible and identifiable intangible assets.

Amortisation in respect of all the intangible assets is provided on straight line method over the useful lives of assets based on the evaluation and for the assets acquired prior to 1<sup>st</sup> April, 2014, the carrying amount as on 1<sup>st</sup> April, 2014 is amortised over the remaining useful life based on an evaluation. The useful life of such intangible assets is as follows:

Categories of Assets	Useful life
Computer software	1 - 6 years
Technical know-how fees for new product development *	1 - 5 years
Goodwill	5 years

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

\* The Company believes the useful lives as given above best represent the useful life of these assets based on internal assessment where necessary, which is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

### F. Impairment of Assets:

Management evaluates at regular intervals, using external and internal sources whether there is an impairment of any asset. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its net realisable value on eventual disposal. Any loss on account of impairment is expensed as the excess of the carrying amount over the higher of the asset's net realisable value or present value as determined.

### G. Valuation of Investments:

- i) Long Term Investments are shown at cost. However, when there is a decline, other than temporary, in the value of a long term investment, the carrying amount is reduced to recognise the decline.
- ii) Current Investments are valued at cost or fair / market value whichever is lower.
- iii) Long Term Investments include investments in shares of companies registered outside India. They are stated at cost by converting at the rate of exchange prevalent at the time of acquisition thereof, except in case of investment by non-integral foreign branches. Investments made by such foreign branches, are stated at cost by converting at the closing rate of exchange at the balance sheet date.

### H. Employee Benefits:

#### a) Short term employee benefits:

Short term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss for the year in which the related service is rendered.

#### b) Post-employment benefits:

##### i) Provident and Family Pension Fund

The eligible employees of the Corporation are entitled to receive post employment benefits in respect of provident and family pension fund, in which the Corporation make monthly contributions at a specified percentage of the employees' eligible salary (currently 12% of employees' eligible salary). Employees contribute a minimum of 12%, the excess being voluntary contribution.

The contributions are made to the provident fund managed by the trust set up by the Corporation or to the Regional Provident Fund Commissioner (RPFC) which are charged to the Statement of Profit and Loss as incurred. The schemes are considered as defined contribution plan.

##### ii) Superannuation

The eligible employees of the Corporation are entitled to receive post employment benefits in respect of superannuation fund in which the Corporation makes annual contribution at a specified percentage of the employees' eligible salary. The contributions are made to the ICICI Prudential Life Insurance Co. Ltd. Superannuation is classified as Defined Contribution Plan as the Corporation has no further obligations beyond making the contribution. The Corporation's contribution to Defined Contribution Plan is charged to statement of profit and loss as incurred.

##### iii) Gratuity

The Corporation has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees.

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

The plan provides a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service. The Corporation accounts for gratuity benefits payable in future based on an independent external actuarial valuation carried out at the end of the year. Actuarial gains and losses are recognised in the Statement of Profit and Loss.

### c) Other Long-Term Employee Benefits – Compensated Absences:

The Corporation provides for encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The Corporation makes provision for compensated absences based on an independent actuarial valuation carried out at the end of the year. Actuarial gains and losses are recognised in the Statement of Profit and Loss.

### I. Provisions, Contingent Liabilities And Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the financial statements. Contingent Assets are neither recognised nor disclosed in the financial statements.

### J. Valuation of Inventories:

- i) Stores and spare parts are valued at lower of cost or net realisable value. Cost is calculated on weighted average basis.
- ii) Raw materials are valued at lower of cost or net realisable value. The cost includes purchase price as well as incidental expenses and is calculated on weighted average basis.
- iii) Tea stock is valued at cost or net realizable value whichever is lower and inclusive of cess on excise duty. Timber, coffee, pepper and cardamom in stock are valued at since realized / contracted rates or realizable value.
- iv) Work-in-progress is valued at cost or net realisable value whichever is lower. Cost is arrived on the basis of absorption costing.
- v) Manufactured finished goods of all divisions are valued at cost or net realisable value whichever is lower. Cost is determined on the basis of absorption costing including excise duty paid / provided on packed finished goods.
- vi) Traded Finished goods of all divisions are valued at cost or net realisable value whichever is lower.
- vii) Real Estate under development comprises of Freehold / Leasehold Land and Buildings at cost, converted from Fixed Assets into Stock-in –Trade and expenses related / attributable to the development / construction of the said properties. The same is valued at lower of cost or net realizable value.

### K. Foreign Currency Transactions:

#### i) Foreign Branches: (Non-integral operations)

- a) All assets and liabilities, both monetary and non-monetary are translated at the closing rate;
- b) Income and expense items are translated at the average rate prevailing during the year; and
- c) All resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment in the branch.

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

### ii) Other Transactions:

#### a) Initial recognition:

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

#### b) Conversion:

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

#### c) Exchange Differences:

The premium or discount arising at the inception of forward exchange contracts is amortised as expenses or income over the life of the respective contracts. The difference between year-end conversion rate and rate on the date of contract is recognized as exchange difference. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or expense for the year.

### L. Export Benefits / Incentives:

Export benefits / incentives in respect of import duty benefits under DEPB scheme or Duty draw back scheme are accounted on accrual basis on the basis of exports made under the said schemes.

### M. Revenue Recognition:

- i) Revenue in respect of insurance / other claims, interest etc., is recognised only when it is reasonably certain that the ultimate collection will be made.
- ii) Sale of products is recognised when the risks and rewards of ownership are passed on to the customers and no significant uncertainty as to its measurability and collectability exists.
- iii) Sale of timber is accounted based on sale agreement/sale in auction.
- iv) Sale of pepper is accounted based on confirmed contract of sale.
- v) Dividend income is accounted when the right to receive payment is established and known. Interest income is recognised on the time proportion basis.

### N. Borrowing Cost:

Interest and other costs in connection with the borrowing of the funds to the extent related / attributed to the acquisition / construction of qualifying fixed assets are capitalised up to the date when such assets are ready for its intended use and all other borrowing costs are recognised as an expense in the period in which they are incurred.

### O. Segment Accounting Policies:

#### a) Segment assets and liabilities:

All Segment assets and liabilities are directly attributable to the segment.

Segment assets include all operating assets used by the segment and consist principally of fixed assets, inventories, sundry debtors, loans and advances and operating cash and bank balances. Segment assets and liabilities do not include inter-corporate deposits, share capital, reserves and surplus, borrowings, and income tax (both current and deferred).

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

### b) Segment revenue and expenses:

Segment revenue and expenses are directly attributable to segment. It does not include interest income on inter-corporate deposits, interest expense and income tax.

### P. Financial Derivatives and commodity hedging transactions:

Outstanding derivative contracts are not marked to market at each balance sheet date. The Corporation assesses the foreseeable losses in respect of such contracts and provision is made for such estimated losses, wherever necessary. Realized gains and losses on such contracts and interest costs in foreign currencies are accounted for at the time of settlement of the underlying transactions.

### Q. Taxes on Income:

Income Taxes are accounted for in accordance with Accounting Standard (AS 22) – “Accounting for Taxes on Income”, as notified under Section 133 of the Act read with read with Companies (Accounts) Rules, 2014. Income Tax comprises both current and deferred tax.

Current tax is measured on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability. They are measured using the substantively enacted tax rates and tax regulations as of the Balance Sheet date.

Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognised, only if there is virtual certainty of its realisation, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognised only to the extent there is a reasonable certainty of its realisation.

### R. Earnings per Share:

The basic and diluted earnings per share (EPS) is computed by dividing Net Profit after tax for the year by weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date.

### S. Leases:

i) Lease transactions entered into prior to 1<sup>st</sup> April, 2002:

a) Lease rentals in respect of assets acquired under lease are charged to Statement of Profit & Loss.

ii) Lease transactions entered into on or after 1<sup>st</sup> April, 2002:

a) Assets acquired under lease where the Corporation has substantially all the risks and rewards incidental to ownership are classified as finance leases. Such assets are capitalised at the inception of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

b) Assets acquired on leases where significant portions of the risks and rewards incidental to ownership are retained by the lessors, are classified as operating leases. Lease rentals are charged to the Statement of Profit & Loss on accrual basis.

**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS**

		(₹ in Lakhs)	
1	SHARE CAPITAL	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Particulars</b>			
<b>Authorised Capital</b>			
	7,50,00,000 Equity shares of ₹ 2/- each (Previous Year 7,50,00,000 of ₹ 2/- each)	1,500.00	1,500.00
		<u>1,500.00</u>	<u>1,500.00</u>
<b>Issued, Subscribed and paid-up</b>			
	6,97,71,900 Equity shares of ₹ 2/- each (Previous Year 6,97,71,900 of ₹ 2/- each)	1,395.44	1,395.44
	<b>Forfeited shares amount paid-up</b>	<b>0.83</b>	<b>0.83</b>
	TOTAL	<u><u>1,396.27</u></u>	<u><u>1,396.27</u></u>

- a) The Corporation has only one class of equity share having par value of ₹ 2/- (Previous Year ₹ 2/-) per share.
- b) Each holder of equity shares is entitled to one vote per share.
- c) The Corporation declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- d) During the year ended 31<sup>st</sup> March, 2016, the amount of per share dividend recognised as distributions to equity shareholders was ₹ 1/- (Previous Year ₹ 1/-) for every share of ₹ 2/- each.

The total dividend appropriation for the year ended 31<sup>st</sup> March, 2016 amounted to ₹ 839.78 lakhs (Previous Year ₹ 697.72 lakhs) including corporate dividend tax of ₹ 142.06 Lakhs (Previous Year Nil).

- e) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- f) Reconciliation of the shares outstanding at the beginning and at the end of reporting year.

	31 <sup>st</sup> March, 2016		31 <sup>st</sup> March, 2015	
	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs
Equity shares				
At the beginning of the year	6,97,71,900	1,395.44	6,97,71,900	1,395.44
Add : Issued during the year	-	-	-	-
Outstanding at the end of the year	<u>6,97,71,900</u>	<u>1,395.44</u>	<u>6,97,71,900</u>	<u>1,395.44</u>

- (g) Details of shares held by each shareholder holding more than 5% shares

Sr. No.	Name of Shareholders	As at 31 <sup>st</sup> March, 2016	% holding	As at 31 <sup>st</sup> March, 2015	% holding
1	Archway Investment Company Limited.	1,30,38,600	18.69	1,30,38,600	18.69
2	N. W. Exports Limited	98,17,275	14.07	98,17,275	14.07
3	Sunflower Investments & Textiles Private Limited.	65,76,120	9.43	65,76,120	9.43
4	Naperol Investments Limited	42,08,400	6.03	42,08,400	6.03
5	Mr. Nusli Neville Wadia	61,41,505	8.81	61,41,505	8.81
6	Wallace Brothers Trading & Industrial Limited, United Kingdom	56,60,700	8.11	56,60,700	8.11
		<u>4,54,42,600</u>	<u>65.14</u>	<u>4,54,42,600</u>	<u>65.14</u>

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

		(₹ in Lakhs)	
2	RESERVES AND SURPLUS	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Particulars</b>			
<b>Capital reserve</b>			
	At the commencement and end of the year	89.47	89.47
<b>Securities premium account</b>			
	At the commencement and end of the year	3,637.21	3,637.21
<b>Revaluation reserve</b>			
	Opening balance	433.67	440.26
	Less: Utilised for set off against depreciation	-	(6.59)
	Closing balance	433.67	433.67
<b>General reserve</b>			
	Opening balance	3,348.19	4,085.86
	Less: Depreciation impact due to change in life of fixed assets, on application of Schedule II of the Companies Act, 2013 (Refer Note 11)	-	(737.67)
	Closing balance	3,348.19	3,348.19
<b>Foreign currency translation reserve</b>			
	Opening balance	36.70	97.70
	Add: Effect of foreign exchange rate variations during the year	(16.85)	(61.00)
	Closing balance	19.85	36.70
<b>Surplus in Statement of Profit and Loss</b>			
	Opening balance	16,853.41	16,848.19
	Add: (Loss)/Profit for the year	(3,314.46)	702.94
<b>Less : Appropriations</b>			
	Proposed Dividend (dividend per share ₹ 1/- for every share of ₹ 2/- each)		
	(Previous Year ₹ 1/- for every share of ₹ 2/- each)	697.72	697.72
	Corporate Dividend Tax thereon	142.06	-
	Closing balance	12,699.17	16,853.41
	TOTAL	20,227.56	24,398.65



**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS**

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>3 LONG-TERM BORROWINGS</b>		
<b>Secured Loans (Refer note below)</b>		
Term loans from banks	<b>8,483.30</b>	9,875.00
Loan against vehicles	<b>4.77</b>	10.24
TOTAL	<b>8,488.07</b>	<b>9,885.24</b>

**Note: Details of terms related to repayment and security on secured loans**

Term loans from banks:	Terms of repayment and security		
HDFC Bank	Refer note (a)	<b>750.00</b>	2,375.00
Kotak Bank	Refer note (b)	<b>5,000.00</b>	5,000.00
HSBC Bank	Refer note (c)	<b>1,000.00</b>	2,500.00
Federal Bank	Refer note (d)	<b>1,733.30</b>	-
	TOTAL	<b>8,483.30</b>	9,875.00
Loan against vehicles	Refer note (e)	<b>4.77</b>	10.24
	TOTAL	<b>8,488.07</b>	<b>9,885.24</b>

- (a) Rupee loan from HDFC Bank Limited of ₹ 3,000 Lakhs, - current outstanding - ₹ 2,250 Lakhs of which is repayable in 4 equal half yearly installments of ₹ 750 Lakhs each from 3<sup>rd</sup> March 2016 to 3<sup>rd</sup> September 2017. The loan is secured by extension of charge Equitable Mortgage by deposit of title deeds of Singampatti estates together with Buildings and structures thereon in favour of HDFC Bank Limited. The rate of interest on the loan is ranging from 9.1% to 10.5%.
- (b) Rupee loan from Kotak Mahindra Bank Limited of ₹ 5,000 Lakhs, - current outstanding - ₹ 5,000 Lakhs of which ₹1,500 lakhs is repayable in 8 equal quarterly installments of ₹112.50 lakhs each, from 30<sup>th</sup> June, 2017 to 30<sup>th</sup> June, 2019 and 4 equal quarterly installments of ₹ 150 lakhs each, from 30<sup>th</sup> September, 2019 to 30<sup>th</sup> June, 2020; ₹ 3,500.00 lakhs is repayable in 8 equal quarterly installments of ₹ 262.50 lakhs each, from 30<sup>th</sup> September, 2017 to 31<sup>st</sup> March, 2019 and 4 equal quarterly installments of ₹ 350.00 lakhs each, from 30<sup>th</sup> June, 2019 to 31<sup>st</sup> March, 2020. The loan is secured by extension of charge of an Equitable Mortgage by deposit of title deeds of Akurdi Land together with Buildings and structures thereon in favour of Kotak Mahindra Bank Limited. The rate of interest on the loan is ranging from 9.1% to 11%.
- (c) Rupee loan from The Hongkong and Shanghai Banking Corporation Limited of ₹ 2,500 Lakhs, - current outstanding - ₹ 2,000 Lakhs is repayable in 5 equal half yearly installments of ₹ 500 Lakhs each from 23<sup>rd</sup> December 2015 to 23<sup>rd</sup> December 2017. The loan is secured by extension of charge of an Equitable Mortgage by deposit of title deeds of Mudis estates together with Buildings and structures thereon in favour of said bank. The rate of interest on the loan is ranging from 9.1% to 10.5%.
- (d) Rupee loan from The Federal Bank Limited of ₹ 2,500 Lakhs, - current outstanding - ₹ 2,197 Lakhs is repayable in 18 quarterly installments of ₹ 138.89 Lakhs each from September 2016 to December 2020. The loan is secured by extension of *pari passu* charge of an Equitable Mortgage by deposit of title deeds of Mudis estates together with Buildings and structures thereon in favour of said bank. The rate of interest on the loan is ranging from 9.1% to 10.5%.
- (e) Loan against vehicles are secured by lien on vehicle purchased.

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

		(₹ in Lakhs)	
4	NET DEFERRED TAX (ASSET) / LIABILITY :	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Particulars</b>			
<b>Timing difference on account of :</b>			
<b>Deferred Tax Liability</b>			
-	Difference between written down value of fixed assets as per books and as per Direct Tax Laws.	705.65	506.36
<b>Less : Deferred Tax Asset</b>			
-	Provision for Doubtful Debts, Advances, Contingencies	(254.29)	(278.95)
-	Provision for Employee Benefits	(84.31)	(131.87)
-	Unabsorbed business and depreciation loss (Refer Note below)	(367.05)	(200.35)
<b>Net Deferred Tax (Asset) / Liability</b>		-	(104.81)

**Note:**

During the financial year, in the absence of virtual certainty, Deferred Tax Assets on account of unabsorbed depreciation and business loss has been recognised to the extent it can be realised against reversal of Deferred Tax Liability.

**5 OTHER LONG TERM LIABILITIES**

Security deposit	37.17	46.13
TOTAL	37.17	46.13

**6 LONG-TERM PROVISIONS**

Fringe Benefit tax (Net of Advance tax ₹ 7.84 Lakhs (Previous Year ₹ 7.84 Lakhs))	2.16	2.16
TOTAL	2.16	2.16

**7 SHORT-TERM BORROWINGS**

<b>Loans (Refer Note below)</b>		
<b>- Secured</b>		
-- From Banks	11,187.21	7,773.46
<b>- Unsecured (repayable on demand)</b>		
-- From Banks	6,500.00	6,500.00
<b>Intercorporate Deposits (repayable on demand)</b>		
- From Other parties	-	1,000.00
- From Related parties (Refer Note 34)	4,000.00	4,000.00
TOTAL	21,687.21	19,273.46

**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS**

**7 SHORT-TERM BORROWINGS (Contd.)**

Details of security for the secured short-term borrowings:

Particulars	Note	₹ in Lakhs)	
		As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Secured Loans from banks:</b>			
<b>Cash Credit / WCDL, Short term loans and Packing Credit</b>			
Axis Bank	Refer note (a)	2,868.72	895.20
HDFC Bank	Refer note (b) & (c)	2,887.06	2,214.26
HSBC Bank	Refer note (d)	2,200.88	4,431.75
Federal Bank	Refer note (e)	2,788.45	232.25
Kotak Bank	Refer note (f)	442.10	-
	TOTAL	<u>11,187.21</u>	<u>7,773.46</u>
<b>Unsecured and repayable on demand:</b>			
- From Banks	Refer note (g)	6,500.00	6,500.00
	TOTAL	<u>6,500.00</u>	<u>6,500.00</u>
<b>Intercompany Deposits:</b>			
- From Others		-	1,000.00
- From Related Parties	Refer note (h)	4,000.00	4,000.00
	TOTAL	<u>4,000.00</u>	<u>5,000.00</u>

- (a) Cash Credit from Axis Bank Limited of ₹ 2,868.72 Lakhs (Previous Year ₹ 895.20 Lakhs), is secured by hypothecation of present and future stocks, book debts and other current assets on *pari-passu* basis and a collateral on Elkhill Estates. The rate of interest on the loan is ranging from 11% to 13%.
- (b) Cash Credit from HDFC Bank Limited of ₹ 1,825.93 Lakhs (Previous Year ₹ 1,960.27 Lakhs) is secured by hypothecation of present and future stocks, book debts and other current assets on *pari-passu* basis and a collateral on Singampatti Estates. The rate of interest on the loan is ranging from 11% to 13%.
- (c) Short term loan and Agriculture loan from HDFC Bank Limited of ₹ 700 Lakhs (Previous Year ₹ Nil) and ₹ 361.13 Lakhs (Previous Year ₹ 253.99 Lakhs) is secured by hypothecation of present and future stocks, book debts and other current assets on *pari-passu* basis and a collateral on Singampatti Estates. The rate of interest on the loan is ranging from 9% to 11%.
- (d) Packing Credit/ Cash Credit / WCDL from The Hongkong and Shanghai Banking Corporation Limited of ₹ 2,200.88 Lakhs (Previous Year ₹ 4,431.75) is secured by hypothecation of present and future stocks, book debts and other current assets on *pari-passu* basis and a collateral on Mudis Estates. The rate of interest on the loan is ranging from 9% to 11%.
- (e) Packing credit from Federal Bank Limited of ₹ 2,788.45 Lakhs (Previous Year ₹ 232.25 Lakhs) is secured by hypothecation of present and future stocks, book debts and other current assets on *pari-passu* basis. The rate of interest on the loan is 6 Months LIBOR plus 1 %.
- (f) Cash Credit/ Overdraft from Kotak Bank Limited of ₹ 442.10 Lakhs (Previous Year ₹ Nil) is secured by hypothecation of present and future stocks, book debts and other current assets on *pari-passu* basis. The rate of interest on the loan is ranging from 9% to 11%.
- (g) Outstanding unsecured loan of ₹ 6,500.00 Lakhs (Previous Year ₹ 6,500 Lakhs) is payable to banks. The tenure of loan is short term and it is repayable on demand. The rate of interest on the loan is ranging from 9% to 11.5%.
- (h) During last year the Corporation had obtained Inter Corporate Deposit of ₹ 4,000 Lakhs (Previous year ₹ 4,000 Lakhs) from Britannia Industries Limited (Subsidiary company) which carries interest @ 12%. It is unsecured and repayable on demand.

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

		(₹ in Lakhs)	
8	TRADE PAYABLES	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Particulars</b>			
<b>Trade payables:</b>			
	Total Outstanding dues of micro and small enterprises (Refer Note 41)	-	-
	Total Outstanding dues of creditors other than micro and small enterprises	<u>1,664.24</u>	<u>2,633.40</u>
	TOTAL	<u><u>1,664.24</u></u>	<u><u>2,633.40</u></u>
<b>9 OTHER CURRENT LIABILITIES</b>			
<b>To Related parties:</b>			
	- Expenses payable	31.87	30.61
<b>To other than Related parties:</b>			
	Current maturities of long-term debt (Refer Note below)	2,922.18	6,532.35
	Interest accrued but not due on borrowings	131.16	125.63
	Unpaid dividends	100.78	94.39
	Security deposits	322.45	321.45
	Advances from customers	5.71	11.18
<b>Other payables :</b>			
	- Statutory liabilities *	158.83	156.87
	- Employees	100.97	86.28
	- Expenses payable (Refer note 40)	<u>1,357.23</u>	<u>859.57</u>
	TOTAL	<u><u>5,131.18</u></u>	<u><u>8,218.33</u></u>
* Includes Service tax, VAT, TDS, Excise duty, Provident fund and ESIC.			
<b>Note : Current maturities of long term debts</b>			
<b>Secured Loans</b>			
	- From Banks (Refer Note 3a & 3b)	2,916.70	6,525.00
	- Loan against vehicle (Refer Note 3e)	5.48	7.35
	TOTAL	<u><u>2,922.18</u></u>	<u><u>6,532.35</u></u>
<b>10 SHORT-TERM PROVISIONS</b>			
<b>Provision for employee benefits:</b>			
	- Gratuity (Refer Note 35)	131.82	188.23
	- Compensated absences (Refer Note 33)	283.16	222.13
	- Pension and Superannuation funds	<u>118.43</u>	<u>127.58</u>
		533.41	537.94
	Provision for tax (Net of advance tax)	-	269.75
	Provision for proposed equity dividend	697.72	697.72
	Provision for tax on proposed dividend	<u>142.06</u>	<u>-</u>
	TOTAL	<u><u>1,373.19</u></u>	<u><u>1,505.41</u></u>



## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2016			As at 31 <sup>st</sup> March, 2015		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
<b>12 NON-CURRENT INVESTMENTS</b>						
<b>Long Term Investments (At cost):</b>						
<b>A. Trade</b>						
Fully paid at Cost -						
1,774 (Previous Year 1,774) Ordinary Shares of Anamallais Ropeway Company Limited of ₹ 100 each	-	0.01	0.01	-	0.01	0.01
5 (Previous Year 5) Ordinary Shares of The Nilgiris Co-operative Central Stores Limited of ₹ 50 each (Face Value ₹ 250, Book Value ₹ 255)	-	-	-	-	-	-
250 (Previous Year 250) Shares of The Valparai Co-operative Wholesale Stores Limited of ₹ 10 each	-	0.03	0.03	-	0.03	0.03
1 (Previous Year 1) Share of The Coorg Orange Growers' Co- operative Society Limited of ₹ 100 (Face Value ₹ 100, Book Value ₹ 100)	-	-	-	-	-	-
50 (Previous Year 50) "Member" Shares of The Tanganyika Farmers' Co-operative Association Limited of Shs. 1,000 each (Face Value Shs. 50,000 Book Value ₹ 3,090)	-	0.02	0.02	-	0.02	0.02
	-	0.06	0.06	-	0.06	0.06
<b>Total - Trade (A)</b>	-	0.06	0.06	-	0.06	0.06
<b>B. Other investments</b>						
(a) Investment in equity instruments						
(i) of subsidiaries						
76,050 (Previous Year 76,050) Ordinary Shares of Afco Industrial & Chemicals Limited of ₹100 each	-	60.02	60.02	-	60.02	60.02
20,000 (Previous Year 20,000) Ordinary Shares of DPI Products & Services Limited of ₹100 each	-	73.62	73.62	-	73.62	73.62

**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS**

Particulars	(₹ in Lakhs)					
	As at 31 <sup>st</sup> March, 2016			As at 31 <sup>st</sup> March, 2015		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
4,71,13,550 (Previous Year 4,71,13,550) Ordinary Shares of Leila Lands Sdn. Bhd. of RM. 1 each	-	6,479.25	6,479.25	-	6,479.58	6,479.58
5,982 (Previous Year 5,982) Equity Shares of Sea Wind Investment And Trading Company Limited of ₹100 each	-	5.98	5.98	-	5.98	5.98
	-	6,618.87	6,618.87	-	6,619.20	6,619.20
(ii) of associates						
4,999 (Previous Year 4,999) Equity Shares of Lima Investment & Trading Company Private Limited of ₹100 each	-	5.00	5.00	-	5.00	5.00
2,44,991 (Previous Year 2,44,991) Equity Shares of Lotus Viniyog Private Limited of ₹10 each	-	24.50	24.50	-	24.50	24.50
4,999 (Previous Year 4,999) Equity Shares of Cincinnati Investment & Trading Company Private Limited of ₹100 each	-	5.00	5.00	-	5.00	5.00
4,999 (Previous Year 4,999) Equity Shares of Roshnara Investment & Trading Company Private Limited of ₹100 each	-	5.00	5.00	-	5.00	5.00
1 (Previous Year 1) Equity Share of The Bombay Burmah Trading Employees' Welfare Co. Limited, of ₹100 (Face Value ₹100, Book Value ₹100)	-	-	-	-	-	-
1 (Previous Year 1) Equity Share of National Peroxide Employees' Welfare Company Limited of ₹100 (Face Value ₹100, Book Value ₹100)	-	-	-	-	-	-
	-	39.50	39.50	-	39.50	39.50

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2016			As at 31 <sup>st</sup> March, 2015		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
(iii) of other entities						
29,644,375 (Previous Year 29,644,375) Equity Shares of The Bombay Dyeing and Manufacturing Company Limited, (BDMC) of ₹ 2 each	9,868.91	-	9,868.91	9,868.91	-	9,868.91
4,704 (Previous Year 4,704) Equity Shares of Citurgia Biochemicals Limited, of ₹10 each	0.47	-	0.47	0.47	-	0.47
16 (Previous Year 16) Equity Shares of The Associated Cement Company Limited, of ₹10 each (Face Value ₹160, Book Value ₹160)	-	-	-	-	-	-
11,580 (Previous Year 11,580) Equity Shares of B.R.T. Limited of ₹100 each	-	15.87	15.87	-	15.87	15.87
48,000 (Previous Year 48,000) Equity Shares of Inor Medical Products Limited of ₹10 each	-	0.29	0.29	-	0.29	0.29
500 (Previous Year 500) Equity Shares of State Bank of Travancore ₹10 each	0.30	-	0.30	0.30	-	0.30
500 (Previous Year 500) Equity Shares of Canara Bank ₹10 each	0.18	-	0.18	0.18	-	0.18
1 (Previous Year 1) Ordinary Share of Daisylea Apartment Owners' Association of ₹100 (Face Value ₹100, Book Value ₹100)	-	-	-	-	-	-
15 (Previous Year 15) Shares of Hermes Park Co-operative Housing Society Limited of ₹50 each	-	0.01	0.01	-	0.01	0.01
10 (Previous Year 10) Shares of Reena Park Co-operative Housing Society Limited of ₹50 each (Face Value ₹500, Book Value ₹500)	-	-	-	-	-	-
	<b>9,869.86</b>	<b>16.17</b>	<b>9,886.03</b>	<b>9,869.86</b>	<b>16.17</b>	<b>9,886.03</b>



**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS**

Particulars	(₹ in Lakhs)					
	As at 31 <sup>st</sup> March, 2016			As at 31 <sup>st</sup> March, 2015		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
(b) Investment in Government securities						
10 (Previous Year 10) units of National Savings Certificates VIII of ₹10,000 each		1.01	1.01		1.01	1.01
	-	1.01	1.01	-	1.01	1.01
<b>Total - Other investments (B)</b>	<b>9,869.86</b>	<b>6,675.55</b>	<b>16,545.41</b>	<b>9,869.86</b>	<b>6,675.88</b>	<b>16,545.74</b>
<b>Total (A+B)</b>	<b>9,869.86</b>	<b>6,675.61</b>	<b>16,545.47</b>	<b>9,869.86</b>	<b>6,675.94</b>	<b>16,545.80</b>
Less: Provision for diminution in value of investments	-	-	-	-	-	-
<b>Total</b>	<b>9,869.86</b>	<b>6,675.61</b>	<b>16,545.47</b>	<b>9,869.86</b>	<b>6,675.94</b>	<b>16,545.80</b>
Aggregate amount of quoted investments			9,869.86			9,869.86
Aggregate market value of listed and quoted investments			14,105.48			-
Aggregate amount of unquoted investments			6,675.61			6,675.94

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>13 LONG-TERM LOANS AND ADVANCES</b>		
<b>Unsecured and Considered good</b>		
<b>To Related parties:</b>		
- Group Companies (Refer Note 34)	3,870.00	3,870.00
- Loans due from Key Managerial Persons (Refer Note 34)	-	62.00
<b>To parties other than Related parties:</b>		
Security deposits	144.29	175.71
Capital advances	95.70	52.34
Advances to employees	95.73	78.37
Advance income tax (net of provision for tax)	376.33	597.97
Balances with Government authorities	194.41	194.26
Intercorporate deposit	2,630.00	2,830.00
Prepaid expenses	18.00	20.70
Advances recoverable in cash or kind	66.90	184.90
<b>Unsecured and Considered Doubtful</b>		
VAT credit receivable	62.15	1.86
Excise duty receivable	122.47	122.47
Advances recoverable in cash or kind	85.10	85.10
	<b>7,761.08</b>	<b>8,275.68</b>
Less : Provision for doubtful Loans and Advances	207.57	209.43
<b>TOTAL</b>	<b>7,553.51</b>	<b>8,066.25</b>

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>14 OTHER NON CURRENT ASSETS</b>		
Deposits with Bank	30.09	30.01
TOTAL	<u>30.09</u>	<u>30.01</u>
<b>15 INVENTORIES</b>		
<b>(At lower of cost or net realisable value)</b>		
Raw materials	421.05	543.28
Work-in-progress	154.87	354.40
Finished goods (other than those acquired for trading)	5,514.88	5,867.70
Stock-in-trade (acquired for trading)	30.37	32.99
Stores and spares including Loose Tools	493.19	685.38
Real Estate under development	2,639.20	2,415.32
TOTAL	<u>9,253.56</u>	<u>9,899.07</u>
<b>16 TRADE RECEIVABLES</b>		
<b>Unsecured</b>		
<b>Trade receivables outstanding for a period exceeding six months from the date they were due for payment</b>		
- considered good	183.24	156.77
- considered doubtful	473.85	444.85
	<u>657.09</u>	<u>601.62</u>
Less: Provision for doubtful trade receivables	473.85	444.85
	<u>183.24</u>	<u>156.77</u>
<b>Other trade receivables</b>		
- considered good	4,144.43	4,746.23
TOTAL	<u>4,327.67</u>	<u>4,903.00</u>
<b>17 CASH AND BANK BALANCE</b>		
<b>Cash and cash equivalents</b>		
Cash on hand	21.93	35.23
<b>Balances with banks:</b>		
- In current accounts	384.48	5,085.93
- In EEFC accounts	12.68	150.29
- In deposit accounts	52.97	1.97
- In foreign bank accounts held by foreign branches	36.82	60.87
<b>Other bank balance:</b>		
- Unpaid dividend accounts	100.79	94.39
TOTAL	<u>609.67</u>	<u>5,428.68</u>

**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS**

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>18 SHORT-TERM LOANS AND ADVANCES</b>		
<b>Unsecured and Considered good</b>		
<b>To Related parties:</b>		
- Group companies and Associates (Refer Note 34)	6,812.31	6,707.03
<b>To parties other than Related parties:</b>		
Security deposits	10.99	11.00
Loans and advances to employees	116.74	76.22
Advance to suppliers	168.98	183.59
Prepaid expenses	106.52	85.11
Balances with Government authorities	393.71	332.62
Loans and Advances to Companies	1,944.77	1,688.31
<b>Unsecured and Considered Doubtful</b>		
Loans and Advances to Companies	140.39	140.39
Less : Provision for doubtful Loans and Advances	140.39	-
TOTAL	<u>9,554.02</u>	<u>9,224.27</u>
<b>19 OTHER CURRENT ASSETS</b>		
<b>To Related parties (Refer Note 34):</b>		
- Dividend from subsidiary	-	1,586.78
- Interest accrued on loans	44.95	-
<b>To parties other than Related parties:</b>		
Earnest Money deposit	-	-
Interest accrued on loans	1.70	0.20
Export benefit receivable	306.75	356.90
TOTAL	<u>353.40</u>	<u>1,943.88</u>

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

## 20 REVENUE FROM OPERATIONS

Particulars	(₹ in Lakhs)	
	For the year ended 31 <sup>st</sup> March, 2016	For the year ended 31 <sup>st</sup> March, 2015
Sale of products (Refer Note (i) below)	24,362.15	23,925.84
Sale of services (Refer Note (ii) below)	17.34	20.56
Other operating revenues (Refer Note (iii) below)	560.27	740.73
	<u>24,939.76</u>	<u>24,687.13</u>
Less: Excise duty	748.53	622.56
TOTAL	<u>24,191.23</u>	<u>24,064.57</u>
<b>Note (i)</b>		
<b>Sale of products comprises:</b>		
<b>Manufactured goods</b>		
- Tea	8,857.72	8,580.15
- Coffee	766.02	1,502.05
- Pepper, Timber etc	673.25	568.02
- Auto electric components - Switches, Solenoids, etc.	10,418.45	10,170.86
- Others	26.78	-
- Weighing products	151.14	198.40
- Dental products	2,095.97	2,030.00
Sub-Total	<u>22,989.33</u>	<u>23,049.48</u>
<b>Traded goods</b>		
- Tea	41.18	23.87
- Coffee	1,049.78	680.47
- Weighing products	22.17	11.59
- Dental products	259.69	160.43
Sub-Total	<u>1,372.82</u>	<u>876.36</u>
TOTAL	<u>24,362.15</u>	<u>23,925.84</u>
<b>Note (ii)</b>		
<b>Sale of services comprises :</b>		
- Weighing products	17.34	20.56
TOTAL	<u>17.34</u>	<u>20.56</u>
<b>Note (iii)</b>		
<b>Other operating revenues comprise:</b>		
- Sale of scrap	111.45	130.32
- Duty drawback and other export incentives	253.84	410.09
- Expenses recovered from subsidiaries and other Companies	111.76	115.17
- Rent (including hire charges/lease rent on machinery)	83.22	85.15
TOTAL	<u>560.27</u>	<u>740.73</u>

**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS**

(₹ in Lakhs)

<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March, 2016</b>	<i>For the year ended 31<sup>st</sup> March, 2015</i>
<b>21 OTHER INCOME</b>		
Interest income (Refer Note (i) below)	<b>1,791.65</b>	<i>1,396.70</i>
Dividend income from Related parties (Refer Note 34):		
- Foreign subsidiary	-	<i>1,586.78</i>
- Other group company	<b>237.22</b>	<i>237.20</i>
Net gain on foreign currency transactions and translation (other than considered as finance cost)	<b>75.65</b>	<i>93.84</i>
Other non-operating income (Refer Note (ii) below)	<b>378.40</b>	<i>243.13</i>
TOTAL	<b><u>2,482.92</u></b>	<i><u>3,557.65</u></i>
<b>Note (i)</b>		
<b>Interest income from :</b>		
- Bank deposits	<b>8.55</b>	<i>2.47</i>
- Loans and advances	<b>1,782.52</b>	<i>1,392.10</i>
- Loans given to Key Managerial Persons (Refer Note 34)	<b>0.58</b>	<i>2.13</i>
TOTAL	<b><u>1,791.65</u></b>	<i><u>1,396.70</u></i>
<b>Note (ii)</b>		
<b>Other non-operating income :</b>		
- Rental income from investment properties	<b>19.93</b>	<i>19.56</i>
- Profit on sale of fixed assets (Net)	<b>1.82</b>	<i>93.86</i>
- Liabilities / provisions no longer required written back	<b>250.26</b>	<i>67.47</i>
- Miscellaneous income	<b>106.39</b>	<i>62.24</i>
TOTAL	<b><u>378.40</u></b>	<i><u>243.13</u></i>
<b>22 COST OF MATERIALS CONSUMED</b>		
Opening stock	<b>543.28</b>	<i>476.75</i>
Add: Purchases during the year	<b>7,814.36</b>	<i>7,871.13</i>
	<b>8,357.64</b>	<i>8,347.88</i>
Less: Closing stock	<b>421.05</b>	<i>543.28</i>
TOTAL	<b><u>7,936.59</u></b>	<i><u>7,804.60</u></i>
<b>Material consumed comprises:</b>		
- Chemicals	<b>994.69</b>	<i>1,113.78</i>
- Bought leaf	<b>1,606.02</b>	<i>1,360.10</i>
- Electronic and mechanical components	<b>5,335.88</b>	<i>5,330.72</i>
TOTAL	<b><u>7,936.59</u></b>	<i><u>7,804.60</u></i>

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Particulars	(₹ in Lakhs)	
	For the year ended 31 <sup>st</sup> March, 2016	For the year ended 31 <sup>st</sup> March, 2015
<b>22 PURCHASE OF STOCK-IN-TRADE</b>		
<b>Trading products comprises:</b>		
Tea	33.62	60.73
Coffee	1,357.96	1,301.14
Weighing products	13.67	6.91
Dental products	193.75	102.85
TOTAL	<u>1,599.00</u>	<u>1,471.63</u>
<b>22 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>		
<b>Inventories at the end of the year:</b>		
Finished goods(including stock in trade of traded goods)	5,387.09	5,900.69
Work-in-progress	313.03	354.40
	<u>5,700.12</u>	<u>6,255.09</u>
<b>Inventories at the beginning of the year:</b>		
Finished goods (including stock in trade of traded goods)	5,900.69	4,882.30
Work-in-progress	354.40	295.24
	<u>6,255.09</u>	<u>5,177.54</u>
<b>Net decrease / (increase)</b>	<u>554.97</u>	<u>(1,077.55)</u>
<b>23 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries and wages	6,830.75	6,499.54
Contributions to provident and other funds (Refer Note 35)	712.44	672.76
Staff welfare expenses	386.09	388.71
Less : Transferred to real estate under development (Refer Note 26)	277.83	302.34
TOTAL	<u>7,651.45</u>	<u>7,258.67</u>
<b>24 FINANCE COSTS</b>		
<b>Interest expense on:</b>		
- Bank borrowings	2,653.75	2,404.32
- Loan from Related Parties (Refer Note 34)	481.32	231.73
- Vehicle Loan	1.43	2.25
Bank charges	43.88	56.15
TOTAL	<u>3,180.38</u>	<u>2,694.45</u>

**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS**

(₹ in Lakhs)

<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March, 2016</b>	<i>For the year ended 31<sup>st</sup> March, 2015</i>
<b>25 OTHER EXPENSES</b>		
Consumption of stores and spare parts	1,373.55	1,401.41
Increase of excise duty on inventory	35.21	39.72
Power and fuel	1,441.29	1,160.04
Rent including lease rentals (Refer Note 38)	99.47	81.82
Repairs and maintenance - Buildings	204.34	137.34
Repairs and maintenance - Machinery	256.66	193.10
Repairs and maintenance - Others	156.45	177.28
Insurance	91.76	84.84
Rates and taxes	136.72	141.18
Communication	76.66	81.48
Travelling and conveyance	286.16	419.34
Printing and stationery	72.70	73.84
Freight and forwarding	716.58	745.90
Sales and business promotion expenses	359.96	446.17
Legal and professional	333.28	267.40
Retainer fees	104.77	109.99
Brand equity and Shared expenses	104.79	88.04
Payments to auditors (Refer Note below)	37.90	34.64
Bad trade and other receivables, loans and advances written off	24.33	0.02
Director's sitting fees	15.20	12.40
Provision for doubtful trade and other receivables, loans and advances (net)	122.39	100.63
Processing charges / Sub-Contracting	1,223.49	1,278.75
Corporate Social Responsibility (Refer Note 42)	46.77	66.62
Miscellaneous expenses	789.82	611.80
Less : Transferred to real estate under development (Refer Note 26)	29.40	63.56
TOTAL	<b>8,080.85</b>	<b>7,690.19</b>
<b>Note : Payments to the auditors</b>		
Statutory audit fees (Including branch auditors fees ₹ 7.84 lakhs (previous Year ₹7.84 lakhs))	20.09	17.16
Other services	16.00	13.19
Reimbursement of expenses	1.81	4.29
TOTAL	<b>37.90</b>	<b>34.64</b>

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

## 26 COST RELATING TO REAL ESTATE UNDER DEVELOPMENT :

Particulars	(₹ in Lakhs)	
	For the year ended 31 <sup>st</sup> March, 2016	For the year ended 31 <sup>st</sup> March, 2015
Opening inventory of Real estate under development	2,415.32	2,140.12
Add: Expenditure relating to real estate division incurred during the year:		
- Payments to and provision for employees (Refer Note 23)	277.83	302.34
- Contract / retainership fees (Refer Note 25)	16.35	38.97
- Travelling and other expenses (Refer Note 25)	13.05	24.59
	<b>2,722.55</b>	<b>2,506.02</b>
Less: Closing inventory of Real estate under development (Refer Note 15)	2,639.20	2,415.32
TOTAL	<b>83.35</b>	<b>90.70</b>

## 27 EARNINGS PER SHARE:

	(₹ in Lakhs)	
	Current Year	Previous Year
A) Net (Loss)/Profit for calculation of Earnings per Share (numerator)	(3,314.46)	702.95
B) Weighted Average number of equity shares (denominator)	69,771,900	69,771,900
C) Basic and Diluted Earnings per shares (A / B) (in Rupees)	(4.75)	1.01
D) Nominal value per equity share (in Rupees)	2	2

## 28 CONTINGENT LIABILITIES NOT PROVIDED FOR:

- A. Sundry claims against the Corporation by employees and others not admitted (amount indeterminate). In the opinion of the management, the outcome of these claims is likely to be immaterial.
- B. Disputed demands (net of deposit) of Central Excise Department not provided for in respect of :

	(₹ in Lakhs)	
	Current Year	Previous Year
South India Consolidation (Plantations Division)	33.96	28.56
Erstwhile Sunmica Division (Building Products Division)	3,553.24	3,553.24
C. Disputed wage demands pending with the Industrial Tribunal ₹ 184.25 Lakhs (Previous Year ₹ 232.25 Lakhs).		
D. Damages and interest on alleged unauthorized occupation of residential premises determined by the Estate Officer of Life Insurance Corporation of India up to 31 <sup>st</sup> March 2016 and disputed by the Corporation ₹ 128.06 Lakhs (Previous Year ₹ 108.26 Lakhs).		
E. Matters under dispute relating to Income tax in respect of the erstwhile Electromags Automotive Products Private Limited (Auto Electric Components Division), A.Y. 2004-05 ₹ 5.23 Lakhs (Previous Year ₹ 5.23 Lakhs), for the A.Y.2009-10 ₹ 64.26 Lakhs (Previous Year ₹ 64.26 Lakhs) and for A.Y 2011-12 ₹ 1.79 Lakhs (Previous Year ₹ 1.79 Lakhs).		
F. The Corporation has export obligation of ₹ 599.00 Lakhs (Previous Year ₹ 599.00 Lakhs) against the import licenses taken for import of capital goods under export promotion Capital Goods Scheme. The Obligation to be fulfilled within period of 8 years (31st March, 2021).		

The Corporation believes, based on current knowledge and after consultation with eminent legal counsel that the resolution of the above matter will not have material adverse effect on the financial statements of the Corporation.



**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS**

- 29** Estimated amount of contracts remaining to be executed on Capital Account and not provided for ₹ **123.32 Lakhs** (Previous Year ₹ 73.46 Lakhs)

	(₹ in Lakhs)	
	<b>Current Year</b>	<i>Previous Year</i>
South India Consolidation (Plantations Division)	<b>89.12</b>	<i>21.60</i>
Electromags (Auto Electric Components Division)	<b>34.20</b>	<i>51.86</i>
	<b>123.32</b>	<i>73.46</i>

**30 FINANCIAL & DERIVATIVE INSTRUMENTS:**

- (a) Outstanding Foreign Exchange Forward Contracts:

- **USD 47.00 Lakhs (Sold) – INR 3292.59 Lakhs** (Previous year: USD 53.88 Lakhs (Sold) – INR 3,523.28 Lakhs)
- **EUR ₹ 5.00 Lakhs (Sold) – ₹ 387.64 Lakhs** (Previous year: EUR 4.15 Lakhs (Sold) – INR 313.49 Lakhs)
- **GBP 7.50 Lakhs (Sold) - ₹ 785.25 Lakhs** (Previous year: GBP 8.6 Lakhs (Sold) – INR 836.15 Lakhs)

- (b) The year end foreign currency exposures that have not been hedged by a forward contract / derivative instrument or otherwise are given below:

	Foreign Currency	₹ in Lakhs
Payable in foreign currency on account of Import of Goods#:		
	<b>USD 16,684</b> (USD 41,689)	<b>11.05</b> (26.09)
	<b>SGD 142,615</b> (SGD 107,845)	<b>70.26</b> (49.14)
#Imports have a natural hedge, against Export proceeds, lying in their respective EEFC accounts		
Loans Receivable from Subsidiary	<b>RM 2,028,373</b> (RM 1,923,788)	<b>340.16</b> (323.91)
Dividend receivable from Subsidiary (Refer Note 34)	<b>RM Nil</b> (RM 9,422,710)	<b>-</b> (1,586.78)
Balance in EEFC Account		
	<b>USD 7,437</b> (USD 232,232)	<b>4.93</b> (145.36)
	<b>EUR Nil</b> (EUR 7,309)	<b>-</b> (4.93)
	<b>GBP 8,148</b> (GBP Nil)	<b>7.75</b> (NIL)

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

## 31 DISCLOSURE PURSUANT TO SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECTION 186 OF THE COMPANIES ACT, 2013.

		(₹ in Lakhs)	
		Amount Outstanding	Max. Amount Outstanding
<b>I</b>	Loans and advances in the nature of loans to <b>Subsidiary Companies :</b>		
	(1) Afco Industrial and Chemicals Limited	-	-
		-	<i>(18.45)</i>
	(2) DPI Products & Services Limited	<b>82.00</b>	<b>82.00</b>
		<i>(80.06)</i>	<i>(80.06)</i>
	(3) Sea Wind Investments and Trading Company Limited	<b>10.00</b>	<b>10.00</b>
		<i>(-)</i>	<i>(15.00)</i>
	(4) Naira Holdings Limited	<b>352.13</b>	<b>352.13</b>
		<i>(323.91)</i>	<i>(373.10)</i>
	(5) Britannia Industries Limited	-	<b>0.44</b>
		<i>(0.44)</i>	<i>(0.58)</i>
<b>II</b>	Loans and advances in the nature of loans <b>Associate Companies:</b>		
	(1) Lotus Viniyog Private Limited	-	-
		<i>(-)</i>	<i>(7.27)</i>
	(2) Inor Medical Products Limited*	-	-
		<i>(-)</i>	<i>(1,240.82)</i>
<b>II</b>	Loans and advances in the nature of loans <b>other related Parties:</b>		
	(1) Macrofil Investments Limited	<i>6,280</i>	<i>6,280</i>
		<i>(6,280)</i>	<i>(6,280)</i>
	(2) Go Airlines (India) Limited	<i>3,870</i>	<i>3,870</i>
		<i>(3,870)</i>	<i>(3,870)</i>
	<b>TOTAL</b>	<b>10,594.13</b>	
		<i>(10,554.41)</i>	

\*This ceased to be an Associate w.e.f. 30<sup>th</sup> September, 2014

## 32 INFORMATION PURSUANT TO PARA 5 (VIII OF GENERAL INSTRUCTIONS FOR PREPARATION OF STATEMENT OF PROFIT AND LOSS)

## a) Value of Imports calculated on C.I.F. Basis:

	(₹ in Lakhs)
Raw Materials	<b>372.35</b>
	<i>(865.29)</i>
Capital Goods	-
	<i>(10.02)</i>
Traded Goods – Dental	<b>88.21</b>
	<i>(26.27)</i>

(Figures in brackets are in respect of the Previous Year.)

**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS**

**b) Expenditure in foreign currencies:**

(Excluding expenses of foreign branches)

(₹ in Lakhs)

Commission on Exports	<b>6.92</b>
	<i>(12.76)</i>
On account of other matters	<b>17.98</b>
(Travelling Expenses, Subscription, Professional Services, etc.)	<i>(25.78)</i>

**c) Value of Raw Materials, Spare Parts and Components Consumed:**

	Value ₹ in Lakhs	Percentage to total consumption
i) <u>Raw Materials</u>		
Imported	<b>895.47</b>	<b>13.90</b>
	<i>(915.65)</i>	<i>(11.73)</i>
Indigenous	<b>7,041.12</b>	<b>88.72</b>
	<i>(6,888.94)</i>	<i>(88.27)</i>
TOTAL	<b>7,936.59</b>	<b>100.00</b>
	<i>(7,804.59)</i>	<i>(100.00)</i>
ii) <u>Components and Spare Parts</u>		
Imported	-	-
	<i>(12.38)</i>	<i>(0.88)</i>
Indigenous	<b>1,373.55</b>	<b>100.00</b>
	<i>(1,389.03)</i>	<i>(99.12)</i>
TOTAL	<b>1,373.55</b>	<b>100.00</b>
	<i>(1,401.41)</i>	<i>(100.00)</i>

(Figures in brackets are in respect of the Previous Year.)

**d) Remittances in foreign currencies on account of dividends:**

	No. of non- resident Shareholders	No. of Shares held by them	₹ in Lakhs Aggregate amount of dividends
i) Dividend for the year ended 31 <sup>st</sup> March 2015	<b>1</b>	<b>56,60,700</b>	<b>56.60</b>
<i>(Dividend for year ended 31<sup>st</sup> March 2014)</i>	<i>(1)</i>	<i>(56,60,700)</i>	<i>(56.60)</i>
ii) Except for the above Shareholders, the Corporation has not made any remittance in foreign currency on account of dividends during the year and does not have information as to the extent to which remittances in foreign currencies on account of dividends have been made by or on behalf of non-resident Shareholders.			

**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS**

iii) The particulars of non-resident Shareholders and the amount of dividends paid to them are as under:

Dividend for the year ended 31 <sup>st</sup> March 2015	<b>276</b>	<b>63,83,339</b>	<b>63.83</b>
<i>(Dividend for year ended 31<sup>st</sup> March 2014)</i>	<i>(231)</i>	<i>(63,92,616)</i>	<i>(63.92)</i>

**e) Earnings in Foreign Exchange :**

(Excluding income of Foreign Branches).

	<b>₹ in Lakhs</b>		
i) Export of Tea, Coffee & Others on F.O.B. basis		<b>3,960.40</b>	
		<i>(4,889.57)</i>	
ii) Export of Dental Products		<b>97.64</b>	
		<i>(41.57)</i>	
iii) Export of solenoids, switches, valves, slip rings etc on F.O.B. basis		<b>2,929.28</b>	
		<i>(2,961.55)</i>	
iv) Dividend receivable from Subsidiary		-	
		<i>(1,586.78)</i>	

(Figures in brackets are in respect of the Previous Year).

**33 SEGMENT INFORMATION:****A. i) Primary Segment Reporting (by Business Segment)**

The Corporation's business segments based on product lines are as under:

**➤ Plantation**

Segment produces/trades in Tea, Coffee, Timber, Cardamom and Pepper.

**➤ Health Care**

Segment manufactures/trades in Dental products.

**➤ Auto Electric Components**

Segment manufactures, solenoids, switches, valves, slip rings etc. for automobile and other industries.

**➤ Investments**

Segment invests in various securities listed as well as unlisted mainly on a long term basis.

**➤ Weighing Products**

Segment manufactures/trades in Analytical, Precision Balances and Weighing Scales.

**➤ Real Estate**

Segment represents property development.

**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS**

ii) Segment Revenues, Results and Other Information

	Plantation	Health Care	Auto Electric Component	Weighing Products	Investments	Real Estate	₹ in Lakhs Total of Reportable Segment
External Sales (Net of excise duty)	<b>11,668.90</b> (11,723.34)	<b>2,361.43</b> (2,192.30)	<b>9,841.07</b> (9,739.87)	<b>175.88</b> (209.91)	- (-)	- (-)	<b>24,047.28</b> (23,496.64)
Other Income	<b>292.65</b> (216.71)	<b>9.06</b> (0.42)	<b>74.80</b> (64.36)	<b>9.68</b> (4.33)	<b>1,818.12</b> (3,029.92)	- (-)	<b>2,204.31</b> (3,684.52)
Segment Revenues	<b>11,961.55</b> (11,940.05)	<b>2,370.49</b> (2,192.72)	<b>9,915.87</b> (9,804.23)	<b>185.56</b> (214.24)	<b>1,818.12</b> (3,029.92)	- (-)	<b>26,251.59</b> (27,181.16)
Segment Results	<b>(-2,498.88)</b> (-135.16)	<b>496.31</b> (471.66)	<b>1,215.81</b> (1,346.45)	<b>(-3.96)</b> (12.21)	<b>1,818.12</b> (3,029.92)	<b>(-83.35)</b> (-90.70)	<b>944.10</b> (4,634.38)
Segment Assets	<b>16,323.35</b> (16,946.83)	<b>1,242.15</b> (1,307.92)	<b>6,640.46</b> (6,711.95)	<b>288.77</b> (307.00)	<b>25,242.36</b> (29,442.36)	<b>2,639.23</b> (2,415.35)	<b>52,376.32</b> (57,131.41)
Segment Liabilities	<b>24,981.60</b> (22,385.31)	<b>144.83</b> (191.44)	<b>4,897.80</b> (2,595.62)	<b>53.15</b> (61.73)	- (-)	- (-)	<b>30,077.38</b> (25,234.10)
Capital Expenditure (included in segment assets)	<b>894.86</b> (1,610.58)	<b>8.54</b> (2.85)	<b>396.82</b> (235.16)	- (-)	- (-)	- (-)	<b>1,300.22</b> (1,848.59)
Depreciation/Amortisation	<b>489.85</b> (359.43)	<b>12.13</b> (12.37)	<b>209.05</b> (222.64)	<b>12.11</b> (12.11)	- (-)	- (-)	<b>723.14</b> (606.55)

(Figures in brackets are in respect of the Previous Year.)

iii) Reconciliation of Reportable Segments with the Financial Statements

	Revenues	Results / Net Profits	Assets	Liabilities	Capital Expenditure	₹ in Lakhs Depreciation/ Amortisation
Total of Reportable Segments	<b>26,251.59</b> (27,181.16)	<b>944.10</b> (4,634.38)	<b>52,376.32</b> (57,131.41)	<b>30,077.38</b> (25,234.10)	<b>1,300.22</b> (1,848.59)	<b>723.14</b> (606.55)
Corporate / Unallocated Segment	<b>422.56</b> (441.06)	<b>- 969.27 *</b> (-937.22)*	<b>7,630.73</b> (10,227.64)	<b>8,305.84</b> (16,330.03)	<b>90.79</b> (302.48)	<b>69.96</b> (80.28)
Finance cost	-	<b>- 3,180.38</b> (-2,694.45)	- (-)	- (-)	- (-)	- (-)
Taxes	- (-)	<b>-108.91</b> (- 299.75)	- (-)	- (-)	- (-)	- (-)
As per Financial Statement	<b>26,674.15</b> (27,622.22)	<b>- 3,314.46</b> (702.95)	<b>60,007.05</b> (67,359.05)	<b>38,383.22</b> (41,564.13)	<b>1,391.01</b> (2,151.07)	<b>793.10</b> (686.83)

(Figures in brackets are in respect of the Previous Year.)

\* Comprising profit on sale of fixed assets, and management charges recovered

**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS****B. Secondary segment Reporting (by Geographical Segment)**

	Domestic	Overseas*	₹ in Lakhs Total
Revenues	<b>19,686.83</b>	<b>6,987.32</b>	<b>26,674.15</b>
	<i>(19,281.43)</i>	<i>(8,340.79)</i>	<i>(27,622.22)</i>
Total Assets	<b>59,266.72</b>	<b>780.34</b>	<b>60,007.05</b>
	<i>(66,530.66)</i>	<i>(828.39)</i>	<i>(67,359.05)</i>
Capital Expenditure	<b>1,390.87</b>	<b>0.14</b>	<b>1,391.01</b>
	<i>(2,148.35)</i>	<i>(2.72)</i>	<i>(2,151.07)</i>

(Figures in brackets are in respect of the Previous Year.)

\*It includes revenues and assets of foreign branches.

**34 RELATED PARTY DISCLOSURES:**

Related party disclosures as required by (AS-18) "Related Party Disclosures" are given below:

**1) Subsidiaries and sub-subsidiaries where control exists:****Subsidiaries:**

- i. Afco Industrial & Chemicals Limited
- ii. DPI Products & Services Limited
- iii. Sea Wind Investments & Trading Company Limited
- iv. Leila Lands Senderian Berhad

**Sub-Subsidiaries:****a) Subsidiary of DPI Products & Services Limited :**

Subham Viniyog Private Limited

**b) Subsidiaries of Leila Lands Senderian Berhad :**

Naira Holdings Limited  
Island Horti-Tech Holdings Pte. Limited  
Leila Lands Limited  
Restpoint Investments Limited

**c) Subsidiaries of Island Horti-Tech Holdings Pte. Limited :**

Island Landscape & Nursery Pte. Limited  
Innovative Organics Inc.

**d) Subsidiaries and sub subsidiaries of Leila Lands Limited:**

ABI Holding Limited  
Britannia Brands Limited  
Associated Biscuits International Limited  
Dowbiggin Enterprises Pte. Limited  
Nacupa Enterprises Pte. Limited  
Spargo Enterprises Pte. Limited  
Valletort Enterprises Pte. Limited  
Bannatyne Enterprises Pte. Limited  
Britannia Industries Limited

**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS**

**e) Subsidiaries of Britannia Industries Limited:**

Boribunder Finance & Investments Private Limited  
Flora Investments Company Private Limited  
Gilt Edge Finance & Investments Private Limited  
Ganges Valley Foods Private Limited  
International Bakery Products Limited  
J. B. Mangharam Foods Private Limited  
Manna Foods Private Limited  
Sunrise Biscuit Company Private Limited  
Britannia and Associates (Mauritius) Private Limited  
Britannia and Associates (Dubai) Private Company Limited  
Al Sallan Food Industries Company SAOG  
Strategic Food International Company LLC  
Strategic Brands Holding Company Limited  
Daily Bread Gourmet Foods (India) Private Limited  
Britannia Dairy Private Limited  
Britannia Dairy Holdings Private Limited  
Britannia Employees General Welfare Association Private Limited  
Britannia Employees Medical Welfare Association Private Limited  
Britannia Employees Educational Welfare Association Private Limited

**f) Subsidiary of Innovative Organics Inc. :**

Granum Inc.

**2) Key Management Personnel:**

- a) Mr. Ashok Panjwani - Erstwhile Managing Director
- b) Mr. Ness Wadia – Managing Director
- c) Mr. Nitin H Datanwala- Company Secretary
- d) Mr. Amit Chhabra – Chief Financial Officer (w.e.f. 8<sup>th</sup> February, 2016)

**3) Other Related parties:**

**a) Associate Companies:**

Lotus Viniyog Private Limited  
Lima Investment and Trading Pvt. Ltd.  
Roshnara Investment and Trading Pvt. Ltd.  
Cincinnati Investment and Trading Pvt. Ltd.  
Shadhak Investment and Trading Pvt. Ltd.  
MSIL Investment and Pvt. Ltd.  
Inor Medical Products Limited (this ceased to be an Associate w.e.f. 30<sup>th</sup> September, 2014)  
Medical Microtechnology Limited  
Harvard Plantations Limited (w.e.f. 30<sup>th</sup> March 2015)  
Placid Plantations Limited (w.e.f. 30<sup>th</sup> March 2015)

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

## b) Other Group Companies where control exist:

- Go Airlines (India) Limited
- Macrofil Investments Limited
- Bombay Dyeing and Manufacturing Company Limited

## 4) The following transactions were carried out with the related parties in the ordinary course of business.

## Details relating to the parties referred to in items 1 to 3 above:

	₹ in Lakhs			
	Subsidiaries & Sub Subsidiaries	Key Management Personnel	Other Related Parties	Total
<b>Expenses charged by them</b>				
Bombay Dyeing & Manufacturing Company Limited	-	-	53.08	53.08
	(-)	(-)	(57.69)	(57.69)
Afco Industrials & Chemicals Limited	52.30	-	-	52.30
	(45.57)	(-)	(-)	(45.57)
Britannia Industries Limited	0.11	-	-	0.11
	(0.11)	(-)	(-)	(0.11)
Naira Holdings Limited	1.45	-	-	1.45
	(4.78)	(-)	(-)	(4.78)
Inor Medical Products Limited	-	-	-	-
	(-)	(-)	(0.36)	(0.36)
<b>Expenses charged to them</b>				
Bombay Dyeing & Manufacturing Company Limited	-	-	47.19	47.19
	(-)	(-)	(5.92)	(5.92)
Naira Holdings Limited	46.55	-	-	46.55
	(50.81)	(-)	(-)	(50.81)
DPI Products and Services Limited	1.95	-	-	1.95
	(-)	(-)	(-)	(-)
Afco Industrials & Chemicals Limited	12.09	-	-	12.09
	(0.47)	(-)	(-)	(0.47)
Britannia Industries Limited	-	-	-	-
	(0.91)	(-)	(-)	(0.91)
Leila Lands Senderian Berhad	-	-	-	-
	(0.90)	(-)	(-)	(0.90)
Macrofil Investments Limited	-	-	0.19	0.19
	(-)	(-)	(-)	(-)
<b>Purchase of Material</b>				
Afco Industrials & Chemicals Limited	-	-	-	-
	(5.97)	-	-	(5.97)
<b>Commission received</b>				
Inor Medical Products Limited.	-	-	-	-
	(-)	(-)	(26.00)	(26.00)
<b>Interest Received</b>				
Inor Medical Products Limited	-	-	-	-
	(-)	(-)	(72.80)	(72.80)



**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS**

	₹ in Lakhs			
	<b>Subsidiaries &amp; Sub Subsidiaries</b>	<b>Key Management Personnel</b>	<b>Other Related Parties</b>	<b>Total</b>
Naira Holdings Limited	5.56	-	-	5.56
	(3.99)	(-)	(-)	(3.99)
Go Airlines (India) Limited	-	-	462.12	462.12
	(-)	(-)	(445.05)	(445.05)
Macrofil Investments Limited	-	-	786.61	786.61
	(-)	(-)	(426.16)	(426.16)
<b>Interest paid</b>				
Sea Wind Investment & Trading Company Limited	-	-	-	-
	(5.64)	(-)	(-)	(5.64)
Britannia Industries Limited	481.31	-	-	481.31
	(211.73)	(-)	(-)	(211.73)
Macrofil Investments Limited	-	-	-	-
	(-)	(-)	(1.26)	(1.26)
<b>Interest on loan given to erstwhile Managing Director Receivable</b>				
Mr. Ashok Panjwani	-	1.50	-	1.50
	(-)	(1.50)	(-)	(1.50)
<b>Interest on loan given to KMP's Received</b>				
Mr. Nitin H Datanwala	-	0.58	-	0.58
	(-)	(0.63)	(-)	(0.63)
<b>Dividend income</b>				
Bombay Dyeing & Manufacturing Company Limited	-	-	237.16	237.16
	(-)	(-)	(237.16)	(237.16)
Leila Lands Senderian Berhad	-	-	-	-
	(1,586.78)	(-)	(-)	(1,586.78)
<b>Dividend Paid</b>				
Mr. Ness Wadia	-	0.05	-	0.05
	(-)	(0.05)	(-)	(-)
<b>Management / Secondment Charges received</b>				
Sea Wind Investment & Trading Company Limited	-	-	-	-
	(3.16)	(-)	(-)	(3.16)
<b>Expenses Recovered</b>				
Inor Medical Products Limited	-	-	-	-
	(-)	(-)	(32.50)	(32.50)
<b>Management / Secondment Charges paid</b>				
Leila Lands Senderian Berhad	2.01	-	-	2.01
	(2.11)	(-)	(-)	(2.11)
<b>Rent recovered</b>				
Inor Medical Products Limited	-	-	-	-
	(-)	(-)	(34.80)	(34.80)
Bombay Dyeing & Manufacturing Company Limited	-	-	-	-
	(-)	(-)	(1.56)	(1.56)

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

	₹ in Lakhs			
	Subsidiaries & Sub Subsidiaries	Key Management Personnel	Other Related Parties	Total
<b>Advance / Inter Corporate Deposits Given/ repaid</b>				
Inor Medical Products Limited	-	-	-	-
	(-)	(-)	(500.00)	(500.00)
Sea Wind Investment & Trading Company Limited	<b>10.00</b>	-	-	<b>10.00</b>
	(-)	(-)	(-)	(-)
Macrofil Investments Limited	-	-	-	-
	(-)	(-)	(7,164.00)	(7,164.00)
Bombay Dyeing & Manufacturing Company Limited	-	-	-	-
	(-)	(-)	(60.63)	(60.63)
DPI Products and Services Limited	-	-	-	-
	(5.00)	(-)	(-)	(5.00)
<b>Advance / Inter Corporate Deposits received</b>				
Afco Industrials & Chemicals Limited	-	-	-	-
	(5.00)	(-)	(-)	(5.00)
Sea Wind Investment & Trading Company Limited	-	-	-	-
	(3.16)	(-)	(-)	(3.16)
Naira Holdings Limited	<b>41.78</b>	-	-	<b>41.78</b>
	(55.26)	(-)	(-)	(55.26)
Inor Medical Products Limited	-	-	-	-
	(-)	(-)	(600.00)	(600.00)
Macrofil Investments Limited	-	-	<b>0.19</b>	<b>0.19</b>
	(-)	(-)	(884.00)	(884.00)
Britannia Industries Limited	-	-	-	-
	(4,000)	(-)	(-)	(4,000)
Lotus Viniyog	-	-	-	-
	(-)	(-)	(7.27)	(7.27)
Leila Lands Senderian Berhad	-	-	-	-
	(0.90)	(-)	(-)	(0.90)
<b>Unsecured Loan Paid</b>				
Macrofil Investments Limited	-	-	-	-
	(-)	(-)	(132.00)	(132.00)
Sea Wind Investment & Trading Company Limited	<b>10.00</b>	-	-	<b>10.00</b>
	(65.00)	(-)	(-)	(65.00)
<b>Remuneration</b>				
Mr. Ashok Panjwani	-	<b>138.28</b>	-	<b>138.28</b>
	(-)	(177.67)	(-)	(177.67)
Mr. Ness Wadia	-	<b>348.74</b>	-	<b>348.74</b>
	(-)	(340.88)	(-)	(340.88)
Mr. Amit Chhabra	-	<b>14.18</b>	-	<b>14.18</b>
	(-)	(-)	(-)	(-)

**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS**

	₹ in Lakhs			
	Subsidiaries & Sub Subsidiaries	Key Management Personnel	Other Related Parties	Total
<b>Retainer Fees</b>				
Mr. Nitin H Datanwala	-	<b>68.68</b>	-	<b>68.68</b>
	(-)	(64.45)	(-)	(64.45)
<b>Outstanding amount payable</b>				
Britannia Industries Limited	<b>4,000.00</b>	-	-	<b>4,000.00</b>
	(4,000.00)	(-)	(-)	(4,000.00)
Bombay Dyeing Manufacturing Company Limited	-	-	<b>21.58</b>	<b>21.58</b>
	(-)	(-)	(15.70)	(15.70)
Afco Industrial & Chemicals Limited	<b>1.26</b>	-	-	<b>1.26</b>
	(15.14)	(-)	(-)	(15.14)
Leila Lands Senderian Berhad	<b>3.52</b>	-	-	<b>3.52</b>
	(-)	(-)	(-)	(-)
<b>Unsecured Loan Outstanding</b>				
Bombay Dyeing Manufacturing Company Limited	-	-	<b>300.00</b>	<b>300.00</b>
	(-)	(-)	(300.00)	(300.00)
<b>Outstanding amount receivable</b>				
DPI Products and Services Limited	<b>82.00</b>	-	-	<b>82.00</b>
	(80.06)	(-)	(-)	(80.06)
Go Airlines (India) Limited	-	-	<b>3,870.00</b>	<b>3,870.00</b>
	(-)	(-)	(3,870.00)	(3,870.00)
Sea Wind Investment & Trading Company Limited	<b>10.00</b>	-	-	<b>10.00</b>
	(65.00)	(-)	(-)	(65.00)
Lotus Viniyog Private Limited	-	-	-	-
	(-)	(-)	(-)	(-)
Naira Holdings Limited	<b>352.13</b>	-	-	<b>352.13</b>
	(332.61)	(-)	(-)	(332.61)
Britannia Industries Limited	-	-	-	-
	(0.44)	(-)	(-)	(0.44)
Macrofil Investments Limited	-	-	<b>6,280.00</b>	<b>6,280.00</b>
	(-)	(-)	(6,280.00)	(6,280.00)
Leila Lands Senderian Berhad	-	-	-	-
	(1,586.78)	(-)	(-)	(1,586.78)
Mr. Ashok Panjwani *	-	<b>51.50</b>	-	<b>51.50</b>
	(-)	(50.00)	(-)	(50.00)
Mr. Nitin H Datanwala	-	<b>12.00</b>	-	<b>12.00</b>
	(-)	(12.00)	(-)	(12.00)
Mr. Ness Wadia	-	<b>62.06</b>	-	<b>62.06</b>
(refer Note. No. 36 (a) )	(-)	(-)	(-)	(-)

(Figures in brackets are in respect of the Previous Year.)

**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS****35 Employee's Benefit - Disclosure as required under Accounting Standard (AS) 15 (Revised):****DEFINED CONTRIBUTION PLAN**

Contribution to Defined Contribution Plan, recognized as expense for the year are as under:

	₹ in Lakhs	
	2015-16	2014-15
Employer's Contribution to Provident Fund*	203.76	201.28
Employer's Contribution to Superannuation Fund	88.27	88.27
Employer's Contribution to Family Pension Fund	247.44	235.95

\*With regard to the assets of fund and return on investments, the Corporation does not expect any deficiency in foreseeable future.

**DEFINED BENEFIT PLAN – GRATUITY****I. Reconciliation of Opening and Closing balances of Defined Benefit Obligation**

	₹ in Lakhs	
	2015-16	2014-15
Liability at the beginning of the year	2,545.85	2,230.75
Interest cost	190.03	167.29
Current Service cost	166.45	158.08
Benefits paid	(232.17)	(196.15)
Actuarial (gain)/loss on Obligations	(143.52)	185.88
Liability at end of the year	2,526.63	2,545.85

**II. Reconciliation of Opening and Closing balances of Fair Value of Plan Assets**

Fair value of plan assets as at the beginning of the year	2,357.62	1,783.06
Expected Returns on Plan Assets	187.2	217.62
Contributions	166.75	456.88
Benefits Paid	(232.17)	(196.15)
Actuarial Gain / (Loss) on Plan Assets	(74.81)	96.22
Fair value of plan assets as at the end of the year	2,404.58	2,357.62

**III. Actual Return on Plan Assets**

Expected Return on Plan Assets	188.89	217.62
Actuarial Gain / (Loss) on Plan Assets	(74.81)	96.22
Actual Return on Plan Assets	114.09	313.84

**IV. Amount recognized in the Balance Sheet**

Liability at the end of the year	2,526.63	2,545.85
Fair value of Plan Assets at the end of the year	2,404.58	2,357.62
(Asset) / Liability recognised in the balance sheet	131.82	188.23

**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS**

**V. Expense recognized in the Statement of Profit and Loss**

	<b>2015-16</b>	<i>2014-15</i>
Current Service Cost	<b>166.45</b>	<i>158.08</i>
Interest Cost	<b>190.03</b>	<i>167.29</i>
Expected Return on Plan Assets	<b>(187.20)</b>	<i>(217.62)</i>
Actuarial (Gain) / Loss	<b>(68.72)</b>	<i>89.66</i>
Expense recognized in the statement of profit and loss	<b>100.57</b>	<i>197.41</i>

₹ in Lakhs

**VI. Investment Details**

Central Government Securities	<b>2.21%</b>	<i>2.21%</i>
PSU Bonds	<b>2.00%</b>	<i>2.00%</i>
State Government Securities	<b>0.05%</b>	<i>0.05%</i>
Others (Bank Balance)	<b>13.57%</b>	<i>13.57%</i>
Insurer Managed Funds	<b>82.16%</b>	<i>82.16%</i>
Total	<b>100.00%</b>	<i>100.00%</i>

**VII. Actuarial assumptions used**

Mortality Table	<b>2015-16</b>	<i>2014-15</i>
	<b>Indian Assured</b>	<i>Indian Assured</i>
	<b>Ultimate</b>	<i>Ultimate</i>
	<b>(2006-08)</b>	<i>(2006-08)</i>
Discount rate	<b>7.80%</b>	<i>7.80%</i>
Rate of return on Plan Assets	<b>10.00%</b>	<i>10.00%</i>
Salary escalation rate	<b>5.00%</b>	<i>6.00%</i>

**VIII. Prescribed Contribution for next year**

	<b>2015-16</b>	<i>2014-15</i>
Prescribed Contribution for next year	<b>170.12</b>	<i>85.07</i>

**IX. Experience Adjustment**

	<b>2015-16</b>	<i>2014-15</i>	<i>2013-14</i>	<i>2012-13</i>	<i>2011-12</i>
Fair Value of Plan Assets	<b>2,404.58</b>	<i>2,357.62</i>	<i>1,783.06</i>	<i>1,668.69</i>	<i>1,350.95</i>
Defined Benefit Obligation	<b>2,526.63</b>	<i>2,545.85</i>	<i>2,230.75</i>	<i>1,885.66</i>	<i>1,243.58</i>
Experience Adjustment on Plan Assets	<b>(74.81)</b>	<i>96.22</i>	<i>(16.52)</i>	<i>205.32</i>	<i>23.62</i>
Experience Adjustment on Defined Benefit Obligation	<b>(143.52)</b>	<i>185.88</i>	<i>237.56</i>	<i>580.32</i>	<i>(255.29)</i>

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. The above information is certified by the Actuary.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risks, historical results of return on plan assets and the Corporation's policy for plan assets management.

**DEFINED BENEFIT PLAN – COMPENSATED ABSENCES**

The Corporation's liability on account of compensated absences is not funded and hence the disclosures relating to the planned assets are not applicable. Expenses incurred towards compensated absences are included in the "Employee benefits expense" in the statement of Profit and Loss are as follows:

	<b>2015-16</b>	<i>2014-15</i>
Compensated absences	<b>61.03</b>	<i>52.11</i>

₹ in Lakhs

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

### 36 Managerial Remuneration :

- a) The Corporation, during the financial year 2014-15 had paid remuneration to one of its Managing Directors, Mr. Ness Wadia ₹289.98 Lakhs (excluding retirals of ₹ 58.75 Lakhs) which was in excess of limits specified in Schedule V of the Companies Act, 2013. The Central Government vide its letter dated 6<sup>th</sup> November, 2015 had approved increased remuneration payable to him for the financial year 2014-15 upto ₹227.92 lakhs. The Corporation vide its letter dated 4<sup>th</sup> December, 2015 has represented to the Central Government for payment of remuneration of ₹298.98 Lakhs; response to which is awaited. Pending disposal of the Corporation's representation, the differential amount of ₹62.06 lakhs has been shown as recoverable from him.
- b) Although there has been no increase in remuneration paid to Mr. Ness Wadia for FY 2015-2016, in view of inadequacy of profits, the Corporation has made an application to the Central Government for approval to the payment of the same remuneration of ₹ 289.98 Lakhs (excluding retirals of ₹ 58.75 Lakhs) to Mr. Ness Wadia as it is in excess of the limits prescribed by Schedule V of the Companies Act, 2013.

The application has been made to the Central Government as Mr. Ness Wadia holds direct and indirect interest in the capital of the Corporation, although the condition of holding professional qualification is satisfied under the General Circular 07/2015 dated 10<sup>th</sup> April, 2015 issued by Ministry of Corporate Affairs.

- 37 Export benefits / Incentives are accounted on accrual basis. Accordingly, on the Balance Sheet date, in respect of Exports made, estimated benefit of ₹ **171.48 Lakhs** (*Previous year ₹ 345.03 Lakhs*) has been taken into account for the year as incentive on accrual basis under the pass book scheme. Subsequent to that, the Corporation has utilized the said entitlement of ₹ **124.61 Lakhs** (*Previous year ₹ 302.87 Lakhs*).

### 38 Leases:

- (a) Operating Lease:

The Corporation has taken various residential / commercial premises and plant and machinery under operating leases. These lease agreements are normally renewed on expiry. The lease payments recognised in Statement of Profit & Loss is ₹ **99.47 Lakhs** (*Previous Year ₹ 81.82 Lakhs*).

- (b) Finance Lease:

The Corporation has taken motor vehicles on finance lease. The total minimum lease payments and present value of minimum lease payments are as follows.

Particulars	2015-16		2014-15	
	Minimum lease payments	Present value of minimum lease payments	Minimum lease payments	Present value of minimum lease payments
Not later than 1 year	6.15	5.47	8.79	7.35
later than 1 year	5.04	4.77	11.19	10.24

₹ in Lakhs

The difference between minimum lease payments and the present value of minimum lease payments of ₹ **0.95 Lakhs** (*Previous Year ₹ 2.39 Lakhs*) represents interest not due. The lease liability is secured by the relevant vehicles acquired under lease.

- 39 In the earlier years the Corporation took up development of Real Estate in the vacant properties at Pune, Coimbatore and Mumbai; and converted these assets as stock in trade at cost. Cost incurred during the year which are attributable and are allocated to development of real estate activities is in accordance with the Guidance note on Real Estate Transactions (Revised 2012) issued by Institute of Chartered Accountants of India.

**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS**

- 40** In accordance with Accounting Standard 29- "Provisions, Contingent Liabilities and Contingent Assets", notified under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014, certain classes of liabilities have been identified as provisions which have been disclosed as under:

Particulars	₹ in Lakhs	
	2015-16	2014-15
At the commencement of the year	-	190.00
Provision made during the year	-	-
Provision utilized during the year	-	190.00
Unutilized provision written back during the year	-	-
At the end of the year	-	-

- 41** On the basis of confirmation obtained from suppliers who have registered under The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Corporation the balance due to Micro & Small Enterprises as defined under the MSMED Act, 2006 is ₹ Nil Lakhs (Previous Year ₹Nil Lakhs). Further, no interest during the year has been paid/ or is payable / accrued under the terms of the MSMED Act, 2006.

**42 Corporate Social Responsibility:**

During the year, the Corporation is required to be spent on corporate social responsibility activities ₹ 24.17 Lakhs in accordance with Section 135 of the Companies Act, 2013 and the same amount has been spent during the year. The details are as below:

Sr No	Particulars	₹ in Lakhs	
		2015-16	2014-15
i)	Amount Spent other than for construction/ acquisition of any asset	46.77	66.62
ii)	Amount accrued and not paid	-	-
	<b>Total</b>	<b>46.77</b>	<b>66.62</b>

- 43** The pending litigations comprise of claims against the Corporation by employees and pertaining to proceedings pending with Income Tax, Excise, Custom, Sales tax /VAT or any other authorities. The Corporation has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Corporation does not expect the outcome of these proceedings to have a materially adverse effect on its financial position. (Also Refer Note 28 on contingent liabilities).

- 44** Figures in respect of current year and those for the Previous Year have been rounded off to the nearest thousand and are expressed in terms of decimals of Lakhs.

As per our attached report of even date.

For B S R & Co.LLP

Chartered Accountants

Firm's Registration No. 101248W / W-100022

For and on behalf of the Board of Directors

The Bombay Burmah Trading Corporation, Limited

CIN :L99999MH1863PLC000002

Vijay Bhatt  
Partner  
Membership No. 036647

Ness Wadia  
Managing Director  
DIN :00036049

Dr. (Mrs) Sheela Bhide  
Director  
DIN :01843547

Nusli N Wadia  
Chairman  
DIN :00015731

N H Datanwala  
Vice President Corporate  
and Company Secretary

Jeh Wadia  
Director  
DIN :00088831

A K Hirjee  
Vice Chairman  
DIN :00044765

Mumbai,  
Dated : 27<sup>th</sup> May, 2016

Amit Chhabra  
Chief Financial Officer

M L Apte  
Director  
DIN :00003656

## INDEPENDENT AUDITORS' REPORT

**To the Members of  
The Bombay Burmah Trading Corporation, Limited**

### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of The Bombay Burmah Trading Corporation, Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company, its subsidiaries and branches together referred to as "the Group") and its associates, comprising the Consolidated Balance Sheet as at 31 March 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flows Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

### **Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (particularly Accounting Standard 21, Consolidated Financial Statements and Accounting Standard 23, Accounting for Investments in Associates in Consolidated Financial Statements). The respective Board of Directors of the companies included in the Group and its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Group and its associates and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.



### Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements of the Holding Company's branches, subsidiaries and its associates as noted below, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i) in the case of Consolidated Balance Sheet, of the consolidated state of affairs of the Group and its associates as at 31 March 2016;
- ii) in the case of the Consolidated Statement of Profit and Loss, of the consolidated profits for the year ended on that date; and
- iii) in the case of the Consolidated Cash Flow Statement, of the consolidated cash flows for the year ended on that date.

### Other Matters

We did not audit the financial statements and other financial information of certain subsidiaries, associates (interests in which have been incorporated in these consolidated financial statements) and branches. These subsidiaries, associates and branches reflect total assets of ₹ 37,969 lakhs as at 31 March 2016, total revenues of ₹ 57,231 lakhs and net cash inflows amounting to ₹ 2,506 lakhs for the year then ended, as considered in the consolidated financial statements. Of the above:

- (a) The financial statements and other financial information of some of the subsidiaries and associates incorporated outside India and branches outside India, as drawn up in accordance with the generally accepted accounting principles of those respective countries ('the local GAAP'), have been audited by other auditors duly qualified to act as auditors in those countries and whose reports have been furnished to us. For the purpose of preparation of the consolidated financial statements, the aforesaid local GAAP financial statements have been restated by the management, so that they conform to the generally accepted accounting principles in India. These subsidiaries reflect total assets of ₹ 37,405 lakhs as at 31 March 2016, total revenues of ₹ 57,226 lakhs and net cash inflows amounting to ₹ 2,505 lakhs for the year then ended as shown in these consolidated financial statements. Our opinion on the consolidated financial statements, insofar as it relates to these subsidiaries, associates and branches, is based solely on the aforesaid audit reports of those other auditors.
- (b) We did not audit the financial statements and financial information of two subsidiaries, whose financial statements and financial information reflect total assets of ₹ 117 lakhs as at 31 March 2016, total revenues of ₹ Nil lakhs and net cash flows amounting to ₹ 1 lakh for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹ 22 lakhs for the year ended 31 March 2016, as considered in the consolidated financial statements, in respect of eight associates, whose financial statements and financial information have not been audited by us. These financial statements and financial information are unaudited and 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 associates, and our report in terms of section 143(3) of the Act in so far as it relates to the aforesaid subsidiaries and associates, is based solely on such unaudited financial statements and financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and financial information are not material to the Group.

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

**Report on other legal and regulatory requirements**

As the required by sub-section 3 of Section 143 of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of subsidiaries, as noted in the 'Other Matter' paragraph, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of 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 Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representation received from the directors of the Holding Company as on 31 March 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the Directors of the Group companies is disqualified as on 31 March 2016 from being appointed as a Director in terms of sub-section 2 of Section 164 of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and Subsidiaries incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure A and
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of subsidiaries, as noted in the 'Other Matter' paragraph:
  - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Holding Company and its subsidiary companies – Refer note 29 to the consolidated financial statements;
  - ii. The Holding Company and its subsidiary companies did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India during the year ended 31 March 2016.

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

**Vijay Bhatt**

Partner

Membership No: 036647

Mumbai  
27 May 2016

## **ANNEXURE A TO INDEPENDENT AUDITORS' REPORT – 31 MARCH 2016**

(Referred to in our report of even date)

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting of The Bombay Burmah Trading Corporation, Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies and associates, which are companies incorporated in India, as of that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditor's Responsibility**

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

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

- (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (b) 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

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

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, the Holding Company, its subsidiary companies and associates, which are companies incorporated in India, have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**Other Matters**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to subsidiary companies and associates which are companies incorporated in India, is based solely on the report of the auditors of the subsidiaries and associates.

For **B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration No: 101248W/W-100022

Mumbai  
27 May 2016

**Vijay Bhatt**  
Partner  
Membership No: 036647

The Bombay Burmah Trading Corporation, Limited

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

		(₹ in Lakhs)	
		As at	As at
		31 <sup>st</sup> March, 2016	31 <sup>st</sup> March, 2015
<b>A</b>	<b>EQUITY AND LIABILITIES</b>		
	SHAREHOLDERS' FUNDS		
	Share capital	1,396.27	1,396.27
	Reserves and surplus	186,848.59	154,871.05
		<u>188,244.86</u>	<u>156,267.32</u>
	Capital subsidy	286.00	357.00
	Minority Interest	102,505.14	73,818.20
	NON-CURRENT LIABILITIES		
	Long-term borrowings	30,959.60	50,624.24
	Deferred tax liabilities (net)	-	-
	Other long-term liabilities	2,282.14	2,080.54
	Long-term provisions	716.67	593.32
		<u>33,958.41</u>	<u>53,298.10</u>
	CURRENT LIABILITIES		
	Short-term borrowings	44,975.35	30,611.46
	Total Outstanding dues of micro and small enterprises	400.00	519.00
	Total Outstanding dues of creditors other than micro and small enterprises	78,648.62	73,469.66
	Other current liabilities	35,001.82	36,354.50
	Short-term provisions	29,123.66	24,559.90
		<u>188,149.45</u>	<u>165,514.52</u>
	<b>TOTAL</b>	<u><u>513,143.86</u></u>	<u><u>449,255.14</u></u>
<b>B</b>	<b>ASSETS</b>		
	NON-CURRENT ASSETS		
	Fixed assets		
	- Tangible assets	95,117.68	84,667.91
	- Intangible assets	1,403.63	1,329.59
	- Capital work-in-progress	9,083.10	4,929.47
		<u>105,604.41</u>	<u>90,926.97</u>
	Goodwill on Consolidation	102,499.12	101,804.01
	Deferred tax assets (net)	2,658.02	2,260.19
	Non-current investments	47,096.15	19,167.59
	Long-term loans and advances	36,586.26	17,131.26
	Other Non-current assets	3,810.09	3,747.01
		<u>192,649.64</u>	<u>144,110.06</u>
	CURRENT ASSETS		
	Current investments	56,624.36	58,770.38
	Inventories	54,644.63	51,583.25
	Trade receivables	23,181.35	20,230.11
	Cash and bank balance	13,540.73	31,521.34
	Short-term loans and advances	66,436.64	51,669.69
	Other current assets	462.10	443.34
		<u>214,889.81</u>	<u>214,218.11</u>
	<b>TOTAL</b>	<u><u>513,143.86</u></u>	<u><u>449,255.14</u></u>
	<b>SIGNIFICANT ACCOUNTING POLICIES</b>	<b>I</b>	

The notes referred to above form an integral part of the Consolidated Financial Statement

As per our attached report of even date.

For B S R & Co.LLP

Chartered Accountants

Firm's Registration No. 101248W / W-100022

For and on behalf of the Board of Directors

The Bombay Burmah Trading Corporation, Limited

CIN :L99999MH1863PLC000002

Vijay Bhatt  
Partner  
Membership No. 036647

Ness Wadia  
Managing Director  
DIN :00036049

Dr. (Mrs) Sheela Bhide  
Director  
DIN :01843547

Nusli N Wadia  
Chairman  
DIN :00015731

N H Datanwala  
Vice President Corporate  
and Company Secretary

Jeh Wadia  
Director  
DIN :00088831

A K Hirjee  
Vice Chairman  
DIN :00044765

Mumbai,  
Dated : 27<sup>th</sup> May, 2016

Amit Chhabra  
Chief Financial Officer

M L Apte  
Director  
DIN :00003656

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016**

		(₹ in Lakhs)	
	Note	For the year ended 31 <sup>st</sup> March, 2016	For the year ended 31 <sup>st</sup> March, 2015
<b>INCOME</b>			
Revenue from Operations			
Sale of Product	21	920,568.87	829,851.46
Less: Excise duty	21	23,640.53	17,533.19
		<u>896,928.34</u>	<u>812,318.27</u>
Sale of Service	21	17.34	20.56
Other Operating Revenues	21	7,325.66	7,331.73
		<u>904,271.34</u>	<u>819,670.56</u>
Other income	22	14,646.76	15,549.72
		<u>918,918.10</u>	<u>835,220.28</u>
<b>EXPENDITURE</b>			
Cost of materials consumed	23	441,830.17	422,047.43
Purchases of stock-in-trade	23	73,997.45	65,128.53
Changes in inventories of finished goods, work-in-progress and stock-in-trade	23	(204.91)	(4,635.95)
Employee benefits	24	45,419.11	38,851.29
Finance costs	25	4,392.40	4,065.78
Depreciation and amortisation	11	12,523.24	15,506.27
Less : Transfer to Revaluation reserve		0.00	(6.59)
Other expenses	26	222,706.17	212,703.31
Cost relating to Real estate under development	27	83.35	90.70
		<u>800,746.98</u>	<u>753,750.77</u>
<b>Profit before exceptional items and tax</b>		<b>118,171.12</b>	<b>81,469.51</b>
Exceptional items (net)	28	(1,033.00)	14,606.00
<b>Profit after exceptional items and before tax</b>		<u><b>117,138.12</b></u>	<u><b>96,075.51</b></u>
Current tax expense for current year		39,790.05	29,736.22
(Less): Minimum alternate tax credit		-	(613.00)
Current tax expense relating to prior years		(31.10)	9.00
Deferred tax credit		(391.27)	(2,636.00)
		<u>39,367.68</u>	<u>26,496.22</u>
<b>Profit from operations after tax &amp; before minority interest</b>		<b>77,770.44</b>	<b>69,579.29</b>
Share of Profit /(Loss) from Associates		22.00	21.00
Minority Interest		(39,696.05)	(33,913.00)
<b>Profit after tax</b>		<u>38,096.39</u>	<u>35,687.29</u>
<b>Earnings per Share of Face Value of ₹2/- each</b>	33		
Basic and Diluted in ₹		54.60	51.15
<b>SIGNIFICANT ACCOUNTING POLICIES</b>			
<b>I</b>			

The notes referred to above form an integral part of the Consolidated Financial Statement

As per our attached report of even date.

For B S R & Co.LLP

Chartered Accountants

Firm's Registration No. 101248W / W-100022

For and on behalf of the Board of Directors

The Bombay Burmah Trading Corporation, Limited

CIN :L99999MH1863PLC000002

Vijay Bhatt  
Partner  
Membership No. 036647

Ness Wadia  
Managing Director  
DIN :00036049

Dr. (Mrs) Sheela Bhide  
Director  
DIN :01843547

Nusli N Wadia  
Chairman  
DIN :00015731

N H Datanwala  
Vice President Corporate  
and Company Secretary

Jeh Wadia  
Director  
DIN :00088831

A K Hirjee  
Vice Chairman  
DIN :00044765

Mumbai,  
Dated : 27<sup>th</sup> May, 2016

Amit Chhabra  
Chief Financial Officer

M L Apte  
Director  
DIN :00003656

**CONSOLIDATED CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET  
FOR YEAR ENDED 31ST MARCH, 2016**

	(₹ in Lakhs)	
	2015-16	2014-15
<b>A. Cash flows from operating activities :</b>		
Profit before Taxation	117,138.12	96,075.51
Adjustments for :		
Depreciation and amortisation	12,594.58	15,499.68
Loss /(Profit) on Sale of Fixed Assets (net)	918.13	(15,446.95)
Profit on Sale of Long Term/ Current Investments	(2,580.54)	(4,713.10)
Unrealised exchange fluctuation gain (net)	(75.65)	(93.84)
Provision for doubtful trade and other receivables	226.39	375.63
Excess Provisions in respect of Previous Year written back	(614.25)	(1,999.47)
Interest expense	4,392.40	4,065.78
Interest income	(8,935.97)	(5,476.68)
Dividend income	(286.55)	(311.31)
	<u>5,638.54</u>	<u>(8,100.26)</u>
Operating Profit before working capital changes	122,776.66	87,975.25
Adjustments for :		
Increase in Inventories	(3,061.38)	(89.13)
Increase in trade receivables	(3,072.51)	(3,262.35)
Decrease in loans and advances and other assets	2,027.80	4,182.84
Increase in Trade Payables, Other liabilities and Provisions	9,884.91	16,292.36
	<u>5,778.82</u>	<u>17,123.72</u>
Cash from operations	128,555.48	105,098.97
Foreign exchange loss on consolidation	(9,093.51)	(9,029.40)
Direct taxes paid (net)	(40,884.29)	(30,443.01)
	<u>(49,977.80)</u>	<u>(39,472.41)</u>
<b>Net cash from operating activities</b>	<b>78,577.68</b>	<b>65,626.56</b>
<b>B. Cash flows from investing activities :</b>		
Purchase of fixed assets (including finance leased assets)	(28,469.76)	(12,709.61)
Intercompany Deposits placed (net)	(34,780.21)	(26,163.84)
Intercompany Deposits taken (net)	1,506.00	944.39
Proceeds from sale of fixed assets	153.95	16,449.69
Purchase of Investments (net)	(23,180.01)	(30,203.01)
Fixed deposits placed with banks having original maturity over three months	(63.08)	(2,507.14)
Interest received	10,110.06	4,224.37
Dividend received	8,535.44	6,428.19
<b>Net cash from investing activities</b>	<b>(66,187.61)</b>	<b>(43,536.96)</b>

**CONSOLIDATED CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET  
FOR YEAR ENDED 31ST MARCH, 2016**

	(₹ in Lakhs)	
	2015-16	2014-15
<b>C. Cash flows from financing activities :</b>		
(Repayment of) / Proceeds from Borrowings (net)	(28,641.21)	5,609.76
Proceeds from working capital loans, cash credit and overdraft (net)	18,273.89	3,855.49
Adjustment to Minority Interest (net of dividend paid)	(11,026.17)	(8,159.95)
Interest paid	(4,405.87)	(3,996.22)
Dividend paid (including Corporate Dividend Tax)	(4,571.32)	(3,229.79)
<b>Net cash used in financing activities</b>	<b>(30,370.68)</b>	<b>(5,920.71)</b>
<b>Net (decrease) / increase in cash and cash equivalents (A+B+C)</b>	<b>(17,980.61)</b>	<b>16,168.89</b>
Cash and cash equivalents as at the commencement of the year	31,521.34	15,352.45
Cash and cash equivalents as at the end of the year	13,540.73	31,521.34
Net (decrease) / increase as disclosed above	(17,980.61)	16,168.89
<b>Components of Cash and Cash Equivalents as at</b>	<b>31-03-2016</b>	<b>31-03-2015</b>
<b>Cash on hand</b>	<b>1,818.93</b>	<b>2,904.39</b>
<b>Balances with Banks - in Current Accounts</b>	<b>8,895.18</b>	<b>10,858.71</b>
- in EEFC Accounts	12.68	150.29
- In foreign bank accounts held by foreign branches	36.82	60.87
- in Deposit Accounts	2,221.33	17,017.69
- in Unpaid Dividend Account	399.79	367.39
- in Unpaid Debenture Interest Account	44.00	46.00
- Unclaimed Debenture Redemption Proceeds	112.00	116.00
	<b>13,540.73</b>	<b>31,521.34</b>

**Notes:**

- The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Accounting standard (AS - 3) "Cash Flow Statements" as notified under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014
- Figures relating to Previous Year have been recast where necessary to conform to figures of the current year.

As per our attached report of even date.

For B S R & Co.LLP

Chartered Accountants

Firm's Registration No. 101248W / W-100022

For and on behalf of the Board of Directors

The Bombay Burmah Trading Corporation, Limited

CIN :L99999MH1863PLC000002

Vijay Bhatt  
Partner  
Membership No. 036647

Ness Wadia  
Managing Director  
DIN :00036049

Dr. (Mrs) Sheela Bhide  
Director  
DIN :01843547

Nusli N Wadia  
Chairman  
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N H Datanwala  
Vice President Corporate  
and Company Secretary

Jeh Wadia  
Director  
DIN :00088831

A K Hirjee  
Vice Chairman  
DIN :00044765

Mumbai,  
Dated : 27<sup>th</sup> May, 2016

Amit Chhabra  
Chief Financial Officer

M L Apte  
Director  
DIN :00003656



**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

**I. SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE CONSOLIDATED BALANCE SHEET AND STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2016**

(a) Principles of Consolidation:

1. The consolidated financial statements relate to The Bombay Burmah Trading Corporation, Limited ('the Corporation', 'BBTCL') and its subsidiaries and associate companies, which together constitute the Group. The consolidated financial statements have been prepared on the following basis:
  - (i) The financial statements of the Corporation and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating all material intra-group balances and intra-group transactions resulting in unrealized profits or losses in accordance with Accounting Standard (AS- 21) "Consolidated Financial Statements" as notified under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014.
  - (ii) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries, is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.
  - (iii) Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Corporation.
  - (iv) Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Corporation's shareholders.
  - (v) In case of associates, where the Corporation directly or indirectly through subsidiaries holds more than 20% of equity, investments are accounted for using equity method in accordance with Accounting Standard (AS-23) "Accounting for Investments in Associates in Consolidated Financial Statements" as notified under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014 .
  - (vi) Accounting for Interest in Joint Ventures: The proportionate share of the Group's interests in joint ventures is combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra group balances / transactions to the extent it pertains to the Group as per AS 27 "Financial Reporting of Interest in Joint Ventures".
  - (vii) The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.
  - (viii) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and appropriate adjustments are made to the financial statements of subsidiaries when they are used in preparing the consolidated financial statements that are presented in the same manner as the Corporation's separate financial statements.
2. In case of all the subsidiaries of Leila Lands Senderian Berhad (other than Leila Lands Limited, Mauritius and its subsidiaries), a wholly owned foreign subsidiary of the Corporation, for the purpose of determining goodwill/capital reserve on acquisition, the assets and liabilities of those subsidiaries are measured at their fair values at the date of acquisition of those subsidiaries as against at cost, as prescribed in Accounting Standard (AS – 21) "Consolidated Financial Statements".

3. As required by Accounting Standard (AS-23) "Accounting for Investments in Associates on Consolidated Financial Statements" as notified under the Companies (Accounting Standards) Rules, 2006, the carrying amounts of investments in Associates at the beginning of the year have been restated by applying "Equity Method" of accounting from the date of acquisition of the associates and corresponding adjustments have been made to retained earnings at the beginning of the year after eliminating unrealised profits, if any.

- (b) The list of the subsidiaries of the Corporation (Group) included in the consolidation and the Group's holding therein are as under:

Name of Subsidiary	Country of Incorporation	Current Year Percentage Holding-Share	Previous Year Percentage Holding-Share
Afco Industrial & Chemicals Limited.	India	100%	100%
DPI Products & Services Limited.	India	100%	100%
Sea Wind Investments & Trading Company Limited.	India	100%	100%
Leila Lands Senderian Berhad	Malaysia	100%	100%
<u>Sub-Subsidiaries:</u>			
<u>Subsidiary of DPI Products &amp; Services Limited:</u>			
Subham Viniyog Private Limited	India	100%	100%
<u>Subsidiaries of Leila Lands Senderian Berhad :</u>			
Naira Holdings Limited	The British Virgin Islands	100%	100%
Island Horti-Tech Holdings Pte. Limited	Singapore	100%	100%
Leila Lands Limited	Mauritius	100%	100%
Restpoint Investments Limited	The British Virgin Islands	100%	100%
<u>Subsidiaries of Island Horti-Tech Holdings Pte. Limited :</u>			
Island Landscape & Nursery Pte. Limited	Singapore	100%	100%
Innovative Organics Inc.	USA	58.80%	58.80%
<u>Subsidiaries of Leila Lands Limited:</u>			
Britannia Brands Limited (BBL UK)	United Kingdom	100%	100%
ABI Holding Limited	United Kingdom	100%	100%
Associated Biscuits International Limited (ABIL, UK)	United Kingdom	100%	100%
Dowbiggin Enterprises Pte. Limited	Singapore	100%	100%
Nacupa Enterprises Pte. Limited	Singapore	100%	100%
Spargo Enterprises Pte. Limited	Singapore	100%	100%
Valletort Enterprises Pte. Limited	Singapore	100%	100%
Bannatyne Enterprises Pte. Limited	Singapore	100%	100%
Britannia Industries Limited (BIL)	India	50.75%	50.75%

The Bombay Burmah Trading Corporation, Limited

Name of Subsidiary	Country of Incorporation	Current Year Percentage Holding-Share	Previous Year Percentage Holding-Share
<u>Subsidiary of Innovative Organics Inc. :</u>			
Granum Inc.	USA	58.80%	58.80%
<u>Subsidiaries of Britannia Industries Limited (BIL):</u>			
Boribunder Finance & Investments Private Limited	India	100%	100%
Flora Investments Company Private Limited	India	40.53%	40.53%
Gilt Edge Finance & Investments Private Limited	India	46.13%	46.13%
Ganges Vally Foods Private Limited	India	51%	51%
International Bakery Products Limited	India	100%	100%
J. B. Mangharam Foods Private Limited	India	100%	100%
Manna Foods Private Limited	India	100%	100%
Sunrise Biscuit Company Private Limited	India	99.16%	99.16%
Britannia and Associates (Mauritius) Private Limited	Mauritius	100%	100%
Britannia and Associates (Dubai) Private Company Limited	Dubai, UAE	100%	100%
Al Sallan Food Industries Company SAOG	Oman	65.46%	65.46%
Strategic Food International Company LLC	Dubai, UAE	100%	100%
Strategic Brands Holding Company Limited	Dubai, UAE	100%	100%
Daily Bread Gourmet Foods (India) Private Limited	India	100%	100%
Britannia Dairy Private Limited	India	100%	100%
Britannia Dairy Holdings Private Limited	Mauritius	100%	100%

(c) Associates:

- a) The list of the associates of the Group which are included in the consolidation and the Group's holdings therein are as under:

Name of the Associate	Principal Activities	Country of Incorporation	Current Year Percentage Holding-Share	Previous Year Percentage Holding-Share
Roshnara Investments & Trading Company Private Limited	Investments	India	50%	50%
Lima Investments & Trading Company Private Limited	Investments	India	50%	50%
Cincinnati Investments & Trading Company Private Limited	Investments	India	50%	50%
Lotus Viniyog Private Limited	Investments	India	50%	50%
Shadhak Investments & Trading Private Limited	Investments	India	50%	50%
Inor Medical Products Limited (up to 30th September 2014)	Orthopaedic implants and instruments	India	-	-

Name of the Associate	Principal Activities	Country of Incorporation	Current Year Percentage Holding-Share	Previous Year Percentage Holding-Share
Medical Microtechnology Limited	Ophthalmic instruments	India	50%	50%
Klassik Foods Private Limited	Biscuit manufacture	India	26.02%	26.02%
Nalanda Biscuits Company Limited	Biscuit manufacture	India	35%	35%
Placid Plantations Limited (w.e.f 30th March 2015)	Neem Plantations	India	50%	50%
Harvard Plantations Limited (w.e.f 30th March 2015)	Neem Plantations	India	50%	50%

b) The following Associate Companies are excluded from consolidation as they are not significant:

Name of the Company	Relationship	Country of Incorporation
Vasna Agrex and Herbs Private Limited	Associate	India
Snacko Bisc Private Limited	Associate	India
Associated Biscuits (Malaysia) Sdn. Bhd.	Subsidiary	India
Medical Microtechnology Limited	Associate	India

c) The following companies of the BIL Group, limited by guarantee, are also considered for consolidation:

- (i) Britannia Employees General Welfare Association Private Limited, India
- (ii) Britannia Employees Medical Welfare Association Private Limited, India
- (iii) Britannia Employees Educational Welfare Association Private Limited, India

**(d) Significant Accounting Policies:**

**A. Basis of Accounting and Preparation of Financial Statements:**

The consolidated financial statements are prepared under the historical cost convention, on the accrual basis of accounting to comply in all material aspects with the applicable accounting principles in India, the mandatory Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with rule 7 of the Companies (Accounts) Rules, 2014 and the Companies Act, 2013 and the guidelines issued by the Securities and Exchange Board of India ('SEBI').

The preparation of financial statements in conformity with GAAP requires that the management of the Corporation makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of fixed assets, provision for doubtful debts / advances, future obligations in respect of retirement benefit plans, etc. Difference between actual results and estimates are recognised in the period in which the results are known / materialise. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

The financial statements of Britannia and Associates (Dubai) Private Co. Limited, Dubai; Britannia Dairy Holdings Private Limited, Mauritius; Klassik Foods Private Limited and Nalanda Biscuits Company Limited have been incorporated in the consolidated financial statements of Britannia Industries Limited based on unaudited financial statements.

**B. Method of Depreciation of Tangible Fixed Assets:**

Depreciation in respect of all the assets is provided on straight line method over the useful lives of assets estimated by the Company. Depreciation for assets which are purchased / sold during the period is proportionately charged. The Company estimates the useful life of fixed assets as follows:

<b>Category of Assets</b>	<b>Useful life</b>
Plant and machinery*	7.5 – 15 years
Furniture and fixtures*	10 – 16 years
Motor vehicles (Scooters)	10 years
Motor vehicles (Cars)	8 years
Computer devices and accessories (hardware)	3 years
Computer software	6 years
Office equipment	5 years
Buildings	30 - 60 years
Leasehold lands	Lease period
Non-carpeted roads	3 years
Development- Plantations	Based on life of a plant/ saplings
Mould and Dies, Cutters and Spare Parts*	1 - 5 years

\* The Company believes the useful lives as given above best represent the useful life of these assets based on internal assessment where necessary, which is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

- i) Assets costing less than ₹ 5000 are fully depreciated in the year of purchase.
- ii) Capital subsidy related to depreciable fixed assets is treated as deferred income and recognised in the statement of profit and loss on a systematic basis over the useful life of the asset.

**D. Valuation of Tangible Fixed Assets:**

- i) Fixed Assets are valued at cost of acquisition or construction. They are stated at historical costs or other amounts substituted for historical costs (vide note (ii) below). In respect of new projects pre-operative expenses including financing costs attributable to the acquisition / construction of fixed assets (net of income during trial run) upto the date of commencement of commercial production is included in cost.
- ii) The Land and Building of the Auto electric component division as on 1st April, 2006 and the Plant and Machinery of South India Branches (Plantations) as on 30th September, 1985 other than additions during that year were revalued on the basis of the then present worth as per valuation made by the external valuers and are stated at revalued amounts. The resultant increase was credited to Revaluation Reserve on the respective dates.
- iii) Expenditure in respect of new crops including cost of development is capitalised until the year of maturity of the Plantation.
- iv) Nursery planting expenditure represents cost of plants that are used solely for propagation purposes and are not intended for resale. Cost comprises purchase cost, labour and attributable overheads. Initial nursery planting expenditure is classified as a base stock and accounted for on replacement basis.

- v) Fixed Assets held by non-integral foreign branches are stated at cost by converting at the closing rate of exchange at the balance sheet date.

#### D. Intangible Assets:

Intangible assets are stated at cost of acquisition less accumulated amortisation. Intangible assets are recognised as per the criteria specified in Accounting Standard (AS 26) "Intangible Assets" as notified under section 133 of the Act read with Companies (Accounts) Rules, 2014 and amortized as follows:

##### Technical Know How Fees

Technical know how fees for new product development is amortised over the period not exceeding five years, of agreement with supplier of technology.

##### Goodwill

Goodwill represents the excess of costs of business acquired over the fair market value of net tangible and identifiable intangible assets. Goodwill arising on consolidation represents the excess of cost to the Group of its investment in a subsidiary company over the Group's portion of net worth of the subsidiary, and is net of capital reserve.

Amortisation in respect of all the intangible assets is provided on a straight-line basis over the useful lives as prescribed in Schedule II to the Companies Act, 2013 and as estimated by the management. The useful life of such intangible assets is as follows:.

Category of Assets	Useful life
Computer Software	1-6 years
Know-how	1-5 years
Goodwill	5 years
Marketing Infrastructure	3 years
Non-compete Rights	2 years

Goodwill arising on consolidation is evaluated for impairment periodically. (Also refer note (E) below)

#### E. Impairment of Assets:

Management evaluates at regular intervals, using external and internal sources whether there is an impairment of any asset. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its net realisable value on eventual disposal. Any loss on account of impairment is expensed as the excess of the carrying amount over the higher of the asset's net realisable value or present value as determined. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined; if no impairment loss had been recognised.

#### F. Employee Benefits:

##### (a) Short term employee benefits:

Short term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss for the year in which the related service is rendered. All employee benefits falling due wholly within twelve months of rendering the services are classified as short-term employee benefits, which include benefits like salaries, wages, short-

term compensated absences and performance incentives and are recognised as expenses in the period in which the employee renders the related service.

**(b) Post-employment benefits:**

**(i) Provident and Family Pension Fund:**

The eligible employees of the Corporation are entitled to receive post employment benefits in respect of provident and family pension fund, in which the Corporation make monthly contributions at a specified percentage of the employees' eligible salary (currently 12% of employees' eligible salary). Employees contribute a minimum of 12%, the excess being voluntary contribution.

The contributions are made to the provident fund managed by the trust set up by the Corporation or to the Regional Provident Fund Commissioner (RPFC) which are charged to the Statement of Profit and Loss as incurred. The schemes are considered as defined contribution plan. The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company. In respect of contributions made to government administered Provident Fund, the Company has no further obligations beyond its monthly contributions. The Company also provides for post-employment defined benefit in the form of gratuity and medical benefits. The cost of providing benefit is determined using the projected unit credit method, with actuarial valuation being carried out at each balance sheet date.

The Britannia Industries Limited Covenanted Staff Pension Fund Trust (BIL-CSPF) and Britannia Industries Limited Officers' Pension Fund Trust (BILOPF) were established by the Company to administer pension schemes for its employees. These trusts are managed by the trustees. The Pension scheme is applicable to all the managers and officers of the Company who have been employed up to the date of 15 September 2005 and any manager or officer employed after that date, if he has opted for the membership of the scheme. The Company makes a contribution of 15% of salary in respect of the members each month to the trusts. On retirement, subject to the vesting conditions as per the rules of the trust, the member becomes eligible for pension, which is paid from annuity purchased in the name of the member by the trusts.

In case of Al Sallan Food Industries Co. SAOC, the provision for employees' terminal benefits is based upon the liability accrued in accordance with the terms of employment of the Company's employees at the statement of financial position date, having regard to the requirements of the Oman Labour Law, 2003 and the Social Security Law, 1991.

In case of Strategic Food International Co. LLC, another subsidiary of BIL, provision for staff terminal benefits is calculated in accordance with the UAE Federal Labour Law and is based on the liability that would arise if employment of all Company's staff were terminated on the balance sheet date. This accounting policy difference from group's accounting policy as mentioned above does not have a material impact on the financial statements

**(ii) Superannuation**

The eligible employees of the Corporation are entitled to receive post-employment benefits in respect of superannuation fund in which the Corporation makes annual contribution at a specified percentage of the employees' eligible salary. The contributions are made to the ICICI Prudential Life Insurance Co. Ltd. Superannuation is classified as Defined Contribution Plan as the Corporation has no further obligations beyond making the contribution. The Corporation's contribution to Defined Contribution Plan is charged to Statement of Profit and Loss as incurred.

**(iii) Gratuity**

The Corporation has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees.

The plan provides a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days' salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service. The Corporation accounts for gratuity benefits payable in future based on an independent external actuarial valuation carried out at the end of the year. Actuarial gains and losses are recognised in the Statement of Statement of Profit and Loss.

**c) Other Long-Term Employee Benefits – Compensated Absences:**

The Corporation provides for encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The Corporation makes provision for compensated absences based on an independent actuarial valuation carried out at the end of the year. Actuarial gains and losses are recognised in the Statement of Profit and Loss.

All employee benefits (other than post-employment benefits and termination benefits) which do not fall due wholly within twelve months after the end of the period in which the employees render the related services are determined based on actuarial valuation carried out at each balance sheet date. The Corporation provides for encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The Corporation makes provision for compensated absences based on an independent actuarial valuation carried out at the end of the year. Actuarial gains and losses are recognised in the Statement of Profit and Loss.

**d) Voluntary retirement scheme benefits:**

Voluntary retirement scheme benefits are recognised as an expense in the year they are incurred.

**G. Provisions, Contingent Liabilities and Contingent Assets:**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made. Provisions are reviewed regularly and are adjusted where necessary to reflect the current best estimate of the obligation. When the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset only when reimbursement is virtually certain.

Contingent liabilities are not recognised but are disclosed in the financial statements. Contingent Assets are neither recognised nor disclosed in the financial statements. A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provision for onerous contracts, i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

**H. Valuation of Inventories:**

(i) Inventories are valued at the lower of cost (including prime cost, excise duty and other



overheads incurred in bringing the inventories to their present location and condition) and estimated net realisable value, after providing for obsolescence, where appropriate. The comparison of cost and net realisable value is made on an item-by-item basis. The net realisable value of materials in process is determined with reference to the selling prices of related finished goods. Raw materials, packing materials and other supplies held for use in production of inventories are not written down below cost except in cases where material prices have declined, and it is estimated that the cost of the finished products will exceed their net realizable value.

- (ii) Raw materials are valued at lower of cost or net realisable value. The cost includes purchase price, inward freight and other incidental expenses net of refundable duties, levies and taxes, where applicable and is calculated on weighted average basis.
- (iii) Tea stock is valued at cost or net realisable value whichever is lower and inclusive of cess on excise duty. Timber, coffee, pepper and cardamom in stock are valued at since realized / contracted rates or realizable value.
- (iv) Work-in-progress is valued at cost or net realisable value whichever is lower. Cost is arrived on the basis of absorption costing and it is valued at input material cost plus conversion cost as applicable.
- (v) Stock-in trade is valued at the lower of net realisable value and cost (including prime cost and other overheads incurred in bringing the inventories to their present location and condition), computed on a moving average basis.
- (vi) Stores and spare parts are valued at lower of cost or net realisable value. Cost is calculated on moving weighted average basis.
- (vii) Manufactured finished goods of all divisions are valued at cost or net realisable value whichever is lower. Cost is determined on the basis of absorption costing including excise duty paid / provided on packed finished goods.
- (viii) Traded Finished goods of all divisions are valued at cost or net realisable value whichever is lower.
- (ix) Nursery plants are stated at cost, which consists of plant cost, direct labour and its attributable overheads.
- (x) Landscape projects in progress are valued at cost which consists of direct labour and its attributable overheads.
- (xi) The provision for inventory obsolescence is assessed regularly based on estimated usage and shelf life of products.
- (xii) Real Estate under development comprises of Freehold / Leasehold Land and Buildings at cost, converted from Fixed Assets into Stock-in –Trade and expenses related / attributable to the development /construction of the said properties. The same is valued at lower of cost or net realizable value.
- (xiii) The provision for inventory obsolescence is assessed regularly based on estimated usage and shelf life of products.

**I. Foreign Currency Transactions:**

- i) Foreign Branches: (Non-integral operations)
  - a) All assets and liabilities, both monetary and non-monetary are translated at the closing rate;
  - b) Income and expense items are translated at the average rate prevailing during the year; and

- c) All resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment in the branch.
- ii) Other Transactions:
  - a) Initial recognition :
 

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.
  - b) Conversion :
 

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction
  - c) Exchange Differences :
 

The premium or discount arising at the inception of forward exchange contracts against the underlying asset is amortised as expenses or income over the life of the respective contracts. The difference between year-end conversion rate and rate on the date of contract is recognised as exchange difference. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or expense for the year.

The Group uses foreign exchange forward contracts to cover its exposure towards movements in foreign exchange rates. The Group does not use the foreign exchange forward contract for trading or speculative purposes.

Premium or discount arising at the inception of forward contracts against the underlying assets is amortised as expense or income over the life of contract. Exchange differences on forward contracts are recognised in the statement of profit and loss in the reporting period in which the exchange rates change.

**J. Export Benefits / Incentives:**

Export benefits / incentives in respect of import duty benefits under DEPB scheme or Duty draw back scheme are accounted on accrual basis on the basis of exports made under the said schemes.

**K. Revenue Recognition:**

- i) Revenue in respect of Insurance / other claims, Interest etc., is recognised only when it is reasonably certain that the ultimate collection will be made.
- ii) Sale of products is recognised when the risks and rewards of ownership are passed on to the customers and no significant uncertainty as to its measurability and collectability exists. The amount recognised as sale is exclusive of sales tax and net of trade discounts and sales returns. Sales are presented both gross and net of excise duty.
- iii) Income from royalty and services is accounted for based on contractual agreements.
- iv) Sale of timber is accounted based on sale agreement / sale in auction.
- v) Sale of pepper is accounted based on confirmed contract of sale.
- vi) Dividend income is accounted when the right to receive payment is established and known. Interest income is recognised on the time proportion basis.
- vii) Interest on investments and deposits is booked on a time-proportion basis taking into account amounts invested and rate of interest.

**L. Borrowing Cost:**

Interest and other costs in connection with the borrowing of the funds to the extent related / attributed to the acquisition / construction of qualifying fixed assets are capitalised up to the date when such assets are ready for its intended use and all other borrowing costs are recognised as an expense in the period in which they are incurred.

**M. Segment Accounting Policies:**

**a) Segment assets and liabilities:**

All Segment assets and liabilities are directly attributable to the segment.

Segment assets include all operating assets used by the segment and consist principally of fixed assets, inventories, sundry debtors, loans and advances and operating cash and bank balances. Segment assets and liabilities do not include inter-corporate deposits, share capital, reserves and surplus, borrowings, and income tax (both current and deferred).

**b) Segment revenue and expenses:**

Segment revenue and expenses are directly attributable to segment. It does not include interest income on inter-corporate deposits, interest expense and income tax.

**N. Financial Derivatives and Commodity Hedging transactions:**

Outstanding derivative contracts are not marked to market at each balance sheet date. The Corporation assesses the foreseeable losses in respect of such contracts and provision is made for such estimated losses, wherever necessary. Realised gains and losses on such contracts and interest costs in foreign currencies are accounted for at the time of settlement of the underlying transactions.

Based on the principle of prudence as provided in Accounting Standard 1 - "Disclosure of accounting policies", the Group assesses losses, if any, by marking to market all its outstanding derivative contracts [other than those accounted under Accounting Standard 11 - "Effects of changes in foreign exchange rates" (Refer point (I) above)] at the balance sheet date and provides for such losses. The net gain, if any, based on the said evaluation is not accounted for in line with the Institute of Chartered Accountants of India notification issued in March 2008 in relation to such transactions.

**O. Taxes on Income:**

Income-tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year). Deferred tax in respect of timing differences which originate during the tax holiday period but reverse after the tax holiday period is recognised in the year in which the timing differences originate. For this purpose the timing differences, which originate first are considered to reverse first. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward business loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets.

Deferred tax assets / liabilities are reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

The Group offsets, the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

Minimum Alternative Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in the guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Group will pay normal income-tax during the specified period.

**P. Leases:**

- a) Lease transactions entered into prior to 1st April, 2002:  
Lease rentals in respect of assets acquired under lease are charged to Statement of Profit and Loss.
- b) Lease transactions entered into on or after 1st April, 2002:
  - i) Assets acquired under lease where the Corporation has substantially all the risks and rewards incidental to ownership are classified as finance leases. Such assets are capitalised at the inception of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.
  - ii) Assets acquired on leases where significant portions of the risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Lease rentals are charged to the Statement of Profit and Loss on accrual basis.

**Q. Investments**

- i) Investments in subsidiaries have been accounted as per Accounting Standard (AS -21) "Consolidated Financial Statements" as notified under section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014.
- ii) Investments in Associates have been accounted as per Accounting Standard (AS-23) "Accounting for Investments in Associates in Consolidated Financial Statements" as notified under section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014
- iii) Long Term Investments other than investments in subsidiaries and associates as stated above are shown at cost. However, when there is a decline, other than temporary, in the value of a long term investment, the carrying amount is reduced to recognise the decline. Long term investments in shares of Companies registered outside India are stated at cost by converting at the rate of exchange prevalent at the time of acquisition thereof.
- iv) Investments made by non-integral foreign branches are stated at cost by converting at the closing rate of exchange at the balance sheet date.
- v) Current Investments are valued at cost or fair / market value whichever is lower.
- vi) Premium/discount on purchase of bonds is amortised in equal annual installments over the life of the bond.
- vii) A provision for diminution is made to recognise a decline, other than temporary, in the value of long term investments.

**R. Earnings Per Share**

The basic and diluted earnings per share (EPS) is computed by dividing Net Profit after tax for the year by weighted average number of equity shares outstanding during the year. Diluted earnings

per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share splits.

**S. Cash and cash equivalents:**

Cash and cash equivalents for the purpose of Cash Flow Statement includes Cash in hand, Balances with Banks and Fixed other short-term highly liquid investments or deposits with an original maturity of three months or less.

**T. In the case of BIL Group:**

i) Employee share based payments:

The Group measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense, if any, is amortised over the vesting period of the option on a straight line basis.

ii) Government grants related to revenue:

Government grants related to revenue are recognised in the statement of profit and loss on a systematic basis over the periods to which they relate.

iii) Capital subsidy:

Capital subsidy related to depreciable fixed assets is treated as deferred income and recognised in the statement of profit and loss on a systematic basis over the useful life of the asset.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1	SHARE CAPITAL	(₹ in Lakhs)	
		As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Particulars</b>			
<b>Authorised Capital</b>			
7,50,00,000	Equity shares of ₹ 2/- each (Previous Year 7,50,00,000 of ₹ 2/- each)	1,500.00	1,500.00
		<u>1,500.00</u>	<u>1,500.00</u>
<b>Issued, Subscribed and paid-up</b>			
6,97,71,900	Equity shares of ₹ 2/- each (Previous Year 6,97,71,900 of ₹ 2/- each)	1,395.44	1,395.44
<b>Forfeited shares amount paid-up</b>			
		0.83	0.83
	<b>TOTAL</b>	<u><u>1,396.27</u></u>	<u><u>1,396.27</u></u>

- (a) The Corporation has only one class of equity share having par value of ₹ 2/- (Previous Year ₹ 2/-) per share.
- (b) Each holder of equity shares is entitled to one vote per share.
- (c) The Corporation declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- (d) During the year ended 31<sup>st</sup> March, 2016, the amount of per share dividend recognised as distributions to equity shareholders was ₹1/- for every share of ₹2/- each (Previous Year ₹1/- for every share of ₹2/- each).

The total dividend appropriation for the year ended 31<sup>st</sup> March, 2016 amounted to ₹839.78 Lakhs (Previous Year ₹697.72 lakhs) including corporate dividend tax of ₹142.06 Lakhs (Previous Year ₹Nil lakhs).

- (e) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- (f) Reconciliation of the shares outstanding at the beginning and at the end of reporting year.

Equity shares	31 <sup>st</sup> March, 2016		31 <sup>st</sup> March, 2015	
	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs
At the beginning of the year	69,771,900	1,395.44	69,771,900	1,395.44
Add : Issued during the year	-	-	-	-
Outstanding at the end of the year	<u>69,771,900</u>	<u>1,395.44</u>	<u>69,771,900</u>	<u>1,395.44</u>

- (g) Details of shares held by each shareholder holding more than 5% shares

Sr. No.	Name of Shareholders	As at 31 <sup>st</sup> March, 2016	% holding	As at 31 <sup>st</sup> March, 2015	% holding
1	Archway Investment Company Limited.	13,038,600	18.69	13,038,600	18.69
2	N. W. Exports Limited	9,817,275	14.07	9,817,275	14.07
3	Sunflower Investments & Textiles Private Limited.	6,576,120	9.43	6,576,120	9.43
4	Naperol Investments Limited	4,208,400	6.03	4,208,400	6.03
5	Mr. Nusli Neville Wadia	6,141,505	8.81	6,141,505	8.81
6	Wallace Brothers Trading & Industrial Limited., U.K.	5,660,700	8.11	5,660,700	8.11
		<u>45,442,600</u>	<u>65.14</u>	<u>45,442,600</u>	<u>65.14</u>

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

**2 RESERVES AND SURPLUS**

<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2016</b>	<i>As at 31<sup>st</sup> March, 2015</i>
<b>Capital reserve</b>		
At the commencement and end of the year	<b>1,841.19</b>	<i>1,841.19</i>
<b>Statutory Reserve Fund</b>		
Opening balance	<b>149.54</b>	<i>149.54</i>
Less: Transfer to Statement of Profit and Loss	<b>0.15</b>	<i>-</i>
Closing balance	<b>149.69</b>	<i>149.54</i>
<b>Capital Reserve (On Investment in Subsidiaries)</b>		
At the commencement and end of the year	<b>(202.84)</b>	<i>(202.84)</i>
<b>Capital redemption Reserve</b>		
At the commencement and end of the year	<b>201.96</b>	<i>201.96</i>
<b>Revaluation Reserve</b>		
Opening balance	<b>433.78</b>	<i>440.37</i>
Less : Utilised for set off against depreciation	<b>-</b>	<i>(6.59)</i>
Closing balance	<b>433.78</b>	<i>433.78</i>
<b>Securities premium account</b>		
Opening balance	<b>4,507.57</b>	<i>4,507.57</i>
Add :During the year	<b>220.17</b>	<i>-</i>
Closing balance	<b>4,727.74</b>	<i>4,507.57</i>
<b>General reserve</b>		
Opening balance	<b>40,089.73</b>	<i>37,915.99</i>
Less : Depreciation impact due to change in life of fixed assets, on application of Schedule II of the Companies Act, 2013 (Refer Note 11)	<b>-</b>	<i>(1,320.92)</i>
Add : Transferred from Surplus in Statement of Profit and Loss	<b>3,800.33</b>	<i>3,494.65</i>
Closing balance	<b>43,890.06</b>	<i>40,089.72</i>
<b>Foreign currency translation reserve</b>		
Opening balance	<b>(23,271.43)</b>	<i>(14,687.12)</i>
Less: Effect of foreign exchange rate variations during the year	<b>(8,863.29)</b>	<i>(8,584.31)</i>
Closing balance	<b>(32,134.72)</b>	<i>(23,271.43)</i>
<b>Surplus in Statement of Profit and Loss</b>		
Opening balance	<b>131,121.56</b>	<i>97,415.76</i>
Add: Profit for the year	<b>38,096.39</b>	<i>35,687.29</i>
Add: Dividend adjustment (Refer Note 47)	<b>8,248.89</b>	<i>6,116.88</i>
<b>Less : Appropriations</b>		
Proposed Dividend (dividend per share ₹1/- for every share of ₹2/- each (Previous Year - ₹1/- for every share of ₹2/- each)	<b>697.72</b>	<i>697.72</i>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

2 RESERVES AND SURPLUS	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
Dividend distribution tax	5,027.06	3,906.00
Transfer to statutory reserve	0.15	-
Transfer to General Reserve	3,800.33	3,494.65
Closing balance	167,941.73	131,121.56
<b>TOTAL</b>	<b>186,848.59</b>	<b>154,871.05</b>

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>3 LONG-TERM BORROWINGS</b>		
<b>Secured</b>		
Term loans From banks - (Refer Note a to g)	30,905.83	48,498.00
Long Term maturities of Finance Lease obligations (Refer Note h)	-	73.00
Loan against vehicles - Secured (Refer Note i)	4.77	10.24
<b>Unsecured (repayable on demand)</b>		
Intercorporate Deposit - (Refer Note j)	49.00	2,043.00
<b>TOTAL</b>	<b>30,959.60</b>	<b>50,624.24</b>

**Note:**

- (a) Rupee loan from HDFC Bank Limited of ₹ 3,000 Lakhs, - current outstanding - ₹ 2,250 Lakhs which is repayable in 4 equal half yearly installments of ₹ 750 Lakhs each from 3<sup>rd</sup> March 2016 to 3<sup>rd</sup> September 2017. The loan is secured by extension of charge Equitable Mortgage by deposit of title deeds of Singampatti estates together with Buildings and structures thereon in favour of HDFC Bank Limited. The rate of interest on the loan is ranging from 7.5% to 10.5%.
- (b) Rupee loan from Kotak Mahindra Bank Limited of ₹ 5,000 Lakhs, - current outstanding - ₹ 5,000 Lakhs of which ₹1500 lakhs is repayable in 8 equal quarterly installments of ₹112.50 lakhs each, from 30<sup>th</sup> June, 2017 to 30<sup>th</sup> June, 2019 and 4 equal quarterly installments of ₹ 150 lakhs each, from 30<sup>th</sup> September, 2019 to 30<sup>th</sup> June, 2020 ₹ 3,500.00 lakhs is repayable in 8 equal quarterly installments of ₹ 262.50 lakhs each, from 30<sup>th</sup> September, 2017 to 31<sup>st</sup> March, 2019 and 4 equal quarterly installments of ₹ 350.00 lakhs each, from 30<sup>th</sup> June, 2019 to 31<sup>st</sup> March, 2020. The loan is secured by extension of charge of an Equitable Mortgage by deposit of title deeds of Akurdi Land together with Buildings and structures thereon in favour of Kotak Mahindra Bank Limited The rate of interest on the loan is ranging from 9.1% to 11%.
- (c) Rupee loan from The Hongkong and Shanghai Banking Corporation Limited Bank of ₹ 2,500 Lakhs, - current outstanding - ₹ 2,000 Lakhs is repayable in 5 equal half yearly installments of ₹ 500 Lakhs each from 23<sup>rd</sup> December 2015 to 23<sup>rd</sup> December 2017. The loan is secured by extension of charge of an Equitable Mortgage by deposit of title deeds of Mudis estates together with Buildings and structures thereon in favour of said bank. The rate of interest on the loan is ranging from 9.1% to 10.5%.
- (d) Rupee loan from The Federal Bank Limited of ₹ 2,500 Lakhs, - current outstanding - ₹ 2,197 Lakhs is repayable in 18 quarterly installments of ₹ 138.89 Lakhs each from September 2016 to December 2020. The loan is secured by extension of *pari passu* charge of an Equitable Mortgage by deposit of title deeds of Mudis estates together with Buildings and structures thereon in favour of said bank. The rate of interest



**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

on the loan is ranging from 9.1% to 10.5%.

- (e) The interest free soft loan of ₹ 2321 Lakhs (Previous Year 2760 Lakhs) from Government of Oman through Oman Development Bank is repayable in 13 equal annual instalments from 1 August 2006. Loan is secured by first ranking mortgage on all the tangible assets of the Al Sallan Food Industries Co. SAOC., Oman.
- (f) Term loan of ₹ 2013 Lakhs (Previous Year: ₹ 1800 Lakhs) taken from ICICI Bank, repayable in 32 quarterly installments of ₹ 75 Lakhs each, starting from the 90<sup>th</sup> day from the date of first disbursement. The rate of interest is the sum of base rate and spread as communicated by the Bank periodically. As on date the base rate is 9.35% p.a. and spread is 2% p.a.. The above term loan is secured by an exclusive charge over movable fixed assets and current assets, present and future and an exclusive charge by way of equitable mortgage on movable and immovable fixed assets except leasehold land of J B Mangharam Foods Private Limited. Out of above loan, ₹300 Lakhs is repayable within 1 year and classified under "Other current liability" and balance of ₹ 1713 Lakhs has been classified under "Long-term borrowings".
- (g) In October 2010, the Company entered into a credit facility agreement with the Standard Chartered Bank, Singapore branch for an amount of USD 95,000,000. In July 2013, the Company entered into a supplemental agreement towards refinancing the remaining loan of USD 76,000,000. The loan is secured by pledge of the shares of the Company and fellow subsidiaries and guarantees given by the subsidiaries and by the fellow subsidiaries. The interest rate of the loan is the percentage rate per annum equal to the aggregate of the applicable margin and LIBOR. The Company shall repay the loan in full in five instalments by repaying, on each repayment date, an amount equal to a relevant percentage as set out in the supplemental agreement. The value of such loans outstanding at 31<sup>st</sup> March, 2016 is USD 54,000,000; (Previous year USD 62,000,000) equivalent to ₹35,775.00 Lakhs (Previous year ₹ 38,805.80 lakhs).
- (h) Rate of interest for finance lease obligations ranges from 13.6% to 19.2% per annum. Number of repayment installments (quarterly) for lease obligations ranges from 12 to 20. Period of maturity for the lease obligations ranges from 5 months to 5 years.
- i) Loan against vehicles are secured by lien on vehicle purchased.
- (j) Inter corporate borrowings are unsecured, bear interest at LIBOR + 1% and have no fixed repayment terms. The loans will not be recalled within the next twelve months.

4 DEFERRED TAX LIABILITY (NET):		(₹ in Lakhs)	
		As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Particulars</b>			
<b>Timing difference on account of :</b>			
<b>Deferred Tax Liability</b>			
- Difference between written down value of fixed assets as per books and as per Direct Tax Laws.	<b>2,895.98</b>		2,981.98
<b>Less : Deferred Tax Asset</b>			
- Employee benefits	<b>199.00</b>		531.87
- Statutory payments	<b>4,315.00</b>		3,146.00
- Provision for Doubtful Debts, Advances, Contingencies	<b>1,040.00</b>		1,258.95
- Unabsorbed business and depreciation loss (Refer Note below)	-		200.35
- Others	-		105.00
TOTAL	<b>(2,658.02)</b>		<b>(2,260.19)</b>

Note: Unabsorbed business and depreciation loss is arising because of higher depreciation claimed as per Income Tax, Act, 1961.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

## 5 OTHER LONG-TERM LIABILITIES

	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
Payables towards capital expenditure	41.16	38.57
Security deposit	69.82	46.13
Deposit from customers	2,134.00	1,995.84
Others	37.16	-
<b>TOTAL</b>	<b>2,282.14</b>	<b>2,080.54</b>

## 6 LONG-TERM PROVISIONS

Provision for Employee Benefits	714.51	591.16
Fringe Benefit tax (Net of Advance tax)	2.16	2.16
<b>TOTAL</b>	<b>716.67</b>	<b>593.32</b>

## 7 SHORT-TERM BORROWINGS

<b>Loans (Refer Note below)</b>		
<b>- Secured</b>		
- From Banks (Refer Note a to f)	25,362.35	13,423.46
<b>-Unsecured (Repayable On Demand)</b>		
- From Banks (Refer Note g to h)	15,113.00	16,188.00
<b>Intercompany Deposits (Repayable On Demand)</b>		
- From Other Parties (Refer Note i)	4,500.00	1,000.00
<b>TOTAL</b>	<b>44,975.35</b>	<b>30,611.46</b>

## NOTE:

- (a) Cash Credit from Axis Bank Limited of ₹ 2,868.72 Lakhs (*Previous Year ₹ 895.20 Lakhs*), is secured by hypothecation of present and future stocks, book debts and other current assets on *pari-passu* basis and a collateral on Elkhill Estates. The rate of interest on the loan is ranging from 11% to 13%.
- (b) Cash Credit from HDFC Bank Limited of ₹ 1,825.93 Lakhs (*Previous Year ₹ 1,960.27 Lakhs*) is secured by hypothecation of present and future stocks, book debts and other current assets on *pari-passu* basis and a collateral on Singampatti Estates. The rate of interest on the loan is ranging from 11% to 13%.
- (c) Short term loan and Agricultural loan from HDFC bank Limited of ₹700 Lakhs (*Previous Year ₹ Nil Lakhs*) and ₹ 361.13 Lakhs (*Previous Year ₹ 253.99 Lakhs*) is secured by hypothecation of present and future stocks, book debts and other current assets on *pari-passu* basis and a collateral on Singampatti Estates. The rate of interest on the loan is ranging from 9% to 11%.
- (d) Packing Credit/ Cash Credit / WCDL from The Hongkong and Shanghai Banking Corporation Limited of ₹ 2,200.88 Lakhs (*Previous Year ₹ 4,431.75 Lakhs*) is secured by hypothecation of present and future stocks, book debts and other current assets on *pari-passu* basis and a collateral on Mudis Estates. The rate of interest on the loan is ranging from 9% to 11%.
- (e) Packing credit from Federal Bank Limited of ₹ 2,788.45 Lakhs (*Previous Year ₹ 232.25 Lakhs*) is secured by hypothecation of present and future stocks, book debts and other current assets on *pari-passu* basis. The rate of interest on the loan is 6 Months LIBOR plus 1 %.
- (f) Cash Credit/ Overdraft from Kotak Bank Limited of ₹ 442.10 Lakhs (*Previous Year ₹ Nil Lakhs*) is secured by hypothecation of present and future stocks, book debts and other current assets on *pari-passu* basis. The rate of interest on the loan is ranging from 9% to 11%.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

- (g) Outstanding unsecured loan of ₹ 6,500.00 Lakhs (*Previous Year ₹ 6,500.00 Lakhs*) is payable to banks. The tenure of loan is short term and it is repayable on demand. The rate of interest on the loan is ranging from 9% to 11.5%.
- (h) Loan of ₹ 8,613 Lakhs (*Previous year ₹ 9,688 Lakhs*) availed by Britannia and Associates (Mauritius) Private Limited, Mauritius to support working capital requirement of its Middle East subsidiaries. The loan is secured by an irrevocable and unconditional corporate guarantee from Britannia Industries Limited and carries an Interest rate of applicable USD 6 month LIBOR + markup (0.25%) as agreed with the bank. Date of maturity of the loan is 13 October 2016.
- (i) During last year, the Company has obtained Inter Corporate Deposit from Britannia Industries Limited (Subsidiary company) which carry interest @ 12 %. It is unsecured and repayable on demand.

8	TRADE PAYABLES	(₹ in Lakhs)	
		As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Trade payables:</b>			
	- Total Outstanding dues of micro and small enterprises (Refer Note 45)	400.00	519.00
	- Total Outstanding dues of creditors other than micro and small enterprises	78,648.62	73,469.66
	<b>TOTAL</b>	<b>79,048.62</b>	<b>73,988.66</b>

**9 OTHER CURRENT LIABILITIES**

<b>To Related parties:</b>		
Expenses payable	30.60	1.10
<b>To other than Related parties:</b>		
Current maturities of long-term debt (Refer Note below)	3,663.21	7,059.25
Current maturities of finance lease obligations (Refer Note b below)	24.47	24.00
Interest accrued but not due on borrowings	239.16	252.63
Unclaimed debenture redemption balance *	112.00	116.00
Unclaimed debenture interest *	44.00	46.00
Unpaid dividends *	399.79	367.39
Trade / security deposits	322.45	321.45
Advances from customers	1,651.71	1,777.18
<b>Other payables :</b>		
- Employees	105.86	88.46
- Statutory remittances	5,924.13	6,119.44
- Creditors for capital goods	2,418.00	1,437.00
- Expenses payable (Refer Note 37)	18,936.44	17,449.60
- Book Overdraft	1,130.00	1,295.00
<b>TOTAL</b>	<b>35,001.82</b>	<b>36,354.50</b>

\* 'Investor Education and Protection Fund shall be credited when due.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

**Note : Current maturities of long term debts****Secured Loans**

- From Banks (Refer Note a, 3a and 3b)	<b>3,663.21</b>	7,051.90
- Loan against vehicle (Refer Note 3i)	-	7.35
TOTAL	<b>3,663.21</b>	<b>7,059.25</b>

**Note:**

- (a) The current maturities of interest free soft loan from Government of Oman through Oman Development Bank of ₹ 162 Lakhs (*Previous year ₹ 162 Lakhs*) is repayable in 13 annual installments from 1 August 2006. Loan is secured by first ranking "mortgage on all the tangible assets of the Al Sallan Food Industries Co. SAOC."
- (b) Rate of interest for finance lease obligations ranges from 13.6% to 19.2% per annum. Number of repayment installments (quarterly) for lease obligations ranges from 12 to 20. Period of maturity for the lease obligations ranges from 5 months to 5 years.

**10 SHORT-TERM PROVISIONS**

Provision for employee benefits	<b>2,390.12</b>	2,166.62
Provision for Tax (net of advance tax)	<b>3,952.64</b>	4,307.56
Provision for Excise Duty (Refer Note 37)	<b>5,317.00</b>	5,173.00
Provision for Sales Tax (Refer Note 37)	<b>8,702.00</b>	6,262.00
Provision for Trade and Other issues (Refer Note 37)	<b>2,079.00</b>	2,047.00
Provision for proposed equity dividend	<b>697.72</b>	697.72
Provision for tax on proposed dividends	<b>5,027.06</b>	3,906.00
Provision for others	<b>958.12</b>	-
TOTAL	<b>29,123.66</b>	<b>24,559.90</b>

The Bombay Burmah Trading Corporation, Limited

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

11 FIXED ASSETS

(₹ in Lakhs)

	Original/ Revalued Cost or Balance as at 1 <sup>st</sup> April 2015	Cost of Additions during the year	Cost of Disposals/ Transfers during the year	Currency Alignment on Opening Balance	Cost/ Revalued Cost or Balance as at 31 <sup>st</sup> March, 2016	Accumu- lated Depreci- ation as on 1 <sup>st</sup> April 2015	Depreciation/ Amortisation for the year (Refer Note c below)	Currency Alignment on Opening Balance	Currency Alignment for the year	Deduction during the year	Depreciation/ Amortisation as at 31 <sup>st</sup> March, 2016	Net Book Value as at 31 <sup>st</sup> March, 2016	Net Book Value as at 31 <sup>st</sup> March, 2015
<b>TANGIBLE ASSETS:</b>													
<b>Land:</b>													
- Freehold	7,881.98	2.40	(200.00)	-	7,684.38	1.00	-	-	-	-	1.00	7,683.38	7,880.98
- Leasehold	6,388.35	164.00	-	137.82	6,690.17	1,284.97	128.49	-	83.51	-	1,496.97	5,193.20	5,103.38
Roads	368.74	-	-	-	368.74	69.99	-	-	-	-	69.99	298.75	298.75
Development - Plantations	2,979.41	355.24	-	(1.53)	3,333.12	48.90	-	-	-	-	48.90	3,284.22	2,930.51
<b>Buildings (Refer Note b below)</b>	<b>37,733.62</b>	<b>8,211.85</b>	<b>(56.00)</b>	<b>467.37</b>	<b>46,356.84</b>	<b>12,788.10</b>	<b>1,293.49</b>	<b>382.00</b>	<b>-2.00</b>	<b>(43.00)</b>	<b>14,418.59</b>	<b>31,938.25</b>	<b>24,945.52</b>
Leasehold Buildings	44.71	-	-	-	44.71	29.76	0.65	-	-	-	30.41	14.30	14.95
Plant and Machinery	108,932.58	12,818.00	(2,927.78)	1,558.60	120,381.40	69,311.74	9,761.88	1,111.00	47.72	(2,110.46)	78,121.88	42,259.52	39,620.84
Moulds and Dies	1,344.25	-	-	-	1,344.25	1,111.20	-	-	-	-	1,111.20	233.05	233.05
<b>Motor Vehicles and Tractors (Includes leased assets) (Refer Note e below)</b>	<b>2,529.27</b>	<b>131.55</b>	<b>(65.61)</b>	<b>107.06</b>	<b>2,702.27</b>	<b>1,738.26</b>	<b>250.95</b>	<b>8.00</b>	<b>69.71</b>	<b>(34.81)</b>	<b>2,032.11</b>	<b>670.16</b>	<b>791.01</b>
Furnitures and Fixtures	3,962.10	802.63	(45.38)	26.67	4,746.02	2,152.01	296.47	20.00	-0.31	(35.32)	2,432.85	2,313.17	1,810.09
Office Equipments	4,941.92	633.20	(138.45)	49.00	5,485.67	3,929.78	440.97	56.00	-	(137.44)	4,289.31	1,196.36	1,012.14
<b>Computer Hardware</b>	<b>233.87</b>	<b>21.15</b>	<b>-</b>	<b>-</b>	<b>255.02</b>	<b>207.18</b>	<b>14.52</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>221.70</b>	<b>33.32</b>	<b>26.69</b>
Intangible Assets:													
Technical know-how	1,010.00	-	-	-	1,010.00	1,010.00	-	-	-	-	1,010.00	-	-
Trademark / Design / Marketing / Infrastructure & Non compete rights	4,142.00	-	-	-	4,142.00	4,137.00	-	-	-	-	4,137.00	5.00	5.00
Computer Software	2,753.53	480.93	-	-	3,234.46	1,457.84	406.40	-	-	(0.11)	1,864.13	1,370.33	1,295.69
Tenancy Rights	36.55	-	-	-	36.55	7.65	0.60	-	-	-	8.25	28.30	28.90
<b>TOTAL</b>	<b>185,282.88</b>	<b>23,620.95</b>	<b>(3,433.22)</b>	<b>2,344.99</b>	<b>207,815.60</b>	<b>99,285.38</b>	<b>12,594.42</b>	<b>1,577.00</b>	<b>198.63</b>	<b>(2,361.14)</b>	<b>111,294.29</b>	<b>96,521.31</b>	<b>85,997.50</b>
Previous Year TOTAL	171,812.22	18,364.24	(6,202.94)	1,309.36	185,282.88	85,320.42	18,300.90	696.62	167.64	(5,200.20)	99,285.38	90,926.97	85,997.50
Capital Work-in-progress	-	-	-	-	-	-	-	-	-	-	-	-	4,929.47
Notes PT.O	-	-	-	-	-	-	-	-	-	-	-	-	9,083.10
<b>TOTAL</b>	-	-	-	-	-	-	-	-	-	-	-	-	105,604.41
<b>TOTAL</b>	-	-	-	-	-	-	-	-	-	-	-	-	90,926.97

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note:

- (a) Agreements in respect of leasehold land at one factory of the Company (Previous year one factory) are in the process of renewal.
- (b) Buildings include:
- i) fully paid unquoted shares and bonds in respect of ownership of flats in 1 Co-operative Housing Societies (Previous year 1 Co-operative Housing Societies);  
10 shares (Previous year 10 shares) of ₹ 50/- each.
- ii) Net book value ₹ 138 Lakhs (Previous Year: ₹ 186 Lakhs) constructed on a land leased from the government (UAE) which is renewable each year in relation to Strategic Food International Co. LLC, Dubai (SFIC). The lessor [Government (UAE)] would be required to give the tenant (SFIC) a notice of one year for termination of the lease.
- iii) Net book value ₹ 1,354 Lakhs (Previous Year: ₹ 1,361 Lakhs) constructed on a land leased from the Public Establishment for Industrial Estates (Sohar Industrial Estate) for a period of 25 years from 1 January 1994, which is renewable thereafter for a further period of 25 years in relation to Al Sallan Food Industries Co. SAOC (ASFI).
- iv) Building Includes ₹4.15 lakhs (Previous Year ₹4.15 lakhs) in respect of which documents evidencing title are held in the name of the Corporation's nominee, which includes cost of 160 shares of ₹50 each fully paid-up of the New Cosmopolitan Housing Society Limited.
- (c) Depreciation: ₹ in lakhs
- | Particulars  | 31st March, 2016 | 31st March, 2015 |
|--|------------------|------------------|
| Depreciation charge for the year   | 12,594.42        | 18,300.90        |
| Less: On account of  |                  |                  |
| - Fixed assets charged off due to change in useful life as per Companies Act, 2013 transfer to General reserve | -                | 2,723.99         |
| - Transfer to capital subsidy  | 71.18            | 70.64            |
| Net depreciation charge for the year   | 12,523.24        | 15,506.27        |
- (d) Net book value of tangible assets included in the above schedule pertaining to ASFI amounts to ₹ 4,064 Lakhs (Previous Year: ₹ 3,907 Lakhs). Substantially all the tangible assets of ASFI are mortgaged as security against the Government term loan and other term loans amounting to ₹ 2,751 Lakhs (Previous Year: ₹ 2,922 Lakhs).
- (e) Motor Vehicles and Tractors include ₹ 54.29 lakhs (Previous Year ₹ 209.47 lakhs) being cost of Assets purchased on Hire Purchase basis on which

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

		(₹ in Lakhs)	
		As at 31 <sup>st</sup> March, 2016 Quoted	As at 31 <sup>st</sup> March, 2015 Quoted
<b>12</b>	<b>NON-CURRENT INVESTMENTS</b>		
	<b>Long Term (valued at cost):</b>		
	<b>- Quoted and Non- trade:</b>		
	- Investments in Equity Shares of Companies	10,149.80	10,149.80
	- Investments in Debentures and Bonds	11,410.02	2,500.02
		<b>21,559.82</b>	<b>12,649.82</b>
	<b>- Unquoted and Non- trade:</b>		
	- Investments in Equity Shares of Companies	59.77	59.77
	- Investments in Equity instruments - Associates	1,252.48	1,237.48
	- Investments in Government Securities	1.01	1.01
	- Investments in Mutual Funds units	23,500.00	4,500.00
	- Investments in Insurance Policies	599.00	599.00
	- Investments in Participating interest	124.35	120.81
	- Investments in shares of Co-operative societies etc.	0.72	0.70
		<b>25,537.33</b>	<b>6,518.77</b>
		<b>47,097.15</b>	<b>19,168.59</b>
	Less : Provision for diminution in value of Investments	1.00	1.00
	<b>TOTAL</b>	<b>47,096.15</b>	<b>19,167.59</b>
<b>13</b>	<b>LONG-TERM LOANS AND ADVANCES</b>		
	<b>Unsecured and Considered good</b>		
	<b>To Related parties:</b>		
	- Group Companies (Refer Note 35)	22,070.00	3,870.00
	- Loans due from Key Managerial Persons (Refer Note 35)		62.00
	<b>To parties other than Related parties:</b>		
	Security deposits	1,283.42	1,286.84
	Capital advances	2,115.19	2,274.33
	Loans and advances to employees	95.73	78.37
	Prepaid expenses	18.00	20.70
	Advance income tax (net of provisions)	2,698.46	2,173.87
	Minimum Alternate Tax credit entitlement	1,539.00	1,691.00
	Balances with Government authorities	194.41	194.26
	Vat credit receivable	62.16	-
	Intercorporate deposit	6,443.00	2,830.00
	Advances recoverable in cash or kind	66.89	2,649.88
	<b>Considered Doubtful</b>		
	Deposit towards contingent liabilities (Refer Note 29d)		-
	Advances recoverable in cash or kind	1,112.57	1,088.43
		<b>37,698.83</b>	<b>18,219.69</b>
	Less : Provision for doubtful Loans and Advances	1,112.57	1,088.43
	<b>TOTAL</b>	<b>36,586.26</b>	<b>17,131.26</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

		(₹ in Lakhs)	
		As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>14</b>	<b>OTHER NON CURRENT ASSETS</b>		
	Deposits with Bank	2,598.09	2,535.01
	Other Deposits (Refer Note 39)	1,212.00	1,212.00
	<b>TOTAL</b>	<b>3,810.09</b>	<b>3,747.01</b>
<b>15</b>	<b>CURRENT INVESTMENTS</b>		
	<b>Current (At Cost or Market / Fair value whichever is lower)</b>		
	<b>- Quoted and Non- trade:</b>		
	-- Investments in equity instruments	5,619.95	5,017.76
		<b>5,619.95</b>	<b>5,017.76</b>
	<b>- Quoted and traded:</b>		
	-- Investments in Bonds	8,004.33	5,879.83
	-- Investments in Specialist Equity Account	312.32	333.29
	-- Investments in Structured Notes	961.48	1,501.84
	-- Investments in Commodities	2,080.28	1,949.66
		<b>11,358.41</b>	<b>9,664.62</b>
	<b>- Unquoted and Non- trade:</b>		
	-- Investments in Units of Mutual Funds	39,646.00	44,088.00
		<b>39,646.00</b>	<b>44,088.00</b>
	<b>TOTAL</b>	<b>56,624.36</b>	<b>58,770.38</b>
<b>16</b>	<b>INVENTORIES</b>		
	<b>(At lower of cost or net realisable value)</b>		
	Raw materials	15,293.06	12,917.28
	Work-in-progress	182.87	390.40
	Finished goods	24,136.30	24,489.70
	Stock-in-trade (acquired for trading)	3,381.44	2,896.17
	Stores and spares including Loose Tools	8,531.19	8,274.38
	Goods in Transit	480.57	200.00
	Real Estate under development	2,639.20	2,415.32
	<b>TOTAL</b>	<b>54,644.63</b>	<b>51,583.25</b>



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

17 TRADE RECEIVABLES

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Unsecured</b>		
<b>Trade receivables outstanding for a period exceeding six months from the date they were due for payment</b>		
- considered good	666.24	649.76
- considered doubtful	1,285.12	1,189.85
	<b>1,951.36</b>	<b>1,839.61</b>
Less: Provision for doubtful trade receivables	1,285.12	1,189.85
	<b>666.24</b>	<b>649.76</b>
<b>Other trade receivables</b>		
- considered good	22,515.11	19,580.35
- considered doubtful	26.00	-
	<b>22,541.11</b>	<b>19,580.35</b>
Less: Provision for doubtful trade receivables	26.00	-
	<b>22,515.11</b>	<b>19,580.35</b>
<b>TOTAL</b>	<b>23,181.35</b>	<b>20,230.11</b>

18 CASH AND BANK BALANCE

<b>Cash and cash equivalents</b>		
Cash on hand	33.93	57.39
Cheques, Drafts on hand	1,785.00	2,847.00
<b>Balances with banks:</b>		
- In current accounts	8,895.18	10,858.71
- In EEFC accounts	12.68	150.29
- In deposit accounts	2,221.33	526.69
- In foreign bank accounts held by foreign branches	36.82	60.87
<b>Other bank balance:</b>		
- In deposit accounts (Refer Note below)	-	16,491.00
- Unpaid dividend accounts	399.79	367.39
- Unclaimed Debenture interest	44.00	46.00
- Unclaimed debenture redemption proceeds	112.00	116.00
<b>TOTAL</b>	<b>13,540.73</b>	<b>31,521.34</b>

**Note:**

Deposit accounts held against bank guarantees includes bank deposits with more than 12 months maturity amounting to ₹ Nil (Previous Year ₹ 45 Lakhs).

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>19 SHORT-TERM LOANS AND ADVANCES</b>		
<b>Unsecured and Considered good</b>		
<b>To Related parties:</b>		
- Group companies and Associates (Refer Note 35)	6,380.58	6,288.37
<b>To parties other than Related parties:</b>		
Loans and advances to Employees	122.90	130.22
Balances with Government authorities	1,993.00	1,008.65
Cenvat credit receivable	398.05	-
Vat credit receivable	72.65	-
Interest accrued but not due	1,896.00	1,243.00
Intercorporate Loans	41,375.00	28,500.00
Security deposits	460.15	416.00
Prepaid expenses	300.27	151.11
Advance to suppliers	168.98	223.59
Advances recoverable in cash or kind	13,269.06	13,708.75
<b>Considered Doubtful</b>		
Advances recoverable in cash or kind	290.00	290.00
	66,726.64	51,959.69
Less: Provision for doubtful loans and advances	290.00	290.00
<b>TOTAL</b>	<b>66,436.64</b>	<b>51,669.69</b>
<b>20 OTHER CURRENT ASSETS</b>		
<b>To Related parties:</b>		
- Interest accrued on loans (Refer Note 35)		
<b>To parties other than Related parties:</b>		
Interest accrued on deposits and investments	153.65	86.24
Export benefit receivable	306.75	356.90
Interest accrued on loans	1.70	0.20
<b>TOTAL</b>	<b>462.10</b>	<b>443.34</b>
<b>21 REVENUE FROM OPERATIONS</b>		
Sale of products (Refer Note (i) below)	920,568.87	829,851.46
Sale of services (Refer Note (ii) below)	17.34	20.56
Other operating revenues (Refer Note (iii) below)	7,375.27	7,331.73
	927,911.87	837,203.75
Less : Excise duty	23,640.53	17,533.19
<b>TOTAL</b>	<b>904,271.34</b>	<b>819,670.56</b>

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Note (i)</b>		
<b>Sale of products comprises:</b>		
<b>Manufactured goods</b>		
- Tea	8,934.14	13,955.15
- Coffee	766.01	1,502.05
- Auto electric components - Switches, Solenoids, etc.	10,418.45	10,170.86
- Pepper, Timber etc	673.24	568.02
- Biscuits and dairy products	883,598.00	794,418.00
- Weighing Products	151.14	198.40
- Horticulture and Landscaping services	12,559.11	6,132.62
- Dental Products	2,095.97	2,030.00
<b>Sub-Total</b>	<b>919,196.06</b>	<b>828,975.10</b>
<b>Traded goods</b>		
- Tea	41.18	23.87
- Coffee	1,049.78	680.47
- Weighing products	22.17	11.59
- Dental products	259.68	160.43
<b>Sub-Total</b>	<b>1,372.81</b>	<b>876.36</b>
<b>TOTAL</b>	<b>920,568.87</b>	<b>829,851.46</b>
<b>Note (ii)</b>		
<b>Sale of services comprises:</b>		
- Weighing products	17.34	20.56
<b>TOTAL</b>	<b>17.34</b>	<b>20.56</b>
<b>Note (iii)</b>		
<b>Other operating revenues comprise:</b>		
- Sale of scrap	2,970.84	2,817.32
- Royalty income	279.00	236.00
- Duty drawback and other export incentives	253.84	410.09
- Expenses recovered from various companies	-	115.18
- Rent (including hire charges/lease rent on machinery)	83.22	85.14
- Other receipts (Refer Note below)	3,738.76	3,668.00
<b>TOTAL</b>	<b>7,325.66</b>	<b>7,331.73</b>

Note : Other receipts includes an amount of ₹ 2,899 Lakhs (*Previous year ₹ 2,643 Lakhs*) towards VAT incentive for the Hajipur factory, Bihar and Khurda Factory, Orissa in accordance with the State Industrial Policy of Bihar & Orissa.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	(₹ in Lakhs)	
	For the year ended 31 <sup>st</sup> March, 2016	For the year ended 31 <sup>st</sup> March, 2015
<b>22 OTHER INCOME</b>		
Interest income	8,935.97	5,476.68
<b>Dividend income from:</b>		
- Current investments	46.64	71.11
- Long Term investments	239.91	240.20
Net gain on sale of long-term investments/Current investments	2,580.54	4,713.10
Net gain on foreign currency transactions and translation (other than considered as finance cost)	1,716.90	2,733.95
Other non-operating income (Refer Note below)	1,126.80	2,314.68
TOTAL	<u>14,646.76</u>	<u>15,549.72</u>
<b>NOTE:</b>		
<b>Other non-operating income :</b>		
- Rental income from investment properties	19.79	19.41
- Profit on sale of fixed assets	1.82	100.74
- Liabilities / Provisions no longer required written back	614.25	1,809.47
- Provisions for doubtful debts written back	-	-
- Miscellaneous income	490.94	385.06
TOTAL	<u>1126.80</u>	<u>2,314.68</u>
<b>23 COST OF MATERIALS CONSUMED</b>		
<b>Material consumed comprises:</b>		
- Chemicals	994.69	1,113.78
- Bought Leaf	1,606.02	1,604.49
- Electronic and Mechanical Components	53.58	-
- Biscuit and Dairy Products	431,770.00	411,997.00
- Auto Electric Components	5,282.30	5,330.71
- Nursery and plantation	2,123.58	2,001.45
TOTAL	<u>441,830.17</u>	<u>422,047.43</u>
<b>23 PURCHASE OF STOCK-IN-TRADE</b>		
<b>Trading products comprises:</b>		
- Tea	33.62	60.73
- Coffee	1,357.96	1,301.14
- Weighing Products	13.67	6.91
- Dental Products	193.75	102.85
- Biscuit and Dairy Products	68,550.00	60,224.00
- Plants and Pots	3,848.45	3,432.90
TOTAL	<u>73,997.45</u>	<u>65,128.53</u>

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Particulars	(₹ in Lakhs)	
	For the year ended 31 <sup>st</sup> March, 2016	For the year ended 31 <sup>st</sup> March, 2015
<b>23 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>		
<b>Inventories at the end of the year:</b>		
Finished goods (Including goods in transit)	24,616.87	24,689.70
Work-in-progress	182.87	390.40
Stock in Trade	3,381.44	2,896.17
	<u>28,181.18</u>	<u>27,976.27</u>
<b>Inventories at the beginning of the year:</b>		
Finished goods (Including goods in transit)	24,689.70	19,599.04
Work-in-progress	390.40	335.48
Stock in Trade	2,896.17	3,405.80
	<u>27,976.27</u>	<u>23,340.32</u>
<b>Net (increase) / decrease</b>	<u>(204.91)</u>	<u>(4,635.95)</u>
<b>24 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries and wages	41,103.70	34,823.82
Contributions to provident and other funds (Refer Note 38)	2,305.14	2,446.96
Staff welfare expenses	2,288.09	1,882.85
Less: Transferred to Real Estate under development (Refer Note 27)	277.82	302.34
<b>TOTAL</b>	<u>45,419.11</u>	<u>38,851.29</u>
<b>25 FINANCE COSTS</b>		
<b>Interest expense on:</b>		
- Bank Borrowings	4,297.95	4,000.38
- Finance Lease	12.00	7.00
- Vehicle Loan	1.43	2.25
- Others	50.87	-
Bank charges	30.15	56.15
<b>TOTAL</b>	<u>4,392.40</u>	<u>4,065.78</u>
<b>26 OTHER EXPENSES</b>		
Consumption of stores and spare parts	3,606.84	3,762.24
Increase of excise duty on inventory	35.21	332.72
Subcontracting and Processing charges	48,575.49	50,055.52
Power and fuel	10,957.91	12,321.41

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Particulars	(₹ in Lakhs)	
	For the year ended 31 <sup>st</sup> March, 2016	For the year ended 31 <sup>st</sup> March, 2015
Rent including lease rentals (Refer Note 32)	1,373.66	1,385.35
Repairs and maintenance - Buildings	556.50	480.96
Repairs and maintenance - Machinery	1,671.66	1,874.61
Repairs and maintenance - Others	2,979.51	2,916.90
Insurance	436.82	388.88
Rates and taxes	3,349.89	3,153.52
Communication	129.62	131.18
Travelling and conveyance	431.03	593.30
Printing and stationery	85.14	90.47
Freight and forwarding	43,820.58	43,480.71
Selling Agents Commission and discount	569.07	586.72
Advertisement and Business Promotion expenses	74,175.56	65,686.22
Corporate Social Responsibility (Refer Note 48)	1,137.10	774.00
Legal and Professional	836.53	643.95
Retainer fees	104.77	109.99
Brand equity and Shared expenses	104.79	88.04
Payments to auditors	219.35	222.98
Bad trade and other receivables, loans and advances written off	90.26	103.61
Director's sitting fees	16.21	14.95
Loss on fixed assets sold / scrapped / written off (net)	918.13	645.79
Provision for doubtful trade and other receivables, loans and advances (net)	226.39	375.63
Technical know-how fees / Royalty	-	19.28
Miscellaneous expenses	26,327.55	22,527.94
Less : Transferred to Real estate under development (Refer Note 27)	29.40	63.56
TOTAL	<b>222,706.17</b>	<b>212,703.31</b>

**27 COST RELATING TO REAL ESTATE UNDER DEVELOPMENT :**

Opening inventory of Real estate under development	2,415.32	2,140.12
<b>Add: Expenditure relating to real estate division incurred during the year:</b>		
- Payments to and provision for employees (Refer Note 24)	277.83	302.34
- Contract / retainership fees (Refer Note 26)	16.35	38.97
- Travelling and other expenses (Refer Note 26)	13.05	24.59
	<b>307.23</b>	<b>365.90</b>
	<b>2,722.55</b>	<b>2,506.02</b>
<b>Less: Closing inventory of Real estate under development (Refer Note 16)</b>	<b>2,639.20</b>	<b>2,415.32</b>
TOTAL	<b>83.35</b>	<b>90.70</b>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

**28 EXCEPTIONAL ITEMS (NET):**

	(₹ in Lakhs)	
	<b>For the year ended 31st March, 2016</b>	<i>For the year ended 31st March, 2015</i>
Additional bonus provision made as per amendments to the Payment of Bonus Act, 1965 (Refer note a below)	(1,033.00)	-
Profit on sale of land & building (Refer note b below)	-	15,992.00
Amortisation of voluntary retirement scheme expenditure (Refer note c below)	-	(1,386.00)
<b>TOTAL</b>	<b>(1,033.00)</b>	<b>14,606.00</b>

Note:

- (a) During the year, the Company has provided additional bonus as per amendments to the Payment of Bonus Act, 1965 of ₹1,033 Lakhs.
- (b) During the Previous Year, the Company sold its land and building in Padi, Chennai resulting in a profit of ₹ 15,992 Lakhs.
- (c) During the Previous Year, the Company offered a Voluntary Retirement Scheme (VRS) to all workmen at Delhi factory. All the workmen have accepted the scheme. Consequently an amount of ₹ 1,386 Lakhs was paid towards the scheme.

**29. Contingent Liabilities not provided for:**

- A. Sundry claims against the Corporation by employees and others not admitted (amount indeterminate). In the opinion of the management, the outcome of these claims is likely to be immaterial.
- B. In case of the Corporation, disputed demands of Central Excise Department not provided for in respect of :

	<b>Current Year ₹ in Lakhs</b>	<i>Previous Year ₹ in Lakhs</i>
South India Consolidation (Plantations Division)	<b>33.96</b>	28.56
Erstwhile Sunmica Division (Building Products Division)	<b>3,553.24</b>	3,553.24

- C. Disputed wage demands pending with the Industrial Tribunal ₹ 184.25 Lakhs (*Previous Year ₹ 232.25 lakhs*) and back wages relief granted by Labour Court ₹ Nil (*Previous Year ₹ Nil*), in respect of South India Branches.
- D. Damages and interest on alleged unauthorized occupation of residential premises determined by the Estate Officer L.I.C. up to 31st March 2016 and disputed by the Corporation ₹ 108.26 Lakhs (*Previous Year ₹ 108.26 Lakhs*).
- E. Matters under dispute relating to Income tax in respect of the erstwhile Electromags Automotive Products Private Limited (Auto Electric Components Division) for A.Y. 2004-05 ₹ 5.23 Lakhs (*Previous Year ₹ 5.23 lakhs*), for A.Y.2009-10 ₹ 64.26 Lakhs (*Previous Year ₹ 64.26 Lakhs*) and for A.Y 2011-12 ₹ 1.79 Lakhs (*Previous Year ₹ 1.79 Lakhs*).
- F. The Corporation has export obligation of ₹ 599.00 Lakhs (*Previous Year ₹599.00 Lakhs*) against the import licenses taken for import of capital goods under export promotion Capital Goods Scheme. The Obligation to be fulfilled within period of 8 Years (31st March 2021).

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

- C. Claims / demands against the Group not acknowledged as debts including excise, income tax, sales tax and trade and other demands of ₹ 14,865 Lakhs (*Previous Year: ₹ 4,637 Lakhs*).
- H. Bank guarantee and letter of credit for ₹ 2,802 Lakhs (*Previous Year: ₹ 3,760 Lakhs*).
- I. Discounted cheques ₹ 67 Lakhs (*Previous Year: ₹ 89 Lakhs*).

**Notes:**

- (i) Contingent liabilities disclosed above represent possible obligations where possibility of cash outflow to settle the obligations is not remote.
- (ii) The above does not include non-quantifiable industrial disputes and other legal disputes pending before various judicial authorities [Also refer note 37]. The Group believes, based on current knowledge and after consultation with eminent legal counsel that the resolution of the above matter will not have material adverse effect on the Consolidated financial statements of the Group.

30. The estimated amount of contracts remaining to be executed on Capital Account and not provided for ₹ 13,890.32 Lakhs (*Previous Year ₹ 10,792.46 Lakhs*).

**31. Variance in Uniform Accounting Policies between Group & Subsidiaries / Associates:**

- (a) Certain subsidiaries and associates of the Group have provided depreciation on all the fixed assets on written down value method, which is in variance to the method adopted. The value of such items is as under:

Name of Subsidiary / Associate	Gross Value of Fixed Assets ₹ in Lakhs
Afco Industrial and Chemicals Limited	74.88 (111.12)
DPI Products & Services Limited (formerly known as Dental Products of India Limited).	59.51 (58.71)

(Figures in brackets are in respect of the Previous Year)

- (b) In respect of assets held by J B Mangharam Foods Private Limited and Ganges Vally Foods Private Limited, depreciation is provided on a written-down value basis over its expected useful life. The written down value of assets as on 31 March 2016 amounts to ₹ 1,938 Lakhs and ₹ 116 Lakhs (*Previous year: ₹ 1,792 Lakhs and ₹ 179 Lakhs*) for J B Mangharam Foods Private Limited and Ganges Vally Foods Private Limited respectively. The impact of the depreciation computed under the straight line method is not material.
- (c) In respect of following one of the subsidiary, inventories are valued at cost, computed under first-in-first-out basis. The value of these inventories is as given below:

	₹ in Lakhs	
	31 <sup>st</sup> March 2016	31 <sup>st</sup> March 2015
Britannia Dairy Private Limited	1,774.00	1,693.00

- (d) In respect of LLL, subsidiary of the LLSB Group, exchange difference on translation of Foreign Currency loans is charged to P& L account. The value of such loans outstanding at 31st March, 2016 is ₹ 35,725.58 Lakhs (*Previous Year ended 31st March, 2015: ₹ 38,723.56 Lakhs*).



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

32. Leases:

(A) Operating Lease:

The Group has certain operating leases for land, office facilities and residential premises (cancellable as well as non-cancellable leases). Such leases are generally with the option of renewal against increased rent and premature termination of agreement (except non-cancellable leases). Rental expenses of ₹ 883.47 Lakhs (*Previous Year: ₹1,242.24*) and ₹ 26 Lakhs (*Previous Year: ₹ 24 Lakhs*) in respect of obligation under cancellable and non-cancellable operating leases respectively have been recognised in the Statement of Profit and Loss. With respect to Al Sallan Food Industries Co. SAOC, Oman, the Company has taken on lease a plot of land for factory premises at Sohar from the Public Establishment for Industrial Estates ("PEIE") for a period of 25 years from 1 January 1994 which is renewable thereafter for a further period of 25 years.

Future obligations of lease rentals applicable to above leased assets aggregate to ₹ 71 Lakhs (*Previous year: ₹90 Lakhs*) and are due:

	₹ In Lakhs	
	Current Year	Previous Year
Within 1 year	320.10	333.74
Later than 1 year and not later than 5 years	978.22	1,147.41
More than 5 Years	302.98	496.00
Total Present value of Minimum Installments	<u>1,601.30</u>	<u>1,977.15</u>

(B) Finance Lease:

The Group has taken motor vehicles under finance leases. The total minimum lease payments and present value of minimum lease payments as at 31st March 2016 are as follows:

	₹ In Lakhs			
	Current Year		Previous Year	
	Minimum lease payments	Present value of minimum lease payments	Minimum lease payments	Present value of minimum lease payments
Not later than 1 year	34.57	24.47	45.79	31.35
Later than 1 year and not later than 5 years	56.62	53.77	96.19	83.24
	<u>91.19</u>	<u>78.24</u>	<u>141.98</u>	<u>114.59</u>

The difference between minimum lease payments and the present value of minimum lease payments of ₹ 12.95 Lakhs (*Previous year: ₹ 27.39 Lakhs*) represents interest not due. The lease liability is secured by the relevant vehicles acquired under lease.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

## 33. Earnings per Share:

Earnings per Share from Continuing Operations:

	₹ in Lakhs	
	Current Year	Previous Year
A) Net Profit for calculation of Earnings per Share (numerator)	38,096.39	35,687.29
B) Weighted Average number of equity shares (denominator) (Nos.)	6,97,71,900	6,97,71,900
C) Basic and Diluted Earnings per shares (A / B) (in Rupees)	54.60	51.15
D) Nominal value per equity share (in Rupees)	2	2

Earnings per Share from Total Operations:

	₹ in Lakhs	
	Current Year	Previous Year
A) Net Profit for calculation of Earnings per Share (numerator)	38,096.39	35,687.29
B) Weighted Average number of equity shares (denominator) (Nos.)	6,97,71,900	6,97,71,900
C) Basic and Diluted Earnings per shares (A / B) (in Rupees)	54.60	51.15
D) Nominal value per equity share (in Rupees)	2	2

## 34. SEGMENT INFORMATION:

## A. Primary Segment Reporting (by Business Segment)

## i) Composition of Business Segments

The Corporation's business segments based on product lines are as under:

- **Plantation Products**  
Segment produces/trades in Tea, Coffee, Timber, Cardamom, Pepper and Rubber.
- **Auto Electric Companies**  
Segment manufactures Solenoids, switches, valves, slip rings etc. for automobile and other industries.
- **Weighing Products**  
Segment manufactures/trades in Analytical and Precision Balances and Weighing Scales.
- **Investments**  
Segment invests in various securities listed as well as unlisted mainly on a long-term basis.
- **Health Care**  
Segment manufactures/trades in healthcare / dental products.
- **Horticulture**  
Segment deals with decorative plants and landscaping services
- **Real Estate**  
Segment represents property development.
- **Food – Bakery and Dairy Products**  
Segment represents bakery and dairy product.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

ii) Segment Revenues, Results and Other Information

₹ in Lakhs

	Continuing Operations								Total of Reportable Segment
	Plantation Products	Health Care	Auto * Electric Component	Weighing Products	Investments	Real Estate	Horticulture	Food - Bakery & Dairy Products	
<b>Sales (Net of excise duty)</b>	<b>17,412.05</b> (17,097.75)	<b>2,361.43</b> (2,192.30)	<b>9,841.07</b> (9,739.87)	<b>175.88</b> (209.91)	<b>-</b> (-)	<b>-</b> (-)	<b>6,764.31</b> (6,106.78)	<b>867,033.10</b> (7,84,100.00)	<b>903,587.84</b> (8,19,446.68)
<b>Other Income</b>	<b>354.23</b> (233.76)	<b>9.06</b> (0.42)	<b>74.80</b> (64.36)	<b>9.68</b> (4.33)	<b>4,028.03</b> (9,573.54)	<b>-</b> (-)	<b>68.12</b> (33.67)	<b>10,363.00</b> (2,178.00)	<b>14,906.92</b> (12,088.08)
<b>Segment Revenues</b>	<b>17,766.28</b> (17,331.51)	<b>2,370.49</b> (2,192.72)	<b>9,915.87</b> (9,804.23)	<b>185.56</b> (214.24)	<b>4,028.03</b> (9,573.54)	<b>-</b> (-)	<b>6,832.43</b> (6,140.45)	<b>877,396.10</b> (7,86,278.00)	<b>918,494.86</b> (8,31,534.69)
<b>Segment Results</b>	<b>-2,414.99</b> (-69.85)	<b>496.31</b> (471.66)	<b>1,215.81</b> (1,346.45)	<b>- 3.92</b> (12.21)	<b>4,028.03</b> (9,573.54)	<b>- 83.35</b> (- 90.70)	<b>527.96</b> (943.60)	<b>119,303.12</b> (84,782.62)	<b>123,068.97</b> (96,969.53)
<b>Segment Assets</b>	<b>21,179.06</b> (19,613.88)	<b>1,242.15</b> (1,307.92)	<b>6,640.46</b> (6,711.95)	<b>288.77</b> (307.00)	<b>215,865.12</b> (1,07,109.66)	<b>2,639.23</b> (2,415.35)	<b>9,585.37</b> (10,474.24)	<b>76,528.50</b> (1,95,398.00)	<b>333,968.66</b> (3,43,338.00)
<b>Segment Liabilities</b>	<b>26,988.50</b> (23,173.53)	<b>144.83</b> (191.44)	<b>4,897.80</b> (2,595.62)	<b>53.15</b> (61.73)	<b>-</b> (-)	<b>-</b> (-)	<b>1,275.22</b> (2,364.07)	<b>111,684.85</b> (1,55,538.00)	<b>145,044.35</b> (1,83,924.39)
<b>Capital Expenditure (included in segment assets)</b>	<b>878.49</b> (1,610.58)	<b>8.54</b> (2.85)	<b>396.82</b> (235.16)	<b>-</b> (-)	<b>129.51</b> (-)	<b>-</b> (-)	<b>189.20</b> (189.20)	<b>21,916.92</b> (10,152.00)	<b>23,519.48</b> (12,189.79)
<b>Depreciation/ Amortisation</b>	<b>493.85</b> (359.43)	<b>12.13</b> (12.37)	<b>215.84</b> (222.64)	<b>12.11</b> (12.11)	<b>-</b> (-)	<b>-</b> (-)	<b>383.78</b> (362.48)	<b>11,341.00</b> (14,448.00)	<b>12,458.71</b> (15,417.63)

(Figures in brackets are in respect of the Previous Year.)

iii) Reconciliation of Reportable Segments with the Financial Statements

₹ in Lakhs

	Revenues	Results / Net Profit / Loss	Assets	Liabilities	Capital Expenditure	Depreciation/ Amortisation
Total of Reportable Segments	<b>918,494.86</b> (8,31,534.69)	<b>123,068.97</b> (96,969.53)	<b>333,968.66</b> (3,43,338.00)	<b>145,044.35</b> (1,83,924.39)	<b>23,519.48</b> (12,189.79)	<b>12,458.71</b> (15,417.63)
Corporate/Unallocated Segment	<b>423.17</b> (3,685.14)	<b>- 1,538.45*</b> (- 3,171.76)*	<b>179,175.20</b> (105,917.08)	<b>77,063.51</b> (34,888.23)	<b>101.47</b> (76.57)	<b>64.55</b> (82.05)
Less: Interest	-	<b>- 4,392.40</b> (- 4,065.78)	-	-	-	-
Less: Taxes	-	<b>- 39,367.68</b> (- 26,496.22)	-	-	-	-
Less: Minority Interest	-	<b>- 39,696.05</b> (- 33,913.00)	-	<b>102,505.14</b> (73,818.20)	-	-
Less: Share of Profit/ (Loss) from Associates	-	<b>22.00</b> (21.00)	-	-	-	-
As per Financial Statement	<b>918,918.03</b> (835,220.28)	<b>38,096.39</b> (35,687.29)	<b>513,143.86</b> (449,255.08)	<b>324,613.00</b> (292,630.82)	<b>23,620.95</b> (12,266.36)	<b>12,523.26</b> (15,499.68)

(Figures in brackets are in respect of the Previous Year.)

\*Comprising Profit on sale of undertakings, fixed assets, Management Charges recovered and Loss on Exchange (net)

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS****B. Secondary Segment Reporting (by Geographical Segment)**

	Domestic	Exports*	₹ in Lakhs Total
Revenues	<b>886,414.88</b> <i>(814,670.31)</i>	<b>32,503.22</b> <i>(20,549.97)</i>	<b>918,918.10</b> <i>(835,220.28)</i>
Total Assets	<b>393,186.78</b> <i>(336,721.39)</i>	<b>119,957.08</b> <i>(112,533.69)</i>	<b>513,143.86</b> <i>(449,255.14)</i>
Capital Expenditure	<b>23,302.29</b> <i>(12,074.44)</i>	<b>318.05</b> <i>(191.92)</i>	<b>23,620.95</b> <i>(12,266.36)</i>

(Figures in brackets are in respect of the Previous Year)

\* It includes revenues and assets of foreign branches and foreign subsidiaries.

**35. RELATED PARTY DISCLOSURES**

**Related party disclosures as required by (AS-18) "Related Party Disclosures" are given below:**

**1) Key Management Personnel:**

Mr. Ashok Panjwani – Erstwhile Managing Director, BBTCL

Mr. Ness Wadia – Managing Director, BBTCL

Mr. Varun Berry – Managing Director, BIL

Mr. Jayant S. Gadgil – Director

Mr. Albert Geow Chwee Hiam – Director

Dr. Chua Eng Sian – Director

Michael Lim Hee Kiang – Director

Rabindra Santhanasegira – Director

Patrick Kennedy Cassels – Director

Tai Yit Chan – Director

Irene Liew – Director

**2) Associates –:**

Lotus Viniyog Private Limited.

Roshnara Investment & Trading Company Private Limited.

Cincinnati Investment & Trading Company Private Limited.

Lima Investment & Trading Company Private Limited.

Shadhak Investment & Trading Private Limited.

MSIL Investments Private Limited.

Inor Medical Products Limited (Ceased to be Associate w.e.f. 30th September, 2014)

Medical Microtechnology Limited

Harvard Plantations Limited

Placid Plantations Limited

Klassic Foods Private Limited

Nalanda Biscuits Company Limited

Vasna Agrex and Herbs Private Limited

Snacko Bisc Private Limited

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

**3) Other related parties:**

Go Airlines (India) Limited  
 Bombay Dyeing & Manufacturing Company Limited  
 Macrofil Investments Limited  
 Island Horti-Tech Lands Pte. Limited

**4) The following transactions were carried out with the related parties in ordinary course of business.**

**Details relating to the parties referred to in items 1, 2 and 3 above:**

Details	Relationship	Year ended 31 <sup>st</sup> March, 2016	Year ended 31 <sup>st</sup> March, 2015
<b>Purchase of finished goods / consumables and ingredients</b>			
Nalanda Biscuits Company Limited	Associate	<b>6,908.95</b>	7,775.55
<b>Conversion charges paid</b>			
Klassik Foods Private Limited	Associate	<b>446.00</b>	409.00
<b>Rent Received</b>			
Inor Medical Products Limited	Associate	-	34.80
Bombay Dyeing & Manufacturing Company Limited	Other related party	-	1.56
<b>Expenses Recovered</b>			
Inor Medical Products Limited	Associate	-	32.50
Macrofil Investments Limited	Other related party	<b>0.19</b>	-
Naira Holdings Limited	Other related party	<b>41.78</b>	-
<b>Expenses Charged by them</b>			
Inor Medical Products	Associate	-	0.36
Bombay Dyeing & Manufacturing Company Limited	Other related party	<b>53.08</b>	57.69
<b>Expenses Charged to them</b>			
Macrofil Investments Limited	Other related party	<b>0.19</b>	-
Bombay Dyeing & Manufacturing Company Limited	Other related party	<b>47.19</b>	5.92
<b>Interest income</b>			
Inor Medical Products Limited	Associate	-	72.80
Go Airlines (India) Limited	Other related party	<b>462.12</b>	445.05
Macrofil Investments Limited	Other related party	<b>786.61</b>	426.16
<b>Interest Paid</b>			
Macrofil Investments Limited	Other related party	-	1.26
<b>Dividend Received</b>			
Bombay Dyeing & Manufacturing Company Limited	Other related party	<b>237.14</b>	237.16

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Details	Relationship	Year ended 31 <sup>st</sup> March, 2016	Year ended 31 <sup>st</sup> March, 2015
<b>Dividend Paid</b>			
Mr. Ness Wadia	KMP	0.05	0.05
<b>Interest on loan given to erstwhile Managing Director Receivable</b>			
Mr. Ashok Panjwani	KMP	1.50	1.50
<b>Interest on loan given to KMP's received</b>			
Mr. Nitin H. Datanwala	KMP	0.58	0.63
<b>Commission Received</b>			
Inor Medical Products Limited	Associate	-	26.00
<b>Remuneration#</b>			
Mr. Ashok Panjwani	KMP	138.28	177.67
Mr. Ness Wadia	KMP	348.74	340.88
Mr. Amit Chhabra	KMP	14.18	-
Mr. Varun Berry #	KMP	695.00	471.00
Mr. Jayant Gadgil, Mr. Albert Geow Chwee Hiam, Mr. Patrick Kennedy Cassels, Ms. Tai Yit Chan, Ms. Irene Liew, Indrajit Chaterjee, Tan Wee Sin	KMP	314.44	229.40
<b>Total</b>		<b>1,425.60</b>	<b>1,210.95</b>
# excludes Contribution to employee retirement / post retirement and other employee benefits which are based on actuarial valuation done on an overall company basis.			
<b>Retainer Fees</b>			
Mr. Nitin H Datanwala	KMP	68.68	64.44
<b>Shares allotted under employee stock option scheme for consideration received during the year (2015-16)</b>			
Mr. Varun Berry	KMP	435.00	-
<b>Share of Current Year Profit / (Loss)</b>			
Klassik Foods Private Limited	Associate	2.69	3.00
Nalanda Biscuits Company Limited	Associate	19.31	18.00
Roshnara Investments & Trading Company Private Limited	Associate	(0.12)	(0.17)
Cincinnati Investment & Trading Company Private Limited	Associate	(0.09)	(0.16)
Lima Investment & Trading Company Private Limited	Associate	(0.08)	(0.15)
Shadhak Investment & Trading Private Limited	Associate	(0.06)	(0.15)
Lotus Viniyog Private Limited	Associate	0.01	0.40
MSIL Investments Private Limited	Associate	(0.12)	(0.20)
Inor Medical Products Limited	Associate	-	0.43
<b>Total</b>		<b>21.53</b>	<b>(20.97)</b>
<b>Sale of Goods / consumables and ingredients</b>			
Nalanda Biscuits Company Limited	Associate	73.55	50.41
<b>Advance / Inter-Corporate deposits received</b>			
Inor Medical Products Limited	Associate	-	600.00

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

<b>Details</b>	<b>Relationship</b>	<b>Year ended 31<sup>st</sup> March, 2016</b>	<i>Year ended 31<sup>st</sup> March, 2015</i>
Macrofil Investments Limited	Other related party	-	884.00
Lotus Viniyog Limited	Associate	-	7.27
<b>Advance / Inter-Corporate deposits paid</b>			
Inor Medical Products Limited	Associate	-	500.00
Bombay Dyeing & Manufacturing Company Limited	Other related party	-	60.63
Macrofil Investments Limited	Other related party	-	7,164.00
<b>Outstanding as at year end</b>			
<b>Net receivables / (payables)</b>			
Klassik Foods Private Limited	Associate	4.33	(12.36)
Nalanda Biscuits Company Limited	Associate	141.00	(56.01)
Go Airlines Limited	Other related party	3,870.00	3,870.00
Bombay Dyeing & Manufacturing Company Limited	Other related party	13.14	13.14
Macrofil Investments Limited	Other related party	6,280.00	6,280.00
Mr. Ashok Panjwani	KMP	51.50	50.00
Mr. Nitin H Datanwala	KMP	12.00	12.00
<b>Total</b>		<b>10,132.00</b>	<i>10,132.00</i>
<b>Outstanding Amount payable</b>			
Bombay Dyeing & Manufacturing Company Limited	Other related party	21.58	15.70
<b>Repairs Advance Payable</b>			
Bombay Dyeing & Manufacturing Company Limited	Other related party	2.56	2.56
<b>Unsecured Loan Paid</b>			
Macrofil Investments Limited	Other related party	-	132.00
<b>Unsecured Loan Outstanding</b>			
Bombay Dyeing & Manufacturing Company Limited	Other related party	300.00	300.00
<b>Loan given to other KMP's</b>			
Mr. Nitin H Datanwala	KMP	9.00	9.00
<b>Investments (Including goodwill)</b>			
Klassik Foods Private Limited	Associate	96.69	94.00
Nalanda Biscuits Company Limited	Associate	(31.96)	(4.00)
Vasna Agrex and Herbs Private Limited	Associate	-	1.00
Roshnara Investments & Trading Company Private Limited	Associate	4.36	4.48

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Details	Relationship	Year ended 31 <sup>st</sup> March, 2016	Year ended 31 <sup>st</sup> March, 2015
Cincinnati Investment & Trading Company Private Limited	Associate	4.37	4.46
Lima Investment & Trading Company Private Limited	Associate	4.44	4.52
Shadhak Investment & Trading Private Limited	Associate	4.49	4.55
Lotus Viniyog Private Limited	Associate	35.50	35.49
MSIL Investments Private Limited	Associate	4.33	4.45
Medical Microtechnology Limited	Associate	4.29	4.29
Harvard Plantations Limited	Associate	4.75	4.75
Placid Plantations Limited	Associate	4.75	4.75
<b>Total</b>		<b>136.01</b>	<b>162.74</b>
<b>Provision for Investment</b>			
Vasna Agrex and Herbs Private Limited	Associate	1.00	1.00
<b>Interest and dividend income</b>			
Klassik Foods Private Limited	Associate	1.63	2.00

The above information has been determined to the extent such parties have been identified on the basis of information available with the Group and relied upon by the Auditors.

36. The following are the details of goodwill/ capital reserve included in investments in associates made by the Corporation / Subsidiaries of the Corporation (other than for associates of BIL Group).

Name of the Associate	(₹ in Lakhs) Amount of Goodwill / (Capital Reserve)
Shadhak Investments & Trading Private Limited.	0.09 (0.09)
MSIL Investments Private Limited.	0.06 (0.06)
Lima Investments & Trading Company Private Limited.	0.23 (0.23)
Lotus Viniyog Private Limited.	2.02 (2.02)
Roshnara Investments & Trading Company Private Limited.	0.17 (0.17)
Cincinnati Investments & Trading Company Private Limited.	0.04 (0.04)
Medical Microtechnology Ltd.	0.23 (0.23)
Harvard Plantations Limited	4.63 (-)
Placid Plantations Limited	4.63 (-)

(Figures in brackets are in respect of the Previous Year.)



**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

**37.** In accordance with Accounting Standard 29- "Provisions, Contingent Liabilities and Contingent Assets", notified under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014, certain classes of liabilities have been identified as provisions which have been disclosed as under:

b. Disclosed by the BIL Group as under:

(₹ In Lakhs)					
	<b>1 April 2015</b>	<b>Additions*</b>	<b>Utilisation*</b>	<b>Reversals/ adjustments*</b>	<b>31 March 2016</b>
(i) Excise related issues	5,173.00	565.00	(41.00)	(380.00)	5,317.00
(ii) Sales tax and other issues	6,262.00	4,102.00	(1,494.00)	(168.00)	8,702.00
(iii) Trade and other issues	2,047.00	58.00	(8.00)	(18.00)	2,079.00

	<i>1 April 2014</i>	<i>Additions*</i>	<i>Utilisation*</i>	<i>Reversals/ adjustments*</i>	<b>31 March 2015</b>
(i) Excise related issues	<i>3,941.00</i>	<i>1,236.00</i>	<i>(4.00)</i>	-	<b>5,173.00</b>
(ii) Sales tax and other issues	<i>4,858.00</i>	<i>1,426.00</i>	<i>(22.00)</i>	-	<b>6,262.00</b>
(iii) Trade and other issues	<i>2,058.00</i>	<i>128.00</i>	<i>(199.00)</i>	-	<b>2,047.00</b>

\* Included under various heads in Statement of Profit and Loss.

(i) and (ii) represents estimates made for probable cash outflow arising out of pending disputes / litigations with various regulatory authorities.

(iii) Represents provisions made for probable liabilities / claims arising out of commercial transactions with vendors / others. Further disclosures as required in Accounting Standard 29 are not made since it can be prejudicial to the interests of the Group.

**38. Disclosure as required under Accounting Standard (AS) 15 (Revised)**

**A. DEFINED CONTRIBUTION PLAN**

The Group has recognized an amount of ₹ 1,517.85 Lakhs (Previous year: ₹ 1,370.89 Lakhs) as expenses under the defined contribution plans in the Statement of Profit and Loss for the year:

	(₹ in Lakhs)	
	<b>2015-16</b>	<i>2014-15</i>
Group's Employer's Contribution to Provident Fund*	844.76	<i>951.01</i>
Group's Employer's Contribution to Pension Fund	64.00	<i>105.61</i>
Group's Employer's Contribution to Superannuation Fund	88.27	<i>88.27</i>
Group's Family Pension Scheme	455.44	<i>172.00</i>
Group's Contribution to Employee State Insurance Corporation	65.38	<i>54.00</i>

\*With regard to the assets of fund and return on investments, the Corporation does not expect any deficiency in foreseeable future.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

**B. DEFINED BENEFIT PLAN – GRATUITY****I. Reconciliation of Opening and Closing balances of Defined Benefit Obligation.**

	2015-16	2014-15
Liability at the beginning of the year	4,697.64	4,384.75
Interest cost	360.03	362.29
Current Service cost	338.44	298.08
Benefits paid	(396.17)	(871.15)
Actuarial (gain)/loss on obligations	(30.52)	523.88
<b>Liability at end of the year</b>	<b>4,969.42</b>	<b>4,697.64</b>

₹ in Lakhs

**II. Reconciliation of Opening and Closing balances of Fair Value of Plan Assets**

Fair value of plan assets as at the beginning of the year	5,447.95	4,070.06
Expected Return on Plan Assets	334.20	425.62
Contributions	388.75	1,073.88
Benefits Paid	(384.17)	(188.15)
Actuarial Gain / (Loss) on Plan Assets	(53.83)	66.22
Fair value of plan assets as at the end of the year	5,732.90	5,447.95

**III. Actual Return on Plan Assets**

Expected Return on Plan Assets	334.20	425.62
Actuarial Gain / (Loss) on Plan Assets	(53.81)	66.22
Actual Return on Plan Assets	280.39	491.84

**IV. Amount recognized in the Balance Sheet**

Liability at the end of the year	4,969.42	4,697.85
Fair value of Plan Assets at the end of the year	5,732.90	5,447.94
Difference	(763.48)	(750.09)
Asset / Liability recognised in the balance sheet	763.48	750.09

**V. Expense recognized in the Statement of Profit and Loss**

	2015-16	2014-15
Current Service Cost	338.45	298.08
Interest Cost	360.03	362.29
Expected Return on Plan Assets	(334.20)	(425.62)
Actuarial (Gain) / Loss	23.28	457.66
Expense recognized in the P&L A/c	387.57	692.41

₹ in Lakhs

**VI. Investment Details****A) BBTCL Group:**

Central Government Securities	2.21%	2.97%
PSU Bonds/Securities	2.00%	19.90%
State Government Securities	0.05%	10.10%
Others (Bank Balance)	13.57%	23.23%
Insurer Managed Funds	82.16%	42.25%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

**B) BIL Group:**

	2015-16	2014-15
Government of India securities	3.45%	3.73%
State Government securities	22.31%	20.15%
Public sector securities	36.25%	37.81%
Mutual funds	2.56%	2.34%
Special deposit scheme	2.87%	3.09%
Others	32.56%	32.88%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

₹ in Lakhs

**VII. Actuarial assumptions**

**A) BBTCL Group:**

	2015-16	2014-15
Mortality Table	<b>Indian Assured Ultimate (2006-08)</b>	<i>Indian Assured Ultimate (2006-08)</i>
Discount rate	7.80%	7.86%
Rate of return on Plan Assets	10.00%	8.96%
Salary escalation rate	6.00%	5.50%
Retirement age (in years)	58	58

**B) BIL Group:**

	2015-16	2014-15
Discount factor [Refer note (i) below]	7.56%	7.92%
Estimated rate of return on plan assets [Refer note (ii) below]	7.56%	7.92%
<b>Attrition rate:</b>		
Service related:		
5 years and above	4%	4%
Below 5 years	16%	16%
Salary escalation rate	5%	5%
Retirement age (in years)	58	58

**Notes:**

- i) The discount rate is based on the prevailing market yield on Government Securities as at the balance sheet date for the estimated term of obligations.
- ii) The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risks of asset management, historical results of the return on plan assets and the Group's policy for plan asset management.
- iii) The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.
- iv) The disclosure above includes amounts for both Britannia Industries Limited Covenanted Staff' Gratuity Fund and Britannia Industries Limited Non Covenanted Staff' Gratuity Fund and amounts relating to other group companies.

**IX. Experience Adjustment**

	<b>31.03.2016</b>	<i>31.03.2015</i>	<i>31.03.2014</i>	<i>31.03.2013</i>	<i>31.03.2012</i>
Fair Value of Plan Assets	<b>5,732.91</b>	<i>5,447.94</i>	<i>4,070.06</i>	<i>3,817.69</i>	<i>3,402.95</i>
Defined Benefit Obligation	<b>4,969.42</b>	<i>4,697.85</i>	<i>4,384.75</i>	<i>4,039.66</i>	<i>3,204.58</i>
Actuarial (Gain) / Loss on Plan Assets	<b>(53.81)</b>	<i>66.22</i>	<i>(25.52)</i>	<i>201.32</i>	<i>7.62</i>
Actuarial (Gain) / Loss on Defined Benefit Obligation	<b>23.28</b>	<i>457.66</i>	<i>179.56</i>	<i>739.32</i>	<i>(252.29)</i>

The above information is certified by the Actuary.

- The discount rate is based on the prevailing market yield on Government Securities as at the balance sheet date for the estimated term of obligations.
- The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risks of asset management, historical results of the return on plan assets and the Group's policy for plan asset management.
- The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.
- The disclosure above includes amounts for both Covenanted Staff Gratuity Fund and Non Covenanted Staff Gratuity Fund and amounts relating to other group companies.
- The charge for retirement benefits of AI Sallan Food Industries Co. SAOC and Strategic Food International Co. LLC, Dubai has been calculated in accordance with the laws applicable in their countries of incorporation which amounts to ₹ 288.00 (*Previous year: ₹ 241.00 Lakhs*)

- 39.** With respect to the matter related to the refund of excess contribution by Company's Covenanted Staff Pension Fund ("Fund") to the Company, the Honourable Supreme Court at its hearing on 12 May 2008 set aside the order of the Division Bench of the Honourable High Court, Kolkata and remanded the writ pending for disposal. Based on the directions of the courts, the Company was required to deposit ₹ 1212 Lakhs with a Nationalised Bank, which the Company has done under protest.

In other Writ Petitions filed by some of the pensioners in the Honourable Madras High Court, challenging the Deeds of Variation submitted in May 2005, the Honourable High Court has passed an interim order restraining the CIT, Kolkata from approving the Deeds of Variation pending disposal of the Writ Petitions.

In the suit filed by the Britannia Industries Limited Pensioners Welfare Association, the Company received a judgement on 21 September 2015 from Honourable City Civil Court, Bangalore, in the matter of pension payable to its eligible beneficiaries. The Board of Directors reviewed the judgement and after obtaining legal opinion from eminent lawyers resolved to file an appeal in the higher court against the said judgement. Accordingly, the Company has appealed against the Honourable City Civil Court's judgement in the Honourable High Court of Karnataka. In response to the appeal filed, the Honourable High Court of Karnataka, in its order dated 18 December 2015, referred the matter to Bangalore Mediation Centre for exploring the possibilities of a settlement. The Britannia Industries Limited Pensioners Welfare Association through their legal counsel had submitted that they will not precipitate execution before the trial court during mediation. The mediation meetings are currently in progress.

In the meanwhile, based on the interim order of the Honourable City Civil Court, Bangalore and the direction of the Honourable Supreme Court, the Company continues to pay pension as per the interim order passed by the Bangalore City Civil Court on 1 January 2009 (i.e. on Defined Contribution basis).

The Company believes, based on current knowledge and after consultation with eminent legal counsel that the resolution of the matter will not have any material adverse effect on the financial statements of the Company. Accordingly, no adjustment in this respect has been made in the financial results of the Company.

40. With respect to Al Sallan Food Industries Co. SAOC, the Company's income tax assessments for the year 2010 to 2015 have not been agreed with the Secretariat General for Taxation at the Ministry of Finance, Oman. Management believes that additional taxes, if any, that may become payable on finalisation of the assessments in respect of these open years would not be material to the Company's financial position as at 31 March 2016. No tax has been recognised due to carried forward accumulated losses of prior years.

**41. Managerial Remuneration - BBTCL**

a) The Corporation, during the financial year 2014-15 had paid remuneration to one of its Managing Directors, Mr. Ness Wadia ₹289.98 Lakhs (excluding retinals of ₹ 58.75 Lakhs) which was in excess of limits specified in Schedule V of the Companies Act, 2013. The Central Government vide its letter dated 6<sup>th</sup> November, 2015 had approved increased remuneration payable to him for the financial year 2014-15 upto ₹227.92 lakhs. The Corporation vide its letter dated 4<sup>th</sup> December, 2015 has represented to the Central Government for payment of remuneration of ₹298.98 Lakhs; response to which is awaited. Pending disposal of the Corporation's representation, the differential amount of ₹62.06 lakhs has been shown as recoverable from him.

b) Although there has been no increase in remuneration paid to Mr. Ness Wadia for FY 2015-2016, in view of inadequacy of profits, the Corporation has made an application to the Central Government for approval to the payment of the same remuneration of ₹ 289.98 Lakhs (excluding retinals of ₹ 58.75 Lakhs) to Mr. Ness Wadia as it is in excess of the limits prescribed by Schedule V of the Companies Act, 2013.

The application has been made to the Central Government as Mr. Ness Wadia holds direct and indirect interest in the capital of the Corporation, although the condition of holding professional qualification is satisfied under the General Circular 07/2015 dated 10<sup>th</sup> April, 2015 issued by Ministry of Corporate Affairs.

**42. Capital Subsidy:**

During the year ended 31 March 2013, an amount of ₹ 500.00 Lakhs was received towards capital subsidy for the Hajipur Factory, Bihar in accordance with the State Industrial Policy of Bihar. Out of this, an amount of ₹ 71.00 Lakhs (*Previous Year: ₹ 71.00 Lakhs*) has been credited to the Statement of Profit and Loss (by reducing the depreciation charge for the year) and the outstanding amount of ₹ 286.00 Lakhs (*Previous Year: ₹ 357.00 Lakhs*) has been classified as capital subsidy in the balance sheet.

43. Export benefits / Incentives are accounted on accrual basis. Accordingly, on the Balance Sheet date, in respect of Exports made, estimated benefit of ₹ 171.48 Lakhs (*Previous year ₹ 345.03 Lakhs*) has been taken into account for the year as incentive on accrual basis under the pass book scheme. Subsequent to that, the Corporation has utilized the said entitlement of ₹ 124.61 Lakhs (*Previous year ₹ 302.87 Lakhs*).

**44. Derivative contracts:**

Britannia Industries Limited (a subsidiary) has entered into foreign exchange forward contracts for hedging the foreign exchange fluctuation risks on foreign currency payables, which has been accounted for in line with Accounting Standard 11 - "The Effects of Changes in Foreign Exchange Rates". Accordingly, the amount receivable of ₹ Nil (*Previous Year: ₹ Nil*), relating to foreign exchange forward contracts for hedging has been netted off and disclosed under 'Short-term loans and advances'.

The Company has designated certain foreign exchange forward contracts (relating to foreign currency receivables and payables) outstanding as on 31 March 2016 as hedge of committed transaction. On that

date, the Company had forward contracts amounting to USD 4,228,848 and EUR 553,347 (*Previous Year: USD 2,908,783 and EUR 2,060,830*). As at the year end the unrealized exchange loss of ₹ 35 Lakhs has been accounted for (*Previous Year: unrealized exchange loss of ₹ 49 Lakhs has not been accounted*) (arrived on a mark to market basis) in line with the ICAI notification issued in March 2008.

The foreign currency exposures not hedged towards payables / receivables as at the year-end amount to USD Nil / ₹ Nil (*Previous Year: USD Nil / ₹ Nil*).

45. On the basis of confirmation obtained from suppliers who have registered under The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Corporation, the balance due to Micro & Small Enterprises as defined under the MSMED Act, 2006 is ₹ 400.00 Lakhs (*Previous Year ₹ 519.00 Lakhs*). Further, no interest during the year has been paid/ or is payable/ accrued under the terms of the MSMED Act, 2006.
46. Dividend adjustment of ₹8,248.89 Lakhs (*Previous year ₹ 6,116.88 Lakhs*) on dividend declared by Britannia Industries Limited but not accounted by LLSB since the same is accounted on receipts basis.
47. In the earlier years, the Corporation took up development of Real Estate in the vacant properties at Pune, Coimbatore and Mumbai; and converted these assets as stock in trade at cost. Cost incurred during the year which are attributable and are allocated to development of real estate activities is in accordance with the Guidance note on Real Estate Transactions (Revised 2012) issued by Institute of Chartered Accountants of India.

#### 48. Corporate Social Responsibility

During the year, the group required to be spent on corporate social responsibility activities ₹ 1,118.17 Lakhs (*Previous Year ₹798.17 Lakhs*) Lakhs in accordance with Section 135 of the Companies Act, 2013 and the same amount has been spent during the year. The details are as below:

₹ in Lakhs

Sr. No.	Particulars	Current year	Previous year
(i)	Amount Spent other than for construction/ acquisition of any asset	1,137.10	840.62
(ii)	Amount accrued and not paid	-	-
	<b>Total</b>	<b>1,137.10</b>	<b>840.62</b>

49. The pending litigations comprise of claims against the Corporation by employees and pertaining to proceedings pending with Income Tax, Excise, Custom, Sales tax /VAT or any other authorities. The Corporation has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Corporation does not expect the outcome of these proceedings to have a materially adverse effect on its financial position. (Also Refer Note 28 on contingent liabilities).
50. During the year, based on queries received from Securities Exchange Board of India ('SEBI'), Britannia Industries Limited (a subsidiary) conducted a preliminary internal investigation and discovered certain irregularities by M/s Sharepro Services (India) Private Limited ('Sharepro'), the Company's erstwhile Registrar and Share Transfer Agent. Subsequently, the Company has filed a criminal complaint against Sharepro and its employees. Pursuant to the directions issued by SEBI in its interim order dated 22 March 2016, the Company has appointed an independent external agency to conduct an audit of the records and systems of Sharepro with respect to past transactions. The Company will evaluate additional steps, if any, based on the findings of the audit by the independent external agency and in accordance with the directions of SEBI or any other regulatory authorities. Based on consultations with its legal counsel, the Company has been advised that the liability will not evolve on the Company and thus no provision is considered necessary. Further, the Company has a right to claim losses, if any, from Sharepro and accordingly the Company does not plan to make good the losses on its own account.

The Bombay Burmah Trading Corporation, Limited

51. Additional information pursuant to para 2 of general instructions for the preparation of Consolidated Financial Statements:

Sr. No.	Name of Entity	Net assets (Total Assets - Total Liabilities)		Share in Profit (Loss)	
		As % of Consolidated Net Assets	Amount (₹ Lakhs)	As % of Consolidated Profit / (Loss)	Amount (₹ Lakhs)
1	The Bombay Burmah Trading Corporation Ltd.	3.78%	21,623.83	-2.99%	(3,314.46)
2	Afco Industrial & Chemicals Ltd.	0.01%	41.37	0.00%	(1.57)
3	DPI Products & Services of India Ltd.	0.04%	253.24	0.00%	(0.24)
4	Sea Wind Investment & Trading Co. Ltd.	0.03%	153.80	0.00%	0.74
5	Subham Viniyog Pvt. Ltd.	0.00%	26.48	0.00%	-
6	Britannia Industries Limited	29.76%	170,016.00	67.51%	74,909.00
7	Boribunder Finance and Investments Private Limited	0.02%	134.00	0.00%	(1.00)
8	Flora Investments Company Private Limited	0.03%	197.00	0.01%	13.00
9	Gilt Edge Finance and Investments Private Limited	0.04%	201.00	0.01%	13.00
10	Ganges Vally Foods Private Limited	0.03%	190.36	0.00%	4.00
11	International Bakery Products Limited	0.03%	158.00	0.07%	76.00
12	J B Mangharam Foods Private Limited	0.07%	391.00	-0.03%	(38.00)
13	Manna Foods Private Limited	0.08%	434.00	-0.12%	(133.00)
14	Sunrise Biscuit Company Private Limited	0.27%	1,530.59	0.02%	21.07
15	Daily Bread Gourmet Foods (India) Private Limited	0.07%	416.00	-0.18%	(196.00)
16	Britannia Dairy Private Limited	2.10%	12,021.00	3.07%	3,402.00
17	Britannia Employees General Welfare Association Private Limited	0.01%	29.00	0.00%	-
18	Britannia Employees Medical Welfare Association Private Limited	0.00%	27.00	0.00%	-
19	Britannia Employees Educational Welfare Association Private Limited	0.01%	31.00	0.00%	1.00

Sr. No.	Name of Entity	Net assets (Total Assets - Total Liabilities)		Share in Profit (Loss)	
		As % of Consolidated Net Assets	Amount (₹ Lakhs)	As % of Consolidated Profit / (Loss)	Amount (₹ Lakhs)
<b>Foreign Subsidiaries</b>					
20	Leila Lands Senderian Berhad	2.82%	16,111.17	0.34%	374.02
21	Island Horti-Tech Holding Pte. Ltd.	1.15%	6,565.87	0.66%	729.38
22	Leila Lands Ltd.	10.12%	57,797.47	8.11%	9,001.99
23	Naira Holdings Ltd.	5.11%	29,177.54	-0.82%	(906.73)
24	Island Landscape & Nursery Pte. Ltd.	0.62%	3,559.41	0.43%	482.59
25	ILN Investments Pte. Ltd.	0.00%	-	0.00%	-
26	Peninsula Landscape & Nursery Snd. Bhd.	0.00%	-	0.00%	-
27	Saikjaya Holdings Snd. Bhd.	0.00%	-	0.00%	-
28	Restpoint Investments Ltd.	0.77%	4,412.72	0.03%	34.46
29	Restpoint International Technology Corpn.	0.00%	-	0.00%	-
30	Innovative Organics Inc.	0.72%	4,111.36	0.00%	(0.10)
31	Granum Inc.	0.50%	2,847.15	0.02%	21.39
32	ABI Holdings Limited	4.05%	23,150.59	8.30%	9,205.01
33	Associated Biscuits International Ltd.	0.45%	2,584.89	8.25%	9,158.71
34	Britannia Brands Limited	1.30%	7,433.42	4.15%	4,600.93
35	Dowbiggin Enterprises Pte. Limited	6.85%	39,107.91	0.16%	181.81
36	Nacupa Enterprises Pte. Limited	6.84%	39,099.56	0.16%	181.42
37	Spargo Enterprises Pte. Limited	6.84%	39,090.08	0.16%	181.40
38	Valletort Enterprises Pte. Limited	6.84%	39,088.62	0.17%	183.88
39	Bannatyne Enterprises Pte. Limited	6.81%	38,916.18	0.17%	183.43
40	Britannia and Associates (Mauritius) Private Limited	2.84%	16,230.00	0.09%	103.00
41	Britannia and Associates (Dubai) Private Co. Limited	-0.28%	(1,624.00)	-0.12%	(129.00)
42	Al Sallan Food Industries Co. SAOC	-0.90%	(5,116.00)	0.53%	592.00
43	Strategic Food International Co. LLC, Dubai	0.14%	776.00	1.81%	2,010.00
44	Strategic Brands Holding Company Limited	-0.01%	(60.00)	-0.01%	(6.00)
45	Britannia Dairy Holdings Private Limited	0.00%	(20.00)	0.00%	(3.00)



The Bombay Burmah Trading Corporation, Limited

Sr. No.	Name of Entity	Net assets (Total Assets - Total Liabilities)		Share in Profit (Loss)	
		As % of Consolidated Net Assets	Amount (₹ Lakhs)	As % of Consolidated Profit / (Loss)	Amount (₹ Lakhs)
<b>Associates</b>					
46	Lima Investment And Trading Company Private Limited	0.00%	8.22	0.00%	(0.08)
47	Roshnara Investment And Trading Company Private Limited	0.00%	7.94	0.00%	(0.12)
48	Cincinnati Investment And Trading Company Private Limited	0.00%	8.07	0.00%	(0.09)
49	Lotus Viniyog Private Limited	0.01%	37.50	0.00%	0.01
50	Shadhak Investments And Trading Private Limited	0.00%	8.42	0.00%	(0.06)
51	MSIL Investments Private Limited	0.00%	8.73	0.00%	(0.12)
52	Medical Microtechnology Limited	0.00%		0.00%	
53	Harvard Plantations Limited	0.00%	4.29	0.00%	(0.09)
54	Placid Plantations Limited	0.00%	4.26	0.00%	(0.09)
55	Klassik Foods Private Limited	0.02%	96.69	0.00%	2.69
56	Nalanda Biscuits Company Limited	0.01%	31.96	0.02%	19.31
		<b>100%</b>	<b>571,330.69</b>	<b>100%</b>	<b>110,957.49</b>
a)	Adjustments arising out of consolidation		(485,591)		(33,165)
b)	Minority Interests in all Subsidiaries /Associates (Investment as per the Equity method)		102,505.57		(39,696.05)
	<b>Total</b>		<b>188,244.86</b>		<b>38,096.39</b>

52. Figures in respect of current financial year have been rounded off to the nearest thousand and are expressed in terms of decimals of Lakhs.

As per our attached report of even date.

For B S R & Co.LLP

Chartered Accountants

Firm's Registration No. 101248W / W-100022

For and on behalf of the Board of Directors

The Bombay Burmah Trading Corporation, Limited

CIN :L99999MH1863PLC000002

Vijay Bhatt  
Partner  
Membership No. 036647

Ness Wadia  
Managing Director  
DIN :00036049

Dr. (Mrs) Sheela Bhide  
Director  
DIN :01843547

Nusli N Wadia  
Chairman  
DIN :00015731

N H Datanwala  
Vice President Corporate  
and Company Secretary

Jeh Wadia  
Director  
DIN :00088831

A K Hirjee  
Vice Chairman  
DIN :00044765

Mumbai,  
Dated : 27<sup>th</sup> May, 2016

Amit Chhabra  
Chief Financial Officer

M L Apte  
Director  
DIN :00003656

## Statement under section 129 (3) of the Companies Act, 2013, as at 31st March, 2016

## Part A: Subsidiaries

Sr. No.	Name of Subsidiary	Original Currency	Exchange rate as on: 31st March 2016 (in INR)	Share Capital	Reserves & Surplus	Total Assets (including Investments)	Liabilities (excluding Shareholders Funds)	Investments (except investment in subsidiary)	Turnover (Revenue from Operations + Other Income)	Profit Before Tax	Provision for taxation (including Deferred Tax)	Profit / (Loss) After Tax *	Proposed Dividend **	% of Share-holding
1	Afco Industrial & Chemicals Ltd.	INR	1.00	76.0500	(34.6900)	77.3800	36.01	36.21	0.76	(1.57)	-	(1.57)	-	100%
2	DPI Products & Services of India Ltd.	INR	1.00	20.00	233.24	335.49	82.25	286.00	2.19	(0.24)	-	(0.24)	-	100%
3	Sea Wind Investment & Trading Co. Ltd.	INR	1.00	5.98	147.82	164.03	10.23	90.77	2.45	1.84	(1.10)	0.74	-	100%
4	Subham Vinivog Pvt. Ltd.	INR	1.00	40.00	(13.51)	44.30	17.82	0.84	-	(1.31)	-	-	-	100%
5	Britannia Industries Limited	INR	1.00	2,400.00	167,616.00	306,726.00	136,710.00	67,349.00	786,889.00	113,156.00	(38,247.00)	74,909.00	19,188.00	50.75%
6	Boribunder Finance and Investments Private Limited	INR	1.00	267.10	(132.89)	136.65	2.43	1.20	0.17	(0.67)	(0.30)	(0.97)	-	100%
7	Britannia Dairy Private Limited	INR	1.00	1,178.00	10,844.00	16,309.00	4,287.00	5,783.00	32,931.00	4,262.00	(860.00)	3,402.00	-	100%
8	Britannia Employees' Educational Welfare Association Private Limited	INR	1.00	17.52*	13.02	31.06	0.52	-	1.28	0.79	(0.24)	0.55	-	100%
9	Britannia Employees' General Welfare Association Private Limited	INR	1.00	17.50*	11.71	29.91	0.72	-	1.21	0.72	(0.22)	0.50	-	100%
10	Britannia Employees' Medical Welfare Association Private Limited	INR	1.00	18.00*	9.14	27.65	0.50	0.40	1.02	0.53	(0.16)	0.37	-	100%

₹ in Lakhs

The Bombay Burmah Trading Corporation, Limited

₹ in Lakhs

Sr. No.	Name of Subsidiary	Original Currency	Exchange rate as on: 31st March 2016 (in INR)	Share Capital	Reserves & Surplus	Total Assets (including Investments)	Liabilities (excluding Shareholders Funds)	Investments (except investment in subsidiary)	Turnover (Revenue from Operations + Other Income)	Profit Before Tax	Provision for Taxation (including Deferred Tax)	Profit / (Loss) After Tax *	Proposed Dividend **	% of Shareholding
11	Daily Bread Gourmet Foods (India) Private Limited	INR	1.00	3,167.26	(2,750.68)	559.13	142.55	-	1,098.36	(195.83)	-	(195.83)	-	100%
12	Flora Investments Company Private Limited	INR	1.00	28.43	163.88	203.91	11.59	-	15.69	14.89	6.46	8.43	-	100.00%
13	Ganges Vally Foods Private Limited	INR	1.00	60.00	355.91	779.42	363.51	-	1,926.13	25.05	(18.16)	6.89	-	51%
14	Gilt Edge Finance & Investments Private Limited	INR	1.00	24.98	171.51	207.52	11.04	-	15.89	15.11	6.86	8.25	-	100.00%
15	International Bakery Products Limited	INR	1.00	145.00	12.46	4,114.80	3,957.34	-	3,420.37	94.43	17.99	76.44	-	100%
16	J B Mangharam Foods Private Limited	INR	1.00	45.02	319.85	3,149.14	2,784.26	0.26	3,569.71	(51.08)	(6.00)	(57.08)	-	100%
17	Manna Foods Private Limited	INR	1.00	487.50	(53.93)	7,443.66	7,010.09	2.40	3,706.93	(132.78)	-	(132.78)	-	100%
18	Sunrise Biscuit Company Private Limited	INR	1.00	1,419.95	131.01	3,972.03	2,421.07	-	15,317.01	30.90	(9.76)	21.14	-	99.16%
19	Vasna Agrex & Herbs Private Limited	INR	1.00	1.00	(1,054.90)	0.01	1,053.91	-	-	(0.19)	-	(0.19)	-	100%
20	Snacko Bisc Private Limited	INR	1.00	2,552.08	(4,202.72)	2.16	1,652.80	-	-	(0.19)	-	(0.19)	-	100%
21	Leila Lands Senderian Berhad	RM	16.97	7,995.16	8,116.01	16,156.35	45.18	-	64.05	374.02	-	374.02	-	100%
22	Island Horiti-Tech Holding Pte. Ltd.	S \$	49.27	985.30	5,580.55	7,778.30	1,212.43	-	905.14	729.45	(0.07)	729.38	-	100%
23	Leila Lands Ltd.	US \$	66.26	0.13	57,797.34	142,820.17	85,022.70	-	9,938.67	9,001.99	-	9,001.99	-	100%

₹ in Lakhs

Sr. No.	Name of Subsidiary	Original Currency	Exchange rate as on: 31st March 2016 (in INR)	Share Capital	Reserves & Surplus	Total Assets (including Investments)	Liabilities (excluding Shareholders Funds)	Investments (except investment in subsidiary)	Turnover (Revenue from Operations + Other Income)	Profit Before Tax	Provision for Taxation (including Deferred Tax)	Profit / (Loss) After Tax *	Proposed Dividend **	% of Share-holding
24	Naira Holdings Ltd.	US \$	66.26	662.55	28,514.98	44,342.91	15,165.37	-	586.76	(906.73)	-	(906.73)	-	100%
25	Island Landscape & Nursery Pte. Ltd.	S \$	49.27	1,083.83	2,475.58	4,958.29	1,398.88	-	6,571.13	532.55	(49.96)	482.59	73,897,500.00	100%
26	Saikjaya Holdings Snd. Bhd.	RM	16.97	-	-	-	-	-	-	-	-	-	-	100%
27	Restpoint Investments Ltd.	US \$	66.26	0.87	4,411.84	4,414.34	1.62	-	38.73	34.46	-	34.46	-	100%
28	Innovative Organics Inc.	US \$	66.26	1,573.76	2,537.61	4,111.36	-	-	-	(0.10)	-	(0.10)	-	58.80%
29	Granum Inc.	US \$	66.26	4,109.50	(1,262.34)	4,854.20	2,007.05	-	5,842.84	31.88	(10.49)	21.39	514.46	58.80%
30	ABI Holdings Limited	GBP	95.91	4,791.58	18,359.00	25,608.59	2,458.00	-	9,281.90	9,205.01	-	9,205.01	9,224.26	100%
31	Associated Biscuits International Ltd.	GBP	95.91	1,534.60	1,050.29	6,962.96	4,378.07	-	9,250.71	9,158.71	-	9,158.71	9,282.27	100%
32	Britannia Brands Limited	GBP	95.91	-	7,433.42	8,495.25	1,061.83	-	4,612.16	4,600.93	-	4,600.93	4,610.12	100%
33	Dowbiggin Enterprises Pte. Limited	S \$	49.27	242.19	38,865.74	39,133.37	25.46	-	237.77	181.81	-	181.81	236.51	100%
34	Nacupa Enterprises Pte. Limited	S \$	49.27	242.19	38,857.38	39,132.70	33.14	-	237.77	181.42	-	181.42	236.51	100%
35	Spargo Enterprises Pte. Limited	S \$	49.27	242.26	38,847.81	39,136.00	45.92	-	237.77	181.40	-	181.40	236.51	100%
36	Valetort Enterprises Pte. Limited	S \$	49.27	242.26	38,846.37	39,092.35	3.73	-	237.77	183.88	-	183.88	236.51	100%
37	Bannatyne Enterprises Pte. Limited	S \$	49.27	234.31	38,681.86	38,970.46	54.28	-	237.60	183.43	-	183.43	236.51	100%

The Bombay Burmah Trading Corporation, Limited

₹ in Lakhs

Sr. No.	Name of Subsidiary	Original Currency	Exchange rate as on: 31st March 2016 (in INR)	Share Capital	Reserves & Surplus	Total Assets (including Investments)	Liabilities (excluding Shareholders Funds)	Investments (except investment in subsidiary)	Turnover (Revenue from Operations + Other Income)	Profit Before Tax	Provision for Taxation (including Deferred Tax)	Profit / (Loss) After Tax *	Proposed Dividend **	% of Shareholding
38	Al Sallan Food International Co. LLC, Dubai	OMR	171.90	3,438.00	(8,553.98)	6,697.23	11,813.22	-	21,253.84	598.53	-	598.53	-	65.46%
39	Strategic Food International Co.LLC,Dubai	AED	18.03	3,515.85	865.93	16,347.31	11,965.53	-	43,732.75	2,033.13	-	2,033.13	-	100%
40	Britannia and Associates (Mauritius) Private Limited	USD	66.25	16,146.51	83.32	24,894.83	8,665.01	-	238.80	105.79	3.23	102.56	-	100%
41	Britannia and Associates (Dubai) Private Company Limited	USD	66.25	0.18	(1,624.61)	23,400.53	25,024.96	-	142.90	(130.01)	-	(130.01)	-	100%
42	Strategic Brands Holding Company Limited	USD	66.25	0.18	(60.65)	0.45	60.92	-	-	(6.24)	-	(6.24)	-	100%
43	Britannia Dairy Holdings Private Limited	USD	66.25	4,911.11	(2,639.50)	2,275.90	4.29	-	-	(252.75)	-	(253.29)	-	100%

\* Profit After Tax is adjusted for Excess/Short Provision of taxes of Previous Years

\*\* Includes Interim and final dividend, whether paid or proposed Represents Contribution

# Represents contribution

## Part B: Associates

Sr. No.	Name of Associates / Joint Ventures	Latest Audited Balance Sheet Date	Shares of Associates held by the Corporation at Year End			Networth attributable to Shareholding as per latest audited Balance Sheet ^	Profit / Loss For The Year		Description of how there is significant influence	Reason why the associate/ joint venture is not consolidated
			Share Type	Nos.	Amount of Investment in Associates/ JV (₹)		Holding (%)	Considered in Consolidation		
1.	Lima Investment And Trading Company Private Limited	31.03.2016	Equity	45.99	499,900	50.00%	(0.08)	(0.08)	Associate	
			Pref. ⚡	4.00	400,000	50.00%				
2.	Roshnara Investment And Trading Company Private Limited	31.03.2016	Equity	45.99	499,900	50.00%	7.94	(0.12)	Associate	
			Pref. ⚡	3.75	375,000	50.00%				
3.	Cincinnati investment And Trading Company Private Limited	31.03.2016	Equity	4.99	499,900	50.00%	8.07	(0.09)	Associate	
			Pref. ⚡	3.75	375,000	50.00%				
4.	Lotus Viniyog Private Limited	31.03.2016	Equity	2.45	2,444,910	50.00%	37.50	0.01	Associate	
			Pref. ⚡	4.00	400,000	50.00%	37.49			
5.	Shadhak Investments And Trading Private Limited *	31.03.2016	Equity	4.99	499,900	50.00%	8.42	(0.06)	Associate	
			Pref. ⚡	4.00	400,000	50.00%				
6.	MSIL Investments Private Limited *	31.03.2016	Equity	4.99	499,900	50.00%	8.73	(0.12)	Associate	
			Pref. ⚡	4.00	400,000	44.44%				
7.	Medical Microtechnology Limited *	31.03.2016	Equity	7.50	750,000	50.00%			Associate	Insignificant
8.	Harvard Plantations Limited *	31.03.2016	Equity	4.75	475,100	50.00%	4.29	(0.09)	Associate	

₹ in Lakhs

The Bombay Burmah Trading Corporation, Limited

Sr. No.	Name of Associates / Joint Ventures	Latest Audited Balance Sheet Date	Shares of Associates held by the Corporation at Year End			Networth attributable to Shareholding as per latest audited Balance Sheet ^	Profit / Loss For The Year		Description of how there is significant influence	Reason why the associate/ joint venture is not consolidated
			Share Type	Nos.	Amount of Investment in Associates/ JV (₹)		Holding (%)	Considered in Consolidation		
9.	Placid Plantations Limited *	31.03.2016	Equity	4.75	475,100	50.00%	(0.09)	(0.09)	Associate	
10.	Klassik Foods Private Limited	31.03.2016	Equity	31.98	339,000	26.02%	3.22	13.00	Voting Power	N.A.
11.	Nalanda Biscuits Company Limited	31.03.2016	Equity	29.08	875,000	35.00%	18.90	35.10	Voting Power	N.A.

^ Net Worth attributable to shareholding includes value of non-convertible, redeemable, preference shares held by wholly owned subsidiaries

⊛ 5% non-convertible, non-cumulative, non-redeemable preference shares

\* Through wholly owned subsidiary

For and on behalf of the Board of Directors of The Bomboi Burmah Trading Corporation, Limited

Ness Wadia Managing Director DIN : 00036049	Dr. (Mrs) Sheela Bhide Director DIN : 01843547	Nusli N Wadia Chairman DIN : 00015731
N H Datanwala Vice President Corporate and Company Secretary	Jeh Wadia Director DIN : 00088831	A K Hirjee Vice Chairman DIN : 00044765
Amit Chhabra Chief Financial Officer		M L Apte Director DIN : 00003656

Mumbai,  
Dated : 27<sup>th</sup> May, 2016

**10 YEARS' FINANCIAL REVIEW**

(Rupees in Lakhs)

	2007 - 08	2008 - 09	2009 - 10	2010 - 11	2011 - 12	2012 - 13	2013 - 14	2014 - 15	2015 - 16
<b>FINANCIAL POSITION</b>									
Share Capital	1,396.27	1,396.27	1,396.27	1,396.27	1,396.27	1,396.27	1,396.27	1,396.27	<b>1,396.27</b>
Reserves And Surplus #	7,429.63	5,764.03	6,479.30	12,983.60	25,572.97	25,459.42	25,198.69	24,398.65	<b>20,227.56</b>
Net Worth	8,825.90	7,160.30	7,875.57	14,379.87	26,969.24	26,855.69	26,594.96	25,794.92	<b>21,623.83</b>
Borrowings	27,002.41	35,239.62	27,385.27	27,175.80	16,069.70	16,372.59	19,077.52	35,691.05	<b>33,097.46</b>
Deferred Tax Liability (Net)	532.66	614.94	289.28	168.48	(50.58)	65.22	121.39	(104.81)	-
Capital Employed	36,360.97	43,014.86	35,550.12	41,724.15	42,988.36	43,293.50	45,793.87	61,381.16	<b>54,721.29</b>
Gross Block	16,301.56	17,184.55	18,083.41	19,817.20	11,233.34	17,906.60	19,426.56	21,518.05	<b>22,851.37</b>
Net Block	9,605.76	9,833.07	10,325.07	11,103.73	5,967.53	10,445.72	10,986.64	11,213.28	<b>11,779.66</b>
Investments	11,856.62	10,673.91	10,673.22	10,677.06	11,183.44	16,549.14	16,553.30	16,545.80	<b>16,545.47</b>
Foreign Currency Monetary Item Translation Difference Account	-	2,654.59	127.45	-	-	-	-	-	-
Working Capital	14,898.59	19,853.29	14,424.38	19,943.36	25,837.39	16,298.64	18,253.93	33,622.08	<b>26,394.46</b>
Total Net Assets	36,360.97	43,014.86	35,550.12	41,724.15	42,988.36	43,293.50	45,793.87	61,381.16	<b>54,719.59</b>
<b>OPERATING RESULTS</b>									
Total Income	26,184.97	29,901.40	32,053.73	41,774.71	45,304.92	28,056.31	29,913.57	28,244.78	<b>27,422.68</b>
Total Expenses	24,904.27	31,142.07	30,827.43	32,169.78	27,649.38	25,518.30	29,190.60	27,242.09	<b>30,628.22</b>
Profit / (Loss) Before Taxation	1,280.70	(1,240.67)	1,226.30	9,604.93	17,655.54	2,538.01	722.97	1,002.69	<b>(3,205.54)</b>
Taxation	233.31	146.86	(139.25)	1,950.73	4,006.57	644.91	210.18	299.75	<b>108.92</b>
Profit / (Loss) After Taxation	1,047.39	(1,387.53)	1,365.55	7,654.20	13,648.97	1,893.10	512.79	702.94	<b>(3,314.46)</b>
Dividend \$	489.78	163.26	569.52	1,135.27	1,135.27	2,448.89	816.30	697.72	<b>839.78</b>
Dividend (%)	30.00	10.00	35.00	70.00	70.00	150.00	50.00	50.00	<b>50.00</b>
Book Value (₹)	63.25	51.31	56.44	103.05	193.27	^ 38.49	^ 38.12	^ 38.12	<b>^ 30.99</b>

# Reserves and Surplus is net after adjustment of debit balance of Deferred Revenue Expenditure.

\$ Includes Dividend Tax.

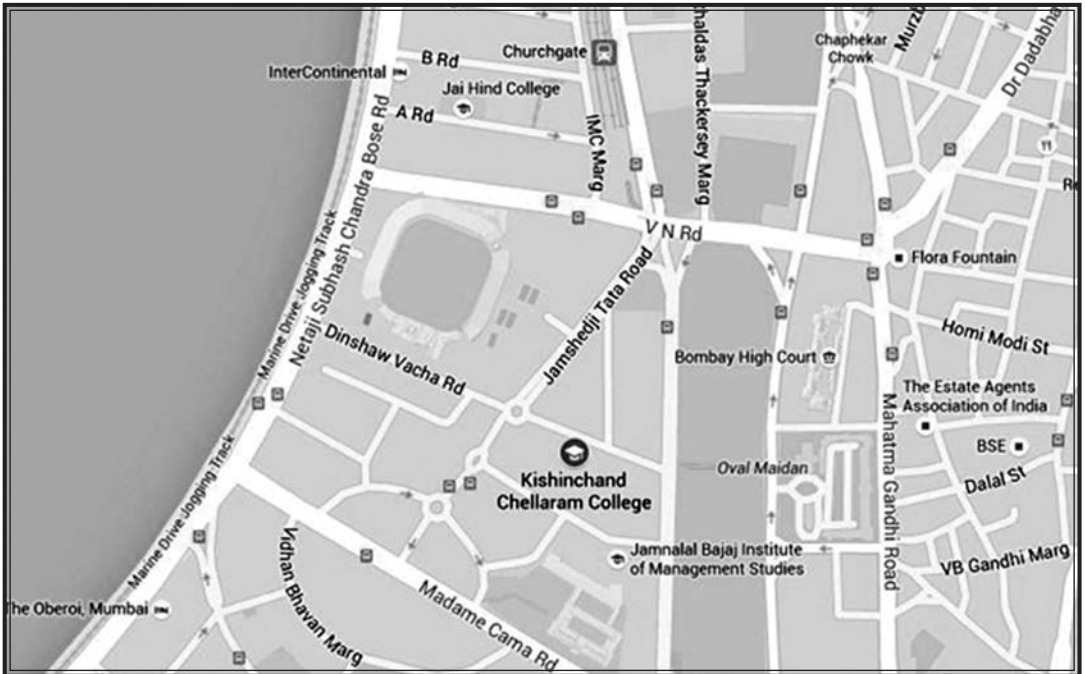
^ Based on Face Value of ₹2/- per share post sub-division of shares from ₹10/- per share to ₹2/- per share from November, 2012.



# The Bombay Burmah Trading Corporation, Limited

Route Map to the Venue of the 151<sup>st</sup> Annual General Meeting

**Venue:** Rama & Sundri Watumull Auditorium, Kishinchand Chellaram College,  
Dinshaw Wachha Road, Churchgate, Mumbai - 400 020.





# The Bombay Burmah Trading Corporation, Limited

[CIN: L99999MH1863PLC000002]

Regd. Office : 9, Wallace Street, Fort, Post Box No. 10077 Mumbai 400 001, India.

Tel. Nos.: +91 22 2219 7101 Fax :0091-22- 2207 1612 / 6772

• Email: bbtcl@bom2.vsnl.net.in • Website: www.bbtcl.com

## **PROXY FORM**

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

Name of the Member	
Registered Address	
Email id	
Folio No /Client ID	

I/We, being the member(s) holding \_\_\_\_\_ shares of The Bombay Burmah Trading Corporation, Limited, hereby appoint:

1. Name: ..... Email id : .....  
Address : .....  
..... Signature  
Or failing him/ her
2. Name: ..... Email id : .....  
Address : .....  
..... Signature  
Or failing him/ her
3. Name: ..... Email id : .....  
Address : .....  
..... Signature

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 151<sup>st</sup> Annual General Meeting of the Corporation to be held at Rama & Sundri Watumull Auditorium, Kishinchand Chellaram College, Dinshaw Wachha Road, Churchgate, Mumbai 400 020 on Friday, 5<sup>th</sup> August, 2016, at 4.00 p.m. and at any adjournment thereof in respect of the following resolutions :

Item No	Description of Resolutions	No of shares	I/We assent to the resolution (FOR)	I/We dissent to the resolution (AGAINST)
1	Receive, consider and adopt the : a. Standalone Audited Financial Statements for FY 2015-2016, Reports of the Board of Directors and Auditors thereon; b. Consolidated Audited Financial Statements for FY 2015-2016 and Report of the Auditors thereon;			
2	Declaration of dividend on equity shares			
3	Reappointment of Mr. Jeh Wadia who retires by rotation			
4	Appointment of Auditors			
5	Appointment of Branch Auditors			
6	Approval of remuneration of Cost Auditors			
7	Appointment of Mr. Ness Wadia as Managing Director of the Corporation and approving his remuneration			

Signed this .....day of .....2016

Affix Revenue stamp
---------------------------

Signature of member    Signature of Proxyholder(s)



THE WADIA GROUP

## PLANTATIONS



**Bombay Burmah**

SINCE 1863

## FOODS



SINCE 1918

## TEXTILES



SINCE 1879

## REAL ESTATE



SINCE 2011

## AVIATION



SINCE 2005

## ENGINEERING & CHEMICALS



SINCE 1960



SINCE 1954



- 1736 -

## THE WADIA GROUP

The Group has scaled great heights in innovation and entrepreneurship, inspired by the centuries-old legacy of goodwill and trust. The British Coat of Arms, granted to Nowrosjee Wadia, symbolises this legacy and the Wadia Group's commitment to advancement and innovation.

The crest is a representation of the Group, its philosophy, beliefs and businesses.

The crest and base of the shield represent the family origins in the shipbuilding industry during the 1700s. The middle and upper parts of the shield depict the Group's interest in cotton growing and its links with England in the form of the Lancastrian rose. The hand holding the hammer atop the shield signifies industriousness, together with workmanship and skill. The sun that surrounds the hand stands for global recognition and merit.

The moto, IN DEO FIDE ET PERSEVERANTIA means 'Trust in God and Perseverance'.

<http://www.wadiagroup.com/>