



# **ANNUAL REPORT**

## **2018 - 2019**

# ASPINWALL AND COMPANY LIMITED

(CIN: L74999KL1920PLC001389)

Registered Office : Building No. 926/A1 - A5, Devankulangara, Edappally, Kochi - 682 024.

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# **ASPINWALL AND COMPANY LIMITED**

(CIN: L74999KL1920PLC001389)

Registered Office : Building No.926/A1 - A5,  
Devankulangara, Edappally,  
Kochi - 682 024.

*Directors :*

**Mr. K.R.N. MENON (Chairman)**

**Mr. RAMA VARMA (Managing Director)**

**Mr. RAJESH S (Executive Director & CEO)**

**Mr. C.R.R. VARMA**

**Vice Admiral. SUSHIL KRISHNAN NAIR (I. N. Retd.)**

**Mrs. NINA NAYAR**

**Mr. ADITHYA VARMA**

**Mr. M. LAKSHMINARAYANAN**

**Mr. VIJAY K NAMBIAR (IFS Retd.)**

*Chief Financial Officer :*

**Mr. T. R. RADHAKRISHNAN**

*Company Secretary :*

**Mr. NEERAJ R VARMA**

*Auditors :*

**M/s. B S R & ASSOCIATES LLP**

*Bankers :*

**SYNDICATE BANK**

**STATE BANK OF INDIA**

**HDFC BANK**

**YES BANK**

**FEDERAL BANK**

*Registrar and Share Transfer Agents :*

**SKDC CONSULTANTS LIMITED**



## BOARD'S REPORT

To the members,

We are pleased to present the Report on our business and operations for the year ended March 31, 2019.

### 1. RESULTS OF OUR OPERATIONS

Sl. No.	Particulars	2018 - 19	2017 - 18
		₹ In Lakhs	₹ In Lakhs
1	Revenue from operations	27,242	28,094
2	Expenses	26,275	25,436
3	Earnings before Interest, Tax, Depreciation, Amortisation and exceptional items	967	2,658
4	Depreciation and amortisation expenses	252	249
5	Finance cost	702	477
6	Exceptional items	Nil	310
7	Other income	904	453
8	Profit before Tax	917	2,075
9	Tax Expenses	116	755
10	Profit after tax	801	1320
11	Other comprehensive income	(63)	(3)
12	Total comprehensive income for the year	738	1,317
13	Opening Balance- Retained Earnings	1,569	1,121
14	Transfer to general reserve	450	600
15	Dividend and Dividend tax	322	269
16	Closing Balance - Retained Earnings (12+13-14-15)	1,535	1,569
	Other Equity:		
	Reserves		
17	General Reserve	11,250	10,800
18	Retained Earnings	1,535	1,569
19	<b>Total (17+18)</b>	<b>12,785</b>	<b>12,369</b>
20	EPS	10.24	16.88

## **2. CORPORATE GOVERNANCE**

The Company's philosophy on Corporate Governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. Pursuant to the SEBI (Listing Obligations and Disclosure Requirements), 2015, the Corporate Governance Report with the Auditor's Certificate thereon, are attached and form part of this Report.

## **3. MANAGEMENT DISCUSSION & ANALYSIS (M.D.&A.)**

This report includes M.D. & A as appropriate so that duplication and overlapping between Board's Report and the entire material is provided in a composite and comprehensive document.

## **4. BUSINESS PORTFOLIOS AND PERFORMANCE:**

Our Company is a multi-line business organization and is engaged in Logistics services, Coffee processing and trading, Rubber plantations, manufacture and trading of Natural Fibre products.

### **Coffee Division:**

Coffee is seasonal, especially the Division's Monsooned coffee business. Monsooned Coffees are Specialty Coffees from India that are considered Specialty owing to its unique processing method, physical traits and Cup quality.

Monsooned coffees are produced only in the Malabar coast, especially in Mangalore. It is listed under the GI products. Mangalore, which experiences the South West Monsoon rains in abundance during June – September became an established region for processing of Monsooned Coffee owing to the humid climatic conditions that was ideal for recreating Monsooned Coffees. There are two types of Monsooned Coffees – Arabica & Robusta. The primary processing is done during the Monsoon period i.e. June- September months. Our processing unit is ideally located to produce the finest quality of Monsooned coffees.

Harvesting of coffee will take place between the months of Dec-Mar. We have to procure raw coffee for monsooning during Dec-July to take care of our 11 months shipments i.e., from October to next year September. Monsooned coffees cannot be bought off the shelf, as and when it is required for the shipments. Our sales take place in the first half around 30-35% and the balance 65-70% will take place in the second half.

During the year 2018-19, the Division has recorded the highest volume and turnover, inspite of the substantial reduction of prices in Coffee. The price of Coffee reached the lowest in 13 years and therefore the Division could not achieve the Gross Profit levels as compared to the previous two years. The year under review, has therefore, been an year with normal Gross Profit level.

### **Natural Fibre Division:**

During the year under review, export of coir products from India has decreased as compared to the previous year. However there was substantial growth in the export of Geotextiles and power loom mats. The wide applicability and eco friendly property of coir geotextiles are promoting growth in this segment. There was little to no gains for the standard PVC Tufted doormats of the division.

In contrast, the turnover for the division for the year under review was the highest till date both in export as well as domestic sales. The division was successful in achieving marked increase in profits compared to the previous year as a result of increased sales coupled with tight cost controls and the favorable exchange rates.

Selling margins were slightly reduced during the period under review due to severe pressure from business partners, however this was in effect compensated with increased business.

It is also to be noted that the period under review saw marked increase in operating expenses due to increase in raw materials costs. However, the collective efforts taken to control raw materials usage and minimize wastage at all levels, helped the division close the year with improved results.

Product and process quality control measures were strictly monitored in line with control of raw materials usage, to avoid wastage and quality issues. There were no quality issues/claims reported during the period under review.

The profit margins would have seen further improvement if printing of door mats at Pollachi, Tamil Nadu, factory was not disrupted by local agitation during the peak shipment period. Corrective action was taken by the division to move all painting to Alleppey based vendors. Although there was considerable increase in processing and transportation costs, the division managed to meet our delivery commitments without even a single failure. A strategy is being developed to address printing issues at our factory in consultation with the local Administration and the Pollution Control Board.

NFD has also articulated a vision to grow beyond its traditional doormat business by widening its scope to Natural products sourced from South India in the coming years. We have already started exploring opportunity products like Virgin Coconut oil, Lemongrass oil, Coconut Barbecue briquettes, Cotton and Jute textiles, Coir Mattresses, Coir Pith products, etc., for overseas markets under the Aspinwall brand name. Domestic sales are also showing good gains and poised for further growth. Setting up of our own office and a marketing person in USA (as we did for Europe) is also on the priority list.

### **Plantation Division:**

Natural Rubber plantation industry in India was badly affected by torrential rains and floods hitting the state of Kerala in the month of August 2018. The unexpected floods have pushed the sector into more trouble especially when it was passing through a critical phase due to low prices, climate vagaries, high wages, etc. The torrential rains have taken a heavy toll on the rubber output in India, the world's sixth-biggest producer and second-largest consumer.

India's natural rubber production fell by 7.5% to 6.9 lac tonnes in 2018-19, even as consumption went up by 9% to 12.1 lac tonnes, compared to 2017-18. As per Rubber Board's provisional data, production was the second lowest in recent times after the FY 2015-16.

According to the Association of Natural Rubber Producing Countries (ANRPC), world production of natural rubber (NR) also has experienced a fall of 10.1%.

Our plantation could harvest a crop of 788477 Kgs only against a budget of 950000 Kgs mainly on account of the heavy rains and landslide calamity. The Division has taken maximum efforts to bring in more cost efficiency in its operations.

Despite of the adverse conditions, the division could register a slender operational profit by cutting down costs, generating additional income, enhancing productivity and improving the sales premium through better quality/services. The division has successfully started a new venture utilizing the improved brand image and sales premium. The newly launched Bought Latex operations is making good strides by generating additional revenue, enlarging the customer base apart from helping in combating the negative effects of low market price. The division is also exploring the possibility of inter-cropping like Coffee etc. The Wage Settlement is under negotiation and adequate provision has been considered in the financials to take care of estimated rise in wages.

The price situation may slightly improve in the FY 2019-20 on account of the increasing demand - supply gap and expected rise in crude oil prices due to obvious reasons which could in turn boost synthetic rubber prices.

### **Logistics Division:**

During 2018-19 the division has handled new commodities viz. Met Coke, River Sand, Bauxite & Raw Cashews, through its Mangalore Branch.

The Division is specialised in food grains import through its major bulk-cargo handling locations. The volumes of the said cargo are largely controlled by the Government policies and therefore, can vary from time to time. The performance of the Division is not strictly comparable with the previous year, which was an exceptionally good year, considering the large volumes of wheat and fertilizers which were handled during the said year. This has also led to the substantial higher income from warehouses at our major Bulk cargo handling locations for the previous year.

## **5. INTERNAL CONTROL SYSTEM AND ITS ADEQUACY:**

The Company has in place adequate systems of internal control commensurate with its size and the nature of its operations. These have been designated to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorised use, executing transactions with proper authorisation and ensuring compliance of corporate policies.

The Company has appointed M/s.Suri & Co., Chartered Accountants, to oversee and carry out internal audit of its activities. The audit is based on an internal audit plan, which is reviewed every year in consultation with the Statutory Auditors and the Audit Committee.

The Audit Committee of the Board of Directors of the Company reviews the Audit Reports submitted by the internal auditors. Suggestions for improvement are considered and the Audit Committee follows up on corrective action and reviews the positive remedial actions taken.

### Cautionary Statement

Certain statements made in this Report relating to the Company's objectives, projections, outlook, expectations, estimates and others may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations whether expressed or implied. Several factors could make significant difference to the Company's operations. These include climatic and economic conditions affecting demand and supply, government regulations and taxation, natural calamities over which the Company does not have any direct control.

## **6. PERFORMANCE OF THE COMPANY:**

The revenue from operations for the FY 2018-19 was at Rs.27,242 lacs which was marginally lower in comparison to the previous year's figure of Rs.28,094 lacs. EBITDA (before exceptional items) was Rs.967 lacs during the FY 2018-19 as compared to the EBITDA of Rs.2658 lacs (before exceptional items) in the FY 2017-18. During the year, the total comprehensive income was Rs.738 lacs as against Rs.1317 lacs for the last year.

### **Transfer to Reserves**

The Company proposes to transfer Rs.450 lacs to the General Reserve out of the amount available for appropriation and an amount of Rs.1643 lacs is proposed to be retained in the profit and loss account (excluding Other Comprehensive Income).

### **Dividend**

The Board of Directors are pleased to recommend a first and final dividend of Rs.3/- per equity share for the year 2018-19 as compared to Rs.3.5/- per equity share for the year before.

## **7. DEVELOPMENTS IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS:**

Human potentials has been perceived as powerful resource right from founding stage of Aspinwall wherein Company makes continuous and concerted efforts to groom its HR to meet with the present and future challenges in the field of Technology and Management functions and also focuses on providing an environment conducive for grooming employees to enable them to contribute on a continuous basis for the growth of the organization and also to meet with the rapidly changing industrial scenario.

The company is deeply concerned about its Human Resource (HR) which is a prime asset for improvement and enhancement of productivity and profitability. Very harmonious, cordial and healthy industrial relations prevailed throughout the year.

The total strength of human asset of the Company as on March 31, 2019 was 776.



## **8. WHOLLY-OWNED SUBSIDIARIES:**

The Company has four wholly-owned subsidiaries as on March 31, 2019. There are no associate companies or joint venture companies within the meaning of Section 2 (6) of the Companies Act, 2013 ("Act"). There has been no material change in the nature of business of the subsidiaries. Pursuant to the provisions of the Section 129 (3) of the Act, a statement containing the salient features of the financial statements of the Company's subsidiaries in Form AOC-1 is attached to the financial statements of the Company. Further, pursuant to the provisions of the Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with the relevant documents and separate audited accounts in respect of subsidiaries, are available on the website of the Company.

Following are the brief description of the wholly-owned subsidiaries of the Company:

### **8.1 Aspinwall Technologies Ltd**

The main activities of the Company are the development and trading of business automation systems and programmes in software for Aspinwall and Company Limited and its subsidiaries.

### **8.2 Malabar Coast Marine Services Pvt. Ltd.**

The main activities of this Company are stevedoring and freight forwarding. Stevedoring is carried out mainly in the port of Mormugao (Goa). Freight forwarding is carried out in locations like Goa, Bangalore and Mangalore.

### **8.3 Aspinwall Geotech Ltd.**

Aspinwall Geotech Limited was formed for carrying on the business of Geotextiles. However, a major fire accident in the year 2002 had damaged a critical machinery and since then no commercial activity has been possible.

### **8.4 SFS Pharma Logistics Private Limited**

SFS Pharma is engaged in the business of specialized logistics service and provides service for Door to door transportation of temperature/time sensitive shipments in India and abroad.

SFS Pharma handles clinical trial/Pharmaceuticals/Biological sample and other temperature sensitive shipments by providing a validated VIP packaging as well as data loggers.

The company has made improvements in operations during the last two years FY 2017-18 and 2018-19 which is very encouraging and likewise the Company is confident to make decent margins in the years to come.

The company has a plan to further invest in infrastructure, manpower, packaging etc in this FY2019-20 to strengthen its capability.

## **9. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the Section 134 (5) of the Companies Act, 2013, the Board of 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 and there are no 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 the affairs of the Company at the end of the financial year and of the profit of the Company 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 Company and for preventing and detecting fraud and other irregularities;
- iv. the directors have prepared the annual accounts on a going concern basis;

- v. the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
- 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.

## **10. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

### Changes in Directors

During the year under review, Mr.Venkitraman Anand (DIN: 07446834), Executive Director, resigned from the Board of Directors of the Company, effective from the close of business hours of August 31, 2018.

Mr.Adithya Varma (DIN: 02213375), retires by rotation and being eligible, has offered himself for re-appointment.

Mr.Mahadev Lakshminarayanan (DIN:05003710), was appointed as an Additional Director under the Independent category, by the Board of Directors effective from May 01, 2018. The shareholders at the AGM held on August 01, 2018, had regularised the said appointment by passing a Special Resolution, for a period of five years, effective from May 01, 2018.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel ("KMP") of the Company as on the end of the FY 2018-19 are – Mr.Rama Varma, Managing Director, Mr.T.R.Radhakrishnan, Chief Financial Officer, Mr.Rajesh.S, Chief Executive Officer and Mr.Neeraj R Varma, Company Secretary.

The following were the changes to the list of KMPs of the Company during the FY 2018-19:

- a) Mr.Venkitraman Anand, Executive Director, resigned from the Board of Directors of the Company, effective from the close of business hours of August 31, 2018.
- b) Mr.Rajesh.S, was appointed as CEO of the Company effective from November 12, 2018.

The Independent Directors of the Company have submitted a Declaration under Section 149 (7) of the Act, declaring that they meet the criteria of independence under the said Act.

### **Number of meetings of the Board**

Four meetings of the Board of Directors were held during the year. For details of the meetings of the Board, including the attendance details, please refer to the Corporate Governance Report, which forms part of this report.

### **Board Evaluation**

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual directors pursuant to the provisions of the Act and the Corporate Governance requirements as prescribed by SEBI (LODR) Regulations, 2015 and based on the Guidance Note on Board Evaluation issued by SEBI. The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as composition of committees, effectiveness of committee meetings, etc. The Board and the Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director 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. In a separate meeting of the independent directors, performance of non-independent directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into the views of the Managing Director and Non-Executive Director. The same was discussed in the Board Meeting that followed the meeting of the independent directors, at which the performance of the Board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire Board, excluding the independent director being evaluated.

### **Policy on directors' appointment and remuneration and other details**

The brief description of the Company's policy on Director's appointment and remuneration and other matters, has been disclosed in the Corporate Governance Report, which forms part of this Report.

### **Audit committee**

The details pertaining to composition of Audit Committee are included in the Corporate Governance Report, which forms part of this Report.

## **11. AUDITORS:**

### **Statutory Auditors**

Pursuant to the provisions of the Companies Act, 2013, the Company, at its AGM held on August 02, 2017, had appointed M/s.BSR & Associates LLP, Chartered Accountants (Firm Registration No.116231W/W-100024), as the Statutory Auditors of the Company for a period of five years till the conclusion of the 102nd AGM of the Company to be held in the year 2022.

### **Cost Auditors**

M/s BBS & Associates, Cost Accountants (Registration No.00273), were the Cost Auditors of the Company for the FY 2018-19. The Board of Directors at their meeting held on May 27, 2019, has approved the re-appointment of the said firm as the Cost Auditors of the Company for the FY 2019-20 and has also recommended the Audit Fee payable to them. As per the provisions of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014, audit fee payable to the Cost Auditors is to be ratified by the members of the Company.

### **Secretarial Auditors**

M/s BVR & Associates, Company Secretaries LLP (AAE-7079), were appointed as the Secretarial Auditors of the Company for the FY 2018-19.

### **Auditor's Report and Secretarial Audit Report**

The Auditor's report and the Secretarial Audit Report does not contain any qualifications, reservations or adverse remarks. The report of the Secretarial Auditor is given as an Annexure, which forms part of this Report.

## **12. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

The Company has not advanced any loans/guarantees, under section 186 of the Act, during the year. The details of the loans granted by the Company to its wholly-owned subsidiaries of the Company is given as an Annexure to this Report.

## **13. TRANSACTIONS WITH RELATED PARTIES**

None of the transactions with related parties falls under the scope of Section 188 (1) of the Act. Information on transactions with related parties pursuant to Section 134 (3) (h) of the Act read with Rule 8 (2) of the Companies (Accounts) Rules, 2014, are given as an Annexure in Form AOC-2 and the same forms part of this Report.

## **14. CORPORATE SOCIAL RESPONSIBILITY**

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out as an Annexure of this Report in the format prescribed in the Companies (Corporate Social Responsibility) Rules, 2014. For other details of the CSR Committee, please refer to the Corporate Governance Report, which forms part of this report. The Policy is available on the website of the Company (URL: <http://aspinwall.in/corporate-governance.php>).

## **15. EXTRACT OF ANNUAL RETURN**

Pursuant to the provisions of Section 92(3) of the Act, the extract of the Annual Return is given as an Annexure in the prescribed Form MGT-9, which forms part of this Report.

## **16. PARTICULARS OF EMPLOYEES**

There are no employees drawing remuneration more than the prescribed levels as mentioned under Section 197 of the Act read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and the subsequent amendments thereto. The other information required under the said provisions are given below:

a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Name of Directors	Ratio to median remuneration
<b>Non Executive/Independent Directors*</b>	
Mr.C.R.R. Varma*	2.25
Mr.Adithya Varma*	0.97
Mr.K.R.N. Menon*	2.35
Mr.M. Lakshminarayanan #	1.80
Vice Admiral Sushil Krishnan Nair (IN Retd.)*	2.35
Ms.Nina Nayar*	2.66
<b>Whole-Time Directors</b>	
Mr.Rama Varma – Managing Director	51.50
Mr.Venkitraman Anand - Executive Director@	27.97

\*The remuneration for Non-Executive/Independent Directors are the Sitting Fees paid to them for attending the Board/Committee meetings held during the year. The same, varies, based on their attendance at the meetings.

#Inducted to the Board of Directors w.e.f. May 01, 2018.

@Resigned from the Board of Directors w.e.f. August 31, 2018.

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

Directors, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year
Mr.C.R.R. Varma*	96.97%
Mr.Adithya Varma**	N.A.
Mr.K.R.N. Menon*	54.55%
Vice Admiral Sushil Krishnan Nair (I. N. Retd.)*	142.86%
Ms.Nina Nayar*	75%
Mr.M. Lakshminarayanan #	N. A.
Mr.Rama Varma (Managing Director)	27.35%
Mr.Venkitraman Anand (Executive Director) \$	(44.54%)
Mr.T.R.Radhakrishnan (Chief Financial Officer)&	(4.92%)
Mr.Neeraj R Varma (Company Secretary)@	23.80%

\* The remuneration for Non-Executive/Independent Directors are the Sitting Fees paid to them for attending the Board/Committee meetings held during the year. The same, varies, based on their attendance. Also, the Sitting Fee for the Non-Executive/Independent Directors was increased, during the FY 2018-19, with the approval of shareholders, at the Annual General Meeting.

\*\*Inducted as Additional Director w.e.f. August 17, 2017.

#Inducted as Additional Director during the FY 2018-19.

\$Resigned from the Board of Directors w.e.f. August 31, 2018.

&Decrease is due to the reduction in Variable Pay component.

@The increase is due to the Variable Pay component as per the Policy of the Company and due to the annual increments.

- c) The percentage increase in the median remuneration of employees in the financial year: -2.03%
- d) The number of permanent employees on the rolls of the Company as on March 31, 2019: 776.
- e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average annual increase made in the salaries of employees other than managerial personnel was 13.28%.

Increase in the remuneration of managerial personnel for the year was 7.50% (the said variation is due to the Variable Pay component based on the Policy and the change in the eligibility criteria of the said Policy).

- f) The Company affirms that the remuneration is as per the remuneration policy of the Company.
- g) The top 10 employees of the Company in terms of the remuneration drawn during the year 2018-19 are enclosed as Annexure to this Report.

## **17. DEPOSITS FROM PUBLIC**

As reported last year, the Company has stopped accepting/renewing Fixed Deposits and has repaid all the Fixed Deposits as on March 31, 2015. The unclaimed interest amounts relating to the earlier Fixed Deposits are lying in the Interest Warrant Bank Account of the Company and is being transferred to the Investors' Education and Protection Fund ("IEPF") as and when it is due to be transferred, pursuant to the provisions of the Act.

## **18. FOREIGN EXCHANGE EARNINGS AND OUTGO**

### **(a) Export activities, initiatives taken to increase export, etc.**

Coffee and Coir are the major export oriented business of the Company.

Our representative based at Netherlands over the past several years has been able to promote the activities of the Company across Europe. His efforts along with the visits of senior executives from India have helped the Company to retain and improve the customer base across Europe. During the year, the Companies' Executives along with our representative in Europe have participated/attended various exhibitions/trade fairs.

### **(b) Total foreign exchange used and earned**

During the year under review, the Company's foreign exchange earnings amounted to Rs.13,249 lacs compared to Rs.12,623 lacs in the previous year. The total outgo of foreign exchange amounted to Rs.72 lacs as against Rs.42 lacs in the previous year.

## **19. BUY-BACK**

The Company has not contemplated any buy-back of shares.

There has been no change in the share capital of the Company during the FY 2018-19.

## **20. CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION**

The particulars as prescribed under Section 134 (3) (m) of the Act, read with the Companies (Accounts) Rules, 2014, are not applicable to your Company.

## **21. SIGNIFICANT AND MATERIAL ORDERS**

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

## **22. ENTERPRISE RISK MANAGEMENT**

The Board of Directors had also formulated a Risk Management Policy for identification, assessment, monitoring, mitigation and reporting procedures of enterprise risks. The Risks have been categorised under Strategic, Operational, Financial, Compliance and Project headings.

## **23. MENTORSHIP AND SUCCESSION PLANNING POLICY**

The Board of Directors has formulated a comprehensive policy for establishing a structured approach to ensure an internal supply of competent employees who can take up key positions when necessary. The roles, eligibility, time frame, integration with other Human Resource functions and Succession Planning process for the senior management has been spelt out in the Policy.

## **24. VIGIL MECHANISM/WHISTLE-BLOWER POLICY**

Vigil Mechanism is created pursuant to the provisions of Section 177 of the Act, which is an instrument, through which, genuine complaints regarding the Company can be reported by both the Directors as well as Employees of the Company to an authority. The Audit Committee has been identified for this purpose. The mode of operation of Vigil Mechanism has been defined by the Audit Committee. Adequate safeguards against victimisation of persons who use Vigil Mechanism to make a direct access to the Chairman of the Audit Committee is provided.

## **ACKNOWLEDGEMENTS**

Your Directors take this opportunity to thank our customers, shareholders, suppliers, bankers, business partners/ associates, financial institutions and Central and State Governments for their consistent support and encouragements to the Company. We would also place on record our sincere appreciation to all employees of the Company for their hard work and commitment.

The Directors appreciate and value the contributions made by every employee of the Aspinwall family.

By The Order of the Board

Kochi,  
May 27, 2019.

KRN MENON  
Chairman  
DIN 00877505

RAMA VARMA  
Managing Director  
DIN 00031890

### **Annexure -1- Annual Report on CSR activities**

Pursuant to Section 135 of Companies Act, 2013, we have set-up a Board Sub-Committee named CSR Committee, comprising of following members:

Mr. Rama Varma, Chairman

Mr. K. R. N. Menon

Ms. Nina Nayar

Vice Admiral Sushil Krishnan Nair (I.N.Retd.)

#### **Objective:**

As outlined in our CSR Policy, our main objective is to be responsible to the society as a Corporate Citizen by streamlining and providing more focus and direction to the activities undertaken by the Company in this sphere.

#### **Brief Outline of the CSR Policy:**

Our Company focuses on the following thrust areas to bring a material impact:

- I. Eradicating hunger, poverty and malnutrition, promoting healthcare including preventive health care and sanitation and making available safe drinking water.
- II. Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- III. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- IV. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water.
- V. Protection of national heritage, art and culture including restoration of building and sites of historical importance and works of art and setting up of public libraries.
- VI. Measures for the benefit of armed forces veterans, war widows and their dependents.
- VII. Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports.
- VIII. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.
- IX. Contributions of funds provided to technology incubators located within academic institutions which are approved by the Central Government.

#### **Financial Details**

Section 135 of the Companies Act, 2013 and Rules made thereunder prescribe that every Company having a net-worth of Rs.500 crore or more, or turnover of Rs.1000 crore or more or a net profit of Rs.5 crore or more during any financial year shall ensure that the Company spends, in every financial year, at least 2% of the average net profits made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. The provisions pertaining to the corporate social responsibility as prescribed under the Companies Act, 2013 are applicable to Aspinwall and Company Limited.

The financial details as sought by the Companies Act, 2013, are as follows:

<b>Particulars</b>	<b>Amount (in Rs. lakhs)</b>
Average net profit of the company for the last three financial years	1593.65
Prescribed CSR expenditure (2% of the average net profit as computed above)	31.87
Details of CSR expenditure during the financial year:	
Total amount to be spent for the financial year	31.87
Amount spent	31.91
Amount unspent	Nil

The manner of the amount spent during the financial year is as follows:

(in Rs. lakhs)

Sl. No.	CSR project/ activity/ beneficiary	Location	Sector	Amount Outlay (Budget)	Amount spent	Cumulative Expenditure upto the reporting period	Amount spent directly or through implementing agency
1.	Medical Infrastructure facilities	Ernakulam	Improvement of Infrastructure facilities	8.24	8.24	8.24	Directly
2.	Kerala Chief Minister's Disaster Relief Fund – Kerala Flood	Ernakulam	Disaster Relief	10	10	10	Directly
3.	Improving Infrastructure to build Football Ground	Malappuram	Promotion of sports in rural areas	6.20	6.20	6.20	Directly
4.	Improving the Infrastructure facility of School for disabled children	Ernakulam	Education	0.97	0.97	0.97	Directly
5.	Mid-day meal Programme	Ernakulam	Eradicating Hunger	1.5	1.5	1.5	Directly
6.	Providing training/ education to the under-privileged youth	Bangalore	Education	5	5	5	Directly
		<b>TOTAL</b>		<b>31.91</b>	<b>31.91</b>	<b>31.91</b>	

### Our CSR Responsibilities

We hereby affirm that the CSR Policy has been implemented and the CSR Committee monitors the implementation of the CSR Projects and activities in compliance with our CSR objectives.

Sd/-

**RAJESH.S**  
Executive Director & CEO

Sd/-

**RAMA VARMA**  
Chairman, CSR Committee



## **Annexure - 2**

### **Details of Loans/Investments/Guarantees as per Section 186 of the Companies Act, 2013**

#### **Loans**

<b>Sl. No.</b>	<b>Loan granted to</b>	<b>Year of sanction</b>	<b>Nature</b>	<b>Particulars</b>	<b>Amount sanctioned (in Rs.)</b>	<b>Outstanding principal amount as on 31.03.2019 (in Rs.)</b>
1.	Aspinwall Geotech Limited*	2014	To settle the TIFAC Loan and for meeting the statutory liabilities.	Interest at the rate of 12.50% p.a.	65 lacs	51.21 lacs
2.	SFS Pharma Logistics Private Limited*	2015	Purchase of Fixed Assets and other working capital requirements	Interest at the rate of 10% p.a.	50 lacs	32 lacs

\*Wholly-owned subsidiary of Aspinwall and Company Limited.

#### **Guarantees**

During the year, the Company has not given any guarantees to any person. The guarantees given during the previous years, is detailed in the Notes to the Financial Statements.

#### **Investments**

During the year, the Company has not acquired by way of subscription, purchase or otherwise, the securities of any other body corporate. The details of investments made by the Company, during the previous years, is given in the Notes to the Financial Statements.

**Annexure - 3 - EXTRACT OF ANNUAL RETURN****FORM No. MGT- 9 as on March 31, 2019****Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.**(Same is disclosed in [www.aspinwall.in](http://www.aspinwall.in))**I REGISTRATION & OTHER DETAILS:**

1.	CIN	L74999KL1920PLC001389
2.	Registration Date	20/09/1920
3.	Name of the Company	Aspinwall and Company Limited
4.	Category/Sub-category of the Company	Public Limited Company
5.	Address of the Registered office & contact details	Building No.926/A1 to A5, Devankulangara, Edappally, Kochi, Kerala, India – 682 024 E-mail: investors@aspinwall.in Ph:0484-2725400
6.	Whether listed company	Yes
7.	Stock Exchange	NSE, Symbol : ASPINWALL
8.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	SKDC Consultants Limited, Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore – 641 006 Contact Person: Vijayalakshmi.S, Ph: 0422 654995 E-mail:info@skdc-consultants.com

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company are mentioned below:

Sl. No.	Name and Description of main Product/service	Business Activity Code	% to total turnover of the company
1.	Logistics	H5	36
2.	Manufactured Coffee	C1	50

**III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sl.	Name and address of Subsidiary Company	CIN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Aspinwall Technologies Limited Devankulangara, Edappally, Kochi - 682024.	U72200KL1977PLC002937	Subsidiary	100%	2(87)
2	Malabar Coast Marine Services Private Limited Devankulangara, Edappally, Kochi - 682024.	U05005KL1990PTC005764	Subsidiary	100%	2(87)
3	Aspinwall Geotech Limited Devankulangara, Edappally, Kochi - 682024.	U18101KL1994PLC008197	Subsidiary	100%	2(87)
4	SFS Pharma Logistics Private Limited Devankulangara, Edappally, Kochi - 682024.	U63090KL2011PTC029554	Subsidiary	100%	2(87)

**IV SHARE HOLDING PATTERN 31.03.2019**

(Equity Share Capital Breakup as percentage of Total Equity)

(I) Category-wise Share Holding

Category of shareholders	No.of Shares held at the beginning of the year				No.of Shares held at the end of the year				% of change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(A) Promoters</b>									
<b>(1) Indian</b>									
a) Individuals/ Hindu Undivided Family	2874634	0	2874634	36.768	2874634	0	2874634	36.768	0.000
b) Central Government/ State Government(s)	0	0	0	0.000	0	0	0	0.000	0.000
c) Bodies Corporate	2165020	0	2165020	27.692	2165020	0	2165020	27.692	0.000
d) Financial Institutions/ Banks	0	0	0	0.000	0	0	0	0.000	0.000
e) Any Others (Specify)	0	0	0	0.000	0	0	0	0.000	0.000
TRUSTS	0	0	0	0.000	0	0	0	0.000	0.000
<b>Sub Total(A) (1)</b>	<b>5039654</b>	<b>0</b>	<b>5039654</b>	<b>64.460</b>	<b>5039654</b>	<b>0</b>	<b>5039654</b>	<b>64.460</b>	<b>0.000</b>
<b>(2) Foreign</b>									
a) Individuals (Non-Residents Individuals/ Foreign Individuals)	0	0	0	0.000	0	0	0	0.000	0.000
b) Bodies Corporate	0	0	0	0.000	0	0	0	0.000	0.000
c) Institutions	0	0	0	0.000	0	0	0	0.000	0.000
d) Qualified Foreign Investor	0	0	0	0.000	0	0	0	0.000	0.000
e) Any Others (Specify)	0	0	0	0.000	0	0	0	0.000	0.000
<b>Sub Total(A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>0.000</b>
<b>Total Shareholding of Promoter and Promoter Group (A)= (A) (1)+(A) (2)</b>	<b>5039654</b>	<b>0</b>	<b>5039654</b>	<b>64.46</b>	<b>5039654</b>	<b>0</b>	<b>5039654</b>	<b>64.46</b>	<b>0.000</b>
<b>(B) Public shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds/ UTI									
b) Venture Capital Funds	0	0	0	0.000	180	0	180	0.002	0.002
c) Alternate Investment Funds									
d) Foreign Venture Capital Investors									
e) Foreign Portfolio Investors									
f) Financial Institutions / Banks	180	0	180	0.002	100	0	100	0.001	-0.001
g) Insurance Companies									
h) Provident Funds / Pension funds									
i) Any Other (specify)									
<b>Sub-Total (B) (1)</b>	<b>180</b>	<b>0</b>	<b>180</b>	<b>0.002</b>	<b>100</b>	<b>0</b>	<b>100</b>	<b>0.001</b>	<b>-0.001</b>

(I) Category-wise Share Holding (*Continued*)

<b>(2)Non-institutions</b>									
<b>a) Bodies Corporate</b>									
i) Indian	433558	2244	435802	5.574	382991	2244	385235	4.927	-0.647
ii) Overseas									
<b>b) Individuals</b>									
i)Individual shareholders holding nominal share capital up to Rs 1 lakh	705408	423897	1129305	14.445	818601	323474	1142075	14.608	0.163
ii)Individual shareholders holding nominal share capital in excess of Rs. 1 lakh .	712493	218680	931173	11.910	768111	197542	965653	12.351	0.441
<b>c) Others (specify)</b>									
DIRECTORS & THEIR RELATIVES	0	130	130	0.002	0	130	130	0.002	0.000
FOREIGN NATIONALS	0	0	0	0.000					0.000
NON RESIDENT INDIANS	22797	23208	46005	0.588	28557	22556	51113	0.654	0.066
CLEARING MEMBERS	40488	0	40488	0.518	16382	0	16382	0.210	-0.308
HINDU UNDIVIDED FAMILIES	45384	0	45384	0.580	60456	0	60456	0.773	0.193
Inv. Education and Protection Fund Auth.	150167	0	150167	1.921	157490	0	157490	2.014	0.093
<b>Sub-Total (B)(2)</b>	<b>2110295</b>	<b>668159</b>	<b>2778454</b>	<b>35.538</b>	<b>2232588</b>	<b>545946</b>	<b>2778534</b>	<b>35.539</b>	<b>0.001</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>2110475</b>	<b>668159</b>	<b>2778634</b>	<b>35.540</b>	<b>2232688</b>	<b>545946</b>	<b>2778634</b>	<b>35.540</b>	<b>0.000</b>
<b>C.Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>7150129</b>	<b>668159</b>	<b>7818288</b>	<b>100.000</b>	<b>7272342</b>	<b>545946</b>	<b>7818288</b>	<b>100.000</b>	<b>0.000</b>

**B&C : Shareholding of Promoter including changes in the shareholding, if any:-**

**Shareholding of Promoters**

Shareholders Name	No.of Shares held at the beginning of the year			No.of Shares held at the end of the year			% of change 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	
NARAYANAN INVESTMENT TRUST PRIVATE LTD	1705884	21.819	0.000	1705884	21.819	0.000	0.000
H H MOOLAM THIRUNAL RAMA VARMA	1165344	14.905	0.000	1165344	14.905	0.000	0.000
H H GOURI PARVATHI BAYI	1044992	13.366	0.000	1044992	13.366	0.000	0.000
KUMARI INVESTMENT CORPORATION PVT LTD	459136	5.873	0.000	459136	5.873	0.000	0.000
POORURUTTATHI THIRUNAL MARTHANDA VARMA .	211270	2.702	0.000	211270	2.702	0.000	0.000
H H THIRUVATHIRA THIRUNAL LAKSHMI BAYI	151058	1.932	0.000	151058	1.932	0.000	0.000
H.H.ASWATHI THIRUNAL RAMA VARMA	115514	1.477	0.000	115514	1.477	0.000	0.000
AVITTAM THIRUNALADITHYA VARMA .	80916	1.035	0.000	80916	1.035	0.000	0.000
GOURI LAKSHMI BAYI	65890	0.843	0.000	65890	0.843	0.000	0.000
RAJARAJA VARMA CHEMPROL	37586	0.481	0.000	37586	0.481	0.000	0.000
Mr. R. KRISHNAKUMAR	1064	0.014	0.000	1064	0.014	0.000	0.000
Dr. GIRIJA VARMA	1000	0.013	0.000	1000	0.013	0.000	0.000
TOTAL	5039654	64.460	0.000	5039654	64.460	0.000	0.000

**D) Shareholding Pattern of top ten Shareholders:**  
(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl no	For each of top 10 shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No.of Shares	%	No.of Shares	%
1	I C D S LIMITED	155988	1.995	155988	1.995
2	INVESTOR EDUCATION AND PROTECTION FUND	150167	1.921	157490	2.014
3	MAHENDRA GIRDHARILAL	146872	1.879	146872	1.879
4	MIAMA POONNEN .	68500	0.876	68500	0.876
4	MIAMA POONNEN	22326	0.286	0	0.000
4	MIAMA POONNEN	0	0.000	22326	0.286
5	RAMAH CHANDER	62250	0.796	62250	0.796
6	MRS.SUBHADRA REVI KARUNA KARAN	59106	0.756	59106	0.756
7	THE SAVAMALAI ESTATES LTD	58742	0.751	58742	0.751
8	ACUMEN COMMODITIES (INDIA) LTD	50000	0.640	39906	0.510
9	STOCK HOLDING CORPORATION OF INDIA LTD	47000	0.601	0	0.000
10	ZAKI ABBAS NASSER	40000	0.512	0	0.000
11	GEETHA V	0	0.000	36000	0.460
12	BYNA MURALI	25000	0.320	34000	0.435

**E) Shareholding of Directors and Key Managerial Personnel:**

NAME	Shareholding at the beginning of the year		Shareholding at the end of the year		% of Change during the year
	No.of Shares	%	No.of Shares	%	
1 H H MOOLAM THIRUNAL RAMA VARMA	1165344	14.905	1165344	14.905	0.000
2 RAJARAJA VARMA CHEMPROL	37586	0.481	37586	0.481	0.000
3 K.R.N.MENON	50	0.001	50	0.001	0.000
4 KRISHNAN NAIR SUSHIL	30	0.000	30	0.000	0.000
5 AVITTAM THIRUNALADITHYA VARMA	80916	1.035	80916	1.035	0.000
6 RADHAKRISHNAN T R (CFO)	224	0.003	224	0.003	0.000

**V) INDEBTEDNESS -**

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

(Rs. in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits*	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	6,855	275	-	7,130
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	6,855	275	-	7,130
<b>Change in Indebtedness during the financial year</b>				
Addition	1,557	-	-	1,557
Reduction	1,721	-	-	1,721
<b>Net Change</b>	(164)	-	-	(164)
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	6,691	275	-	6,966
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	6,691	275	-	6,966

\*As mentioned in the Board's Report, the Company has stopped accepting/renewing Fixed Deposits and has repaid all the fixed deposits as on March 31, 2015. The unclaimed interest amounts relating to the earlier Fixed Deposits are lying in the Unpaid Interest Warrant Account of the Company which comes to Rs.1.82 lacs as on March 31, 2019 shall be transferred to Investors' Education and Protection Fund ("IEPF") as and when it is due to be transferred, pursuant to the provisions of the Companies Act, 2013.

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-****A. REMUNERATION TO MANAGING DIRECTOR – MR.RAMA VARMA**

S.N.	Particulars of Remuneration	Total Amount (Rs. In lakhs)
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	64.55
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.40
	(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	9.60
5	Others:	-
	Total (A)	74.55
	Ceiling as per the Act	Refer Note*

\*The remuneration is well within the limit of Rs.2.40 Crores p.a., as per the Companies Act, 2013

## B. REMUNERATION TO EXECUTIVE DIRECTOR – MR.VENKITRAMAN ANAND

(Resigned effective from August 31, 2018)

S.N.	Particulars of Remuneration	Total Amount (Rs. In lakhs)
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	30.32
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.57
	(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	9.60
5	Others:	-
	Total (A)	40.49
	Ceiling as per the Act	Refer Note*

\*The remuneration is well within the limit of Rs.2.40 Crores p.a., as per the Companies Act, 2013

## C. REMUNERATION TO OTHER DIRECTORS (In Rs.)

S. N.	Particulars of Remuneration	Name of Directors						
		C.R.R. Varma	Adithya Varma	K.R.N. Menon	M Lakshminarayanan	Vice Admiral Sushil Krishnan Nair (I. N. Retd.)	Nina Nayar	.Total
1	Independent Directors							
	Fee for attending Board / committee meetings	-	-	3.40	2.60	3.40	3.85	13.25
	Commission	-	-	-	-	-	-	-
	Others, please specify							
	<b>Total (1)</b>	-	-	3.40	2.60	3.40	3.85	13.25
2	Other Non-Executive Directors							
	Fee for attending board committee meetings	3.25	1.40	-	-	-	-	-
	Commission	-	-	-	-	-	-	-
	Others	-	-	-	-	-	-	-
	<b>Total (2)</b>	3.25	1.40	-	-	-	-	-
	<b>Total (B)=(1+2)</b>	3.25	1.40	3.40	2.60	3.40	3.85	17.9



**D REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/ MANAGER/ WTD**

(Rs. In lakhs)

S.N.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CFO	CS	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	30.21	52.99	13.86	97.06
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.96	1.59	-	2.55
	(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	-	-	-	-
5	Others	-	-	-	-
	<b>Total</b>	<b>31.17</b>	<b>54.58</b>	<b>13.86</b>	<b>99.61</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

There were no penalties/punishment/compounding of offenses for the year ended March 31, 2019.

#### **Annexure - 4**

##### **Form AOC-2 – Particulars of contracts/arrangements with related parties**

*[Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8 (2) of the Companies (Accounts) Rules, 2014]*

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

**1. Details of contracts or arrangements or transactions not at arm's length basis:** The Company has not entered into any contract/arrangement/transaction with its related parties which are not in ordinary course of business or at arm's length during FY 2018-19. The Company has laid down policies and processes/procedures so as to ensure compliance to the subject section in the Companies Act, 2013 ("Act") and the corresponding Rules. In addition, the process goes through internal and external checking, followed by quarterly reporting to the Audit Committee.

- (a) Name(s) of the related party and nature of relationship: Not Applicable
- (b) Nature of contracts/arrangements/transactions: Not Applicable
- (c) Duration of the contracts / arrangements/transactions: Not Applicable
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- (e) Justification for entering into such contracts or arrangements or transactions: Not Applicable
- (f) Date(s) of approval by the Board: Not Applicable
- (g) Amount paid as advances, if any: Not Applicable
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: Not Applicable

Details of material contracts or arrangement or transactions at arm's length basis:

- a. Name(s) of the related party and nature of relationship: Not Applicable
- b. Nature of contracts / arrangements / transactions: Not Applicable
- c. Duration of the contracts / arrangements / transactions: Not Applicable
- d. Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- e. Date(s) of approval by the Board, if any: Not Applicable
- f. Amount paid as advances, if any: None

Note: The above disclosures on material transactions are based on the principle that transactions with wholly owned subsidiaries are exempt for purpose of section 188(1) of the Act.

For and on behalf of the Board of Directors

Sd/-  
**KRN MENON**  
Chairman  
DIN 00877505

Sd/-  
**RAMA VARMA**  
Managing Director  
DIN 00031890

### **Annexure 5**

#### **Particulars of the top 10 employees of the Company in terms of remuneration drawn during the year 2018-19**

Sl No.	Name	Designation	Remuneration (₹ in Lakhs)	Nature of employment	Qualification & experience	Date of commencement of employment	Age	Last employment held by such employee before joining the Company
1	Ronald Nauts	Sales manager	78	Permanent	PG in Business Economics, 15 Years	01.05.2012	46	Vaculux Daylight Systems, Netherlands
2	Rama Varma	MD	75	Permanent	B.Sc, 47 years	01.08.2005	69	Varma Exports
3	Thimmaiah KD	General Manager	62	Permanent	MSW, 42 years	09.05.1990	64	Pierce Leslie Ltd.
4	Radhakrishnan T.R.	CFO	55	Permanent	B.Com., FCA, 32 years	21.10.1991	56	Fraser & Ross
5	Jebachandran. J	General Manager	51	Permanent	FCA, 26 years	08.08.1994	51	Amaravathi Spinning Mills.
6	Venkitraman Anand*	ED	40	Permanent	B Com, 34 years	02.07.2013	56	Parry Agro Industries Ltd
7	Mohan Kurian	General Manager	38	Permanent	MBA, 27 years	01.11.2002	61	CEAT limited
8	Rajesh S	CEO	31	Permanent	CWA, 25 Years	12.11.2018	48	Eastern
9	Gopalakrishnan K.V	Head HR	27	Permanent	PG Diploma in Personnel Management (22 years)	12.06.2013	47	Air Travel Enterprises India ltd
10	Kumar Rajeev Ranjan*	AGM	23	Permanent	MBA, 14 years	20.01.2016	34	Pro Trans Asia Logistics, Mumbai

\* part of the year

### Ratios of the Company

Ratios	Units	FY 2019	FY 2018
Debtors Turnover	Days	45	39
Inventory Turnover	Days	260	290
Current Ratio	Times	1.49	1.52
Interest Coverage	Times	2.41	4.28
Debt-Equity Ratio	%	84	96
Operating Profit Margin	%	3.55	8.35
Net Profit Margin	%	2.71	4.69
Return on Net Worth	%	5.44	10.01

### SECTORAL RATIOS

Ratios	Units	FY 2019				FY 2018			
		Logistics	Plantation	NFD	Coffee	Logistics	Plantation	NFD	Coffee
Debtors Turnover	Days	72	1	63	27	53	2	49	27
Inventory Turnover	Days	N.A.	47	43	299	N.A.	34	47	337
Current Ratio	Times	1.74	0.39	1.48	2.33	1.94	0.16	1.55	2.37

#### Explanation for reduction in Return on Net Worth:

The substantial profits of the Company is generated from Coffee Division followed by Logistics Division. The profits from Coffee Division has come down drastically this year, due to the reduction of price of Coffee after its procurement. Being seasonal in nature, the entire Coffee required for the season has to be purchased within July every year, which are being sold within September of the succeeding year. As such, there can be considerable fluctuation in profit margins, depending on the movement of prices between the period of completion of procurement and exports. Therefore, there's a long gestation period between procurement of Coffee and realisation of exports, which can widely affect the profit margins.

Further, the international prices of Coffee are generally based on the global production and the availability of Coffees for sale. During the previous two financial years, the prices had improved after its procurement, which has enabled the Company to earn windfall profits. However, during the year under review, the prices of Coffee moved downwards, leading to lower margins, especially during the second half of the FY.

Also the performance of the Logistics Division, largely depends on the Policies of the Government, relating to the Imports of food grains. Considerable profits are generated through the bulk-cargo handling locations of the Division and the major cargo comprises of food grains and fertilizers.

## ANNEXURE - 6 - REPORT ON CORPORATE GOVERNANCE

### I. Company's Philosophy on Corporate Governance.

Corporate governance is creation and enhancing long-term sustainable value for the stakeholders through ethically driven business process. At Aspinwall, it is imperative that our Company affairs are managed in a fair and transparent manner.

The Code of Conduct for Directors and Senior Management reflects the company's expectations regarding adherence to high moral and ethical standards on which the Company's reputation has been so painstakingly founded.

### II. Board of Directors:

The Board, as on March 31, 2019, comprises 7 Directors of which 4 are Independent Directors. None of the Directors on the Board is a Member on more than 10 Committees and Chairman of more than 5 Committees, across all the companies in which he is a Director. Necessary disclosures regarding Committee positions have been made by all the Directors.

#### Composition and category of Directors

The names and categories of Directors, their attendance at the Board Meetings held during last year and at the last Annual General Meeting, as also the number of Directorships and Committee positions held by them in other companies are given below:

#### a) The composition of the Board of Directors during the FY 2018 - 19 :

Name of Director	Executive/ Non-Executive	No.of outside Directorships*	Total no. of Com- mittee Member- ships in other companies**	Total no. of Chairmanships in other companies**
Mr. Rama Varma	Managing Director	1	4	Nil
Mr.C.R.R.Varma	Non-Executive (holds 37,586 equity shares in the Company)	2	Nil	Nil
Mr.K.R.N.Menon	Non-Executive, Independent (holds 50 equity shares in the Company)	1	Nil	Nil
Vice Admiral Sushil Krishnan Nair I.N. (Retd.)	Non-Executive, Independent (holds 30 equity shares in the Company)	-	Nil	Nil
Ms.Nina Nayar	Non-Executive, Independent	1	Nil	Nil
Mr.M.Lakshminarayanan	Non-Executive, Independent	Nil	Nil	Nil
Mr.Adithya Varma (holds 80,916 equity shares)	Non-Executive	-	-	-
Mr.Venkitraman Anand#	Executive	-	Nil	Nil

\* Excludes Directorships in Indian Pvt. Ltd. Companies, Foreign Companies and Alternate Directorships.

\*\* Represents Memberships/Chairmanships of Audit Committee, Investors Grievance Committee, Nomination and Remuneration Committee and CSR Committee.

# Resigned effective from the close of business hours of August 31, 2018.

The Board Meetings for the FY 2018-19 were held on the following dates:

- May 28, 2018;                      □ August 01, 2018;
- November 12, 2018; and      □ February 05, 2019.

Web-link where details of familiarization programmes are uploaded – [www.aspinwall.in](http://www.aspinwall.in)

- b) The attendance of each Director at the above Board Meetings and the last AGM which was held on August 01, 2018 is given below:

	Name of Director	No.of Board Meetings held	No.of Board Meetings attended	Attendance at last AGM
1	Mr. Rama Varma	4	4	Yes
2	Mr. C.R.R. Varma	4	4	Yes
3	Mr. K.R.N. Menon	4	4	Yes
4	Mr. M Lakshminarayanan	4	4	Yes
5	Vice Admiral Sushil Krishnan Nair I.N. (Retd.)	4	4	Yes
6	Ms. Nina Nayar	4	4	Yes
7	Mr.Venkitraman Anand*	2	2	Yes
8.	Mr.Adithya Varma	4	4	Yes

\*Mr.Venkitraman Anand, Executive Director, resigned from the Board of Directors of the Company effective from the close of business hours on August 31, 2018.

- c) Disclosure of relationships between Directors inter-se:

Following directors forms part of the Promoter group and are related to each other:

Mr.Rama Varma, Managing Director is the brother of Ms.Gouri Parvathi Bayi, wife of Mr.CRR Varma, Director.

Mr.Adithya Varma, Director is the son of Ms.Gouri Lakshmi Bayi, who is the sister of Mr.Rama Varma, Managing Director.

### III. Committees of the Board

**Audit Committee:** As on March 31, 2019, the Audit Committee comprises five Non-Executive Directors of whom four are Independent Directors.

Role of Audit Committee:

1. Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing with the Management, the annual Financial Statements before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) sub-section 3 of section 134 of the Companies Act, 2013.
  - Changes, if any, in Accounting policies and practices and reason for the same.
  - Major Accounting entries involving estimates based on the exercise of judgment by the Management.

- Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of any related party transactions.
  - Qualifications in the draft audit report.
5. Reviewing, with the Management, the quarterly financial statements before submission to the Board for approval.
  6. Reviewing, with the management, the details of uses/application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency and making appropriate recommendations to the Board to take up steps in this matter.
  7. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
  8. Approval or any subsequent modification of transactions of the company with related parties.
  9. Security of inter-corporate loans and investments.
  10. Valuation of undertakings or assets of the company, wherever necessary.
  11. Evaluation of internal financial controls and risk management systems.
  12. Reviewing, with the Management, performance of statutory and internal auditors, and adequacy of internal control systems.
  13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department reporting structure coverage and frequency of internal audit.
  14. Discussion with internal auditors on any significant findings and follow up thereon.
  15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and report the matter to the Board.
  16. Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
  17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders and shareholders (in case of non-payment of declared dividend) and creditors.
  18. To carry out any other function as may be referred to by the Board.
  19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
  20. Carrying out any other function as mentioned in Terms of Reference of Audit Committee.

The composition of the Audit Committee (as on March 31, 2019), meetings held and attendance is as follows:

Members of Audit Committee	No. of Meetings held	No.of meetings attended
Mr.M.Lakshminarayanan (Chairman)	4	4
Mr. K.R.N. Menon	4	4
Mr. C.R.R.Varma	4	4
Vice Admiral Sushil Krishnan Nair I.N. (Retd.)	4	4
Ms.Nina Nayar	4	4

The meetings of the Audit Committee were held on the following dates during the FY 2018-19:

- May 28, 2018;      ● August 01, 2018;      ● November 12, 2018; and      ● February 05, 2019.

The Audit Committee Meetings are attended by the Managing Director, Chief Executive Officer/Executive Director, Chief Financial Officer, Company Secretary, and the representatives of the Statutory Auditors and Internal Auditors.

Mr.M.Lakshminarayanan, Chairman of the Audit Committee, was present at the Annual General Meeting of the Company held on August 01, 2018.

*Nomination and Remuneration Committee:*

As on March 31, 2019, the Committee consists of 3 Independent Non-executive Directors as follows:

Members of Remuneration Committee	Designation	Category	Meetings attended
Ms.Nina Nayar	Chairman	Non-Executive, Independent	2
Mr. K.R.N Menon	Member	Non-Executive, Independent	2
Vice Admiral Sushil Krishnan Nair(I.N.Retd)	Member	Non-Executive, Independent	2

The meetings of the Nomination and Remuneration Committee were held on the following dates:

- May 28, 2018; and
- February 05, 2019.

The Nomination and Remuneration Policy of the Company is published in the web-link: [www.aspinwall.in](http://www.aspinwall.in).

Brief description of terms of reference:

The terms of reference of the Nomination and Remuneration Committee entails the formulation of different criteria for determining qualifications of directors, evaluation mechanism of the Independent Directors etc. The terms also includes the formulation of criteria for fixation of remuneration for Directors, Key Managerial Personnel and Senior Management personnel and also the Succession planning.

The Committee shall also carry out the evaluation of Independent Directors on an yearly basis. The evaluation shall cover, inter-alia, the following criteria:

- a) Attendance during the various Board/Committee Meetings;
- b) Participation in the discussions and deliberations in the various agenda items for the Board/Committee Meetings;
- c) Depth of preparation of items for discussions based on the agenda items.

*Shareholders/Investors' Grievance Committee :*

The Shareholders/Investors' Grievance Committee has been constituted to oversee the redressal of Investors' complaints relating to Share Transfer/Transmissions, non-receipt of Annual Reports etc. Minor grievances are redressed by the Company Secretary/Share Transfer Agents. The composition of the Committee is as follows:

Members of Shareholders/ Investor's Grievance Committee	Designation	Category
Mr. K.R.N. Menon	Chairman	Non-Executive, Independent
Mr. C.R.R. Varma	Member	Non-Executive,
Ms.Nina Nayar	Member	Non-Executive Independent

Mr.Neeraj R Varma, Company Secretary acts as the Compliance Officer with respect to the above Committee.



A meeting of the Shareholders/Investors' Grievance Committee was held on February 05, 2019, during the FY 2018-19. The Chairperson of the Committee was present at the Annual General Meeting which was held on August 01, 2018. The Status of Investor Complaints are as below:

No.of Investor complaints received	No.of complaints disposed	No.of complaints pending at the end of the year
Nil	Nil	Nil

Mr.Neeraj R Varma, Secretary of the Company acts as the Compliance Officer of the Committee.

The Share Registrars and Transfer Agents appointed by the Company process all share transfers/transmissions. An internal committee consisting of the Chief Executive Officer, Company Secretary and Chief Financial Officer of the company look into and approve physical Share transfers/Transmissions periodically.

#### **Share Committee**

As per the provisions of the Companies Act, 2013, issue of Duplicate Share Certificates requires the prior approval of the Board of Directors. In order to facilitate the requests of issue of Duplicate Share Certificates, a Sub-Committee of the Board of Directors was formed named 'Share Committee' and as on March 31, 2019, the composition of Share Committee is as follows:

Members of Share Committee	Designation	Category
Ms.Nina Nayar	Chairperson	Non-Executive, Independent
Mr. C.R.R.Varma	Member	Non-Executive

During the FY 2018-19, the Share Committee Meetings were held on the following dates:

- May 28, 2018; and
- February 05, 2019.

#### **Corporate Social Responsibility (CSR) Committee**

The composition and other details/information on the CSR Committee is given in detail at the Report on CSR Activities of the Directors' Report.

A meeting of CSR Committee was held on February 05, 2019.

#### ● **Internal Auditors**

The Company appointed M/s.Suri and Co., Chartered Accountants as Internal Auditors for the FY 2018-19 who have periodically verified the accounting and other functional procedures followed by the company and submitted reports to the Management.

#### ● **Code of Conducts**

The Company has adopted a Code of Conduct for the Directors and Senior Management of the Company and also another Code of Conduct for Prevention of Insider Trading. Compliance of these codes by all Board members and Senior Management personnel are ensured.

#### ● **Details of remuneration to Directors**

The Non-Executive Directors are paid remuneration by way of sitting fees for every meeting of the Board and Committees attended at the rate of Rs.40,000/- for every meeting. No Sitting fee is paid for the CSR Committee, considering the social cause behind the constitution of the same. The Managing Director is paid salary, allowances and perquisites as approved by the Members.

No Commission is paid to the Non-Executive Directors on the Profits of the Company.

Details of Sitting Fees paid to the Directors are provided in the annexures of Board's Report.

The remuneration package details of the Managing Director and Executive Director are shown below:

**a) Mr.Rama Varma – Managing Director**

Particulars	Amount in Rs.
Consolidated Salary / Month	4,75,000
HRA / Month	45,000
Annual Bonus	4,75,000
Medical Benefits / Year	75,000
<b>Total Per Annum</b>	<b>67,90,000</b>

All other perquisites not included in the above remuneration shall be the same as detailed below:

- Company's contribution to PF @ 12% of Basic, Rs 57,000 per month (Previous Term, Rs.48,000 per month);
- Company's contribution to Executive Staff Superannuation Fund, Rs 1,00,000/- per annum;
- Gratuity as per the Rules applicable to the Executive Staff of the Company;
- Mediclaime premium, as applicable to the Executive Staff;
- Personal accident insurance premium, not exceeding Rs 4,000 per annum;
- Provision of car with chauffeur.

**COMMISSION ON PROFITS:**

In addition to remuneration mentioned above, Commission on Profits shall be paid to Mr.Rama Varma as detailed hereunder, provided the total remuneration including commission paid is within the limits of Part II Section II (A) of Schedule V of the Companies Act, 2013. The Commission would become payable after adoption of annual accounts at the Annual General Meeting and computation of profits would be in accordance with Section 198 of the Companies Act, 2013.

Net Profit upto Rs.10 Crores in a given Financial year:	No commission payable
Net Profit of Rs.10 Crores and above upto Rs.30 Crores:	1% of the total net profit in excess of Rs.10 Crores
Net Profit of Rs.30 Crores and above:	Rs.20 lakhs + 0.6% of profits in excess of Rs.30 Crores

**b) Mr.Venkitraman Anand – Executive Director\***

Particulars	Amount in Rs.
Basic Salary /Year	33,06,000
HRA /Year	16,53,000
Annual Bonus	6,08,850
Medical Benefits / Year	2,25,500
<b>Total Per Annum</b>	<b>58,43,350</b>
<b>Other terms</b>	As applicable to the Executive Staff of the Company
Leave Encashment	

*All other perquisites not included in the above remuneration shall be as below:*

- Company's contribution to PF @ 12% of the Salary;
- Company's contribution of 15% of Basic Pay to the Executive Staff Superannuation Fund (any taxable portion shall form part of the remuneration);
- Gratuity as per the Rules applicable to the Executive Staff of the Company;
- Mediclaime premium, as applicable to the Executive Staff;
- Reimbursement of chauffeur expenses as per the Policy of the Company;
- Reimbursement of car expenses as per the Policy of the Company;
- LTC as applicable to Executive Staff of the Company which is as per the Income Tax Act, 1961 (any taxable portion shall form part of the salary).

#### **COMMISSION ON PROFITS:**

In addition to remuneration mentioned above, Commission on Profits shall be paid to Mr.Venkitraman Anand as detailed hereunder, provided the total remuneration including commission paid is within the limits of Part II Section II (A) of Schedule V of the Companies Act, 2013. The Commission would become payable after adoption of annual accounts at the Annual General Meeting and computation of profits would be in accordance with Section 198 of the Companies Act, 2013.

Net Profit upto Rs.10 Crores in a given Financial year:	No commission payable
Net Profit of Rs.10 Crores and above upto Rs.30 Crores:	1% of the total net profit in excess of Rs.10 Crores
Net Profit of Rs.30 Crores and above:	Rs.20 lakhs + 0.6% of profits in excess of Rs.30 Crores

\*Resigned effective from August 31, 2018.

#### **IV Annual General Meetings and Dividend Declared:**

Financial Year	Date	Time	Location
2015-16	03-08-2016	10:30 a.m.	Gokulam Park, Kochi
2016-17	02-08-2017	10:30 a.m.	Gokulam Park, Kochi
2017-18	01-08-2018	10:30 a.m.	Gokulam Park, Kochi

Special Resolutions passed in the previous 3 AGMs:

Sl.No.	Date of AGM	Special Resolutions	Dividend
1.	03-08-2016*	Nil	Nil
2.	02-08-2017	a) Re-appointment of Mr.Rama Varma as Managing Director and fixing of his remuneration. b) Appointment of Mr.Venkitraman Anand as Executive Director and fixing of his remuneration.	First and Final - 30%
3.	01-08-2018	a) Re-appointment of Mr.Sushil Krishnan Nair as Independent Director; b) Appointment of Mr.M.Lakshminarayanan as Independent Director; c) Appointment of Mr.Adithya Varma as the Non-Executive Director; d) Appointment of Mr.CRR Varma as Non-executive Director; e) Increase of Sitting Fee payable to Non-Executive Directors.	First and Final - 35%

\*The Company had declared an Interim Dividend of Rs.2.50 per equity share at its Board Meeting held on March 16, 2016, pertaining to the FY 2016-17, which was confirmed at the subsequent AGM.

No special resolution has been passed through postal ballot during the last year.

A Special Resolution is, presently, being conducted through postal ballot for the shifting of Registered Office of the Company outside the local limits of city.

#### Procedure for postal ballot

The procedure for Postal Ballot is followed as per the provisions of the Companies (Management and Administration) Rules, 2014, of the Companies Act, 2013. As the Company is a listed company, the procedures relating to the passing of resolutions through Postal Ballot, are also followed.

The voting of Postal Ballot resolution is provided through both physical form as well as through e-mode. The e-voting is carried through the CDSL platform. Results of the Postal Ballot resolution shall be announced within 48 hours from the last day of voting period, based on the Scrutinizer's Report.

#### **V Disclosures:**

Related party transactions during the year have been disclosed as a part of the Accounts as required under Indian Accounting Standards issued by the Institute of Chartered Accountants of India.

Risk assessment is done by the senior management on a regular basis and reviewed every quarter. Significant matters are brought to the notice of the Board and minimisation procedures adopted whenever deemed necessary

The Management Discussion & Analysis Report is incorporated in the Board's Report.

The criteria for making payments to the Non-Executive Directors have been uploaded in the web-link: [www.aspinwall.in](http://www.aspinwall.in).

Chart setting out the skills/expertise/competencies of the Board as per the amendment to the SEBI (LODR) Regulations, 2015, is given below:

##### a) Businesses of the Company

Understanding of global business dynamics connected to the sectors in which the Company is operating across various markets, industry verticals and regulatory jurisdictions.

##### b) Strategy and Planning

Experience in guiding and leading management teams to make decisions in uncertain environments.

##### c) Governance

Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.

#### **VI. Means of communication:**

a) The Company declares its quarterly results through Stock Exchange and the same is uploaded to the website of the Company.

b) The Company normally publishes its quarterly results in Financial Express and Mangalam newspapers.

c) Website of the Company wherein the results are displayed: [www.aspinwall.in](http://www.aspinwall.in) under financials tab.

d) Company in normal course of business does not provide any official news releases.

e) Company has not made any presentations to institutional investors or to the analysts during the FY 2018-19.

## VII. General Shareholders' Information

- a) Registered Office: 926/A1 to A5, Devankulangara, Edappally P.O, Kochi-24.
- b) Annual General Meeting :
  - Date: August 08, 2019
  - Day: Thursday
  - Time: 10.30 AM
  - Venue: Mascot Hotel (KTDC), Trivandrum.
  - Dividend Payment date (If declared) Before September 05, 2019
- c) Date of Book Closure: August 02, 2019 to August 08, 2019 (both days inclusive)
- d) Plant location
  - Coffee Processing: Mangalore
  - Rubber Plantation: Pullangode
  - Coir & Natural Fibre: Pollachi

## VIII. Information pertaining to the Share Capital Distribution and the remuneration paid to the Directors of the Company are given in detail in the Annexures to the Directors' Report.

### ● Details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting of the Company.

#### a) Mr.Vijay Nambiar, Director

Mr.Vijay K. Nambiar has had a distinguished official career first as an officer of the Indian Foreign Service from 1967 to 2004, then as Deputy National Security Adviser to the Government of India (2005-06) and subsequently for 11 years as Under Secretary-General in the United Nations (2006-2016).

He holds a post-graduate degree in political science from Bombay University and was awarded the Chancellor's Gold Medal of the University in 1965.

After joining Indian Foreign Service and selecting Chinese as his language of choice, Mr. Nambiar was posted to Hong Kong in September 1968 as Third Secretary in the Commission of India. On return to India in 1972, he served in the East Asia Division of the Ministry of External Affairs and was briefly seconded to the Ministry of Commerce from 1974 to 1976.

In the course of his subsequent professional career in the Indian Foreign Service, he served in bilateral and multilateral appointments in Belgrade and New York during the 1970s and 1980s.

Mr. Nambiar was given his first ambassadorial appointment in 1985 when he served as Ambassador in Algeria (1985-1988). Further, he served continuously abroad as Ambassador of India in Afghanistan (1990-1992), High Commissioner in Malaysia (1993-1996), Ambassador in China (1996-2000) and High Commissioner in Pakistan (2000-2001). He was posted as Permanent Representative of India at the United Nations in New York in early 2002 where he served until his retirement in 2004.

After retirement from the Indian Foreign Service, Ambassador Nambiar served as Deputy National Security Advisor to the Government of India and Head of the National Security Council Secretariat until early 2006, when, at the request of Secretary-General Kofi Annan, he was released by the Government of India to serve as Special Adviser to the UN Secretary-General. The following year he was appointed Chef de Cabinet to Secretary-General Ban Ki-moon in which position he served from 2007-2012. Meanwhile, in 2010 he was also Special Adviser to the Secretary General on Myanmar, a position in which he continued until end-2016.

#### b) Ms.Nina Nayar

Ms.Nina Nayar holds a Masters Degree from the University of Pennsylvania (USA) in South Asia Regional Studies with a focus on Social and Cultural Anthropology. She has years of managerial experience and has been a Board Member of ECLOF International, Singapore, Advisor to Banking with the Poor Network (BWTP). She has also been part of several initiatives for capacity building of micro finance providers at various parts of the world.

**c) Mr.Rajesh.S**

Mr.Rajesh.S is an MBA graduate and also a member of Institute of Cost Accountants of India. He has an overall experience of over 21 years in various fields, under different position and has managerial experience in business operations, Strategic Planning, Brand Management etc. He was appointed as CEO of the Company at the Board Meeting held on November 12, 2018. Further, as per the recommendation of Nomination and Remuneration Committee, the Board at their meeting held on May 27, 2019, has inducted Mr.Rajesh.S., as the Additional Director to the Board. The appointment as Director is effective from June 01, 2019.

**Director retiring by rotation:**

Mr.Adithya Varma, who hails from the Travancore Royal Family, was appointed as the Non-Executive Director of the Company effective from August 17, 2017. He's a Commerce graduate and is one of the Promoters of the Company holding 1.035% of the Paid-Up Equity Share Capital. Pursuant to the provisions of the Companies Act, 2013, Mr.Adithya Varma, Director is liable to retire by rotation at this AGM. Mr.Adithya Varma, Director, being eligible, has offered himself for re-appointment.

**Dematting:**

The Company has dematted its shares with CDSL & NSDL. The ISIN No. allotted to the Company is INE991I01015.

**IX. ADDITIONAL INFORMATION:**

**a) Investors Relation Section :**

The Investors Relation Section is located at the Registered Office of the Company

Contact	Mr.Neeraj.R.Varma, Company Secretary
Phone No.	0484-2725416
Fax No.	0484-2343400
Email:	investors@aspinwall.in

**b) Bankers:**

Syndicate Bank                      State Bank of India                      HDFC Bank                      Yes Bank

**c) Auditors:**

M/s. BSR & Associates LLP, Chartered Accountants, 3<sup>rd</sup> Floor, Syama Business Centre, NH Bypass Road, Vytilla, Kochi – 682 019.

**d) Share Registrars and Transfer Agents:**

M/s. S.K.D.C. Consultants Ltd., Registrars and Share Transfer Agents, Kanapathy Towers, 3<sup>rd</sup> Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore-641 006.

**e) Cost Auditors:**

M/s. BBS & Associates., Cost Accountants, 40/9708, First Floor, ST Reddiar & Sons (EKM), Veekshanam Road, Kochi – 682035.

**f) Secretarial Auditors:**

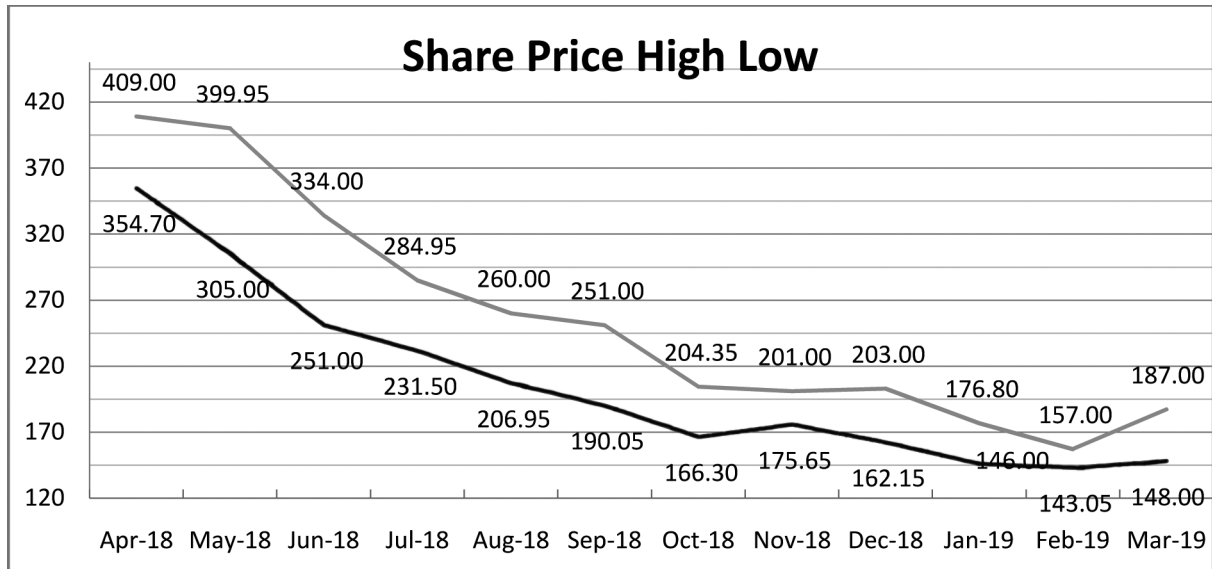
M/s BVR & Associates, Swastika, 53/3933, Lal Salam Road, Off-Covent Road, Ponnurunni, Vyttila P.O., Kochi – 682019.

**g) Stock Exchange:**

The shares of the Company is listed at National Stock Exchange of India Limited, Exchange Plaza, 5<sup>th</sup> Floor, C/ 1 G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400051. It is confirmed that the Company has paid the annual listing fee to the said Stock Exchange.

**h) Stock Code: ASPINWALL**

**i) Market Price Data**



j) Web-link of policies for determining the material subsidiaries and on dealing with the related party transactions: <http://aspinwall.in/investors.php>

**X. Commodity Price Risk or foreign exchange risk and hedging activities**

Procurement of Coffee commences during the month of January to July every year. The price fluctuations, if any, subsequent to this period can affect the margins. The Company enters into foreign exchange forward contracts with the intention of reducing the foreign exchange risk of expected sales and purchases. These contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

There are no commodity hedging activities being done by the Company.

**XI. Declaration Affirming Compliance of provisions of the Code of Conduct**

To the best of our knowledge and belief and on the basis of declarations given to us, we hereby affirm that all the Board Members and the Senior Management personnel have fully complied with the provisions of the Code of Conduct for Directors and Senior Management Personnel during the financial year ended March 31, 2019.

**XII. Establishment of Vigil Mechanism and Whistle-Blower Policy**

The Company has established a Vigil Mechanism in its system and it is affirmed that no personnel has been denied access to the Audit Committee.

**XIII. Disclosure on materially significant related party transactions**

During the FY 2018-19, there were no materially significant related party transactions that have potential conflict with the interests of the Company at large.

**IVX. Compliance of discretionary requirements**

a) Modified opinion (s) in audit report

The Company has moved towards a regime of financial statements with unmodified audit opinion.

b) Separate posts of Chairman and Chief Executive Officer

The Company has appointed separate persons for the post of Chairman and Managing Director/CEO.

By Order of the Board

Kochi,  
May 27, 2019.

**RAMA VARMA**  
Managing Director  
DIN 00031890

**KRN MENON**  
Chairman  
DIN 00877505

**Annexure - 7**  
**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH 2019**  
**[Pursuant to section 204(1) of the Companies Act, 2013 and rule**  
**No.9 of the Companies (Appointment and Remuneration Personnel)**  
**Rules, 2014]**

To

**The Members**

**ASPINWALL AND COMPANY LIMITED**

**CIN: L74999KL1920PLC001389**

We, BVR & Associates Company Secretaries LLP, have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Aspinwall and Company Limited [CIN: L74999KL1920PLC001389] (hereinafter called the Company). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of Aspinwall and Company Limited's books, papers, minutes book, forms and returns filed and other records produced to us and according to the information and explanations given to us by the Company, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31/03/2019 complied with the provisions of the Companies Act, 2013 (Act) and the Rules made there under, the Memorandum and Articles of Association of the Company and also applicable provisions of the aforesaid laws, standards, guidelines, agreements, etc.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Aspinwall and Company Limited ("the Company") for the financial year ended on 31/03/2019 according to the provisions of:

1. The Companies Act, 2013 and the Rules made there under.
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under.
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.
4. Foreign Exchange Management Act, 1999 and the applicable rules and regulations made there under.
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act').
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 & 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 (Issue and Listing of Debt Securities) Regulations, 2008.
  - e. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
  - f. The Securities and Exchange Board of India (Depositories And Participants) Regulations, 1996
  - g. Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.
  - h. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
  - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998



6. The Listing Agreement has been entered into by the Company with National Stock Exchange.

As informed to us the following other Laws specifically applicable to the Company as under:

1. The Factories Act, 1948
2. Sexual Harassment of Women at the Work Place (Prevention, Prohibition and Redressal) Act, 2013
3. The Plantation Labour Act, 1951
4. The Coffee Act, 1942
5. The Coir Industry Act, 1953
6. The Customs Broker Licensing Regulations, 2013
7. Other applicable Labour laws

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

- 1) Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the observations noted against each legislation.

In respect of other laws specifically applicable to the Company, we have relied on information/ records produced by the Company during the course of our audit and the reporting is limited to that extent.

**We report that, during the year under review:**

1. The status of the Company during the financial year has been that of a Listed Public Company.
2. The Company is a holding Company of another 4 companies namely Aspinwall Geotech Ltd, Aspinwall Technologies Ltd, Malabar Coast Marine Services Private Ltd and SFS Pharma Logistics Private Limited.
3. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Woman Director. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda are sent at least 7 days in advance, a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views (if any) are captured and recorded as part of the minutes.
4. The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the code of Business Conduct & Ethics for Directors and Management Personnel.
5. The Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings/debenture holdings and directorships in other companies and interests in other entities.
6. The Company has advanced loans to its wholly owned subsidiary and the provisions have been complied with. It has not given guarantees and provided securities to directors and/or persons or firms or companies in which directors were interested.
7. The Company has made loans and investments or provided securities. The Company has not given guarantees to other business entities during the previous financial year.
8. The amount borrowed by the Company from banks was within the borrowing limits of the Company. Such borrowings were made by the Company in compliance with applicable laws. It has not made borrowings from its directors, members, bank(s)/ financial institution(s) and others.
9. The Company has not defaulted in the repayment of unsecured loans, facilities granted by bank(s)/financial institution(s) or non-banking financial companies. The Company has not issued Debentures / collected Public Deposits.
10. The Company has created /modified or satisfied charges on the assets of the Company and complied with the

applicable provisions of Companies Act 2013 and other Laws.

11. All registrations under the various States and Local Laws as applicable to the Company are valid.
12. The Company has not issued and allotted the securities during the period under scrutiny.
13. The Company has declared dividends to its shareholders during the period under scrutiny.
14. The Company has not issued debentures and not accepted fixed deposits.
15. The Company has paid all its statutory dues and satisfactory arrangements have been made for arrears of any such dues.
16. The Company being a listed entity has complied with the provisions of the Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
17. The Company has provided a list of statutes in addition to the laws as mentioned above and it has been observed that there are proper systems in place to ensure compliance of all laws applicable to the Company.

**We further report that:**

1. The Company has followed the Secretarial Standards issued by the Institute of Company Secretaries of India.
2. The Company has complied with the provisions of Equity listing Agreements and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into with National Stock Exchange.
3. The Company has complied with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 during the period under scrutiny.
4. The Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and 2015 including the provisions with regard to disclosures and maintenance of records required under the Regulations.
5. The provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations are not applicable for the Company during the period under scrutiny.
6. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 with regard to grant of Stock Options and implementation of the Schemes are not applicable for the Company during the period under scrutiny.
7. The provisions of Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 are not applicable for the Company during the period under scrutiny.
8. The Company has complied with the provisions of the Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993.
9. The provisions of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 with regard to buy back of Equity Shares are not applicable for the Company during the period under scrutiny.
10. The Company has complied with the provisions of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 including the provisions with regard to disclosures and maintenance of records required under the Regulations;
11. The Company had complied with the provisions of The Competition Act, 2002 with regard to prohibition of anti-competitive agreements, abuse of dominance and ensuring of competition advocacy. As per the verification, the Company is ensuring fair competition in the market among its competitors.

**We further report that:**

The compliance with regard to the following Acts is pointed out below:

1. The Factories Act, 1948

- a. Factory license is valid as on the report date.
  - b. Statutory registers as per Factories Act has been maintained.
- 2. Sexual Harassment of Women at the Work Place (Prevention, Prohibition and Redressal) Act, 2013
  - a. The Company has a Policy and has constituted a committee against the Sexual Harassment of Women at Work Place and the policy has been published in the website of the Company.
  - b. As per the information and records available from the Company there were no complaints during the financial year in this regard and the Company ensures protection to the women employees.
- 3. The Plantation Labour Act, 1951
  - a. Overall Compliance under the Act complied by the Company.
  - b. The Company has made valid registration to work plantations over specified extent under the Act and rules issued thereunder.
- 4. The Coffee Act, 1942
  - a. Overall Compliance under the Act complied by the Company.
  - b. The Company has obtained requisite license valid up to 29/09/2023.
- 5. The Coir Industry Act, 1953
  - a. Overall Compliance under the Act made by the Company.
  - b. The Company has obtained requisite license valid up to 31/03/2022. An application for renewal of the license has been made, as informed.
- 6. The Customs Brokers Licensing Regulations, 2013
  - a. Overall Compliance under the Act made by the Company.
  - b. The Company has obtained requisite license valid for a period of 10 years from 12.07.2014
- 7. Payment of Bonus Act, 1965-Overall Compliance under the Act made by the Company
- 8. Industrial Disputes Act, 1947-Overall Compliance made under the Act by the Company
- 9. Payment of Gratuity Act, 1972-Overall Compliance made under the Act by the Company
- 10. Employees' Provident Funds & Misc. Provisions Act, 1952 -Overall Compliance under the Act made by the Company
- 11. Employees' State Insurance Act, 1948 -Overall Compliance under the Act made by the Company
- 12. Payment of Wages Act, 1936 -Overall Compliance under the Act made by the Company
- 13. Contract Labour (Regulation & Abolition) Act, 1970-Overall Compliance under the Act made by the Company
- 14. Maternity Benefit Act, 1961-Overall Compliance under the Act made by the Company
- 15. Trade Union Act, 1926 -Overall Compliance under the Act made by the Company
- 16. The Industrial Employment (Standing Orders) Act, 1946-Overall Compliance under the Act made by the Company
- 17. The Minimum Wages Act, 1948-Overall Compliance under the Act made by the Company
- 18. The Apprentices Act, 1961-Overall Compliance under the Act made by the Company
- 19. The Equal Remuneration Act, 1976-Overall Compliance under the Act made by the Company
- 20. The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 -Overall

Compliance under the Act made by the Company

21. The Child Labour (Prohibition and Regulation) Act, 1986-Overall Compliance under the Act made by the Company
22. Other applicable labour acts -Overall Compliance under the Act made by the Company

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

**FOR BVR & ASSOCIATES COMPANY SECRETARIES LLP**

**Sd/-**

**CS N BALASUBRAMANIAN**

Ernakulam

27/05/2019

Designated Partner,

FCS No. F6439

C P No.: 4996

**‘ANNEXURE’**

To

**The Members**

**ASPINWALL AND COMPANY LIMITED**

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records.
3. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, we have obtained the Management representation about the Compliance of Laws, Rules and Regulations and happening of events etc.
6. The Compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company

**For BVR & Associates Company Secretaries LLP**

**Sd/-**

**CS N BALASUBRAMANIAN**

**Designated Partner,**

**FCS No. F6439**

**C P No.: 4996**

Ernakulam

27/05/2019

## INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of Aspinwall and Company Limited

The Certificate is issued in accordance with the terms of our engagement letter dated 1 May 2019.

We have examined the compliance of conditions of Corporate Governance by Aspinwall and Company Limited ("the Company"), for the year ended 31 March 2019, as stipulated in Regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time, pursuant to the Listing Agreement of the Company with National Stock Exchange of India Ltd.

### **Management' Responsibility for compliance with the conditions of SEBI Listing Regulations**

The Company's Management is responsible for compliance of conditions of Corporate Governance including the preparation and maintenance of all relevant supporting records and documents as stipulated under the Listing Regulations. This responsibility includes the design, implementation and maintenance of corporate governance process relevant to the compliance of the conditions. Responsibility also includes collecting, collating and validating data and designing, implementing and monitoring of Corporate Governance process suitable for ensuring compliance with the above mentioned Listing Regulations.

### **Auditor's Responsibility**

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

Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March 2019.

We conducted our examination of the corporate governance compliance by the Company as per the Guidance Note on Reports or Certificates for Special purposes (Revised 2016), Guidance Note on Certification of Corporate Governance both issued by the Institute of Chartered Accountants of India ("ICAI") and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate. The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### **Opinion**

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

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

### **Restriction on use**

This Certificate has been solely issued for the purpose of complying with the aforesaid Listing Regulations and may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

for **B S R & Associates LLP**

*Chartered Accountants*

Firm registration number: 116231W/W-100024

**Vikash Somani**

*Partner*

Membership No: 061272

ICAI UDIN: 19061272AAAAAB4140

New Delhi

27 May 2019

# ASPINWALL AND COMPANY LIMITED

Registered Office : 926/A1-A5, Devankulangara,  
Edappally, Kochi-682024. India

Tel : +91 484 272 5400, Fax : +91 484 234 3400

Email : investors@aspinwall.in

## CEO/CFO CERTIFICATION

To  
The Board of Directors  
Aspinwall and Company Limited.  
Kochi - 24

Certificate in connection with the results for the financial year ended on March 31, 2019

- a) We have reviewed the working results for the financial year ended March 31, 2019 and to the best of our knowledge and belief:
- i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the company's affairs and are in compliance with the applicable accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the period which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
- i. Significant changes in internal control over financial reporting during the period;
  - ii. Significant changes in accounting policies during the period; and
  - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Sd/-  
(RAMA VARMA)  
**Managing Director**  
DIN 00031890

Sd/-  
(T. R. RADHAKRISHNAN)  
**Chief Financial Officer**

Place : Kochi,  
Date : May 27, 2019.

# ASPINWALL AND COMPANY LIMITED

## Form AOC - 1

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

### Statement containing salient features of the financial statement of subsidiaries

(₹ in Lakhs)

Particulars	ASPINWALL TECHNOLOGIES LIMITED	ASPINWALL GEOTECH LIMITED	MALABAR COAST MARINE SERVICES PRIVATE LIMITED	SFS PHARMA LOGISTICS PRIVATE LIMITED
1. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	No	No	No	No
2. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable	Not Applicable	Not Applicable	Not Applicable
3. Share Capital	16	120	5	100
4 Reserves & surplus	33	(213)	593	(100)
5 Total assets	49	35	632	102
6 Total Liabilities	49	128	34	102
7 Investments	-	-	285	-
8 Turnover (Total Revenue)	2	*	246	163
9 Profit/(Loss) before taxation	2	(7)	104	9
10 Provision for taxation	*	-	25	*
11 Profit/(Loss) after taxation	1	(7)	79	9
12 Proposed Dividend	8	Nil	75	Nil
13 % of shareholding	100%	100%	100%	100%

\*Amount is below the rounding off norms adopted by the Company.

#### For and on behalf of the Board of Directors

RAMA VARMA  
Managing Director  
DIN 00031890

M LAKSHMINARAYANAN  
Director  
DIN 05003710

T. R. RADHAKRISHNAN  
Chief Financial Officer  
NEERAJ R VARMA  
Company Secretary

Kochi,  
27 May, 2019.



# **INDEPENDENT AUDITOR'S REPORT**

## **TO THE MEMBERS OF ASPINWALL AND COMPANY LIMITED**

### **Report on the Audit of the Standalone Financial Statements**

#### **Opinion**

We have audited the standalone financial statements of Aspinwall and Company Limited ("The Company"), which comprise the standalone balance sheet as at 31 March 2019, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

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

#### **Key Audit Matters**

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

**Independent Auditors' Report (continued)**  
**To the Members of Aspinwall and Company Limited**  
**Key Audit Matters (continued)**

Description of Key Audit Matters

<b>Revenue recognition</b> <b>See note 18 to the standalone financial statements</b>	
<b>The key audit matter</b>	<b>How the matter was addressed in our audit</b>
<p>The Company has diversified business activities including coffee processing, trading and logistics services.</p> <p>Revenue is recognised when the parties to the contract having commercial substance have approved the contract, the Company can identify each party's rights and payment terms regarding the goods or services to be transferred, the parties are committed to perform their respective obligations and it is probable that the Company will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.</p> <p>With respect to sale of goods, revenue is recognised when the customer obtains control of the goods and performance obligation is satisfied, and is measured net of trade discounts. With respect to income from services, revenue is recognized when services are completed and performance obligations are satisfied.</p> <p>We identified revenue recognition as a key audit matter because there is a risk of fraud in revenue recognition due to the pressure management may feel to achieve performance targets at the year end.</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others, to obtain sufficient appropriate audit evidence:</p> <ol style="list-style-type: none"> <li>1. We assessed the appropriateness of the revenue recognition accounting policies, by comparing with applicable accounting standards.</li> <li>2. We evaluated the design of management controls and assessed the operating effectiveness of the relevant controls with respect to revenue recognition with specific focus on revenue transactions taking place before and after year end date.</li> <li>3. We performed substantive testing by selecting samples of revenue transactions recorded during the year by verifying the underlying documents.</li> <li>4. We tested, on a sample basis, specific revenue transactions recorded before and after the financial year end date to determine whether the revenue had been recognised in the appropriate financial period including review of status of logistics jobs in progress.</li> <li>5. We carried out analytical procedures on revenue recognised during the year to identify unusual variances.</li> <li>6. We performed confirmation procedures on selected customer balances at the balance sheet date.</li> <li>7. Furthermore, we have assessed the appropriateness of management's response to indicators of improper revenue recognition, tested manual journal entries posted to revenue on a sample basis.</li> </ol>

**Independent Auditors' Report (continued)**  
**To the Members of Aspinwall and Company Limited**  
**Key Audit Matters (continued)**

<b>Provision for inventory</b> <b>See note 9 to the standalone financial statements</b>	
<b><u>The key audit matter</u></b>	<b><u>How the matter was addressed in our audit</u></b>
<p>The inventory of the Company includes coffee, rubber and coir mats. The Management assess the net realisable value (NRV) inventories with reference to the future selling prices. Management writes down the carrying value of certain items of inventory when the NRV falls below their cost. Management also assesses if any of the items of inventory are non-moving and makes appropriate provisions thereof.</p> <p>We have identified provision for NRV write down and non-moving inventory as a key audit matter because determining appropriate inventory write-downs and provisions involves predicting the excess quantities of inventory which will remain unsold after the year end and markdowns necessary to sell such inventory, which can be inherently uncertain and requires the exercise of significant management judgement both with respect to estimation of NRV as well as management's ability to dispose the inventory.</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others, to obtain sufficient appropriate audit evidence:</p> <ol style="list-style-type: none"> <li>1. We evaluated the Management's inventory write-down and provisioning policy with reference to prevailing accounting standards.</li> <li>2. We assessed whether the inventory write-downs and provisions made at the reporting date were consistent with the Management policy by recalculating the inventory write-downs and provisions based on the relevant parameters in the policy.</li> <li>3. We evaluated the design of management controls and assessed the operating effectiveness of the relevant controls with respect to physical verification of non-moving inventory, provisioning process and accounting.</li> <li>4. We performed substantive testing by selecting samples of sale of similar inventory items by verifying the underlying documents, including the prices at which recent sales have taken place.</li> <li>5. We assessed the reasonableness of the assumptions and judgements applied by the management in arriving at the NRV through verification of orders received from customers as at 31 March 2019.</li> <li>6. We assessed the reasonableness of management assumption about the ability to liquidate the inventory by review of trend of sales of non-moving inventory over the years.</li> </ol>

# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF

### ASPINWALL AND COMPANY LIMITED

#### **Information Other than the Standalone Financial Statements and Auditors' Report Thereon**

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. We have nothing to report in this regard.

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

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Board of Directors is also responsible for overseeing the Company's financial reporting process.

#### **Auditors' Responsibilities for the Audit of the Standalone Financial Statements**

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

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

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

**Independent Auditor's Report (Continued)**  
**to the Members of Aspinwall And Company Limited**

**Auditors' Responsibilities for the Audit of the Standalone Financial Statements (Continued)**

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) 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.

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account;

**Independent Auditor's Report (Continued)**  
**to the Members of Aspinwall And Company Limited**

**Report on Other Legal and Regulatory Requirements (Continued)**

- (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act with relevant Rules issued thereunder;
- (e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";
- (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Company has disclosed the impact of pending litigations as at 31 March 2019 on its financial position in its standalone financial statements - Refer Note 29 to the standalone financial statements;
  - ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 33 to the standalone financial statements;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and
  - iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2019.
- (C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

**for B S R & Associates LLP**

*Chartered Accountants*

Firm's registration number: 116231W/W-100024

Sd/-

**Vikash Somani**

*Partner*

Membership number: 061272

New Delhi

27 May 2019

## ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our Independent Auditors' Report to the Members of the Company on the standalone financial statements for the year ended 31 March 2019. We report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over 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 programme, certain fixed assets were physically verified during the year. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company other than the following:
  - i. The title of land included in Plantation Land and Development, that was taken on long term lease is under dispute (refer Note 29(2) to the standalone financial statements).
  - ii. The Company is in the process of rectifying the defects in the title to 69 cents of land parcel in Shasthamangalam which is currently disclosed under assets held for sale in Note 8 to the standalone financial statements (Rs. Nil as at 31 March 2019).
  - iii. The long-term lease agreement for a godown land in Willington Island with Cochin Port Trust (CoPT) has expired and the Company is in the process of renewing the lease arrangement. The carrying value of building constructed on this land is Rs 50 lakhs as at 31 March 2019.
- (ii) The inventories, except inventories with third parties, have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stock and the book records were not material. For inventories lying with third parties at the year-end, written confirmations have been obtained by the management.
- (iii) The Company has granted loans to two companies covered in the Register maintained under Section 189 of the Companies Act, 2013 (the 'Act').
  - (a) In our opinion and according to the information and explanations given to us, the terms and conditions on which the loans were granted to the companies listed in the Register maintained under Section 189 of the Act are not prejudicial to the Company's interest.
  - (b) In the case of the loans granted to the companies listed in the Register maintained under Section 189 of the Act, the borrowers have been regular in the repayment of the principal and payment of interest, wherever stipulated.
  - (c) There are no amounts of loans granted to companies, firms, limited liability partnerships or other parties listed in the Register maintained under section 189 of the Act, which are overdue for more than ninety days.

### **Annexure - A to the Independent Auditors' Report (continued)**

- (iv) In our opinion and according to the information and explanation given to us, The Company has complied with the provisions of Sections 185 and 186 of the Act, with respect to the loans given, investments made and guarantees given. Further, there is no security given in respect of which Provisions of Sections 185 and 186 of the Act are applicable.
- (v) The Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
- (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, Duty of customs, Goods and Service Tax, Cess and any other material statutory dues have generally been 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, Employee State Insurance, Income-tax, Duty of customs, Goods and Service Tax, Cess and any other material statutory dues were in arrears, as at 31 March 2019, 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 or Sales tax or Service tax or Duty of customs or Duty of excise or Value added tax or Goods and Service tax which have not been deposited by the Company on account of disputes, except for the following:

<b>Name of the statute</b>	<b>Nature of dues</b>	<b>Amount (in Rs. in lakhs)</b>	<b>Period to which the amount relates</b>	<b>Forum where dispute is pending</b>
Finance Act, 1994 and Service Tax Rules, 1994	Service Tax (Demand)	9	April, 2006 to March, 2010	Customs, Excise and Service Tax Appellate Tribunal, Bangalore
Finance Act, 1994 and Service Tax Rules, 1994	Service Tax (Demand)	680 *(33)	April, 2004 to March, 2012	Customs, Excise and Service Tax Appellate Tribunal, Chennai
Finance Act, 1994 and Service Tax Rules, 1994	Service Tax (Demand)	93	October, 2006 to March, 2011	Customs, Excise and Service Tax Appellate Tribunal, Kakinada
Finance Act, 1994 and Service Tax Rules, 1994	Service Tax (Demand)	4	May, 2010 to August, 2010	Customs, Excise and Service Tax Appellate Tribunal, Vizag
Finance Act, 1994 and Service Tax Rules, 1994	Service Tax (Demand)	23 *(1)	April 2007 to March 2012	Commissioner (Appeals), Chennai
Kerala Value Added Tax Act, 2003	Kerala Value Added Tax	49	FY 2007-08	Kerala Value Added Appellate Tribunal
The Kerala Agricultural Income Tax Act, 1991	Agricultural Income Tax	78	FY 2012-14	Kerala Sales Tax Appellate Tribunal, Ernakulam

\* The amount represents the payments made under protest



### **Annexure - A to the Independent Auditors' Report *(continued)***

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks. The Company did not have any outstanding loans or borrowings from government and financial institutions and there are no dues to debenture holders during the year.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material 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 and based on examination of the records of the Company, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) According to the information and explanations given to us, in our opinion, the Company is not a Nidhi Company as prescribed under Section 406 of the Act.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the standalone 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 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 the information and explanation given to us and in our opinion the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**for B S R & Associates LLP**

*Chartered Accountants*

Firm's registration number: 116231W/W-100024

Sd/-

**Vikash Somani**

*Partner*

Membership number: 061272

New Delhi

27 May 2019

## **ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT**

### **Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013**

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

#### **Opinion**

We have audited the internal financial controls over financial reporting of Aspinwall and Company Limited ('the Company') as of 31 March 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

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

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were established and maintained and whether 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, 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 standalone 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 with reference to financial statements.

## **Annexure - B to the Independent Auditors' Report *(continued)***

### **Meaning of Internal Financial Controls over Financial Reporting**

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

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

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

*for* **B S R & Associates LLP**

*Chartered Accountants*

Firm's registration number: 116231W/W-100024

Sd/-

**Vikash Somani**

*Partner*

Membership number: 061272

New Delhi

27 May 2019

# ASPINWALL AND COMPANY LIMITED

BALANCE SHEET AS AT 31 MARCH, 2019

(All amounts in Indian rupees lakhs)

	Notes	As at 31 March 2019	As at 31 March 2018
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	6,346	5,261
Capital work-in-progress	3	-	1,782
Investment Property	4	1,155	-
Biological assets other than bearer plants	42	442	405
Financial assets			
Investments	5	136	20
Loans	6	51	40
Other financial assets	7	226	203
Deferred tax assets (net)	39	393	323
Income tax assets (net)	39	318	236
Other non-current assets	8	78	70
<b>Total non-current assets</b>		<b>9,145</b>	<b>8,340</b>
<b>Current assets</b>			
Inventories	9	9,860	10,778
Financial assets			
Investments	5	-	89
Loans	6	32	51
Trade receivables	10	3,280	3,388
Cash and cash equivalents	11	342	237
Bank balances other than cash and cash equivalents	11	59	61
Other financial assets	7	1,263	1,638
Other current assets	8	1,331	1,381
<b>Total current assets</b>		<b>16,167</b>	<b>17,623</b>
<b>Total assets</b>		<b>25,312</b>	<b>25,963</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	12	782	782
Other equity		12,785	12,369
<b>Total equity</b>		<b>13,567</b>	<b>13,151</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	13	608	1,000
Provisions	14	256	223
<b>Total non-current liabilities</b>		<b>864</b>	<b>1,223</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	13	5,966	5,702
Trade payables	15	-	-
(A) total outstanding dues of micro enterprises and small enterprises		-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		842	884
Other financial liabilities	16	2,012	2,430
Other current liabilities	17	985	1,104
Provisions	14	717	877
Current tax liabilities (net)	39	359	592
<b>Total current liabilities</b>		<b>10,881</b>	<b>11,589</b>
<b>Total equity and liabilities</b>		<b>25,312</b>	<b>25,963</b>

## Significant accounting policies

2

The notes referred to above form an integral part of the standalone financial statements

As per our report of even date attached

for **B S R & Associates LLP**

Chartered Accountants

Firm's registration number: 116231W/ W-100024

**Vikash Somani**

Partner

Membership No.: 061272

for and on behalf of the Board of Directors of

**Aspinwall and Company Limited**

CIN: L74999KL1920PLC001389

**Rama Varma**

Managing Director

DIN: 00031890

**T.R. Radhakrishnan**

Chief Financial Officer

**M Lakshminarayanan**

Director

DIN: 05003710

**Neeraj R. Varma**

Company Secretary

Membership No.: A29030

New Delhi  
27 May 2019

Kochi  
27 May 2019

# ASPINWALL AND COMPANY LIMITED

## STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED

### 31 MARCH 2019

(All amounts in Indian rupees lakhs)

	Notes	Year ended 31 March, 2019	Year ended 31 March, 2018
<b>Income</b>			
Revenue from operations	<b>18</b>	27,242	28,094
Other income	<b>19</b>	904	453
<b>Total income</b>		<b>28,146</b>	<b>28,547</b>
<b>Expenses</b>			
Cost of materials consumed	<b>20</b>	13,029	9,662
Purchases of stock-in-trade	<b>21</b>	1,027	392
Changes in inventories of finished goods and stock -in-trade	<b>22</b>	(1,691)	(565)
Employee benefits expense	<b>23</b>	3,467	3,447
Finance costs	<b>24</b>	702	477
Depreciation and amortisation expense	<b>25</b>	252	249
Other expenses	<b>26 and 27</b>	10,443	12,500
<b>Total expenses</b>		<b>27,229</b>	<b>26,162</b>
<b>Profit before exceptional items and tax</b>		<b>917</b>	<b>2,385</b>
Exceptional items	<b>28</b>	-	310
<b>Profit before tax</b>		<b>917</b>	<b>2,075</b>
<b>Tax expense:</b>	<b>39</b>		
Current tax		235	792
Income tax charge/(credit) for earlier years		(49)	(10)
Net current tax expense		186	782
Deferred tax credit		(70)	(27)
<b>Net tax expense</b>		<b>116</b>	<b>755</b>
<b>Profit for the year</b>		<b>801</b>	<b>1,320</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified subsequently to statement of profit and loss</i>			
Remeasurement of defined benefit liability	<b>40</b>	(87)	(5)
Income tax related to items that will not be reclassified to profit or loss	<b>39</b>	24	2
<b>Total other comprehensive income for the year, net of income tax</b>		<b>(63)</b>	<b>(3)</b>
<b>Total comprehensive income for the year</b>		<b>738</b>	<b>1,317</b>
<b>Earnings per equity share</b>			
(Equity shares of face value Rs. 10 each)	<b>30</b>		
Basic (Rs.)		10.24	16.88
Diluted (Rs.)		10.24	16.88

#### Significant accounting policies

2

The notes referred to above form an integral part of the standalone financial statements

As per our report of even date attached

for **B S R & Associates LLP**

Chartered Accountants

Firm's registration number: 116231W/ W-100024

**Vikash Somani**

Partner

Membership No.: 061272

for and on behalf of the Board of Directors of

**Aspinwall and Company Limited**

CIN: L74999KL1920PLC001389

**Rama Varma**

Managing Director

DIN: 00031890

**T.R. Radhakrishnan**

Chief Financial Officer

**M Lakshminarayanan**

Chairman

DIN: 05003710

**Neeraj R. Varma**

Company Secretary

Membership No.: A29030

New Delhi  
27 May 2019

Kochi  
27 May 2019

# ASPINWALL AND COMPANY LIMITED

## STATEMENT OF CHANGES IN EQUITY

(All amounts in Indian rupees lakhs)

For the year ended 31 March 2018

Particulars	Equity share capital	Other equity				Total equity attributable to equity share-holders of the Company
		Reserves and surplus		Items of other comprehensive income	Total	
		Retained earnings	General reserve	Remeasurements of the net defined benefit liability		
Balance at 1 April 2017	782	1,121	10,200	-	11,321	12,103
Profit for the year	-	1,320	-	-	1,320	1,320
Other comprehensive income for the year (net of tax)	-	-	-	(3)	(3)	(3)
Total comprehensive income for the year	-	1,320	-	(3)	1,317	1,317
Transferred to retained earnings	-	(3)	-	3	-	-
Transferred to general reserve	-	(600)	-	-	(600)	(600)
Transfer from retained earnings	-	-	600	-	600	600
Dividend paid during the year	-	(235)	-	-	(235)	(235)
Dividend distribution tax paid during the year	-	(34)	-	-	(34)	(34)
Total contributions by and distributions to owners	-	(872)	600	3	(269)	(269)
Balance at 31 March 2018	782	1,569	10,800	-	12,369	13,151

For the year ended 31 March 2019

Particulars	Equity share capital	Other equity				Total equity attributable to equity share-holders of the Company
		Reserves and surplus		Items of other comprehensive income	Total	
		Retained earnings	General reserve	Remeasurements of the net defined benefit liability		
Balance at 1 April 2018	782	1,569	10,800	-	12,369	13,151
Profit for the year	-	801	-	-	801	801
Other comprehensive income for the year (net of tax)	-	-	-	(63)	(63)	(63)
Total comprehensive income for the year	-	801	-	(63)	738	738
Transferred to retained earnings	-	(63)		63	-	-
Transferred to general reserve	-	(450)	-	-	(450)	(450)
Transfer from retained earnings	-	-	450	-	450	450
Dividend paid during the year	-	(274)	-	-	(274)	(274)
Dividend distribution tax paid during the year	-	(48)	-	-	(48)	(48)
Total contributions by and distributions to owners	-	(835)	450	63	(322)	(322)
Balance at 31 March 2019	782	1,535	11,250	-	12,785	13,567

As per our report of even date attached

for **B S R & Associates LLP**

Chartered Accountants

Firm's registration number: 116231W/W-100024

**Vikash Somani**

Partner

Membership No.: 061272

New Delhi  
27 May 2019

for and on behalf of the Board of Directors of

**Aspinwall and Company Limited**

CIN: L74999KL1920PLC001389

**Rama Varma**

Managing Director

DIN: 00031890

**T.R. Radhakrishnan**

Chief Financial Officer

Kochi  
27 May 2019

**M Lakshminarayanan**

Director

DIN: 05003710

**Neeraj R. Varma**

Company Secretary

Membership No.: A29030

# ASPINWALL AND COMPANY LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2019

(All amounts in Indian rupees lakhs)

	Year ended 31 March, 2019	Year ended 31 March, 2018
<b>Cash flows from operating activities</b>		
Profit before tax	917	2,075
<b>Adjustments to reconcile profit to net cash used in operating activities</b>		
Depreciation and amortisation expense	252	249
Finance costs	702	477
Interest income	(23)	(30)
Provision for reduction in recoverable value of assets held for sale	-	310
(Profit)/ loss on disposal of property, plant and equipment	1	(4)
Profit on sale of rubber trees (bearer plants)	(209)	(105)
Gain on remeasurement of biological assets	(37)	(35)
Dividend income	(42)	(70)
Liabilities/ provisions no longer required written back	(393)	(143)
Provision on diminution in value of investment written back	(116)	-
Credit impaired trade receivables written off	6	32
Provision for expected credit loss on financial assets	146	55
Net unrealised exchange (gain) / loss	(12)	3
<b>Operating cash flows before working capital changes</b>	<b>1,192</b>	<b>2,814</b>
<i>Working capital changes</i>		
(Increase) / decrease in inventories	918	(4,642)
Increase in trade receivable	(28)	(778)
Decrease in other financial assets	334	123
Decrease/ (Increase) in other assets	61	138
Increase / (Decrease) in trade payables	((25)	448
Decrease in other financial liabilities	(243)	(617)
Increase/ (Decrease) in other liabilities	(206)	42
Increase in provisions	72	141
<b>Cash (used in)/ generated from operating activities before taxes</b>	<b>2,075</b>	<b>(2,331)</b>
Income taxes paid, net of refund	(434)	(677)
<b>Net cash (used in)/ generated from operating activities (A)</b>	<b>1,641</b>	<b>(3,008)</b>
<b>Cash flows from investing activities</b>		
Capital expenditure on property, plant and equipment including capital advances	(592)	(783)
Proceeds from sale of property, plant and equipment (including bearer plants)	211	114
Repayment of loan by subsidiary company	8	3
Advance repaid towards sale of land	-	(50)
Bank deposits not considered as cash and cash equivalents	-	112

# ASPINWALL AND COMPANY LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2019 *(continued)*

(All amounts in Indian rupees lakhs)

	Year ended 31 March, 2019	Year ended 31 March, 2018
Current investments not considered as cash and cash equivalents		
- purchased	(1)	(4)
- Proceeds from sale of investments in mutual funds	90	-
Interest received	18	30
Dividend received		
- subsidiary	41	66
- others	1	4
<b>Net cash used in investing activities (B)</b>	<b>(224)</b>	<b>(508)</b>
<b>Cash flows from financing activities</b>		
Proceeds from long-term borrowings	-	585
Repayment of long-term borrowings	(428)	(251)
Increase in working capital borrowings	264	3,974
Increase in earmarked bank balances not considered as cash and cash equivalents	(2)	(15)
Finance costs (including borrowing costs capitalised)	(824)	(571)
Transfer to investor education and protection fund	(7)	(5)
Dividend paid	(266)	(216)
Tax on dividend	(48)	(34)
<b>Net cash generated from/ (used in) financing activities (C)</b>	<b>(1,311)</b>	<b>3,467</b>
<b>Increase / (Decrease) in cash and cash equivalents, net (A+B+C)</b>	<b>106</b>	<b>(49)</b>
Cash and cash equivalents at the beginning of the year	237	287
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	(1)	(1)
<b>Cash and cash equivalents at the end of the year (refer note 11)</b>	<b>342</b>	<b>237</b>

**Significant accounting policies** (refer to note 2)

The notes referred to above form an integral part of the standalone financial statements

As per our report of even date attached

for **B S R & Associates LLP**

Chartered Accountants

Firm's registration number: 116231W/ W-100024

**Vikash Somani**

Partner

Membership No.: 061272

New Delhi  
27 May 2019

for and on behalf of the Board of Directors of

**Aspinwall and Company Limited**

CIN: L74999KL1920PLC001389

**Rama Varma**

Managing Director

DIN: 00031890

**T.R. Radhakrishnan**

Chief Financial Officer

Kochi  
27 May 2019

**M Lakshminarayanan**

Director

DIN: 05003710

**Neeraj R. Varma**

Company Secretary

Membership No.: A29030



# ASPINWALL AND COMPANY LIMITED

Notes forming part of the standalone financial statements for the year ended 31 March, 2019

## 1 Reporting entity

**Aspinwall and Company Limited** ("the Company") is one of the earliest commercial enterprises in the Malabar Coast, established in the year 1867, by the English trader, John H. Aspinwall. The Company is registered under the Companies Act, 1956.

The Company has its registered office at Devankulangara, Edapally, Cochin – 682 024. The company has diversified business activities comprising logistics services across 9 branches in India, rubber plantations at Malappuram, coffee processing and trading at Mangalore, natural fiber division at Alleppey and Pollachi, Sales office in Hertogenbosch (Netherlands). The company caters to both domestic and international markets.

The Equity Shares of the Company were earlier listed with Cochin Stock Exchange Ltd and Madras Stock Exchange Ltd, as reported in earlier financial statements. The shares of the Company are now listed at National Stock Exchange of India Ltd, effective from 14 June, 2016.

## 2 Basis of preparation and significant accounting policies

### 2.1 Statement of Compliance

These standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013, (the 'Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and other relevant provisions of the Act.

The standalone financial statements were authorised for issue by the Company's Board of Directors on 27 May 2019.

Details of the Company's accounting policies are included in Note 2.6 to 2.26.

### 2.2 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

### 2.3 Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Basis
Certain financial assets and liabilities (including derivative instruments)	Fair value
Biological assets	Fair value less cost to sell
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

### 2.4 Use of estimates and judgements

In preparing these standalone financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

# ASPINWALL AND COMPANY LIMITED

## Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

### i. Judgements:

There are no significant judgements made in applying accounting policies that have the most material effects on the amounts recognised in the financial statements.

### ii. Assumptions and estimation uncertainties:

#### a. Useful lives of property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation and amortisation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful life and residual values of Company's assets are determined by Management at the time the asset is acquired and reviewed periodically, including each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

#### b. Others:

Further information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment for the year ended 31 March 2019 is included in the following notes:

- Notes 29 and 33 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 42 – determining the fair value of biological assets;
- Note 41 – recognition of impairment loss of financial assets.
- Note 40 – measurement of defined benefit obligations: key actuarial assumptions;
- Note 8 – Assets held for sale;
- Note 39 – Deferred tax asset; and
- Note 4 – determining the fair value of investment property.

## 2.5 Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Chief Financial Officer. Significant valuation assumptions are reported to the Audit Committee.

The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as interest rates, guarantee commission rates and pricing services, is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

# ASPINWALL AND COMPANY LIMITED

## Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

### 2.5 Measurement of fair values (continued)

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 42 – determining the fair value of biological assets;
- Note 41 – fair valuation of certain financial assets;
- Note 4 – determining the fair value of investment property.

### 2.6 Revenue recognition

Revenue from contract with customers

The Company generates revenue from sales of goods and rendering services in various segments. Ind AS 115 Revenue from Contracts with Customers establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaced IAS 18 Revenue, IAS 11 Construction Contracts. Under Ind AS 115, revenue is recognised when a customer obtains control of the goods or services. The Company has adopted Ind AS 115 using the cumulative effect method, with the effect of initially applying this standard recognised at the date of initial application (i.e. 01 April 2018) being included in retained earnings. Accordingly, the information presented for the year ended 31 March 2018 has not been restated – i.e. it is presented, as previously reported, under Ind AS 18, Revenue.

#### *Disaggregation of revenue*

The Company disaggregates revenue from sale of goods and rendering of services at various levels as detailed in Note 18 to the standalone financial statements. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of Company's revenues and cash flows are affected by industry, market and other economic factors.

#### *Contract balances*

The Company classifies the right to consideration in exchange for sale of goods/ services as trade receivables, advance consideration as advance from customers.

#### *Performance obligations and revenue recognition policies*

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognises revenue when it transfers control over a goods or service to a customer. The following details provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

# ASPINWALL AND COMPANY LIMITED

## Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

### Sale of goods

Domestic sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales exclude sales tax, value added tax, excise duty and goods and service tax. Export sales are recognised when goods are boarded to vessel at which point the risks and rewards of ownership are transferred to the buyer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods and regarding its collection.

### Income from services

Income from services such as stevedoring, clearing and forwarding, shipping and liner agencies are accounted as and when the jobs are completed on a percentage of completion basis. Despatch money is recognized as and when the amounts are realized considering the uncertainties involved both in the amount of dispatch money and recoverability thereof.

### Rubber tree sales

Revenue from sale of non-yielding rubber trees is recognised on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the felling and removal of the trees from the estate and realisation of the proceeds. In case when slaughter tapping is allowed to be carried out by the buyer, the sale of trees is recognised when sale consideration is received.

### Export incentives

Export incentive are recognised as income on accrual basis in the year of export, based on eligibility and when there is no uncertainty in receiving the same.

### Other income

In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired).

Dividend income is recognised in the statement of profit and loss on the date on which the right to receive payment is established.

## **2.7 Discounts**

Discounts are provided based on individual contracts/ operating arrangements entered into with the customers on accrual basis.

## **2.8 Inventories**

Inventories are measured at the lower of cost and the net realisable value after providing for obsolescence and other losses, wherever considered necessary. Cost is determined on the following basis:

Particulars	Method of Valuation
Coffee bought from registered dealers	Specific identification basis
Raw materials, stores and spare parts and trading goods	Weighted average basis

Cost includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their present location and condition including octroi and other levies, transit insurance and receiving charges. Inventory is charged to statement of profit and loss on consumption. Cost of finished goods includes appropriate proportion of overheads.

# ASPINWALL AND COMPANY LIMITED

Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

## 2.9 Property, plant and equipment

### i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. Replanting expenses of rubber trees are capitalised under bearer plants (plantation land and development).

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost also includes interest on borrowings attributable to acquisition/ construction of qualifying property, plant and equipment up to the date the asset is ready for its intended use.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Capital work-in progress comprises of the cost of fixed assets that are not yet ready for their intended use as on the balance sheet date.

### ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

### iii. Depreciation

Depreciation is provided on the cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives prescribed in Schedule II to the Companies Act, 2013 using the Straight Line Method ('SLM').

In respect of bearer plants, the life of rubber trees is estimated at 25 years from the year of planting and the cost of these trees is amortised on a SLM basis over the yielding period from the year in which the tapping is commenced which is normally from 7<sup>th</sup> year of plantation.

Buildings constructed over leasehold land are depreciated over the period of the lease or estimated useful lives whichever is shorter.

Depreciation on additions during the year is provided for on a pro-rata basis i.e, from the date on which asset is acquired. Depreciation on disposals is provided on a pro-rata basis i.e. upto the date on which asset is disposed off.

## 2.10 Investment Property

Investment property is measured initially at cost, including transaction cost. Subsequent to initial recognition, investment property is stated at cost less accumulated depreciation and impairment if any. All costs other than those which meet the criteria of capital are recognized in profit and loss. The investment property of the company consists of office building and the same is depreciated over its estimated useful life of 60 years from the date of capitalisation.

# ASPINWALL AND COMPANY LIMITED

Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

## 2.11 Financial Instruments

### i. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

The Company measures a financial asset or financial liability at its fair value. In the case of a financial asset or financial liability measured not at fair value through profit or loss, the transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability are adjusted in the value of financial asset or financial liability.

### ii. Classification and subsequent measurement

#### **a. Financial assets:**

On initial recognition, a financial asset is classified as measured at:

- amortised cost; or
- Fair value through other comprehensive income (FVOCI)
- Fair value through profit and Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss. A financial asset is subsequently measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL. This includes all derivative financial assets. These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

#### **b. Financial liabilities: Classification, subsequent measurement and gains and losses:**

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

# ASPINWALL AND COMPANY LIMITED

## Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

### 2.11 Financial Instruments (Continued)

#### iii. Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

#### iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

#### v. Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

#### vi. Foreign exchange forward contracts

The Company enters into foreign exchange forward contracts with the intention of reducing the foreign exchange risk of expected sales and purchases. These contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

### 2.12 Biological assets

Biological assets, i.e. living plants (other than bearer plants which are included in property, plant and equipment) are measured at fair value less costs to sell, with any change therein recognised in profit or loss.

### 2.13 Non-current assets or disposal group held for sale

Non-current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss. Once classified as held-for-sale, property, plant and equipment and investment properties are no longer amortised or depreciated.

### 2.14 Impairment

#### i. Impairment of financial instruments

##### a. Recognition

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in statement of profit or loss.

##### b. Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

# ASPINWALL AND COMPANY LIMITED

Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

## 2.14 Impairment (Continued)

### *c. Write off:*

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

### **ii. Impairment of non-financial assets**

The Company's non-financial assets, other biological assets, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

### **Impairment of non-financial assets (Continued)**

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

## 2.15 Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with that contract.



# ASPINWALL AND COMPANY LIMITED

Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

## 2.15 Provisions, contingent liabilities and contingent assets (Continued)

Contingent liabilities and contingent assets are not recognised in the financial statements. Contingent liabilities are disclosed in the financial statements unless the possibility of any outflow in settlement is remote. Contingent assets are disclosed in the financial statements where an inflow of economic benefits is probable.

## 2.16 Employee benefits

Employee benefits include short-term employee benefits, provident fund, superannuation fund, employee state insurance scheme, social security and insurance in the case of foreign national employee, gratuity and compensated absences.

### i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur or when employees encash the leave, whichever is earlier.

### ii. Post-employment benefits

#### Provident Fund:

Contributions to defined contribution schemes such as Provident Fund are recognised as expenses in the period in which the employee renders the related service. In respect of certain employees, Provident Fund contributions are made to a Trust administered by the Company namely "Aspinwall & Co. Ltd. Provident Fund" (for employees not covered by the own fund the contributions are made to Government administered provident fund scheme). In respect of Aspinwall & Co. Ltd Provident Fund, the interest paid / payable to the beneficiaries every year is notified by the Government and the company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate and recognises such obligation, if any, determined based on actuarial valuation as at the balance sheet date, as an expense. In respect of contributions made to government administered Provident Fund, the Company has no further obligations beyond its monthly contributions.

#### Gratuity:

The Company's gratuity benefit scheme is a defined benefit plan which is administered through Company managed Trust "Aspinwall & Co. Ltd Gratuity Fund". The Company's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

# ASPINWALL AND COMPANY LIMITED

## Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

### 2.16 Employee Benefits (continued) (Continued)

Remeasurement of the net benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interests) and the effect of the assets ceiling (if any, excluding interest) are recognised in other comprehensive income. The effect of any plan amendments are recognised in net profit in the Statement of Profit and Loss. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

**Superannuation:** The Company makes contributions equal to a specified percentage of the covered employee's basic salary and DA, to a fund managed by the Life Insurance Corporation of India (LIC). The Company has no further obligations beyond its contributions

**Others:** Employee State Insurance Scheme, Social Security and insurance in the case of foreign national employee are also considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

#### iii. Other long-term employee benefits

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 or discounted present value method carried out at each balance sheet date. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary as at 31 March every year using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur.

### 2.17 Leases

#### a. Determining whether an arrangement contains a lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease. At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values.

#### b. Assets held under leases

Assets held under leases that do not transfer to the Company substantially all the risks and rewards of owner-ship (i.e. operating leases) are not recognised in the Balance Sheet.

#### c. Lease payments

Payments made under operating leases are generally recognised in profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.

# ASPINWALL AND COMPANY LIMITED

## Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

### 2.18 Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

### 2.19 Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit and loss.

### 2.20 Income Tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

#### i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

#### ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

# ASPINWALL AND COMPANY LIMITED

## Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

### 2.20 Income Tax (Continued)

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

#### iii. Minimum alternative tax (MAT) credit

Minimum alternative tax (MAT) credit, which is equal to the excess of MAT (calculated in accordance with provisions of Section 115JB of the Income-Tax Act, 1961) over normal income-tax is recognised as an asset by crediting the statement of profit and loss only when and to the extent there is convincing evidence that the company will be able to avail the said credit against normal tax payable during the period of fifteen succeeding assessment years.

### 2.21 Earnings per share (EPS)

Basic earnings per share ('EPS') is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of shares outstanding during the year.

Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period except where the result would be anti-dilutive.

### 2.22 Cash flow statement

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

### 2.23 Operating segment

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

All operating segments' operating results are reviewed regularly by the Company's Board of Directors to make decisions about resources to be allocated to the segments and assess their performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

### 2.24 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition) that are readily convertible into known amounts of cash.

### 2.25 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

# ASPINWALL AND COMPANY LIMITED

Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

## 2.26 Goods and Service Tax ('GST') input credit

GST input credit is accounted for in the books in the period in which the underlying goods or service received is accounted and when there is reasonable certainty in availing / utilising the credits.

### Recent Accounting Pronouncements

#### i. Standards issued but not effective on Balance sheet date:

##### Ind AS 116, Leases

The Company is required to adopt Ind AS 116, Leases from 1 April 2019. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard - i.e. lessors continue to classify leases as finance or operating leases. It replaces existing leases guidance, Ind AS 17, Leases.

Lessees are required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under "Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

The Company plans to apply Ind AS 116 initially on 1 April 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting Ind AS 116 will be recognised as an adjustment to the opening balance of retained earnings at 1 April 2019, with no restatement of comparative information.

The Company plans to apply the practical expedient to grandfather the definition of a lease on transition. This means that it will apply Ind AS 116 to all contracts entered into before 1 April 2019 and identified as leases in accordance with Ind AS 17.

The Company is in the process of evaluating the impact of adoption of Ind AS 116.

#### ii. Other Amendments

The MCA has notified below amendments which are effective 1 April 2019:

- Appendix C to Ind AS 12, Income taxes
- Amendments to Ind AS 103, Business Combinations
- Amendments to Ind AS 109, Financial Instruments
- Amendments to Ind AS 111, Joint Arrangements
- Amendments to Ind AS 19, Employee Benefits
- Amendments to Ind AS 23, Borrowing Costs
- Amendments to Ind AS 28, Investments to Associates and Joint Ventures

Based on Preliminary work, the Company does not expect these amendments to have any significant impact on its Financial statements.

# ASPINWALL AND COMPANY LIMITED

Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

## 3. Property, plant and equipment

Reconciliation of carrying amount	Freehold land	Buildings (refer Note 3.1)	Plant and equipment	Furniture and fixtures	Vehicles	Office equipments	Bearer plants (plantation land and development)	Total	Capital work in progress (refer Note 32)	Total
<b>Cost or deemed cost</b>										
Balance at 1 April 2017	2,320	1,016	542	37	290	29	1114	5,348	1,210	6,558
Additions / adjustments	2	56	138	-	4	20	130	350	591	941
Deletions / adjustments	-	-	(14)	(3)	(26)	(10)	(25)	(78)	-	(78)
Capitalisation	-	-	-	-	-	-	-	-	(19)	(19)
<b>Balance at 31 March 2018</b>	<b>2,322</b>	<b>1,072</b>	<b>666</b>	<b>34</b>	<b>268</b>	<b>39</b>	<b>1,219</b>	<b>5,620</b>	<b>1,782</b>	<b>7,402</b>
Balance at 1 April 2018	2,322	1,072	666	34	268	39	1,219	5,620	1,782	7,402
Additions / adjustments	-	690	242	186	11	91	127	1,347	489	1,836
Deletions / adjustments	-	-	(13)	-	(2)	-	(27)	(42)	-	(42)
Capitalisation	-	-	-	-	-	-	-	-	(2,271)	(2,271)
<b>Balance at 31 March 2019</b>	<b>2,322</b>	<b>1,762</b>	<b>895</b>	<b>220</b>	<b>277</b>	<b>130</b>	<b>1,319</b>	<b>6,925</b>	<b>-</b>	<b>6,925</b>
<b>Accumulated depreciation</b>										
Balance at 1 April 2017	-	(43)	(48)	(7)	(51)	(2)	(32)	(183)	-	(183)
Depreciation for the year	-	(44)	(65)	(7)	(53)	(15)	(65)	(249)	-	(249)
Deletions	-	-	9	3	26	10	25	73	-	73
<b>Balance at 31 March 2018</b>	<b>-</b>	<b>(87)</b>	<b>(104)</b>	<b>(11)</b>	<b>(78)</b>	<b>(7)</b>	<b>(72)</b>	<b>(359)</b>	<b>-</b>	<b>(359)</b>
Balance at 1 April 2018	-	(87)	(104)	(11)	(78)	(7)	(72)	(359)	-	(359)
Depreciation for the year	-	(45)	(64)	(8)	(51)	(16)	(66)	(250)	-	(250)
Deletions	-	-	1	-	2	-	27	30	-	30
<b>Balance at 31 March 2019</b>	<b>-</b>	<b>(132)</b>	<b>(167)</b>	<b>(19)</b>	<b>(127)</b>	<b>(23)</b>	<b>(111)</b>	<b>(579)</b>	<b>-</b>	<b>(579)</b>
<b>Carrying amount (net)</b>										
<b>At 31 March 2018</b>	<b>2,322</b>	<b>985</b>	<b>562</b>	<b>23</b>	<b>190</b>	<b>32</b>	<b>1147</b>	<b>5,261</b>	<b>1,782</b>	<b>7,043</b>
<b>At 31 March 2019</b>	<b>2,322</b>	<b>1,630</b>	<b>728</b>	<b>201</b>	<b>150</b>	<b>107</b>	<b>1,208</b>	<b>6,346</b>	<b>-</b>	<b>6,346</b>

### Note 3.1

Include buildings constructed on leasehold land

Particulars	As at 31 March 2019		As at 31 March 2018		Lease period expiry
	Gross Block	Net Block	Gross Block	Net Block	
Office building (30,000 square feet) - Willington Island	36	6	36	6	28 June 2046
Godown - Willington Island	306	50	306	53	28 June 2016
Office building - Tuticorin	49	15	49	15	31 December 2023
<b>Total</b>	<b>391</b>	<b>71</b>	<b>391</b>	<b>74</b>	

# ASPINWALL AND COMPANY LIMITED

## Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

### 4 Investment property

#### A Reconciliation of Carrying amount

Amount

##### Cost (gross carrying amount)

Balance as at 1 April 2017	-
Additions	-
Balance as at 31 March 2018	-
Balance as at 1 April 2018	-
Additions/ transfer from capital work in progress	1,157
Balance as at 31 March 2019	1,157

##### Accumulated depreciation

Balance as at 1 April 2017	-
Depreciation for the year ended 31 March 2018	-
Balance as at 31 March 2018	-
Balance as at 1 April 2018	-
Depreciation for the year ended 31 March 2019	2
Balance as at 31 March 2019	2

##### Carrying amounts

At 31 March 2018	-
At 31 March 2019	1,155

##### Fair value

At 31 March 2018	-
At 31 March 2019	1,426

#### Information regarding income and expenditure of investment property

Year ended  
31 March 2019

Year ended  
31 March 2018

Interest	6	-
Depreciation	2	-
Profit / (Loss) arising from investment property before indirect expenses	8	-

The Company's commercial complex named Aspinwall House at Kowdiar, Thiruvananthapuram, is partly used for own purpose and partly used for earning rentals.

The fair value of investment property has been determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The fair value measurement of the investment property has been categorised as Level 3 fair value based on inputs to the fair value technique used.

#### Valuation techniques used and key inputs to valuation on investment property:

Valuation technique	Significant inputs	31 March 2019	31 March 2018
Discounted Cash flow method	Estimated Rental value per sq.ft per month	INR 63-65	NA
	Rent growth	5%	NA
	Periodicity of rent escalation	Every years	NA
	Vacancy rate	5%	NA
	Discount rate	14.55%	NA

# ASPINWALL AND COMPANY LIMITED

## Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

	As at 31 March 2019	As at 31 March 2018
<b>5 Investments</b>		
<b>Non-current investments, unquoted</b>		
<u>Investments in equity instruments</u>		
<i>(i) of subsidiaries (fully paid-up) at cost</i>		
Malabar Coast Marine Services Private Limited, India 50,035 ( 31 March 2018: 50,035) equity shares of Rs.10 each	1	1
Aspinwall Geotech Limited, India 1,200,000 ( 31 March 2018: 1,200,000) equity shares of Rs.10 each	116	116
Less: provision for dimution in value	-	(116)
SFS Pharma Logistics Private Limited, India 1,000,000 ( 31 March 2018: 1,000,000) equity shares of Rs.10 each	100	100
Less: provision for dimution in value	(100)	(100)
Aspinwall Technologies Limited 161,280 ( 31 March 2018: 161,280) equity shares of Rs.10 each	16	16
<i>(ii) of other entities (fully paid-up) at Fair Value Through Profit or Loss (fair value through profit and loss)</i>		
Kailas Rubber Company Limited, India 13 ( 31 March 2018: 13) equity shares of Rs.10 each	*	*
Cochin Stock Exchange Limited 911 ( 31 March 2018: 911) equity shares of Rs.10 each	1	1
Cochin Waste 2 Energy Private Limited 50,000 ( 31 March 2018: 50,000) equity shares of Rs.10 each	5	5
Less: Provision for dimution in value	(5)	(5)
Kerala Enviro Infrastructure Limited 20,000 ( 31 March 2018: 20,000) equity shares of Rs.10 each	2	2
<u>Investment in Government Securities</u>		
National Savings Certificate (NSC)	*	*
	<b>136</b>	<b>20</b>
*Amount is below the rounding off norms adopted by the Company.		
<b>Current investments</b>		
<u>Investments in mutual funds (unquoted) at FVTPL:</u>		
UTI Fixed Income Interval Fund-I-Quarterly Interval Plan-Retail Option-Direct Dividend Plan Reinvestment Nil (31 March 2018: 888,645.604) units	-	89
	-	<b>89</b>
(i) Aggregate amount of quoted investments at market value	-	-
(ii) Aggregate amount of unquoted investments	241	330
(iii) Aggregate amount of impairment in the value of investment	(105)	(221)



# ASPINWALL AND COMPANY LIMITED

## Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

	As at 31 March 2019	As at 31 March 2018
<b>6 Loans</b>		
<b>Non-current</b>		
Loan receivables considered good - unsecured		
Loan to SFS Pharma Logistics Private Limited (refer note 34)	-	40
Loan to Aspinwall Geotech Limited (refer note 34)	51	-
	51	40
<b>Current</b>		
Loan receivables considered good- unsecured		
Loan to SFS Pharma Logistics Private Limited (refer note 34)	32	-
Loan to Aspinwall Geotech Limited (refer note 34)	-	51
	32	51
	83	91
<b>7 Other financial assets</b>		
<b>Non- current</b>		
<i>Unsecured, considered good</i>		
Deposits	124	109
Non-current bank balances in earmarked accounts		
- margin money deposit	45	43
- deposit receipts pledged with customs, sales tax and other government authorities	32	30
Employee and other advances	25	21
	226	203
<b>Current</b>		
<i>Unsecured, considered good</i>		
Deposits	200	250
Employee advances	50	39
Unbilled revenue	100	291
Accruals		
- interest accrued on deposits	2	2
- interest accrued on loans and advances to subsidiaries	28	23
	380	605
Contractually reimbursable expenses:		
<i>Unsecured</i>		
considered good **	883	1,033
considered doubtful - credit impaired	102	75
	985	1,108
Less: allowance for expected credit loss on contractually reimbursable expenses (refer note 41)	102	75
	883	1,033
	1,263	1,638
<b>** Includes debts from a wholly owned subsidiary company</b>		
SFS Pharma Logistics Private Limited (refer note 34)	1	11

# ASPINWALL AND COMPANY LIMITED

Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

	As at 31 March 2019	As at 31 March 2018
<b>8 Other assets</b>		
<b>Non-current</b>		
Capital advances	50	65
Balance with government authorities	27	2
Prepaid expenses	1	3
	<b>78</b>	<b>70</b>
<b>Current</b>		
Prepaid expenses	22	27
Balances with government authorities		
- GST credit receivable	-	64
- VAT refund receivable	9	40
- service tax refund receivable	-	23
- service tax advance	-	25
- customs/ port advance	5	15
Fair value change in outstanding forward exchange contracts	99	65
Others *	39	15
	<b>174</b>	<b>274</b>
Export incentives (Merchandise Exports from India Scheme (MEIS)/ duty drawback benefits)	379	384
Advance to contractors	294	239
Less: provision for doubtful advances	6	6
	<b>288</b>	<b>233</b>
Assets held for sale - land (Refer note (i) below)	1,017	1,017
Less: provision for reduction in recoverable value	527	527
	<b>490</b>	<b>490</b>
Note (i) - Represents land at Sasthamangalam. Management is fully committed to dispose off the said land in the near future. As at 31 March 2019, the same has been stated at book value (being lower of the fair value less cost to sell).		
	<b>1,331</b>	<b>1,381</b>
<b>* Includes amounts due from wholly owned subsidiary company</b>		
SFS Pharma Logistics Private Limited	28	7
<b>9 Inventories (at lower of cost and net realisable value)</b>		
(a) Raw materials		
Coffee	4,576	7,123
PVC resin	56	36
Coir	51	137
	<b>4,683</b>	<b>7,296</b>
(b) Finished goods		
Coffee	4,809	3,211
Mats and mattings	3	-
Rubber	165	38
	<b>4,977</b>	<b>3,249</b>
(c) Stock in trade		
Coffee	33	81
Rubber	14	-
Mats and mattings	16	19
	<b>63</b>	<b>100</b>
(d) Stores and spares	137	133
	<b>9,860</b>	<b>10,778</b>

# ASPINWALL AND COMPANY LIMITED

Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

	As at 31 March 2019	As at 31 March 2018
<b>10 Trade receivables</b>		
Trade receivables considered good- Unsecured *	3,280	3,388
Trade receivables - credit impaired	183	85
	3,463	3,473
Allowances for expected credit loss (refer note 41)	(183)	(85)
	<b>3,280</b>	<b>3,388</b>
<b>* Includes debts due from a wholly owned subsidiary company</b>		
SFS Pharma Logistics Private Limited - considered good (refer note 34)	11	9
<b>11 Cash and bank balances</b>		
<b>A. Cash and cash equivalents</b>		
Balances with banks (refer note 41)		
(i) In current accounts	327	214
(ii) In EEFC accounts	1	7
(iii) In deposit accounts	9	10
Cash on hand	5	6
<b>Total cash and cash equivalents - (A)</b>	<b>342</b>	<b>237</b>
<b>B. Bank balances other than cash and cash equivalents</b>		
In earmarked accounts		
- unclaimed dividend accounts	51	50
- interest warrant account	2	2
- deposits receipts pledged with customs, sales tax and other government authorities	6	9
<b>Other bank balances - (B)</b>	<b>59</b>	<b>61</b>

# ASPINWALL AND COMPANY LIMITED

Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

	As at 31 March 2019	As at 31 March 2018
<b>12 Equity share capital</b>		
<b>Authorised capital</b>		
250 lakhs (31 March 2018: 250 lakhs) equity shares of Rs.10 each	2,500	2,500
	2,500	2,500
<b>Issued, subscribed and paid-up capital</b>		
78.18 lakhs (31 March 2018: 78.18 lakhs) equity shares of Rs.10 each fully paid up	782	782
	782	782

**a. Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year is as given below:**

Particulars	As at 31 March 2019		As at 31 March 2018	
	No. of shares	Amount	No. of shares	Amount
Number of shares at the beginning of the year (lakhs)	78.18	782	78.18	782
Number of shares issued during the year (lakhs)	-	-	-	-
Number of shares at the end of the year (lakhs)	78.18	782	78.18	782

**b. Rights, preferences and restrictions attached to equity shares**

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of the equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive 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 shareholders.

**c. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company**

**i) Equity shares:**

Particulars	As at 31 March 2019		As at 31 March 2018	
	No. of shares (in lakhs)	% holding	No. of shares (in lakhs)	% holding
<i>Equity shares</i>				
M/s. Narayanan Investment Trust Private Limited	17.05	21.82%	17.05	21.82%
Mr. Rama Varma	11.65	14.91%	11.65	14.91%
Her Highness Gouri Parvathi Bai	10.45	13.37%	10.45	13.37%
M/s Kumari Investment Corporation Private Limited	4.59	5.87%	4.59	5.87%

# ASPINWALL AND COMPANY LIMITED

## Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

### d. Details of buyback, bonus shares, issue for consideration other than for cash for past 5 years

There were no shares allotted as fully paid up by way of bonus shares, shares issued for consideration other than for cash and shares bought back during the 5 years immediately preceding the balance sheet date.

- e. The Company does not have a holding company and none of the shares are held by any of the subsidiary companies.

	As at 31 March 2019	As at 31 March 2018
<b>13 Borrowings</b>		
<b>Non-current</b>		
<i>Secured</i>		
Term loans from banks	608	1,000
	<b>608</b>	<b>1,000</b>
<b>Current</b>		
<i>Secured</i>		
Current maturities of term loans from banks	392	428
Loan repayable on demand	751	687
Packing credit loan from banks	4,940	4,740
<i>Unsecured</i>		
Loan from subsidiary company (refer note 34)	275	275
	<b>6,358</b>	<b>6,130</b>
Less: amount included under other financial liabilities	(392)	(428)
	<b>5,966</b>	<b>5,702</b>

# ASPINWALL AND COMPANY LIMITED

## Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

### 13 Borrowings (Continued)

#### Details of securities, terms and conditions on borrowings from banks

Type of borrowings	Lenders name	Outstanding as on 31 March 2019	Outstanding as on 31 March 2018	Tenure	Security and maturity term	Repayment Schedule and interest rates
Secured term loans from banks	YES Bank Limited	1,000	1,393	5 1/4 Years	Secured by exclusive charge over the land in Sy no.3138/2 and 3139/9 at Kowdiar Village, Trivandrum, building constructed on the land and further an exclusive charge over the lease rentals/ cash flow from the building.	The term loan is repayable in 21 quarterly installments commencing from 20 December 2016 and carry interest at base rate, presently @ 10.25% (previous year @ 10.25%) per annum
Secured term loans from banks	Axis Bank Limited	-	4	4 Years	Secured by a charge on/ hypothecation of assets bought under the loan	The term loan is repayable in 48 equal monthly installments commencing from 15 August 2014 and carry interest @10.25% (previous year @ 10.25%) per annum.
Secured term loans from banks	HDFC Bank Limited	-	31	3 Years	Secured by a charge on/ hypothecation of assets bought under the loan	The term loan is repayable in 36 equal monthly installments commencing from 5 March 2016 and carry interest @ 9.50% (previous year @9.50%) per annum.
Loan repayable on demand	Syndicate Bank	751	687	Yearly renewal	The bank overdraft and packing credit loan from Syndicate Bank are secured by hypothecation and first charge on all raw materials, finished goods, stock in trade and stores (including goods for export) of coffee division at Mangalore and book debts not older than 90 days of the company. Further secured by hypothecation of plant and machinery of coffee and logistics division at Mangalore, equitable mortgage of land and buildings in Sy. No. 129/1,129/1A,73/2B at Padavu and Maroli Village, Mangalore and equitable mortgage of land and building in Sy. No.1265/1,1265/2, 1266/1, 1266/2, 1259B/2, 1260/2B, 1261/2B in Meelavittam Village at Tuticorin.	Bank overdraft is repayable on demand and carry interest at base rate + 0.50%, presently @10% (previous year @8.95%) per annum.
Packing credit loan from banks	Syndicate Bank	2,762	3,790	Yearly renewal		Packing credit loan is repayable within a period of 270 days from the date of availment of loan and carry interest at base rate less interest equalisation scheme, presently @4.50% (previous year @6.45%) per annum.
Packing credit loan from banks	State Bank of India	347	219	Yearly renewal	Packing credit loan from State Bank of India is secured by hypothecation of stock and receivables of natural fibre division.	Packing credit loan is repayable within a period of 270 days from the date of availment of loan and carry interest at base rate less interest equalisation, presently @4.10% (previous year @ 5.70%) per annum.
Packing credit loan from banks	HDFC Bank	466	731	Yearly renewal	Packing credit loan from HDFC Bank Limited is secured by equitable mortgage of land in Sy.no. 140/1, 155-1A and 154-1A along with built up area about 94000 sq.ft. located in Iddya Village, Mangalore Taluk.	Packing credit loan is repayable within a period of 270 days from the date of availment of loan and carry interest at base rate less interest equalisation, presently @4.45% (previous year @ 6.30%) per annum.
Packing credit loan from banks	Federal Bank Limited	1,365	-	Yearly renewal	Packing credit loan from Federal Bank Limited is secured by pariassu first charge on hypothecation of stock and advance to suppliers of the coffee division with a margin of 25% with other WC lenders of coffee division.	Packing credit loan is repayable within a period of 270 days from the date of availment of loan and carry interest at base rate less interest equalisation, presently @ 4.15% (previous year : NA) per annum.
Unsecured loan from subsidiary company	Malabar Coast Marine Services Private Limited	275	275	NA	Unsecured loan	Unsecured loan is maturing in August 2019. Interest rate @ 10% (previous year @ 10%) per annum.

# ASPINWALL AND COMPANY LIMITED

Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

	As at 31 March 2019	As at 31 March 2018
<b>14 Provisions</b>		
<b>Provision for employee benefits</b>		
<b>Non-current</b>		
Provision for compensated absences	256	223
	<b>256</b>	<b>223</b>
<b>Current</b>		
Provision for compensated absences	74	66
Provision for employee provident fund	21	7
Provision for contingencies (refer note 33)	622	804
	<b>717</b>	<b>877</b>
<b>15 Trade payables</b>		
(A) total outstanding dues of micro enterprises and small enterprises (refer note 35)	-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	842	884
	<b>842</b>	<b>884</b>

# ASPINWALL AND COMPANY LIMITED

## Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

	As at 31 March 2019	As at 31 March 2018
<b>16 Other financial liabilities - Current</b>		
Current maturities of term loans from banks	392	428
Interest accrued but not due	22	31
Unclaimed dividends	51	50
Payables on purchase of property, plant and equipment	-	19
Trade deposits received	47	62
Contractually reimbursable expenses/liabilities	136	237
Retention money	31	28
Due to other creditors and accruals	876	964
Accrued salaries and benefits	456	610
Unclaimed interest on deposits	1	1
	<b>2,012</b>	<b>2,430</b>
<b>17 Other liabilities</b>		
<b>Current</b>		
Advance from customers	165	421
Due to gratuity trust	105	4
Advances received towards sale of land classified as asset held for sale	600	600
Withholding taxes and statutory dues	115	79
	<b>985</b>	<b>1,104</b>
	<b>Year ended 31 March 2019</b>	<b>Year ended 31 March 2018</b>
<b>18 Revenue from operations</b>		
Sale of products		
Own manufactured	15,551	14,233
Traded	1,250	457
	<b>16,801</b>	<b>14,690</b>
<i>Own manufactured</i>		
Rubber	970	1,388
Mats and mattings	1,826	1,659
Coffee	12,755	11,186
	<b>15,551</b>	<b>14,233</b>
<i>Traded</i>		
Coffee	271	180
Rubber	663	-
Mats and mattress	316	277
	<b>1,250</b>	<b>457</b>
Sale of services - Logistics		
Clearing and forwarding - bulk cargo	6,436	9,732
Clearing and forwarding - others	2,990	2,872
Steamer/Vessel agency related activities	118	100
	<b>9,544</b>	<b>12,704</b>
Other operating revenues		
- Export incentives (MEIS/ duty drawback benefits)	700	559
- despatch money	183	122
- weighbridge income	13	18
- sale of coffee husk	1	1
	<b>897</b>	<b>700</b>
	<b>27,242</b>	<b>28,094</b>



# ASPINWALL AND COMPANY LIMITED

## Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
<b>19 Other Income</b>		
Interest income on effective interest method on		
- interest on bank deposits	5	13
- interest on loans and advances carried at amortised cost **	18	17
Dividend income from current investment carried at FVTPL	1	4
Fair value changes of current investments (FVTPL)	*	*
Dividend from subsidiary company	41	66
Other non-operating income		
- sublease income	10	9
- profit on sale of property, plant and equipment	-	4
- liabilities/ provisions no longer required written back	393	143
- provision on diminution in value of investment written back	116	-
- profit on sale of rubber trees	209	105
- sale of timber	24	21
- insurance claim received	21	18
- gain on remeasurement of biological assets	37	35
- miscellaneous income	29	18
	<b>904</b>	<b>453</b>
** Includes interest received from wholly owned subsidiary companies Rs 10 lakhs (previous year Rs 8 lakhs)		
<b>20 Cost of materials consumed</b>		
Opening stock	7,296	3,276
Add: purchases	10,416	13,682
Less: closing stock	(4,683)	(7,296)
<b>Cost of materials consumed</b>	<b>13,029</b>	<b>9,662</b>
Materials consumed comprise:		
Coffee	11,872	8,676
PVC resin	181	215
Coir yarn and others	976	771
	<b>13,029</b>	<b>9,662</b>
<b>21 Purchases of stock-in-trade</b>		
Coffee	177	205
Rubber	666	-
Mattress	184	187
	<b>1,027</b>	<b>392</b>

\*\* Includes interest received from wholly owned subsidiary companies Rs 10 lakhs (previous year Rs 8 lakhs)

\*Amount is below the rounding off norms adopted by the Company.

# ASPINWALL AND COMPANY LIMITED

## Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
<b>22 Changes in inventories of finished goods and stock-in-trade</b>		
<i>Inventories at the beginning of the year</i>		
Finished good		
Coffee	3,211	2,671
Rubber	38	59
Mats and mattings	-	-
	3,249	2,730
Stock -in-trade		
Coffee	81	34
Mats and mattress	19	20
	100	54
	<b>3,349</b>	<b>2,784</b>
<i>Inventories at the end of the year</i>		
Finished good		
Coffee	4,809	3,211
Rubber	165	38
Mats and mattings	3	-
	4,977	3,249
Stock -in-trade		
Mats and mattress	16	19
Rubber	14	-
Coffee	33	81
	63	100
	<b>5,040</b>	<b>3,349</b>
<b>Net increase in inventories of finished goods and stock-in-trade</b>	<b>(1,691)</b>	<b>(565)</b>
<b>23 Employee benefits expense</b>		
Salaries, wages and bonus	2,929	2,958
Contribution to provident and other funds (refer note 40)	351	303
Staff welfare expenses	187	186
	<b>3,467</b>	<b>3,447</b>
<b>24 Finance costs</b>		
Interest expense on :		
- borrowings	533	370
- agricultural income tax dues	9	17
- central income tax dues	21	-
- licence fee to port (refer note 33)	17	15
- loan from wholly owned subsidiary (refer note 34)	34	34
- others	51	24
Other borrowing costs	37	17
	<b>702</b>	<b>477</b>

# ASPINWALL AND COMPANY LIMITED

## Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
<b>25 Depreciation and amortisation expense</b>		
Depreciation on property, plant and equipment	184	184
Depreciation on investment property	2	-
Amortisation of intangible assets	66	65
	<b>252</b>	<b>249</b>
<b>26 Other expenses</b>		
Consumption of stores and spare parts	426	450
Handling charges	6,473	9,114
Transportation charges	1,289	1,072
Ocean freight	46	47
Power and fuel	169	160
Rent (refer note 38)	134	133
Repairs and maintenance - buildings	83	126
Repairs and maintenance - machinery	68	81
Repairs and maintenance - others	25	-
Insurance	93	78
Rates and taxes	84	98
Communication	50	54
Travelling and conveyance	241	223
Printing and stationery	29	34
Sales commission	61	42
Donations and contributions (refer note 26.1 below)	3	5
Legal and professional	180	162
Payments to auditors (refer note 31)	35	33
Credit impaired trade receivables written off	6	32
{Net of adjustment against provision Rs.12 lakhs (31 March 2018: Rs. 32 lakhs)}		
Provision for expected credit loss on financial assets	146	55
Loss on disposal of property, plant and equipment (net)	1	-
Exchange loss on currency fluctuation realised and unrealised#	343	66
Bank charges	75	71
Security and subcontracting charges	110	174
Directors' sitting fees	18	9
Miscellaneous expenses	223	159
	<b>10,411</b>	<b>12,478</b>
# Includes unrealised loss / net of unrealised gain on contracts not designated in hedge relationships and measured at fair value.		

# ASPINWALL AND COMPANY LIMITED

## Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
<b>Note 26.1- Donations and contributions primarily includes following:</b>		
Communist Party of India (Marxist)	*	1
Bharatiya Janata Party	-	1
Communist Party of India	-	*
Kerala Congress (B)	-	*
Revolutionary Socialist Party	-	*
SDPI	*	*
Muslim League	*	*
RSP	-	*
Welfare Party of India	*	*
Indian National Congress	*	*
Indian Communist League (ML)	-	*
DMK	-	*
	<b>1</b>	<b>2</b>
<b>27 CSR expenditure</b>		
- Gross amount required to be spent during the year	32	22
- Amount spent during the year on:		
Construction/acquisition of an asset	-	-
On purposes other than above	32	22
	<b>32</b>	<b>22</b>
<b>Total of other expenses and CSR expenditure</b>	<b>10,443</b>	<b>12,500</b>
<b>28 Exceptional items</b>		
Provision for reduction in recoverable value of assets held for sale	-	310
	<b>-</b>	<b>310</b>

# ASPINWALL AND COMPANY LIMITED

## Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

### 29 Contingent liabilities and commitments

Particulars	As at 31 March 2019	As at 31 March 2018
<b>Contingent liabilities</b>		
(i) Claims against the Company not acknowledged as debt:		
Disputed tax demands:		
-Service tax demands for the period from April, 2006 to March, 2012 under appeal before Customs, Excise and Service Tax Appellate Tribunal (CESTAT)	469	724
-Service tax demands for the period from April 2009 to March 2015, under appeal before Commissioner (Appeals)	24	43
-Kerala value added tax demand relating to assessment year 2007-08 on alleged sale consideration of goodwill to M/s. DLF Aspinwal Hotels Private Limited against which appeal is pending before the Honourable Kerala Value Added Tax Appellate Tribunal.	49	49
(ii) Bills discounted	611	418
(iii) Corporate guarantees (refer note 34)	48	48
(iv) Export obligation under Advance Authorisation Licence to be fulfilled. The Company is confident of meeting its obligations under the scheme within the stipulated time.	199	391
(v) Likely demand of interest on UNDP loan availed by M/s. Aspinwall Geotech Limited, wholly owned subsidiary company.	128	120
<b>Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for:		
- property, plant and equipment	8	379

#### Note

- Show cause notices received from Service tax department pending formal demand notices, have not been considered as contingent liabilities.
- The Land Tribunal, Manjeri had passed orders conferring absolute title of the rubber estate at Pullangode to the Company. Appeals against this order filed by some of the Jenmis before the Land Reforms Appellate Authority have also been disposed off in favour of the Company and accordingly no adjustment is required in the financial statements in this regard. Further, appeal filed by some of the Jenmis is pending before the Hon'ble High Court of Kerala.
- The Company's writ petition against the order of the Government of Kerala revising the lease rent in respect of the leasehold land at Fort Kochi effective from 13 November 1995 upto 31 March 2007, is pending before the Hon'ble High Court of Kerala. Pursuant to interim application filed in the above writ petition by the company, the High Court has directed the Government to consider the representation regarding lease rent filed by the company, and take appropriate decision in this regard. Pursuant to this, Government of Kerala has issued an order reaffirming the demand for the period upto 31 March 2007. Adequate provision is available in the books for meeting this liability.
- Future cash outflows in respect of the above matters are determinable only on receipt of judgements / decisions pending at various forums / authorities. Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements.
- On 28th February 2019, the Hon'ble Supreme Court of India has delivered a judgment clarifying the principles that need to be applied in determining the components of salaries and wages on which Provident Fund (PF) contributions need to be made by establishments. However, the Company has been legally advised that there are numerous interpretative challenges on the application of the judgment retrospectively. Based on such legal advice, the management believes that it is impracticable at this stage to reliably measure the provision required, if any, and accordingly, no provision has been made towards the same. Necessary adjustments, if any, will be made to the books as more clarity emerges on this subject.

# ASPINWALL AND COMPANY LIMITED

## Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

### 30 Earnings per share

The calculation of profit attributable to equity share holders and weighted average number of equity shares outstanding for the purpose of basic earnings per share calculations are as follows:

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Net profit for the year attributable to the equity shareholders (in lakhs)	801	1,320
Weighted average number of equity shares (Nos.)	78.18	78.18
Par value per share (Rs)	10	10
Earning per share - basic and diluted	10.24	16.88

Note: There are no dilutive potential equity shares outstanding during the current year and previous year

### 31 Auditors' remuneration

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Statutory audit	27	23
Tax audit	3	1
Other matters	4	7
Reimbursement of expenses	1	2
Total	35	33

### 32 Details of borrowing costs capitalised

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Borrowing costs capitalised during the year	122	138

### 33 Details of provisions

The Company has made provision for various contractual obligations and disputed statutory and other liabilities based on its assessment of the amount it estimates to incur to meet such obligations, details of which are given below:

Particulars	As at 1 April 2018	Additions	Reversal	As at 31 March 2019
Provision for contingencies towards disputed statutory dues	549	-	199	350
Provision for licence fee and interest to port	255	17	-	272
Total provision for contingencies	804	17	199	622
Particulars	As at 1 April 2017	Additions	Reversal	As at 31 March 2018
Provision for contingencies towards disputed statutory dues	548	1	-	549
Provision for licence fee and interest to port	149	106	-	255
Total provision for contingencies	697	107	-	804

Time of future cash outflows in respect of above matters are dependend on the receipt of judgement - decisions pending at various forums/ authorities.

# ASPINWALL AND COMPANY LIMITED

## Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

### 34 Related parties

#### A. Related party relationships

Names of related parties and description of relationship with the Company:

(a) Subsidiaries	a) Aspinwall Technologies Limited b) Malabar Coast Marine Services Private Limited c) Aspinwall Geotech Limited d) SFS Pharma Logistics Private Limited
(b) Key Management Personnel (KMP)	a) Mr.Rama Varma - Managing Director b) Mr.Venkitraman Anand- Executive Director (Resigned on 31 August 2018) c) Rajesh S - Chief Executive Officer (Appointed on 12 November 2018) d) T.R. Radhakrishnan - Chief Financial Officer e) Neeraj R. Varma - Company Secretary
(c) Non-Executive Directors	a) Mr.C.R.R.Varma b) Mr.K.R.N.Menon c) Mr. Sushil Krishnan Nair I.N. (Retd) d) Ms.Nina Nayar e) Avittam Thirunal Adithya Varma (Appointed on 17 August 2017) f) Mr. M.Lakshminarayanan (Appointed on 01 May 2018)
(d) Entities in which KMP / Relatives of KMP can exercise significant influence	a) Narayanan Investment Trust Private Limited b) Kumari Investment Corporation Private Limited
(e) Relatives of KMP ( Managing Director)	a) H. H. Gouri Parvathi Bayi, sister b) H. H. Gouri Lakshmi Bayi, sister c) Dr (Mrs.) Girija Varma, spouse

Note: Related parties have been identified by the management and relied upon by the auditors

# ASPINWALL AND COMPANY LIMITED

Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

## 34 Related parties (Continued)

### B. Related party transactions

Transaction	Related Party	Year ended 31 March 2019	Year ended 31 March 2018
Purchase of software	Aspinwall Technologies Limited	-	8
Receiving of services	Malabar Coast Marine Services Private Limited	-	6
Rent payments	Mr. Rama Varma	19	18
Recoverable expenses / advance given	Malabar Coast Marine Services Private Limited	2	21
	SFS Pharma Logistics Private Limited	41	24
	Aspinwall Technologies Limited	5	7
	Aspinwall Geotech Limited	3	*
Dividend received	Malabar Coast Marine Services Private Limited	25	50
	Aspinwall Technologies Limited	16	16
Dividend paid	Narayanan Investment Trust Private Limited	60	51
	Kumari Investment Corporation Private Limited	16	14
	Mr. Rama Varma	41	35
	H H Gouri Parvathi Bayi	37	31
	H H Gouri Lakshmi Bayi	2	2
	Dr. (Mrs.) Girija Varma	*	*
	Sri Avittam Thirunal Adithya Varma	3	2
	Mr.C.R.R.Varma	1	1
Interest expense	Malabar Coast Marine Services Private Limited	34	34
Interest income	Aspinwall Geotech Limited	7	6
	SFS Pharma Logistics Private Limited	4	4
Remuneration to Key Management Personnel#	Mr. Rama Varma	72	71
	Mr.Venkitraman Anand ( Resigned on 31 August 2018)	28	95
	Mr.Rajesh S ( From 12 November 2018)	35	-
	Mr.T.R. Radhakrishnan	60	63
	Mr.Neeraj R. Varma	14	15
Sitting fee paid	Mr.C.R.R.Varma	3	2
	Mr.K.R.N.Menon	4	2
	Mr. Sushil Krishnan Nair I.N. (Retd)	4	1
	Ms.Nina Nayar	3	2
	Sri.Avittam Thirunal Adithya Varma	1	1
	Mr. P.K. Sasidharan	-	1
	Mr. R.Sasiprabhu	-	*
	Mr. M Laxminarayanan	3	-



# ASPINWALL AND COMPANY LIMITED

## Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

### 34 Related parties (Continued)

#### B. Related party transactions (Continued)

Transaction	Related Party	Year ended 31 March 2019	Year ended 31 March 2018
Rendering of services	SFS Pharma Logistics Private Limited	21	9
	Aspinwall Technologies Limited	-	2
	Malabar Coast Marine Services Private Limited	7	5
Reimbursement of expenses / repayment of temporary advances received	Malabar Coast Marine Services Private Limited	7	10
	SFS Pharma Logistics Private Limited	53	20
	Aspinwall Technologies Limited	5	5
	Aspinwall Geotech Limited	4	1
Reimbursable expenses incurred on behalf of the Company	Malabar Coast Marine Services Private Limited	2	1
Repayment of dues to subsidiary companies	Aspinwall Technologies Limited	-	8
	Malabar Coast Marine Services Private Limited	34	25
Loan amount received back	SFS Pharma Logistics Private Limited	8	3

#### C. The Company has the following amounts due from/ (to) related parties:

Nature of transaction	Name of the related party	As at 31 March 2019	As at 31 March 2018
Loans to related parties	Aspinwall Geotech Limited	51	51
	SFS Pharma Logistics Private Limited	32	40
Interest accrued on loans to related party	SFS Pharma Logistics Private Limited	-	1
	Aspinwall Geotech Limited	28	22
Corporate guarantee given	The United Nations Development Programme Loan on behalf of Aspinwall Geotech Limited	48	48
Trade receivables	SFS Pharma Logistics Private Limited	11	9
Contractually reimbursable expenses	SFS Pharma Logistics Private Limited	1	11
Other assets - other advance	SFS Pharma Logistics Private Limited	29	7
Loans and advances from subsidiary company	Malabar Coast Marine Services Private Limited	275	275

# Does not include provision for Gratuity as the actuarial valuation certificate is for the Company as a whole

\* Amount is below the rounding off norms adopted by the Company.

# ASPINWALL AND COMPANY LIMITED

## Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

### 35 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act)

Particulars	As at 31 March 2019	As at 31 March 2018
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

### 36 Details of loans and advances given to subsidiary companies:

- (i) The details are provided as required by regulation 53(f) read with Para A of Schedule V to SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Particulars	Amount outstanding as at 31 March 2019 #	Maximum balance outstanding during the year #
Aspinwall Geotech Limited (including interest accrued)	79 (73)	79 (74)
SFS Pharma Logistics Private Limited (including interest accrued)	32 (41)	41 (48)

Note: Figures in brackets relate to the previous year.

# Includes interest accrued thereon - Rs. 28 lakhs (previous year Rs. 23 lakhs)

# ASPINWALL AND COMPANY LIMITED

## Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

### 37 Operating segment

#### Basis for segmentation

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Chief Executive officer(CEO) and Chief Financial Officer (CFO) to make decisions about resources to be allocated to the segments and assess their performance.

The Company has identified business segments as its primary segment and geographical segments as its secondary segment. Business segments are logistics, coffee and related activities, plantation, natural fibre products and others. Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Fixed assets that are used interchangeably amongst segments are not allocated to primary and secondary segments. Geographical revenues are allocated based on the location of the customer. Geographical segments of the Company are Americas (including Canada and South American countries), Europe, India and others.

#### Information about reportable segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Company's CFO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

# ASPINWALL AND COMPANY LIMITED

Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

37 Operating segment (Continued)

Business segment information (Continued)

	SEGMENTS	Year ended 31 March 2019						Year ended 31 March 2018					
		Logistics	Coffee and Related Activities	Plantation	Natural Fibre Products	Others	TOTAL	Logistics	Coffee and Related Activities	Plantation	Natural Fibre Products	Others	TOTAL
1	<b>Segment revenue</b>	9,740	13,600	1,633	2,269	-	<b>27,242</b>	12,862	11,822	1,388	2,039	-	<b>28,111</b>
	Less: inter-segment revenue	-	-	-	-	-	-	17	-	-	-	-	<b>17</b>
		<b>9,740</b>	<b>13,600</b>	<b>1,633</b>	<b>2,269</b>	<b>-</b>	<b>27,242</b>	<b>12,845</b>	<b>11,822</b>	<b>1,388</b>	<b>2,039</b>	<b>-</b>	<b>28,094</b>
2	<b>Segment result (before unallocated income/expense)</b>	692	1,368	184	50	(2)	<b>2,292</b>	1,035	2,171	252	72	-	<b>3,530</b>
	Unallocated expense (net of other income)						673						668
	<b>Operating profit before interest, prior period and exceptional items</b>						<b>1,619</b>						<b>2,862</b>
	Exceptional items						-						(310)
	Finance costs						702						477
	<b>Net profit before tax</b>						<b>917</b>						<b>2,075</b>
	Tax expense						116						755
3	<b>Profit after tax</b>						<b>801</b>						<b>1,320</b>
4	<b>Other information</b>												
	<b>a) Segment assets</b>	5,007	11,424	2,033	1,215	1,157	20,836	5,706	12,194	1,751	1,208	-	20,859
	Unallocated corporate assets						4,476						5,104
	<b>Total assets</b>						<b>25,312</b>						<b>25,963</b>
	<b>b) Segment liabilities</b>	1,904	4,770	633	495	642	8,444	2,481	4,999	650	473	-	8,603
	Unallocated corporate liabilities						3,301						4,209
	<b>Total liabilities</b>						<b>11,745</b>						<b>12,812</b>
	<b>c) Capital expenditure</b>	15	71	141	32	-	259	17	107	139	58	-	321
	Unallocated corporate capital expenditure						449						628
	<b>Total capital expenditure</b>						<b>708</b>						<b>949</b>
	<b>d) Depreciation /amortisation</b>	103	27	79	26	2	237	105	28	78	25	-	236
	Unallocated depreciation/ amortisation on corporate assets						15						13
	<b>Total depreciation/ amortisation</b>						<b>252</b>						<b>249</b>
	<b>e) Non-cash expenditure other than depreciation</b>	153	16	-	5	-	174	88	2	-	*	-	90
	Unallocated non-cash expenditure other than depreciation						-						-
	<b>Total non-cash expenditure other than depreciation</b>						<b>174</b>						<b>90</b>

Asterisk denotes figures below ₹ 50,000/-

# ASPINWALL AND COMPANY LIMITED

## Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

### 37 Operating segment (continued) Geographical segment information

The company has exported coffee and coir products during the year. Information regarding Geographical segments are given below:

	Particulars	Year ended	Year ended
		31 March 2019	31 March 2018
<b>1</b>	<b>Segment Revenue</b>		
	Americas (including Canada and South American countries)	1,532	1,469
	Europe	11,397	10,665
	India	13,626	15,411
	Others	687	549
	<b>Segment revenue</b>	<b>27,242</b>	<b>28,094</b>
<b>2</b>	<b>Segment Assets</b>		
	Americas (including Canada and South American countries)	201	209
	Europe	1,583	1,396
	India	22,471	24,275
	Others	1,057	83
	<b>Segment assets</b>	<b>25,312</b>	<b>25,963</b>
<b>3</b>	<b>Capital Expenditure</b>		
	India	708	949
	<b>Total capital expenditure</b>	<b>708</b>	<b>949</b>

### 38 Leases

The Company is obligated under cancellable operating leases for office, port and residential space. Total rental expense under cancellable operating leases [including Rs.550 lakhs (previous year - Rs. 1255 lakhs) grouped under handling charges] during the year was Rs.684 lakhs (previous year Rs.1388 lakhs)

# ASPINWALL AND COMPANY LIMITED

Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

## 39 Tax assets, liabilities and reconciliations

### A. Deferred tax (asset)/ liabilities

#### (a) Movement in deferred tax balances for the year ended 31 March 2019

	Net balance 1 April 2018	Recognised in profit or loss	Recognised in OCI	As at 31 March 2019		
				Net	Deferred tax asset	Deferred tax liability
<b>Deferred tax (asset)/ liabilities</b>						
Property, plant and equipment	56	28	-	84	-	84
Employee benefits*	(102)	21	(24)	(105)	105	-
Provision for doubtful trade receivables	(57)	(28)	-	(85)	85	-
Disallowances under Section 43B of the Income-Tax Act, 1961	(47)	47	-	-	-	-
Fair valuation of biological assets	142	(13)	-	129	-	129
MAT credit entitlement	-	(92)	-	(92)	92	-
Fair valuation changes in cash flow hedges	22	7	-	29	-	29
Other disallowances	(337)	(16)	-	(353)	353	-
<b>Net deferred tax</b>	<b>(323)</b>	<b>(70)</b>	<b>(24)</b>	<b>(393)</b>	<b>635</b>	<b>242</b>

#### (b) Movement in deferred tax balances for the year ended 31 March 2018

	Net balance 1 April 2017	Recognised in profit or loss	Recognised in OCI	As at 31 March 2018		
				Net	Deferred tax asset	Deferred tax liability
<b>Deferred tax (asset)/ liabilities</b>						
Property, plant and equipment	35	21	-	56	-	56
Employee benefits*	(92)	(8)	(2)	(102)	102	-
Provision for doubtful trade receivables	(56)	(1)	-	(57)	57	-
Disallowances under Section 43B of the Income-Tax Act, 1961	(44)	(3)	-	(47)	47	-
Fair valuation of biological assets	128	14	-	142	-	142
Fair valuation changes in cash flow hedges	81	(59)	-	22	-	22
Other disallowances	(346)	9	-	(337)	337	-
<b>Net deferred tax</b>	<b>(294)</b>	<b>(27)</b>	<b>(2)</b>	<b>(323)</b>	<b>543</b>	<b>220</b>

\*Includes provision for gratuity, provision for leave encashment, provision for bonus and actuarial gain/ loss on remeasurment of defined benefit liability recognised in other comprehensive income.

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

# ASPINWALL AND COMPANY LIMITED

## Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

### 39 Tax assets, liabilities and reconciliations (Continued)

#### B. Income tax assets /(liabilities)

Particulars	As at 31 March 2019	As at 31 March 2018
<b>Non-current</b>		
Advance tax, net of provision for tax	318	236
Provision for tax, net of advance tax	(359)	(592)
	<b>(41)</b>	<b>(356)</b>

#### C. Amount recognised in statement of profit and loss

Particulars	As at 31 March 2019	As at 31 March 2018
Current tax	235	792
Income tax charge/(credit) for earlier years	(49)	(10)
<b>Net current tax expense</b>	<b>186</b>	<b>782</b>

#### D. Amount recognised in other comprehensive income

Particulars	Before Tax	Tax Expense / (Benefit)	Net of Tax
<b>Year ended 31 March 2019</b>			
Remeasurement of defined benefit liability	87	(24)	63
	<b>87</b>	<b>(24)</b>	<b>63</b>
<b>Year ended 31 March 2018</b>			
Remeasurement of defined benefit liability	5	(2)	3
	<b>5</b>	<b>(2)</b>	<b>3</b>

#### E. Reconciliation of effective tax rate

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
<b>Profit before tax</b>	917	2,075
Company's domestic tax rate	27.82%	34.61%
Tax using Company's domestic tax rate	255	718
Impact of:		
Exempt income	(32)	(48)
Corporate social responsibility expenditure	6	8
Other tax losses for which no deferred income tax was recognised	6	10
Exceptional item	-	108
Deferred tax assets recognised (net)	(70)	(27)
Adjustments for current tax of prior periods	(49)	(10)
Others	-	(4)
<b>Income tax expense</b>	<b>116</b>	<b>755</b>
<b>Effective tax rate</b>	<b>12.65%</b>	<b>36.39%</b>

# ASPINWALL AND COMPANY LIMITED

## Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

### 40 Employee Benefits

a) The employee benefit schemes are as under:

The Company recognised Rs. 65 lakhs (31 March 2018: Rs. 51 lakhs) for superannuation contribution and other retirement benefit contributions in the statement of profit and loss.

The Company also makes contribution towards social security and insurance - in the case of a foreign national employee who is employed at Hertogenbosch (Netherlands). The Company had recognised Rs.18 lakhs (31 March 2018: Rs. 16 lakhs) for social security and insurance contributions in the statement of profit and loss.

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement at 15 days salary (last drawn salary) for each completed year of service. In the case of executive staff, gratuity is payable at 15 days salary (last drawn salary) for the first 15 years of service and at 30 days salary (last drawn salary) for service above 15 years. The scheme is funded and an amount of Rs.155 lakhs (31 March 2018: Rs.69 lakhs) has been recognised and included in "Contribution to provident and other funds" in the statement of profit and loss on account of provision.

All employees of the Company receive benefits under the provident fund which is a defined benefit plan wherein the Company provides the guarantee of a specified return on contribution. The contribution is made both by the employee and the Company equal to 12% of the employees' salary (with Company's contribution to the plan being 12% less contribution towards employee pension scheme). These contributions are made to the Fund administered and managed by the Company's own Trust.

b) The following tables sets out the particulars of the employee benefits as required under the Ind AS 19-"Employee Benefits".

i) The amounts recognised in the balance sheet and the movements in the defined benefit obligation over the year for Gratuity are as follows:

	31 March 2019			31 March 2018		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
<b>Opening balance</b>	<b>1,128</b>	<b>1,124</b>	<b>4</b>	<b>1,061</b>	<b>1,051</b>	<b>10</b>
Current service cost	70	-	<b>70</b>	66	-	<b>66</b>
Interest cost / (income)	79	-	<b>79</b>	69	-	<b>69</b>
Expected returns	-	81	<b>(81)</b>	-	71	<b>(71)</b>
<b>Total amount recognised in profit and loss</b>	<b>149</b>	<b>81</b>	<b>68</b>	<b>135</b>	<b>71</b>	<b>64</b>
<i>Remeasurements</i>						
(Gain)/loss from change in financial assumptions	20	-	<b>20</b>	(29)	-	<b>(29)</b>
Experience (gains)/ losses	67	-	<b>67</b>	53	-	<b>53</b>
Return on plan assets, greater/ less discount rate	-	*	<b>-</b>	-	19	<b>(19)</b>
<b>Total amount recognised in other comprehensive income</b>	<b>87</b>	<b>-</b>	<b>87</b>	<b>24</b>	<b>19</b>	<b>5</b>
Contributions	-	54	<b>(54)</b>	-	75	<b>(75)</b>
Benefits paid	(80)	(80)	<b>-</b>	(92)	(92)	<b>-</b>
<b>Closing balance</b>	<b>1,284</b>	<b>1,179</b>	<b>105</b>	<b>1,128</b>	<b>1,124</b>	<b>4</b>



# ASPINWALL AND COMPANY LIMITED

Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

## 40 Employee Benefits (Continued)

li) The movement in the defined benefit obligation over the year for Provident fund is as follows:

	31 March 2019			31 March 2018		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
<b>Opening balance</b>	<b>1,696</b>	<b>1,689</b>	<b>7</b>	<b>1,515</b>	<b>1,515</b>	<b>-</b>
Current service cost	204	-	<b>204</b>	182	-	<b>182</b>
Interest cost / (income)	143	-	<b>143</b>	133	-	<b>133</b>
Expected returns	-	142	<b>(142)</b>	-	133	<b>(133)</b>
Immediate recognition of (gains)/ loss	11	-	<b>11</b>	7	-	<b>7</b>
<b>Total amount recognised in profit and loss</b>	<b>358</b>	<b>142</b>	<b>216</b>	<b>322</b>	<b>133</b>	<b>189</b>
<i>Remeasurements</i>						
(Gain)/loss from change in financial assumptions	13	-	<b>13</b>	7	-	<b>7</b>
Experience (gains)/ losses	(2)	-	<b>(2)</b>	(1)	-	<b>(1)</b>
Return on plan assets, greater/ less discount rate	-	-	<b>-</b>	-	(1)	<b>1</b>
Actuarial loss / (gain) arising during current period	(11)	-	<b>(11)</b>	(7)	-	<b>(7)</b>
<b>Total amount recognised in other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1)</b>	<b>(1)</b>	<b>-</b>
Contributions	-	202	<b>(202)</b>	-	182	<b>(182)</b>
Benefits paid	(217)	(217)	<b>-</b>	(140)	(140)	<b>-</b>
<b>Closing balance</b>	<b>1,837</b>	<b>1,816</b>	<b>21</b>	<b>1,696</b>	<b>1,689</b>	<b>7</b>

### iii) Actuarial assumptions:

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	Gratuity		Provident Fund	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Discount rate	7.00%	7.30%	7.00%	7.30%
Salary escalation rate	8.00%	8.00%	Not applicable	Not applicable
Expected return on exempt fund	Not applicable	Not applicable	8.70%	8.90%
Expected return on EPFO	Not applicable	Not applicable	8.55%	8.55%
Attrition	3-12%	3-12%	12.00%	12.00%

Assumptions regarding future mortality have been based on published statistics and mortality tables. The current longevities underlying the values of the defined benefit obligation at the reporting date were as follows:

### iv) Sensitivity analysis

#### (a) Gratuity

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	31 March 2019		31 March 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(62.06)	69.62	(54.15)	60.51
Salary escalation rate (1% movement)	68.37	(62.15)	59.62	(54.38)
Withdrawal rate (1% movement)	(4.40)	4.43	(2.38)	2.59

# ASPINWALL AND COMPANY LIMITED

## Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

### 40 Employee Benefits (continued)

#### iv) Sensitivity analysis (continued)

##### (b) Provident Fund

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	31 March 2019		31 March 2018	
	Increase	Decrease	Increase	Decrease
Increase/ (decrease) in the interest guarantee liability due to 0.5% change in expected return on exempt fund	(20.83)	46.35	(7.22)	31.30

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

#### v) Maturity profile of defined benefit obligation

	Gratuity	
	31 March 2019	31 March 2018
Year 1	248.77	220.59
Year 2	182.68	136.56
Year 3	178.99	170.45
Year 4	191.93	157.84
Year 5	137.59	167.80
Year 6 to 10	139.53	619.29

#### vi) Details of plan assets

	Gratuity		Provident fund	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Government of India Securities	51.98%	52.13%	47.10%	46.06%
High quality corporate bonds	12.10%	15.17%	38.59%	40.74%
Cash	9.87%	8.04%	11.15%	10.91%
Equity shares of listed companies	26.05%	24.66%	3.16%	2.29%
Total	100.00%	100.00%	100.00%	100.00%

# ASPINWALL AND COMPANY LIMITED

## Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

### 41 Financial instruments

#### A Financial instruments by category

The carrying value and fair value of financial instruments by categories as of 31 March 2019 were as follows,

Particulars	Carrying value			Fair value			
	Amortised cost	Financial assets/ liabilities at FVTPL (Mandatorily)	Total	Level 1	Level 2	Level 3	Total
<b>Assets</b>							
Investments	133	3	136	-	3	-	3
Loans	83	-	83	-	-	-	-
Trade receivables	3,280	-	3,280	-	-	-	-
Cash and cash equivalents	342	-	342	-	-	-	-
Bank balances other than cash and cash equivalents	59	-	59	-	-	-	-
Other financial assets	1,489	-	1,489	-	-	-	-
	<b>5,386</b>	<b>3</b>	<b>5,389</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>3</b>
<b>Liabilities</b>							
Borrowings (including current maturities)	6,966	-	6,966	-	-	-	-
Trade payables	842	-	842	-	-	-	-
Other financial liabilities	1,620	-	1,620	-	-	-	-
	<b>9,428</b>	<b>-</b>	<b>9,428</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The carrying value and fair value of financial instruments by categories as of 31 March 2018 were as follows,

Particulars	Carrying value			Fair value			
	Amortised cost	Financial assets/ liabilities at FVTPL (Mandatorily)	Total	Level 1	Level 2	Level 3	Total
<b>Assets</b>							
Investments	17	92	109	-	92	-	92
Loans	91	-	91	-	-	-	-
Trade receivables	3,388	-	3,388	-	-	-	-
Cash and cash equivalents	237	-	237	-	-	-	-
Bank balances other than cash and cash equivalents	61	-	61	-	-	-	-
Other financial assets	1,841	-	1,841	-	-	-	-
	<b>5,635</b>	<b>92</b>	<b>5,727</b>	<b>-</b>	<b>92</b>	<b>-</b>	<b>92</b>
<b>Liabilities</b>							
Borrowings (including current maturities)	7,130	-	7,130	-	-	-	-
Trade payables (refer note 15)	884	-	884	-	-	-	-
Other financial liabilities	2,002	-	2,002	-	-	-	-
	<b>10,016</b>	<b>-</b>	<b>10,016</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# ASPINWALL AND COMPANY LIMITED

## Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

### 41 Financial instruments (Continued)

#### A Financial instruments by category (Continued)

The Company has not disclosed the fair value of cash and bank balances, loans, trade receivables, other financial assets, borrowings, trade payables and other financial liabilities because their carrying amounts are a reasonable approximation of fair value.

#### B Capital management

The key objective of the Company's capital management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor and customer confidence and to ensure future developments of the business. The Company is focused on maintaining a strong equity base to ensure independence, security as well as financial flexibility for potential future borrowings, if required, without impacting the risk profile of the Company.

The Company's debt to equity ratio at the reporting date are as follows:

	As at 31 March 2019	As at 31 March 2018
Total liabilities	11,745	12,812
Less: cash and cash equivalents	342	237
<b>Net debt</b>	<b>11,403</b>	<b>12,575</b>
<b>Total equity</b>	<b>13,567</b>	<b>13,151</b>
<b>Debt to equity ratio</b>	<b>0.84</b>	<b>0.96</b>

There are no changes in the Company's approach to capital management during the year. The Company is not subject to externally imposed capital requirements.

#### C Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- (i) Credit risk;
- (ii) Liquidity risk; and
- (iii) Market risk

#### Risk management framework

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

# ASPINWALL AND COMPANY LIMITED

## Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

### 41 Financial instruments (continued)

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

#### (i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in liquid mutual funds

The carrying amount of following financial assets represents the maximum credit exposure.

#### *Trade receivables (including contractually reimbursable expense)*

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry.

Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers based on which the Company agrees on the credit terms with customers in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled revenue. The provision matrix takes into account available external and internal credit risk factors and the Company's historical experience for customers.

The movement in allowance for credit loss in respect of trade and other receivables during the year was as follows:

<b>Allowance for credit loss</b>	<b>As at 31 March 2019</b>	<b>As at 31 March 2018</b>
Balance at the beginning	160	155
Impairment loss recognised	146	55
Specific provisions no longer required written back	9	18
Amounts written off	12	32
<b>Balance at the end</b>	<b>285</b>	<b>160</b>

There was only one customer group (coffee segment) who contributed for more than 10% of the revenue for the year ended 31 March 2019 and 31 March 2018. Company's credit risk is primarily concentrated in logistics segment.

#### (ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach for managing liquidity is by ensuring, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank facilities and by ensuring adequate internally generated funds.

# ASPINWALL AND COMPANY LIMITED

## Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

### 41 Financial instruments (continued)

#### Exposure to liquidity risk

The contractual undiscounted cash flows associated with financial liabilities at reporting dates are as follows:

	Contractual cash flows					
31 March 2019	Carrying amount	Total	Less then one year	1-2 years	2-5 years	More than 5 years
<b>Financial liabilities</b>						
Non current borrowings from banks (including current maturities)	1,000	1,000	392	392	216	-
Current borrowings from banks	5,691	5,691	5,691	-	-	-
Borrowings from related parties	275	275	275	-	-	-
Trade payables	842	842	842	-	-	-
Other financial liabilities	1,620	1,620	1,620	-	-	-
	<b>Contractual cash flows</b>					
31 March 2018	Carrying amount	Total	Less then one year	1-2 years	2-5 years	More than 5 years
<b>Financial liabilities</b>						
Non current borrowings from banks (including current maturities)	1,428	1,428	427	392	609	-
Current borrowings from banks	5,427	5,427	5,427	-	-	-
Borrowings from related parties	275	275	275	-	-	-
Trade payables	884	884	884	-	-	-
Other financial liabilities	2,002	2,002	2,002	-	-	-

The gross (inflows)/ outflows disclosed in the above table represent the contractual undiscounted cash flows relating to financial liabilities.

#### (iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

#### (a) Foreign currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which transactions are denominated and the functional currency of the Company. The functional currency of company is INR. The currencies in which these transactions are primarily denominated is US Dollars, GBP, and Euro.

# ASPINWALL AND COMPANY LIMITED

## Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

### 41 Financial instruments (continued)

The summary quantitative data about the Company's exposure to currency risk at the end of reporting period expressed in INR are as follows:

As at 31 March 2019	USD	GBP	EURO
Financial assets			
Trade receivables	1,834	-	11
Cash and cash equivalents			
Balance in EEFC account	*	*	*
Balance in foreign bank account	-	-	24
<b>Net exposure to foreign currency risk (assets)</b>	<b>1,834</b>	<b>*</b>	<b>35</b>
Financial liabilities			
Trade payables	4	-	1
Other liabilities	39	-	-
<b>Net exposure to foreign currency risk (liabilities)</b>	<b>43</b>	<b>-</b>	<b>1</b>
As at 31 March 2018	USD	GBP	EURO
Financial assets			
Trade receivables	1,312	-	36
Cash and cash equivalents			
Balance in EEFC account	*	*	6
Balance in foreign bank account	-	-	17
<b>Net exposure to foreign currency risk (assets)</b>	<b>1,312</b>	<b>*</b>	<b>59</b>
Financial liabilities			
Trade payables	64	-	4
Other liabilities	237	-	-
<b>Net exposure to foreign currency risk (liabilities)</b>	<b>301</b>	<b>-</b>	<b>4</b>

# ASPINWALL AND COMPANY LIMITED

## Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

### 41 Financial instruments (continued)

#### Sensitivity analysis

The sensitivity of profit or loss to changes in exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	Impact on profit or (loss)		Impact on equity, net of tax	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
<b>USD sensitivity</b>				
INR/USD - increase by 1%	17.91	10.11	12.93	6.61
INR/USD - decrease by 1%	(17.91)	(10.11)	(12.93)	(6.61)
<b>EURO sensitivity</b>				
INR/EURO - increase by 1%	0.34	0.55	0.25	0.36
INR/EURO - decrease by 1%	(0.34)	(0.55)	(0.25)	(0.36)
<b>GBP sensitivity</b>				
INR/GBP - increase by 1%	*	*	*	*
INR/GBP - decrease by 1%	*	*	*	*



# ASPINWALL AND COMPANY LIMITED

Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)  
(All amounts in Indian rupees lakhs)

## 41 Financial instruments (continued)

### (a) Foreign currency risk (continued)

I. Assets	Foreign currency	As at 31 March 2019			As at 31 March 2018		
		Exchange rate	Amount in foreign currency	Rs	Exchange rate	Amount in foreign currency	Rs
Receivables (trade and other) - (A)	USD	69.09	27	1,834	64.91	20	1,312
	Euro	76.89	*	11	80.67	*	42
Hedges by derivative contracts (B)	USD	69.51	13	913	65.26	4	264
	Euro	-	-	-	80.59	*	27
Unhedged (C) - (A)-(B)	USD		14	921		16	1,048
	Euro		*	11		*	15

II. Liabilities	Foreign currency	As at 31 March 2019			As at 31 March 2018		
		Exchange rate	Amount in foreign currency	Rs	Exchange rate	Amount in foreign currency	Rs
Payables (trade and other) - (A)	USD	69.35	1	43	65.50	5	301
	Euro	78.17	*	1	80.90	*	4
Hedges by derivative contracts - (B)	USD	-	-	-	-	-	-
	Euro	-	-	-	-	-	-
Unhedged (C) - (A)-(B)	USD		1	43		5	301
	Euro		*	1		*	4

\*Amount is below the rounding off norms adopted by the Company.

# ASPINWALL AND COMPANY LIMITED

Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

## 41 Financial instruments (continued)

### Financial risk management (continued)

#### (b) Interest rate risk

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with a fixed/ floating interest rate and bank deposits.

#### Exposure to interest rate risk

Company's interest rate risk arises from borrowings and fixed deposits. Borrowings issued at fixed / floating rates exposes to fair value interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows:

	Nominal amount	
	31 March 2019	31 March 2018
<b>Fixed-rate instruments</b>		
Financial assets - fixed deposits	92	92
Financial liabilities - borrowings (including current maturities of long-term loans)	1,275	1,703
	<b>1,367</b>	<b>1,795</b>
<b>Variable-rate instruments</b>		
Financial liabilities - borrowings	5,691	5,427
	<b>5,691</b>	<b>5,427</b>

### Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

INR	Profit for the year		Equity, net of tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
<b>31 March 2019</b>				
Variable-rate instruments	(56.91)	56.91	(41.08)	41.08
<b>Cash flow sensitivity (net)</b>	<b>(56.91)</b>	<b>56.91</b>	<b>(41.08)</b>	<b>41.08</b>
<b>31 March 2018</b>				
Variable-rate instruments	(54.14)	54.14	(35.40)	35.40
<b>Cash flow sensitivity (net)</b>	<b>(54.14)</b>	<b>54.14</b>	<b>(35.40)</b>	<b>35.40</b>

# ASPINWALL AND COMPANY LIMITED

Notes to the standalone financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

## 42 Biological assets other than bearer plants

### Reconciliation of carrying amount

Particulars	Standing trees
<b>Balance at 1 April 2017</b>	<b>370</b>
New plantations	-
Sales	-
Changes in fair value less estimated cost to sell	
- due to price changes	(9)
- due to physical changes	44
<b>Balance at 31 March 2018</b>	<b>405</b>
Particulars	Standing trees
<b>Balance at 1 April 2018</b>	<b>405</b>
New plantations	-
Sales	-
Changes in fair value less estimated cost to sell	
- due to price changes	(20)
- due to physical changes	57
<b>Balance at 31 March 2019</b>	<b>442</b>

## 43 Dividends

The Board of Directors has proposed a dividend of Rs. 3/- per equity share (previous year Rs.3.5/-per equity share) for the year ended 31 March 2019, subject to the approval of the shareholders at the ensuing Annual General Meeting. The proposed dividend including dividend distribution tax of Rs. 266 lakhs, net off Rs. 17 lakhs being dividend distribution tax relating to dividend receivable from wholly owned subsidiary companies (previous year Rs. 322 lakhs, net off Rs. 8 lakhs being dividend distribution tax relating to dividend received from wholly owned subsidiary companies) is not recognised as liability as on 31 March 2019.

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

As per our report of even date attached

for **B S R & Associates LLP**

Chartered Accountants

Firm's registration number: 116231W/ W-100024

**Vikash Somani**

Partner

Membership No.: 061272

for and on behalf of the Board of Directors of

**Aspinwall and Company Limited**

CIN: L74999KL1920PLC001389

**Rama Varma**

Managing Director

DIN: 00031890

**M Lakshminarayanan**

Director

DIN: 05003710

**T.R. Radhakrishnan**

Chief Financial Officer

**Neeraj R. Varma**

Company Secretary

Membership No.: A29030

New Delhi  
27 May 2019

Kochi  
27 May 2019

# **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ASPINWALL AND COMPANY LIMITED**

## **Report on the Audit of Consolidated Financial Statements**

### **Opinion**

We have audited the consolidated financial statements of Aspinwall and Company Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2019, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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 such subsidiaries as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31 March 2019, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

### **Basis for Opinion**

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

### **Key Audit Matters**

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

Description of Key Audit Matters

**Independent Auditors' Report** *(continued)*

**To the Members of Aspinwall and Company Limited**

<b>Revenue recognition</b> <b>See note 17 to the consolidated financial statements</b>	
<b>The key audit matter</b>	<b>How the matter was addressed in our audit</b>
<p>The Company has diversified business activities including coffee processing, trading and logistics services.</p> <p>Revenue is recognised when the parties to the contract having commercial substance have approved the contract, the Company can identify each party's rights and payment terms regarding the goods or services to be transferred, the parties are committed to perform their respective obligations and it is probable that the Company will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.</p> <p>With respect to sale of goods, revenue is recognised when the customer obtains control of the goods and performance obligation is satisfied, and is measured net of trade discounts. With respect to income from services, revenue is recognized when services are completed and performance obligations are satisfied.</p> <p>We identified revenue recognition as a key audit matter because there is a risk of fraud in revenue recognition due to the pressure management may feel to achieve performance targets at the year end. In view of the significance of the matter we applied the following audit procedures in this area, among others, to obtain sufficient appropriate audit evidence:</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others, to obtain sufficient appropriate audit evidence:</p> <ol style="list-style-type: none"> <li>1. We assessed the appropriateness of the revenue recognition accounting policies, by comparing with applicable accounting standards.</li> <li>2. We evaluated the design of management controls and assessed the operating effectiveness of the relevant controls with respect to revenue recognition with specific focus on revenue transactions taking place before and after year end date.</li> <li>3. We performed substantive testing by selecting samples of revenue transactions recorded during the year by verifying the underlying documents.</li> <li>4. We tested, on a sample basis, specific revenue transactions recorded before and after the financial year end date to determine whether the revenue had been recognised in the appropriate financial period including review of status of logistics jobs in progress.</li> <li>5. We carried out analytical procedures on revenue recognised during the year to identify unusual variances.</li> <li>6. We performed confirmation procedures on selected customer balances at the balance sheet date.</li> <li>7. Furthermore, we have assessed the appropriateness of management's response to indicators of improper revenue recognition, tested manual journal entries posted to revenue on a sample basis.</li> </ol>

**Independent Auditors' Report (continued)****To the Members of Aspinwall and Company Limited**

<b>Provision for inventory</b>	
<b>See note 8 to the consolidated financial statements</b>	
<b>The key audit matter</b>	<b>How the matter was addressed in our audit</b>
<p>The inventory of the Holding Company includes coffee, rubber and coir mats. The Management assess the net realisable value (NRV) inventories with reference to the future selling prices. Management writes down the carrying value of certain items of inventory when the NRV falls below their cost. Management also assesses if any of the items of inventory are non-moving and makes appropriate provisions thereof.</p> <p>We have identified provision for NRV write down and non-moving inventory as a key audit matter because determining appropriate inventory write-downs and provisions involves predicting the excess quantities of inventory which will remain unsold after the year end and markdowns necessary to sell such inventory, which can be inherently uncertain and requires the exercise of significant management judgement both with respect to estimation of NRV as well as management's ability to dispose the inventory.</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others, to obtain sufficient appropriate audit evidence:</p> <ol style="list-style-type: none"><li>1. We evaluated the Management's inventory write-down and provisioning policy with reference to prevailing accounting standards.</li><li>2. We assessed whether the inventory write-downs and provisions made at the reporting date were consistent with the Management policy by recalculating the inventory write-downs and provisions based on the relevant parameters in the policy.</li><li>3. We evaluated the design of management controls and assessed the operating effectiveness of the relevant controls with respect to physical verification of non-moving inventory, provisioning process and accounting.</li><li>4. We performed substantive testing by selecting samples of sale of similar inventory items by verifying the underlying documents, including the prices at which recent sales have taken place.</li><li>5. We assessed the reasonableness of the assumptions and judgements applied by the management in arriving at the NRV through verification of orders received from customers as at 31 March 2019.</li><li>6. We assessed the reasonableness of management assumption about the ability to liquidate the inventory by review of trend of sales of non-moving inventory over the years.</li></ol>

## **Independent Auditors' Report** *(continued)*

### **To the Members of Aspinwall and Company Limited**

#### **Information Other than the Consolidated Financial Statements and Auditors' Report Thereon**

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. We have nothing to report in this regard.

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

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company, 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

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

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

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

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

## **Independent Auditors' Report** *(continued)*

### **To the Members of Aspinwall and Company Limited**

#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements** *(continued)*

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group (company and subsidiaries) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

#### **Other Matters**

We did not audit the financial statements of four subsidiaries, whose financial statements reflect total assets of Rs.819 lakhs as at 31 March 2019, total revenues of Rs.359 lakhs and net cash outflows amounting to



**Independent Auditors' Report** *(continued)*

**To the Members of Aspinwall and Company Limited**

**Other Matters** *(continued)*

Rs. 8 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the audit reports of the other auditors.

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

**Report on Other Legal and Regulatory Requirements**

- A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries as were audited by other auditors, as noted in the 'Other Matters' 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 the aforesaid consolidated financial statements;
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
  - c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows 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 Ind AS specified under section 133 of the Act;
  - e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2019 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 incorporated in India is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act; and
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, as noted in the 'Other Matters' paragraph:
- i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2019 on the consolidated financial position of the Group. Refer Note 28 to the consolidated financial statements.
  - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 32 to the consolidated financial statements in respect of such items as it relates to the Group.
  - iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2019 and there were no amounts which were required to

**Independent Auditors' Report** *(continued)*

**To the Members of Aspinwall and Company Limited**

**Report on Other Legal and Regulatory Requirements** *(continued)*

be transferred to the Investor Education and Protection Fund by its subsidiary companies.

- iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial statements since they do not pertain to the financial year ended 31 March 2019.

C. With respect to the matter to be included in the Auditor's report under section 197(16):

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies incorporated in India is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

*for* **B S R & Associates LLP**

*Chartered Accountants*

Firm's registration number: 116231W/W-100024

Sd/-

**Vikash Somani**

*Partner*

Membership number: 061272

New Delhi

27 May 2019

# **ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED Ind AS FINANCIAL STATEMENTS**

## **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

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

### **Opinion**

In conjunction with our audit of the consolidated Ind AS financial statements of the Aspinwall and Company Limited ('the Holding Company') as of and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting of the Holding Company and its subsidiary companies as of that date.

In our opinion, the Holding Company and its subsidiary companies have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2019 based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

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

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. 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 Companies Act, 2013 (hereinafter referred to as "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 of the relevant subsidiary companies 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 internal financial controls with reference to consolidated financial statements.

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

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

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

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

### **Other Matters**

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar it relates to the subsidiary companies, are based on the corresponding reports of the auditors of such companies incorporated in India.

for **B S R & Associates LLP**

*Chartered Accountants*

ICAI Firm's Registration Number: 116231W/ W-100024

**Vikash Somani**

Partner

Membership No: 061272

New Delhi

27 May 2019

# ASPINWALL AND COMPANY LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH, 2019

(All amounts in Indian rupees lakhs)

	Notes	As at 31 March 2019	As at 31 March 2018
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	6,387	5,304
Capital work-in-progress	3	-	1,782
Investment Property	4	1,155	-
Biological assets other than bearer plants	40	442	405
Financial assets			
Investments	5	3	3
Other financial assets	6	227	204
Deferred tax assets (net)	37	395	325
Income tax assets (net)	37	348	255
Other non-current assets	7	78	70
<b>Total non-current assets</b>		<b>9,035</b>	<b>8,348</b>
<b>Current assets</b>			
Inventories	8	9,874	10,793
Financial assets			
Investments	5	285	334
Trade receivables	9	3,292	3,402
Cash and cash equivalents	10	438	341
Bank balances other than cash and cash equivalents	10	59	61
Other financial assets	6	1,258	1,624
Other current assets	7	1,330	1,392
<b>Total current assets</b>		<b>16,536</b>	<b>17,947</b>
<b>Total assets</b>		<b>25,571</b>	<b>26,295</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	11	782	782
Other equity		13,207	12,874
<b>Total equity</b>		<b>13,989</b>	<b>13,656</b>
<b>Liabilities</b>			
Non-current liabilities			
Financial liabilities			
Borrowings	12	656	1,048
Provisions	13	271	235
Deferred tax liabilities (net)	37	7	4
<b>Total non-current liabilities</b>		<b>934</b>	<b>1,287</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	12	5,691	5,427
Trade payables	14	-	-
- total outstanding dues of micro enterprises and small enterprises		-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		878	917
Other financial liabilities	15	2,013	2,430
Other current liabilities	16	988	1,107
Provisions	13	719	879
Current tax liabilities (net)	37	359	592
<b>Total current liabilities</b>		<b>10,648</b>	<b>11,352</b>
<b>Total equity and liabilities</b>		<b>25,571</b>	<b>26,295</b>

## Significant accounting policies

2

The notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached

for **B S R & Associates LLP**

Chartered Accountants

Firm's registration number: 116231W/ W-100024

**Vikash Somani**

Partner

Membership No.: 061272

New Delhi

27 May 2019

for and on behalf of the Board of Directors of

**Aspinwall and Company Limited**

CIN: L74999KL1920PLC001389

**Rama Varma**

Managing Director

DIN: 00031890

**T.R. Radhakrishnan**

Chief Financial Officer

Kochi

27 May 2019

**M Lakshminarayanan**

Director

DIN: 05003710

**Neeraj R. Varma**

Company Secretary

Membership No.: A29030

# ASPINWALL AND COMPANY LIMITED

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2019

(All amounts in Indian rupees lakhs)

	Note No.	Year ended 31 March, 2019	Year ended 31 March, 2018
<b>Income</b>			
Revenue from operations	17	27,584	28,276
Other income	18	756	398
<b>Total income</b>		<b>28,340</b>	<b>28,674</b>
<b>Expenses</b>			
Cost of materials consumed	19	13,029	9,662
Purchases of stock-in-trade	20	1,027	392
Changes in inventories of finished goods and stock -in-trade	21	(1,691)	(565)
Employee benefits expense	22	3,528	3,498
Finance costs	23	669	443
Depreciation and amortisation expense	24	254	251
Other expenses	25 and 26	10,656	12,620
<b>Total expenses</b>		<b>27,472</b>	<b>26,301</b>
<b>Profit before exceptional items and tax</b>		<b>868</b>	<b>2,373</b>
Exceptional items	27	-	(310)
<b>Profit before tax</b>		<b>868</b>	<b>2,063</b>
<b>Tax expense:</b>	37		
Current tax		262	807
Income tax charge/(credit) for earlier years		(52)	(10)
Net current tax expense		210	797
Deferred tax credit		(68)	(25)
<b>Net tax expense</b>		<b>142</b>	<b>772</b>
<b>Profit for the year</b>		<b>726</b>	<b>1,291</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified subsequently to statement of profit and loss</i>			
Remeasurement of defined benefit liability	38	(87)	(6)
Income tax related to items that will not be reclassified to profit or loss	37	24	2
<b>Total other comprehensive income for the year, net of income tax</b>		<b>(63)</b>	<b>(4)</b>
<b>Total comprehensive income for the year</b>		<b>663</b>	<b>1,287</b>

# ASPINWALL AND COMPANY LIMITED

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2019

(All amounts in Indian rupees lakhs)

	Note No.	Year ended 31 March, 2019	Year ended 31 March, 2018
<b>Profit attributable to:</b>			
Owners of the Company		726	1,291
Non-controlling interest		-	-
<b>Profit for the year</b>		<b>726</b>	<b>1,291</b>
<b>Other comprehensive income</b>			
Owners of the Company		(63)	(4)
Non-controlling interest		-	-
<b>Other comprehensive income for the year, net of income tax</b>		<b>(63)</b>	<b>(4)</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the Company		663	1,287
Non-controlling interest		-	-
<b>Total comprehensive income for the year</b>		<b>663</b>	<b>1,287</b>
<b>Earnings per equity share</b> (Equity shares of face value Rs. 10 each)			
Basic (Rs.)	29	9.28	16.51
Diluted (Rs.)		9.28	16.51

**Significant accounting policies**

**2**

**The notes referred to above form an integral part of the consolidated financial statements**

As per our report of even date attached

**for B S R & Associates LLP**

*Chartered Accountants*

Firm's registration number: 116231W/ W-100024

**Vikash Somani**

Partner

Membership No.: 061272

*for and on behalf of the Board of Directors of*

**Aspinwall and Company Limited**

CIN: L74999KL1920PLC001389

**Rama Varma**

Managing Director

DIN: 00031890

**M Lakshminarayanan**

Director

DIN: 05003710

**T.R. Radhakrishnan**

Chief Financial Officer

**Neeraj R. Varma**

Company Secretary

Membership No.: A29030

New Delhi  
27 May 2019

Kochi  
27 May 2019

# ASPINWALL AND COMPANY LIMITED

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(All amounts in Indian rupees lakhs, except share data and where otherwise stated)

For the year ended 31 March 2019

Particulars	Equity share capital	Other equity						Total equity attributable to equity share-holders of the Company
		Reserves and surplus				Items of other comprehensive income	Total	
		Retained earnings	General reserve	Capital reserve	Investment Subsidy reserve	Items of other comprehensive income		
Balance at 1 April 2017	782	1,095	10,710	49	15	-	11,869	12,651
Profit for the year	-	1,291	-	-	-	-	1,291	1,291
Other comprehensive income for the year (net of tax)	-	-	-	-	-	(4)	(4)	(4)
Total comprehensive income for the year	-	1,291	-	-	-	(4)	1,287	1,287
Transferred to retained earnings	-	(4)	-	-	-	4	-	-
Transferred to general reserve	-	(600)	-	-	-	-	(600)	(600)
Transfer from retained earnings	-	-	600	-	-	-	600	600
Dividend paid during the year	-	(235)	-	-	-	-	(235)	(235)
Dividend distribution tax paid during the year	-	(47)	-	-	-	-	(47)	(47)
Total contributions by and distributions to owners	-	(886)	600	-	-	4	(282)	(282)
Balance at 31 March 2018	782	1,500	11,310	49	15	-	12,874	13,656

For the year ended 31 March 2019

Particulars	Equity share capital	Other equity						Total equity attributable to equity share-holders of the Company
		Reserves and surplus			Investment Subsidy reserve	Items of other comprehensive income	Total	
		Retained earnings	General reserve	Capital reserve		Items of other comprehensive income		
Balance at 1 April 2018	782	1,500	11,310	49	15	-	12,874	13,656
Profit for the year	-	726	-	-	-	-	726	726
Other comprehensive income for the year (net of tax)	-	-	-	-	-	(63)	(63)	(63)
Total comprehensive income for the year	-	726	-	-	-	(63)	663	663
Transferred to retained earnings	-	(63)	-	-	-	63	-	-
Transferred to general reserve	-	(450)	-	-	-	-	(450)	(450)
Transfer from retained earnings	-	-	450	-	-	-	450	450
Dividend paid during the year	-	(274)	-	-	-	-	(274)	(274)
Dividend distribution tax paid during the year	-	(56)	-	-	-	-	(56)	(56)
Total contributions by and distributions to owners	-	(843)	450	-	-	63	(330)	(330)
Balance at 31 March 2019	782	1,383	11,760	49	15	-	13,207	13,989

for B S R & Associates LLP

Chartered Accountants

Firm's registration number: 116231W/W-100024

Vikash Somani

Partner

Membership No.: 061272

New Delhi

27 May 2019

for and on behalf of the Board of Directors of

Aspinwall and Company Limited

CIN: L74999KL1920PLC001389

Rama Varma

Managing Director

DIN: 00031890

T.R. Radhakrishnan

Chief Financial Officer

Kochi

27 May 2019

M Lakshminarayanan

Director

DIN: 05003710

Neeraj R. Varma

Company Secretary

Membership No.: A29030



# ASPINWALL AND COMPANY LIMITED

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2019

(All amounts in Indian rupees lakhs)

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
<b>Cash flows from operating activities</b>		
Profit before tax	868	2,063
<b>Adjustments to reconcile profit to net cash used in operating activities</b>		
Depreciation and amortisation expense	254	251
Finance costs	669	443
Interest income	(17)	(25)
Provision for reduction in recoverable value of assets held for sale	-	310
(Profit)/ loss on disposal of property, plant and equipment	1	(4)
Profit on sale of Investments	-	(3)
Profit on sale of rubber trees (bearer plants)	(209)	(105)
Gain on remeasurement of biological assets	(37)	(35)
Dividend income	(2)	(6)
Fair value changes of current investments (FVTPL)	(13)	(10)
Liabilities/provisions no longer required written back	(394)	(143)
Credit impaired trade receivables written off	6	32
Provision for expected credit loss	146	55
Net unrealised exchange (gain) / loss	(12)	3
<b>Operating cash flows before working capital changes</b>	<b>1,260</b>	<b>2,826</b>
<i>Working capital changes</i>		
Decrease / (Increase) in inventories	919	(4,643)
Increase in trade receivables	(26)	(784)
Decrease in other financial assets	321	117
Decrease in other assets	73	143
(Decrease) / Increase in trade payables	(22)	458
Decrease in other financial liabilities	(241)	(616)
(Decrease) / Increase in other liabilities	(206)	43
Increase in provisions	75	144
<b>Cash from operating activities before taxes</b>	<b>2,153</b>	<b>(2,312)</b>
Income taxes paid, net of refund	(469)	(701)
<b>Net cash generated / (used in) from operating activities (A)</b>	<b>1,684</b>	<b>(3,013)</b>

# ASPINWALL AND COMPANY LIMITED

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2019

(All amounts in Indian rupees lakhs)

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
<b>Cash flows from investing activities</b>		
Capital expenditure on property, plant and equipment including capital advances	(592)	(786)
Proceeds from sale of property, plant and equipment (including bearer plants)	211	114
Advance repaid towards sale of land	-	(100)
(Deposit made)/ proceeds from bank deposits not considered as cash and cash equivalents	(1)	112
Current investments not considered as cash and cash equivalents		
- purchased	(102)	(66)
- proceeds from sale	165	89
Interest received	16	33
Dividend received	2	6
<b>Net cash used in investing activities (B)</b>	<b>(301)</b>	<b>(598)</b>
<b>Cash flows from financing activities</b>		
Proceeds from long-term borrowings	-	585
Repayment of long-term borrowings	(428)	(526)
Increase in working capital borrowings	264	4249
Increase in earmarked bank balances not considered as cash and cash equivalents	(1)	(15)
Finance costs (including borrowing costs capitalised)	(791)	(537)
Transfer to investor education and protection fund	(7)	(5)
Dividend paid	(266)	(216)
Tax on dividend	(56)	(47)
<b>Net cash (used in) / generated from financing activities (C)</b>	<b>(1,285)</b>	<b>3488</b>
<b>Increase / (Decrease) in cash and cash equivalents, net (A+B+C)</b>	<b>98</b>	<b>(123)</b>
Cash and cash equivalents at the beginning of the year	341	465
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	(1)	(1)
<b>Cash and cash equivalents at the end of the year (refer note 10)</b>	<b>438</b>	<b>341</b>

### Significant accounting policies (refer to note 2)

The notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached

for **B S R & Associates LLP**

Chartered Accountants

Firm's registration number: 116231W/ W-100024

**Vikash Somani**

Partner

Membership No.: 061272

for and on behalf of the Board of Directors of

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**Rama Varma**

Managing Director

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Chief Financial Officer

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Director

DIN: 05003710

**Neeraj R. Varma**

Company Secretary

Membership No.: A29030

New Delhi

27 May 2019

Kochi

27 May 2019

# ASPINWALL AND COMPANY LIMITED

Notes forming part of the Consolidated financial statements for the year ended 31 March, 2019

## Note

### 1 Corporate information

These consolidated financial statements relate to Aspinwall and Company Limited ('the Company') and its Subsidiary Companies (collectively, the Group).

The Company has its registered office at Devankulangara, Edapally, Cochin - 682 024. The Group has diversified business activities comprising Logistics Services across 10 branches in India, Rubber Plantations at Malappuram, Coffee Processing and Trading at Mangalore, Natural Fiber Division at Alleppey and Pollachi, Sales office in Hertogenbosch (Netherlands). The Group caters to both domestic and international markets.

The Equity Shares of the Company were earlier listed with Cochin Stock Exchange Ltd and Madras Stock Exchange Ltd, as reported in earlier financial statements. The shares of the Company are now listed at National Stock Exchange of India Ltd, effective from 14 June, 2016.

### 2 Basis of preparation and significant accounting policies

#### 2.1 Statements of Compliance

The consolidated Ind AS financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013, (the 'Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act.

The consolidated financial statements were authorised for issue by the Company's Board of Directors on 27 May 2019.

Details of the Group's accounting policies are included in Note 2.7 to 2.26.

#### 2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiary companies. Subsidiary Companies are wholly owned by the Company over which the group has control. Control is achieved through voting rights.

The consolidated financial statements relate to Aspinwall and Company Limited (the "Company") and its subsidiary companies. The consolidated financial statements have been prepared on the following basis:

##### i. Subsidiaries:

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together line items of assets, liabilities, income and expenses after eliminating intra group balances, intra group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.

# ASPINWALL AND COMPANY LIMITED

Notes forming part of the Consolidated financial statements for the year ended 31 March, 2019

## 2.2 Basis of consolidation (continued)

### ii. Transactions eliminated on consolidation:

Intra group balances and transactions, and any unrealised income and expenses arising from intra group transactions are eliminated.

The subsidiaries consolidated under the Group comprise the entities listed below:

Name of the entity	Relationship	Country of Incorporation	Ownership held by	% of Holding and voting power either directly or indirectly through subsidiary as at	
				31 March, 2019	31 March, 2018
Aspinwall Geotech Limited	Wholly owned Subsidiary Company	India	Aspinwall and Company Limited	100	100
Aspinwall Technologies Limited	Wholly owned Subsidiary Company	India	Aspinwall and Company Limited	100	100
Malabar Coast Marine Services Private Limited	Wholly owned Subsidiary Company	India	Aspinwall and Company Limited	100	100
SFS Pharma Logistics Private Limited	Wholly owned Subsidiary Company	India	Aspinwall and Company Limited	100	100

## 2.3 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

## 2.4 Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items:

Items	Basis
Certain financial assets and liabilities (including derivative instruments)	Fair value
Biological assets	Fair value less cost to sell
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

## 2.5 Use of estimates and judgements

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

# ASPINWALL AND COMPANY LIMITED

Notes forming part of the Consolidated financial statements for the year ended 31 March, 2019

## 2.5 Use of estimates and judgements (continued)

### i. Judgements:

There are no significant judgements made in applying accounting policies that have the most material effects on the amounts recognised in the financial statements.

### ii. Assumptions and estimation uncertainties:

#### a. Useful lives of property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation and amortisation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful life and residual values of Group's assets are determined by Management at the time the asset is acquired and reviewed periodically, including each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

#### b. Others:

Further information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment for the year ended 31 March 2019 is included in the following notes:

- Notes 28 and 32 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 40 – determining the fair value of biological assets;
- Note 39 – recognition of impairment loss of financial assets;
- Note 38 – measurement of defined benefit obligations: key actuarial assumptions;
- Note 7 – Assets held for sale
- Note 37 – Deferred tax assets
- Note 4 – determining the fair value of investment property.

## 2.6 Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Chief Financial Officer. Significant valuation assumptions are reported to the Audit Committee.

The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as interest rates, guarantee commission rates and pricing services, is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

# ASPINWALL AND COMPANY LIMITED

Notes forming part of the Consolidated financial statements for the year ended 31 March, 2019

## 2.6 Measurement of fair values (continued)

- Level 1: - quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: - Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair value is included in the following notes:

- Note 40 – determining the fair value of biological assets;
- Note 39 – fair valuation of certain financial assets;
- Note 4 – determining the fair value of investment property.

## 2.7 Revenue recognition

### Revenue from contract with customers

The Group generates revenue from sales of goods and rendering services in various segments. Ind AS 115 Revenue from Contracts with Customers establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaced IAS 18 Revenue, IAS 11 Construction Contracts. Under Ind AS 115, revenue is recognised when a customer obtains control of the goods or services. The Group has adopted Ind AS 115 using the cumulative effect method, with the effect of initially applying this standard recognised at the date of initial application (i.e. 01 April 2018) being included in retained earnings. Accordingly, the information presented for the year ended 31 March 2018 has not been restated – i.e. it is presented, as previously reported, under Ind AS 18, Revenue.

### Disaggregation of revenue

The Group disaggregates revenue from sale of goods and rendering of services at various levels as detailed in Note 17 to the consolidated financial statements. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of Group's revenues and cash flows are affected by industry, market and other economic factors.

### Contract balances

The Group classifies the right to consideration in exchange for sale of goods / services as trade receivables, advance consideration as advance from customers.

### Performance obligations and revenue recognition policies

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognises revenue when it transfers control over goods or service to a customer. The following details provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

# ASPINWALL AND COMPANY LIMITED

Notes forming part of the Consolidated financial statements for the year ended 31 March, 2019

## 2.7 Revenue recognition (Continued)

### Sale of goods

Domestic sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales exclude sales tax, value added tax, excise duty and goods and service tax. Export sales are recognised when goods are boarded to vessel at which point the risks and rewards of ownership are transferred to the buyer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods and regarding its collection.

### Income from services

Income from services such as stevedoring, clearing and forwarding, shipping and liner agencies are accounted as and when the jobs are completed on a percentage of completion basis. Despatch money is recognised as and when the amounts are realised considering the uncertainties involved both in the amount of despatch money and recoverability thereof.

### Rubber tree sales

Revenue from sale of non-yielding rubber trees is recognised on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the felling and removal of the trees from the estate and realisation of the proceeds. In case when slaughter tapping is allowed to be carried out by the buyer, the sale of trees is recognised when sale consideration is received.

### Export incentives

Export incentives are recognised as income on accrual basis in the year of export, based on eligibility and when there is no uncertainty in receiving the same.

### Other income

In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired).

Dividend income is recognised in the statement of profit and loss on the date on which the right to receive payment is established.

## 2.8 Discounts

Discounts are provided based on individual contracts/ operating arrangements entered into with the customers on accrual basis.

## 2.9 Inventories

Inventories are measured at the lower of cost and the net realisable value after providing for obsolescence and other losses, wherever considered necessary. Cost is determined on the following basis:

Particulars	Method of valuation
Coffee bought from registered dealers	Specific identification basis
Raw materials, stores and spare parts and trading goods	Weighted average basis

Cost includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their present location and condition including octroi and other levies, transit insurance and receiving charges. Inventory is charged to statement of profit and loss on consumption. Cost of finished goods includes appropriate proportion of overheads.

# ASPINWALL AND COMPANY LIMITED

Notes forming part of the Consolidated financial statements for the year ended 31 March, 2019

## 2.10 Property, plant and equipment

### i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. Replanting expenses of rubber trees are capitalised under bearer plants (plantation land and development).

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost also includes interest on borrowings attributable to acquisition/ construction of qualifying property, plant and equipment up to the date the asset is ready for its intended use.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Capital work-in progress comprises of the cost of fixed assets that are not yet ready for their intended use as on the balance sheet date.

### ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

### iii. Depreciation

Depreciation is provided on the cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives prescribed in Schedule II to the Companies Act, 2013 using the Straight Line Method ('SLM').

In respect of bearer plants, the life of rubber trees is estimated at 25 years from the year of planting and the cost of these trees is amortised on SLM basis over the yielding period from the year in which the tapping is commenced which is normally from 7<sup>th</sup> year of plantation.

Buildings constructed over leasehold land are depreciated over the period of the lease or estimated useful lives whichever is shorter.

Depreciation on additions during the year is provided for on a pro-rata basis i.e., from the date on which asset is acquired. Depreciation on disposals is provided on a pro-rata basis i.e. upto the date on which asset is disposed off.



# ASPINWALL AND COMPANY LIMITED

Notes forming part of the Consolidated financial statements for the year ended 31 March, 2019

## 2.11 Investment Property

Investment property is measured initially at cost, including transaction cost. Subsequent to initial recognition, investment property is stated at cost less accumulated depreciation and impairment if any. All costs other than those which meet the criteria of capital are recognized in profit and loss. The investment property of the group consists of office building and the same is depreciated over its estimated useful life of 60 years from the date of capitalisation.

## 2.12 Financial Instruments

### i. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

The Group measures a financial asset or financial liability at its fair value. In the case of a financial asset or financial liability measured not at fair value through profit or loss, the transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability are adjusted in the value of financial asset or financial liability.

### ii. Classification and subsequent measurement

#### a. Financial assets:

On initial recognition, a financial asset is classified as measured at:

- amortised cost; or
- Fair value through other comprehensive income (FVOCI)
- Fair value through profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss. A financial asset is subsequently measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Further, in cases where the Group has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL. This includes all derivative financial assets. These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

# ASPINWALL AND COMPANY LIMITED

Notes forming part of the Consolidated financial statements for the year ended 31 March, 2019

## 2.12 Financial Instruments (continued)

b. Financial liabilities: Classification, subsequent measurement and gains and losses:

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

### iii. Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Group's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

### iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

### v. Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

### vi. Foreign exchange forward contracts

The Group enters into foreign exchange forward contracts with the intention of reducing the foreign exchange risk of expected sales and purchases. These contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

## 2.13 Biological assets

Biological assets, i.e. living plants (other than bearer plants which are included in property, plant and equipment) are measured at fair value less costs to sell, with any change therein recognised in profit or loss.

## 2.14 Non-current assets or disposal group held for sale

Non-current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss. Once classified as held-for-sale, property, plant and equipment and investment properties are no longer amortised or depreciated.

## 2.15 Impairment

### i. Impairment of financial instruments

#### a. Recognition

The Group recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in statement of profit or loss.

# ASPINWALL AND COMPANY LIMITED

Notes forming part of the Consolidated financial statements for the year ended 31 March, 2019

## 2.15 Impairment (continued)

### *b. Presentation of allowance for expected credit losses in the balance sheet*

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

### *c. Write off:*

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

### **ii. Impairment of non-financial assets**

The Group's non-financial assets, other biological assets, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

## 2.16 Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

A contract is considered to be onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Group recognises any impairment loss on the assets associated with that contract.

# ASPINWALL AND COMPANY LIMITED

Notes forming part of the Consolidated financial statements for the year ended 31 March, 2019

## 2.16 Provisions, contingent liabilities and contingent assets(continued)

Contingent liabilities and contingent assets are not recognised in the financial statements. Contingent liabilities are disclosed in the financial statements unless the possibility of any outflow in settlement is remote. Contingent assets are disclosed in the financial statements where an inflow of economic benefits is probable.

## 2.17 Employee benefits

Employee benefits include short-term employee benefits, provident fund, superannuation fund, employees' state insurance scheme, social security and insurance in the case of foreign national employee, gratuity and compensated absences.

### i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur or when employees encash the leave, whichever is earlier.

### ii. Post-employment benefits

#### Provident Fund:

Contributions to defined contribution schemes such as Provident Fund are recognised as expenses in the period in which the employee renders the related service. In respect of certain employees of the Company, Provident Fund contributions are made to a Trust administered by the Company namely "Aspinwall & Co. Ltd. Provident Fund" (for all other employees not covered by the own fund the contributions are made to Government administered provident fund scheme). In respect of Aspinwall & Co. Ltd Provident Fund, the interest paid / payable to the beneficiaries every year is notified by the Government and the company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate and recognises such obligation, if any, determined based on actuarial valuation as at the balance sheet date, as an expense. In respect of contributions made to government administered Provident Fund, the Group has no further obligations beyond its monthly contributions.

#### Gratuity:

The Company's gratuity benefit scheme is a defined benefit plan which is administered through Company managed Trust 'Aspinwall & Co. Ltd Gratuity Fund'. The Company's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

# ASPINWALL AND COMPANY LIMITED

Notes forming part of the Consolidated financial statements for the year ended 31 March, 2019

## 2.17 Employee benefits (continued)

Remeasurement of the net benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interests) and the effect of the assets ceiling (if any, excluding interest) are recognised in other comprehensive income. The effect of any plan amendments are recognised in net profit in the Statement of Profit and Loss. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss. In case of subsidiary companies, the liability for gratuity liability which is actuarially determined at the balance sheet date as above, is not funded by plan assets.

**Superannuation:** The Group makes contributions equal to a specified percentage of the covered employee's basic salary and DA, to a fund managed by the Life Insurance Corporation of India (LIC). The Company has no further obligations beyond its contributions.

**Others:** Employees' State Insurance Scheme, Social Security and insurance in the case of foreign national employee are also considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

### iii. Other long-term employee benefits

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 or discounted present value method carried out at each balance sheet date. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary as at 31 March every year using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur.

## 2.18 Leases

### a. Determining whether an arrangement contains a lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease. At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values.

### b. Assets held under leases

Assets held under leases that do not transfer to the Group substantially all the risks and rewards of owner-ship (i.e. operating leases) are not recognised in the Balance Sheet.

### c. Lease payments

Payments made under operating leases are generally recognised in profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.

# ASPINWALL AND COMPANY LIMITED

Notes forming part of the Consolidated financial statements for the year ended 31 March, 2019

## 2.19 Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

## 2.20 Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Group at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit or loss.

## 2.21 Income Tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

### i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

### ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

# ASPINWALL AND COMPANY LIMITED

Notes forming part of the Consolidated financial statements for the year ended 31 March, 2019

## 2.21 Income Tax (continued)

### ii. Deferred tax (continued)

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

### iii. Minimum alternative tax (MAT) credit

Minimum alternative tax (MAT) credit, which is equal to the excess of MAT (calculated in accordance with provisions of Section 115JB of the Income-Tax Act, 1961) over normal income-tax is recognised as an asset by crediting the statement of profit and loss only when and to the extent there is convincing evidence that the Group will be able to avail the said credit against normal tax payable during the period of fifteen succeeding assessment years.

## 2.22 Earnings per share (EPS)

Basic earnings per share ('EPS') is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of shares outstanding during the year.

Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period except where the result would be anti-dilutive.

## 2.23 Cash flow statement

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

## 2.24 Operating segment

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

All operating segments' operating results are reviewed regularly by the Company's Board of Directors to make decisions about resources to be allocated to the segments and assess their performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Group. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

# ASPINWALL AND COMPANY LIMITED

Notes forming part of the Consolidated financial statements for the year ended 31 March, 2019

## 2.25 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition) that are readily convertible into known amounts of cash.

## 2.26 Operating Cycle

Based on the nature of products/ activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

## 2.27 Goods and Service Tax ('GST') input credit

GST input credit is accounted for in the books in the period in which the underlying goods or service received is accounted and when there is reasonable certainty in availing / utilising the credits.

### Recent accounting pronouncements

#### i. Standards issued but not effective on Balance sheet date:

##### Ind AS 116, Leases

The Group is required to adopt Ind AS 116, Leases from 1 April 2019. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard - i.e. lessors continue to classify leases as finance or operating leases. It replaces existing leases guidance, Ind AS 17, Leases.

Lessees are required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the re-measurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

The Group plans to apply Ind AS 116 initially on 1 April 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting Ind AS 116 will be recognised as an adjustment to the opening balance of retained earnings at 1 April 2019, with no restatement of comparative information.

The Group plans to apply the practical expedient to grandfather the definition of a lease on transition. This means that it will apply Ind AS 116 to all contracts entered into before 1 April 2019 and identified as leases in accordance with Ind AS 17.

The Group is in the process of evaluating the impact of adoption of Ind AS 116.

#### ii. Other Amendments

The MCA has notified below amendments which are effective 1 April 2019:

- Appendix C to Ind AS 12, Income taxes
- Amendments to Ind AS 103, Business Combinations
- Amendments to Ind AS 109, Financial Instruments
- Amendments to Ind AS 111, Joint Arrangements
- Amendments to Ind AS 19, Employee Benefits
- Amendments to Ind AS 23, Borrowing Costs
- Amendments to Ind AS 28, Investments to Associates and Joint Ventures

Based on Preliminary work, the Group does not expect these amendments to have any significant impact on its Financial statements.



# ASPINWALL AND COMPANY LIMITED

Notes to the Consolidated financial statements for the year ended 31 March, 2019 (Continued)

## 3 Property, plant and equipment

(All amounts in Indian rupees lakhs)

Reconciliation of carrying amount	Freehold land	Buildings (refer Note 3.1)	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipments	Bearer plants (plantation land and development)	Total	Capital work in progress	Total
<b>Cost or deemed cost</b>										
Balance at 1 April 2017	2320	1016	570	38	290	29	1114	5377	1210	6387
Additions / adjustments	18	56	139	-	4	21	130	368	591	959
Deletions	-	-	(14)	(3)	(26)	(10)	(25)	(78)	-	(78)
Capitalisation	-	-	-	-	-	-	-	-	(19)	(19)
<b>Balance at 31 March 2018</b>	<b>2338</b>	<b>1072</b>	<b>695</b>	<b>35</b>	<b>268</b>	<b>40</b>	<b>1219</b>	<b>5667</b>	<b>1782</b>	<b>7449</b>
Balance at 1 April 2018	2338	1072	695	35	268	40	1219	5667	1782	7449
Additions / adjustments	-	690	242	186	11	91	127	1347	489	1836
Deletions / adjustments	-	-	(13)	-	(2)	-	(27)	(42)	-	(42)
Capitalisation	-	-	-	-	-	-	-	-	(2,271)	(2,271)
<b>Balance at 31 March 2019</b>	<b>2338</b>	<b>1762</b>	<b>924</b>	<b>221</b>	<b>277</b>	<b>131</b>	<b>1319</b>	<b>6972</b>	<b>-</b>	<b>6972</b>
<b>Accumulated depreciation</b>										
Balance at 1 April 2017	-	(43)	(50)	(7)	(51)	(2)	(32)	(185)	-	(185)
Depreciation for the year	-	(44)	(67)	(7)	(53)	(15)	(65)	(251)	-	(251)
Deletions	-	-	9	3	26	10	25	73	-	73
<b>Balance at 31 March 2018</b>	<b>-</b>	<b>(87)</b>	<b>(108)</b>	<b>(11)</b>	<b>(78)</b>	<b>(7)</b>	<b>(72)</b>	<b>(363)</b>	<b>-</b>	<b>(363)</b>
Balance at 1 April 2018	-	(87)	(108)	(11)	(78)	(7)	(72)	(363)	-	(363)
Depreciation for the year	-	(45)	(66)	(8)	(51)	(16)	(66)	(252)	-	(252)
Deletions	-	-	1	-	2	-	27	30	-	30
<b>Balance at 31 March 2019</b>	<b>-</b>	<b>(132)</b>	<b>(173)</b>	<b>(19)</b>	<b>(127)</b>	<b>(23)</b>	<b>(111)</b>	<b>(585)</b>	<b>-</b>	<b>(585)</b>
<b>Carrying amount (net)</b>										
<b>At 31 March 2018</b>	<b>2338</b>	<b>985</b>	<b>587</b>	<b>24</b>	<b>190</b>	<b>33</b>	<b>1147</b>	<b>5304</b>	<b>1782</b>	<b>7086</b>
<b>At 31 March 2019</b>	<b>2338</b>	<b>1630</b>	<b>751</b>	<b>202</b>	<b>150</b>	<b>108</b>	<b>1208</b>	<b>6387</b>	<b>-</b>	<b>6387</b>

### Note 3.1

Include buildings constructed on leasehold land

Particulars	As at 31 March 2019		As at 31 March 2018		Lease period expiry
	Gross Block	Net Block	Gross Block	Net Block	
Office building (30,000 square feet) - Willington Island	36	6	36	6	28 June 2046
Godown - Willington Island	306	50	306	53	28 June 2016
Office building - Tuticorin	49	15	49	15	31 December 2023
<b>Total</b>	<b>3</b>	<b>91</b>	<b>391</b>	<b>74</b>	

# ASPINWALL AND COMPANY LIMITED

Notes to the Consolidated financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

## 4 Investment property

A Reconciliation of Carrying amount	Amount
<b>Cost (gross carrying amount)</b>	
Balance as at 1 April 2017	-
Additions	-
Balance as at 31 March 2018	-
Balance as at 1 April 2018	-
Additions/ transfer from capital work in progress	1,157
Balance as at 31 March 2019	1,157
<b>Accumulated depreciation</b>	
Balance as at 1 April 2017	-
Depreciation for the year ended 31 March 2018	-
Balance as at 31 March 2018	-
Balance as at 1 April 2018	-
Depreciation for the year ended 31 March 2019	2
Balance as at 31 March 2019	2
<b>Carrying amounts</b>	
At 31 March 2018	NA
At 31 March 2019	1,155
<b>Fair value</b>	
At 31 March 2018	NA
At 31 March 2019	1,426

Information regarding income and expenditure of investment property	Year ended 31 March 2019	Year ended 31 March 2018
Interest	6	-
Depreciation	2	-
Profit / (Loss) arising from investment property before indirect expenses	8	-

The Company's commercial complex named Aspinwall House at Kowdiar, Thiruvananthapuram, is partly used for own purpose and partly used for earning rentals.

The fair value of investment property has been determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The fair value measurement of the investment property has been categorised as Level 3 fair value based on inputs to the fair value technique used.

### Valuation techniques used and key inputs to valuation on investment property:

Valuation technique	Significant inputs	31 March 2019	31 March 2018
<b>Discounted Cash flow method</b>	Estimated Rental value per sq.ft per month	INR 63-65	NA
	Rent growth	5%	NA
	Periodicity of rent escalation	Every years	NA
	Vacancy rate	5%	NA
	Discount rate per tax	14.55%	NA

# ASPINWALL AND COMPANY LIMITED

## Notes to the Consolidated financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

	As at 31 March 2019	As at 31 March 2018
<b>5 Investments</b>		
<b>Non-current investments, unquoted</b>		
<u>Investments in equity instruments</u>		
-of other entities (fully paid-up)at Fair Value Through Profit or Loss (FVTPL)		
Kailas Rubber Company Limited, India		
13 ( 31 March 2018: 13) equity shares of Rs.10 each	*	*
Cochin Stock Exchange Limited		
911 ( 31 March 2018: 911) equity shares of Rs.10 each	1	1
Cochin Waste 2 Energy Private Limited		
50,000 ( 31 March 2018: 50,000) equity shares of Rs.10 each	5	5
Less: Provision for diminution in value	(5)	(5)
Kerala Enviro Infrastructure Limited		
20,000 ( 31 March 2018: 20,000) equity shares of Rs.10 each	2	2
<u>Investment in Government Securities</u>		
National Savings Certificate (NSC)	*	*
	<b>3</b>	<b>3</b>
<b>5 Current investments</b>		
<u>Investments in mutual funds (unquoted) at FVTPL:</u>		
i) 147109.862 (31 March 2018:147109.862) units - UTI Fixed Income Interval Fund - I - Annual Interval Plan - Retail option - Growth Plan	38	35
ii) 1297.56 ( 31March 2018:1297.56) units in UTI Money Market Fund-Regular Growth Plan	27	25
iii) 62070.164 (31March 2018:62070.164) units in Aditya Birla Sun Life Short Term Opportunities Fund -Growth -Regular Plan	19	18
iv) 96401.648 (31March 2018: 96401.648) units in ICICI Prudential Credit Risk Fund - Growth	19	18
v) 277461.464(31March 2018: 277461.464) units in Principal Arbitrage Fund Regular Plan - Growth	30	31
vi) Nil (31March 2018: 2066.013) Principal Low Duration Fund -Regular Plan Dividend Monthly Reinvestment	-	24
vii) 12132.122(31March 2018: 12132.122 ) units in Aditya Birla Sun life Liquid Fund - Growth-Regular Plan (formerly known as Aditya Birla Sun Life Cash Plus )	36	34
viii) Nil (31March 2018: 59690.089 ) units in Aditya Birla Sun life Banking & PSU Debt Fund - Growth Regular Plan	-	30
ix) 2588.288 (31March 2018: 7283.602 ) units in Aditya Birla Sun life Low Duration Fund - Growth - Regular Plan (formerly known as Aditya Birla Sun Life Cash Manager)	12	30
x) 28025.452 (31March 2018: Nil ) units in Aditya Birla Sun life Savings Fund - Growth - Regular Plan	104	-
xi) Nil (31 March 2018: 888,645.604) units in UTI Fixed Income Interval Fund-I-Quarterly Interval Plan-Retail Option-Direct Dividend Plan Reinvestment	-	89
	<b>285</b>	<b>334</b>
(i) Aggregate amount of unquoted investments	293	342
(ii) Aggregate amount of impairment in the value of investment	(5)	(5)

\*Amount is below the rounding off norms adopted by the Company.

# ASPINWALL AND COMPANY LIMITED

Notes to the Consolidated financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

	As at 31 March 2019	As at 31 March 2018
<b>6 Other financial assets</b>		
<b>Non-current</b>		
<i>Unsecured, considered good</i>		
Deposits	124	110
Non-current bank balances in earmarked accounts		
- margin money deposit	45	43
- deposit receipts pledged with customs, sales tax and other government authorities	32	30
Employee and other advances	25	21
Accruals		
- interest accrued on deposits	1	-
	<b>227</b>	<b>204</b>
<b>Current</b>		
<i>Unsecured, considered good</i>		
Deposits	202	251
Employee advances	51	39
Unbilled revenue	100	296
Accruals		
- interest accrued on deposits	2	2
	<b>355</b>	<b>588</b>
Contractually reimbursable expenses:		
<i>Unsecured</i>		
considered good	903	1,036
considered doubtful - credit impaired	102	75
	<b>1,005</b>	<b>1,111</b>
Less: provision for expected credit loss on contractually reimbursable expenses (refer note 39)	102	75
	<b>903</b>	<b>1,036</b>
	<b>1,258</b>	<b>1,624</b>
<b>7 Other assets</b>		
<b>Non-current</b>		
Capital advances	50	65
Balance with government authorities	27	2
Prepaid expenses	1	3
	<b>78</b>	<b>70</b>
<b>Current</b>		
Prepaid expenses	22	27
Balances with government authorities		
- GST credit receivable	16	81
- VAT refund receivable	9	40
- service tax refund receivable	-	23
- service tax advance	-	25
- customs/ port advance	5	15
Fair value change in outstanding forward exchange contracts	99	65
Income tax refund due	4	-
Others	10	9
	<b>165</b>	<b>285</b>

# ASPINWALL AND COMPANY LIMITED

## Notes to the Consolidated financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

	As at 31 March 2019	As at 31 March 2018
Export incentives (Merchandise Exports from India Scheme (MEIS)/duty drawback benefits)	379	384
Advance to contractors	302	239
Less: provision for doubtful advances	6	6
	<b>296</b>	<b>233</b>
Assets held for sale - land (refer note (i) below)	1,017	1,017
Less: provision for reduction in recoverable value	527	527
	<b>490</b>	<b>490</b>
Note (i) - Represents land at Sasthamangalam. Management is fully committed to dispose off the said land in the near future. As at 31 March 2019, the same has been stated at book value (being lower of the fair value less cost to sell).		
	<b>1,330</b>	<b>1,392</b>
<b>8 Inventories (at lower of cost and net realisable value)</b>		
(a) Raw materials		
Coffee	4,576	7,123
PVC resin	56	36
Coir	51	137
	<b>4,683</b>	<b>7,296</b>
(b) Finished goods		
Coffee	4,809	3,211
Mats and mattings	3	-
Rubber	165	38
	<b>4,977</b>	<b>3,249</b>
(c) Stock in trade		
Coffee	33	81
Rubber	14	-
Mats and mattings	16	19
	<b>63</b>	<b>100</b>
(d) Stores and spares	151	148
	<b>9,874</b>	<b>10,793</b>
<b>9 Trade receivables</b>		
Trade receivables considered good - Unsecured	3,292	3,402
Trade receivables - credit impaired	186	88
	3,478	3,490
Allowances for expected credit loss (refer note 39)	(186)	(88)
	<b>3,292</b>	<b>3,402</b>
<b>10 Cash and bank balances</b>		
<b>A. Cash and cash equivalents</b>		
Balances with banks (refer note 39)		
(i) In current accounts	384	265
(ii) In EEFC accounts	1	7
(iii) In deposit accounts	48	63
Cash on hand	5	6
	<b>438</b>	<b>341</b>
<b>B. Bank balances other than cash and cash equivalents</b>		
In earmarked accounts		
- unclaimed dividend accounts	51	50
- interest warrant account	2	2
- deposits receipts pledged with customs, sales tax and other government authorities	6	9
	<b>59</b>	<b>61</b>

# ASPINWALL AND COMPANY LIMITED

## Notes to the Consolidated financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

	As at 31 March 2019	As at 31 March 2018
<b>11 Equity share capital</b>		
<b>Authorised capital</b>		
250 lakhs (31 March 2018: 250 lakhs) equity shares of Rs.10 each	2,500	2,500
	2,500	2,500
<b>Issued, subscribed and paid-up capital</b>		
78.18 lakhs (31 March 2018: 78.18 lakhs) equity shares of Rs.10 each fully paid up	782	782
	782	782

**a. Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year is as given below:**

Particulars	As at 31 March 2019		As at 31 March 2018	
	No. of shares	Amount	No. of shares	Amount
Number of shares at the beginning of the year (lakhs)	78.18	782	78.18	782
Number of shares issued during the year (lakhs)	-	-	-	-
Number of shares at the end of the year (lakhs)	78.18	782	78.18	782

**b. Rights, preferences and restrictions attached to equity shares**

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of the equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive 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 shareholders.

**c. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company**

**i) Equity shares:**

Particulars	As at 31 March 2019		As at 31 March 2018	
	No. of shares (lakhs)	% holding	No. of shares (lakhs)	% holding
<i>Equity shares</i>				
M/s. Narayanan Investment Trust Private Limited	17.06	21.82%	17.06	21.82%
Mr. Rama Varma	11.65	14.91%	11.65	14.91%
Her Highness Gouri Parvathi Bayi	10.45	13.37%	10.45	13.37%
M/s Kumari Investment Corporation Private Limited	4.59	5.87%	4.59	5.87%

# ASPINWALL AND COMPANY LIMITED

Notes to the Consolidated financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

## d. Details of buyback, bonus shares, issue for consideration other than for cash for past 5 years

There were no shares allotted as fully paid up by way of bonus shares, shares issued for consideration other than for cash and shares bought back during the 5 years immediately preceding the balance sheet date.

e. The Company does not have a holding company and none of the shares are held by any of the subsidiary companies.

	As at 31 March 2019	As at 31 March 2018
<b>12 Borrowings</b>		
<b>Non-current</b>		
<i>Secured</i>		
Term loans from banks	608	1,000
<i>Other Unsecured loans</i>		
United Nations Development Programme (UNDP) loan	48	48
	<b>656</b>	<b>1,048</b>
<b>Current</b>		
<i>Secured</i>		
Current maturities of term loan from bank	392	428
Loan repayable on demand	751	687
Packing credit loan from banks	4,940	4,740
	<b>6,083</b>	<b>5,855</b>
Less: amount included under other financial liabilities	(392)	(428)
	<b>5,691</b>	<b>5,427</b>

# ASPINWALL AND COMPANY LIMITED

Notes to the Consolidated financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

## 12 Borrowings (Continued)

### Details of securities, terms and conditions on borrowings from banks

Type of borrowings	Lenders name	Outstanding as on 31 March 2019	Outstanding as on 31 March 2018	Tenure	Security and maturity term	Repayment Schedule and interest rate
Secured term loans from banks	YES Bank Limited	1,000	1,393	5 1/4 Years	Secured by exclusive charge over the land in Sy no.3138/2 and 3139/9 at Kowdiar Village, Trivandrum, building constructed on the land and further an exclusive charge over the lease rentals/ cash flow from the building.	The term loan is repayable in 21 quarterly installments commencing from 20 December 2016 and carry interest at base rate, presently @ 10.25% (previous year @ 10.25%) per annum
Secured term loans from banks	Axis Bank Limited	-	4	4 Years	Secured by a charge on/ hypothecation of assets bought under the loan	The term loan is repayable in 48 equal monthly instalments commencing from 15 August 2014 and carry interest @10.25% (previous year @ 10.25%) per annum.
Secured term loans from banks	HDFC Bank Limited	-	31	3 Years	Secured by a charge on/ hypothecation of assets bought under the loan	The term loan is repayable in 36 equal monthly instalments commencing from 5 March 2016 and carry interest @ 9.50% (previous year @9.50%) per annum.
Loan repayable on demand	Syndicate Bank	751	687	Yearly renewal	The bank overdraft and packing credit loan from Syndicate Bank are secured by hypothecation and first charge on all raw materials, finished goods, stock in trade and stores (including goods for export) of coffee division at Mangalore and book debts not older than 90 days of the company. Further secured by hypothecation of plant and machinery of coffee and logistics division at Mangalore, equitable mortgage of land and buildings in Sy. No. 129/1,129/1A,73/2B at Padavu and Maroli Village, Mangalore and equitable mortgage of land and building in Sy. No.1265/1,1265/2, 1266/1, 1266/2, 1259B/2, 1260/2B, 1261/2B in Meelavittam Village at Tuticorin.	Bank overdraft is repayable on demand and carry interest at base rate + 0.50%, presently @10% (previous year @8.95%) per annum.
Packing credit loan from banks	Syndicate Bank	2,762	3,790	Yearly renewal		Packing credit loan is repayable within a period of 270 days from the date of availment of loan and carry interest at base rate less interest equalisation scheme, presently @4.50% (previous year @6.45%) per annum.
Packing credit loan from banks	State Bank of India	347	219	Yearly renewal	Packing credit loan from State Bank of India is secured by hypothecation of stock and receivables of natural fibre division.	Packing credit loan is repayable within a period of 270 days from the date of availment of loan and carry interest at base rate less interest equalisation, presently @4.10% (previous year @ 5.70%) per annum.
Packing credit loan from banks	HDFC Bank Limited	466	731	Yearly renewal	Packing credit loan from HDFC Bank Limited is secured by equitable mortgage of land in Sy.no. 140/1, 155-1A and 154-1A along with built up area about 94000 sq.ft. located in Iddya Village, Mangalore Taluk.	Packing credit loan is repayable within a period of 270 days from the date of availment of loan and carry interest at base rate less interest equalisation, presently @4.45% (previous year @ 6.30%) per annum.
Packing credit loan from banks	Federal Bank Limited	1,365	-	Yearly renewal	Packing credit loan from Federal Bank Limited is secured by paripassu first charge on hypothecation of stock and advance to suppliers of the coffee division with a margin of 25% with other WC lenders of coffee division.	Packing credit loan is repayable within a period of 270 days from the date of availment of loan and carry interest at base rate less interest equalisation, presently @ 4.15% (previous year : NA) per annum.
Unsecured loans	United Nations Development Programme	48	48	NA	Corporate guarantee on the holding company	The loan carries an interest presently @15% (Previously 15% per annum)



# ASPINWALL AND COMPANY LIMITED

## Notes to the Consolidated financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

	As at 31 March 2019	As at 31 March 2018
<b>13 Provisions</b>		
<b>Non-current</b>		
<b>Provision for employee benefits</b>		
Provision for gratuity	9	7
Provision for compensated absences	262	228
	<b>271</b>	<b>235</b>
<b>Current</b>		
Provision for compensated absences	75	67
Provision for gratuity	1	1
Provision for employee provident fund	21	7
Provision for contingencies (refer note 32)	622	804
	<b>719</b>	<b>879</b>
<b>14 Trade payables</b>		
- total outstanding dues of micro enterprises and small enterprises (refer note 34)	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	878	917
	<b>878</b>	<b>917</b>
<b>15 Other financial liabilities - Current</b>		
Current maturities of term loan from bank	392	428
Interest accrued but not due	22	31
Unclaimed dividends	51	50
Payables on purchase of property, plant and equipment	-	19
Trade deposits received	47	62
Contractually reimbursable expenses/liabilities	137	237
Retention money	31	28
Due to other creditors and accruals	876	964
Accrued salaries and benefits	456	610
Unclaimed interest on deposits	1	1
	<b>2,013</b>	<b>2,430</b>
<b>16 Other liabilities</b>		
<b>Current</b>		
Advance from customers	167	423
Due to gratuity trust	105	4
Advances received towards sale of land classified as asset held for sale	600	600
Withholding taxes and statutory dues	116	80
	<b>988</b>	<b>1,107</b>

# ASPINWALL AND COMPANY LIMITED

## Notes to the Consolidated financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
<b>17 Revenue from operations</b>		
Sale of products		
Own manufactured	15,551	14,233
Traded	1,250	457
	<b>16,801</b>	<b>14,690</b>
<i>Own manufactured</i>		
Rubber	970	1,388
Mats and mattings	1,826	1,659
Coffee	12,755	11,186
	15,551	14,233
<i>Traded</i>		
Coffee	271	180
Rubber	663	-
Mats and mattings	316	277
	1,250	457
Sale of services - Logistics		
Clearing and forwarding - bulk cargo	6,436	9,732
Clearing and forwarding - others	3,332	3,054
Steamer/Vessel agency related activities	118	100
	<b>9,886</b>	<b>12,886</b>
Other operating revenues		
- Export incentives (duty drawback benefits / VKGUY/ MEIS)	700	559
- despatch money	183	122
- weighbridge income	13	18
- sale of coffee husk	1	1
	<b>897</b>	<b>700</b>
	<b>27,584</b>	<b>28,276</b>
<b>18 Other income</b>		
Interest income on effective interest method on		
- interest on bank deposits	9	19
- interest on loans and advances carried at amortised cost	8	6
Dividend income from current investment carried at FVTPL	2	6
Fair value changes of current investments (FVTPL)	13	10
Profit on sale of Investments (FVTPL)	-	3
Other non-operating income		
- sublease income	10	9
- profit on sale of property, plant and equipment	-	4
- liabilities/ provisions no longer required written back	394	143
- profit on sale of rubber trees	209	105
- sale of timber	24	21
- insurance claim received	21	19
- gain on remeasurement of biological assets	37	35
- miscellaneous income	29	18
	<b>756</b>	<b>398</b>

# ASPINWALL AND COMPANY LIMITED

## Notes to the Consolidated financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
<b>19 Cost of materials consumed</b>		
Opening stock	7,296	3,276
Add: purchases	10,416	13,682
Less: closing stock	(4,683)	(7,296)
<b>Cost of materials consumed</b>	<b>13,029</b>	<b>9,662</b>
Materials consumed comprise:		
Coffee	11,872	8,676
PVC resin	181	215
Coir yarn and others	976	771
	<b>13,029</b>	<b>9,662</b>
<b>20 Purchases of stock-in-trade</b>		
Coffee	177	205
Rubber	666	-
Mattress	184	187
	<b>1,027</b>	<b>392</b>
<b>21 Changes in inventories of finished goods and stock-in-trade</b>		
<i>Inventories at the beginning of the year</i>		
Finished good		
Coffee	3,211	2,671
Rubber	38	59
	3,249	2,730
Stock -in-trade		
Coffee	81	34
Mattress	19	20
	100	54
	<b>3,349</b>	<b>2,784</b>
<i>Inventories at the end of the year</i>		
Finished good		
Coffee	4,809	3,211
Rubber	165	38
Mats and mattings	3	-
	4,977	3,249
Stock -in-trade		
Mats and mattings	16	19
Rubber	14	-
Coffee	33	81
	63	100
	<b>5,040</b>	<b>3,349</b>
<b>Net increase in inventories of finished goods and stock-in-trade</b>	<b>(1,691)</b>	<b>(565)</b>

# ASPINWALL AND COMPANY LIMITED

## Notes to the Consolidated financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
<b>22 Employee benefits expense</b>		
Salaries, wages and bonus	2,982	3,002
Contribution to provident and other funds (refer note 38)	356	308
Staff welfare expenses	190	188
	<b>3,528</b>	<b>3,498</b>
<b>23 Finance costs</b>		
Interest expense on :		
- borrowings	533	370
- agricultural income tax dues	9	17
- central income tax dues	22	-
- licence fee to port (refer note 32)	17	15
- others	51	24
Other borrowing costs	37	17
	<b>669</b>	<b>443</b>
<b>24 Depreciation and amortisation expense</b>		
Depreciation on property, plant and equipment	186	186
Depreciation on investment property	2	-
Amortisation of intangible assets	66	65
	<b>254</b>	<b>251</b>
<b>25 Other expenses</b>		
Consumption of stores and spare parts	438	451
Handling charges	6,634	9,213
Transportation charges	1,304	1,077
Ocean freight	46	47
Power and fuel	170	161
Rent (refer note 36)	139	135
Repairs and maintenance - buildings	84	127
Repairs and maintenance - machinery	68	81
Repairs and maintenance - others	26	1
Insurance	93	78
Rates and taxes	84	99
Communication	51	55
Travelling and conveyance	246	228
Printing and stationery	29	34

# ASPINWALL AND COMPANY LIMITED

## Notes to the Consolidated financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
Sales commission	61	42
Donations and contributions (refer note 25.1 below)	3	5
Legal and professional	182	164
Payments to auditors (refer note 30)	38	35
Credit impaired trade receivables written off	6	32
{Net of adjustment against provision Rs.12 lakhs (31 March 2018: Rs. 32 lakhs)}		
Provision for expected credit loss	146	55
Loss on disposal of property, plant and equipment (net)	1	-
Exchange loss on currency fluctuation realised and unrealised**	344	66
Bank charges	75	71
Security and subcontracting charges	111	175
Directors' sitting fees	18	9
Miscellaneous expenses	227	157
	<b>10,624</b>	<b>12,598</b>
**Includes unrealised loss on contracts not designated in hedge relationships and measured at fair value.		
<b>Note 25.1- Donations and contributions primarily includes following:</b>		
Communist Party of India (Marxist)	*	1
Bharatiya Janata Party	-	1
Communist Party of India	-	*
Kerala Congress (B)	-	*
Revolutionary Socialist Party	-	*
SDPI	*	*
Muslim League	*	*
RSP	-	*
Welfare Party of India	*	*
Indian National Congress	*	*
Indian Communist League (ML)	-	*
DMK	-	*
	<b>1</b>	<b>2</b>

\*Amount is below the rounding off norms adopted by the Company.

# ASPINWALL AND COMPANY LIMITED

**Notes to the Consolidated financial statements for the year ended 31 March, 2019 (Continued)**

(All amounts in Indian rupees lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
<b>26 CSR expenditure</b>		
- Gross amount required to be spent during the year	32	22
- Amount spent during the year on:		
Construction/acquisition of an asset	-	-
On purposes other than above	32	22
	<b>32</b>	<b>22</b>
<b>Total of other expenses and CSR expenditure</b>	<b>10,656</b>	<b>12,620</b>
<b>27 Exceptional items</b>		
Provision for reduction in recoverable value of assets held for sale	-	310
	<b>-</b>	<b>310</b>

# ASPINWALL AND COMPANY LIMITED

Notes to the Consolidated financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

## 28 Contingent liabilities and commitments

Particulars	As at 31 March 2019	As at 31 March 2018
<b>Contingent liabilities</b>		
(i) Claims against the Company not acknowledged as debt:		
Disputed tax demands:		
-Service tax demands for the period from April, 2006 to March, 2012 under appeal before Customs, Excise and Service Tax Appellate Tribunal (CESTAT)	469	724
-Service tax demands for the period from April 2009 to March 2015, under appeal before Commissioner (Appeals)	24	43
-Kerala value added tax demand relating to assessment year 2007-08 on alleged sale consideration of goodwill to M/s. DLF Aspinwal Hotels Private Limited against which appeal is pending before the Honourable Kerala Value Added Tax Appellate Tribunal.	49	49
Central Income Tax demand relating to assessment year 2014-15 on write back of loan, against which appeal is pending before Commissioner of Income tax (Appeals)	22	22
Central Income Tax demand relating to assessment year 2005-06 on insurance claim received on destruction / damage of critical machineries, against which appeal is pending before Commissioner of Income Tax (Appeals)	48	48
(ii) Bills discounted	611	418
(iii) Corporate guarantees (refer note 34)	48	48
(iv) Export obligation under Advance Authorisation Licence to be fulfilled. The Company is confident of meeting its obligations under the scheme within the stipulated time.	199	391
(v) Likely demand of interest on UNDP loan availed by M/s. Aspinwall Geotech Limited, wholly owned subsidiary company.	128	120
<b>Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for:		
- property, plant and equipment	8	379

### Note

- Show cause notices received from Service tax department pending formal demand notices, have not been considered as contingent liabilities
- The Land Tribunal, Manjeri had passed orders conferring absolute title of the rubber estate at Pullangode to the Company. Appeals against this order filed by some of the Jenmis before the Land Reforms Appellate Authority have also been disposed off in favour of the Company and accordingly no adjustment is required in the financial statements in this regard. Further, appeal filed by some of the Jenmis is pending before the Hon'ble High Court of Kerala.
- The Company's writ petition against the order of the Government of Kerala revising the lease rent in respect of the leasehold land at Fort Kochi effective from 13 November 1995 upto 31 March 2007, is pending before the Hon'ble High Court of Kerala. Pursuant to interim application filed in the above writ petition by the company, the High Court has directed the Government to consider the representation regarding lease rent filed by the company, and take appropriate decision in this regard. Pursuant to this, Government of Kerala has issued an order reaffirming the demand for the period upto 31 March 2007. Adequate provision is available in the books for meeting this liability.
- Future cash outflows in respect of the above matters are determinable only on receipt of judgements / decisions pending at various forums / authorities. Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements.
- On 28th February 2019, the Hon'ble Supreme Court of India has delivered a judgment clarifying the principles that need to be applied in determining the components of salaries and wages on which Provident Fund (PF) contributions need to be made by establishments. However, the Company has been legally advised that there are numerous interpretative challenges on the application of the judgment retrospectively. Based on such legal advice, the management believes that it is impracticable at this stage to reliably measure the provision required, if any, and accordingly, no provision has been made towards the same. Necessary adjustments, if any, will be made to the books as more clarity emerges on this subject.

# ASPINWALL AND COMPANY LIMITED

## Notes to the Consolidated financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

### 29 Earnings per share

The calculation of profit attributable to equity share holders and weighted average number of equity shares outstanding for the purpose of basic earnings per share calculations are as follows:

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Net profit for the year attributable to the equity shareholders (in lakhs)	726	1,291
Weighted average number of equity shares (Nos. lakhs)	78.18	78.18
Par value per share (Rs)	10	10
Earning per share - basic and diluted	9.28	16.51

### 30 Payments to auditors

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Statutory audit	29	25
Tax audit	4	1
Other matters	4	7
Reimbursement of expenses	1	2
<b>Total</b>	<b>38</b>	<b>35</b>

### 31 Details of borrowing costs capitalised

Particulars	As at 31 March 2019	As at 31 March 2018
Borrowing costs capitalised during the year included in capital work-in-progress	122	138

### 32 Details of provisions

The Company has made provision for various contractual obligations and disputed statutory and other liabilities based on its assessment of the amount it estimates to incur to meet such obligations, details of which are given below:

Particulars	As at 1 April 2018	Additions	Reversal	As at 31 March 2019
Provision for contingencies towards disputed statutory dues	549	-	199	350
Provision for licence fee and interest to port	255	17	-	272
<b>Total provision for contingencies</b>	<b>804</b>	<b>17</b>	<b>199</b>	<b>622</b>
Particulars	As at 1 April 2017	Additions	Reversal	As at 31 March 2018
Provision for contingencies towards disputed statutory dues	548	1	-	549
Provision for licence fee and interest to port	149	106	-	255
<b>Total provision for contingencies</b>	<b>697</b>	<b>107</b>	<b>-</b>	<b>804</b>

Time of future cash outflows in respect of above matters are dependend on the receipt of judgement - decisions pending at various forums/ authorities.



# ASPINWALL AND COMPANY LIMITED

Notes to the Consolidated financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

## 33 Related parties

### A. Related party relationships

Names of related parties and description of relationship with the Company:

- |   |   |
|---|---|
| (a) Key Management Personnel (KMP)  | <ul style="list-style-type: none"> <li>a) Mr. Rama Varma - Managing Director</li> <li>b) Mr. Venkitraman Anand - Executive Director (Resigned on 31 August 2018)</li> <li>c) Rajesh S - Chief Executive Officer (From 12 November 2018)</li> <li>d) T.R. Radhakrishnan - Chief Financial Officer</li> <li>e) Neeraj R. Varma - Company Secretary</li> </ul> |
| (b) Non-Executive Directors   | <ul style="list-style-type: none"> <li>a) Mr. C.R.R. Varma</li> <li>b) Mr. K.R.N. Menon</li> <li>c) Mr. Sushil Krishnan Nair (I.N. Retd)</li> <li>d) Ms. Nina Nayar</li> <li>e) Avittam Thirunal Adithya Varma (Appointed on 17 August 2017)</li> <li>f) Mr. M. Lakshminarayanan (Appointed on 01 May 2018)</li> </ul>                                      |
| (c) Entities in which KMP / Relatives of KMP can exercise significant influence | <ul style="list-style-type: none"> <li>a) Narayanan Investment Trust Private Limited</li> <li>b) Kumari Investment Corporation Private Limited</li> </ul>   |
| (d) Relatives of KMP ( Managing Director)                                       | <ul style="list-style-type: none"> <li>a) H. H. Gouri Parvathi Bayi, sister</li> <li>b) H. H. Gouri Lakshmi Bayi, sister</li> <li>c) Dr (Mrs.) Girija Varma, spouse</li> </ul>  |

Note: Related parties have been identified by the management and relied upon by the auditors

### B. Related party transactions

Transaction	Related Party	Year ended 31 March 2019	Year ended 31 March 2018
Rent payments	Mr. Rama Varma	19	18
Dividend paid	Narayanan Investment Trust Private Limited	60	51
	Kumari Investment Corporation Private Limited	16	14
	Mr. Rama Varma	41	35
	H H Gouri Parvathi Bayi	37	31
	H H Gouri Lakshmi Bayi	2	2
	Dr. (Mrs.) Girija Varma	*	*
	Sri Avittam Thirunal Adithya Varma	3	2
	Mr. C.R.R. Varma	1	1
Remuneration to Key Management Personnel#	Mr. Rama Varma	72	71
	Mr. Venkitraman Anand (Resigned on 31 August 2018)	28	95
	Mr. Rajesh S (From 12 November 2018)	35	-
	Mr. T.R. Radhakrishnan	60	63
	Mr. Neeraj R. Varma	14	15
Sitting fee paid	Mr. C.R.R. Varma	3	2
	Mr. K.R.N. Menon	4	2
	Mr. Sushil Krishnan Nair (I.N. Retd)	4	1
	Ms. Nina Nayar	3	2
	Sri. Avittam Thirunal Adithya Varma	1	1
	Mr. P.K. Sasidharan	-	1
	Mr. R. Sasiprabhu	-	*
	Mr. M. Lakshminarayanan	3	-

# Does not include provision for Gratuity as the actuarial valuation certificate is for the Company as a whole

\*Amount is below the rounding off norms adopted by the Company.

# ASPINWALL AND COMPANY LIMITED

## Notes to the Consolidated financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

### 34 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act)

Particulars	As at 31 March 2019	As at 31 March 2018
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

### 35 Operating segment

#### Basis for segmentation

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Group's Chief Executive Officer (CEO) and Chief Financial Officer (CFO) to make decisions about resources to be allocated to the segments and assess their performance.

The Group has identified business segments as its primary segment and geographical segments as its secondary segment. Business segments are logistics, coffee and related activities, plantation, natural fibre products and others. Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Fixed assets that are used interchangeably amongst segments are not allocated to primary and secondary segments. Geographical revenues are allocated based on the location of the customer. Geographical segments of the Company are Americas (including Canada and South American countries), Europe, India and others.

#### Information about reportable segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Group's CFO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

# ASPINWALL AND COMPANY LIMITED

## Notes to the Consolidated financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

### 35 Operating segment (Continued)

#### Business segment information (Continued)

	SEGMENTS	Year ended 31 March 2019						Year ended 31 March 2018					
		Logistics	Coffee and Related Activities	Plantation	Natural Fibre Products	Others	TOTAL	Logistics	Coffee and Related Activities	Plantation	Natural Fibre Products	Others	TOTAL
1	<b>Segment revenue</b>	10,082	13,600	1,633	2,269	-	27,584	13,044	11,822	1,388	2,039	-	28,293
	Less: inter-segment revenue	-	-	-	-	-	-	17					17
		<b>10,082</b>	<b>13,600</b>	<b>1,633</b>	<b>2,269</b>	<b>-</b>	<b>27,584</b>	<b>13,027</b>	<b>11,822</b>	<b>1,388</b>	<b>2,039</b>	<b>-</b>	<b>28,276</b>
2	<b>Segment result (before unallocated income/expense)</b>	775	1,368	184	49	(3)	2,373	1,063	2,173	252	71	(4)	3,555
	Unallocated expense (net of other income)						836						739
	<b>Operating profit before interest, prior period and exceptional items</b>						<b>1,537</b>						<b>2,816</b>
	Exceptional items						-						(310)
	Finance costs						669						443
	<b>Net profit before tax</b>						<b>868</b>						<b>2,063</b>
	Tax expense						142						772
3	<b>Profit after tax</b>						<b>726</b>						<b>1,291</b>
4	<b>Other information</b>												
	<b>a) Segment assets</b>	5,455	11,424	2,033	1,250	1,204	21,366	6,072	12,194	1,751	1,243	68	21,328
	Unallocated corporate assets						4,205						4,967
	<b>Total assets</b>						<b>25,571</b>						<b>26,295</b>
	<b>b) Segment liabilities</b>	1,967	4,770	633	544	642	8,556	2,534	4,999	650	521	1	8,705
	Unallocated corporate liabilities						3,026						3,934
	<b>Total liabilities</b>						<b>11,582</b>						<b>12,639</b>
	<b>c) Capital expenditure</b>	15	71	141	32	-	259	20	107	139	58	-	324
	Unallocated corporate capital expenditure						449						628
	<b>Total capital expenditure</b>						<b>708</b>						<b>952</b>
	<b>d) Depreciation /amortisation</b>	105	27	79	26	-	237	107	28	78	25	-	238
	Unallocated depreciation/ amortisation on corporate assets						17						13
	<b>Total depreciation/ amortisation</b>						<b>254</b>						<b>251</b>
	<b>e) Non-cash expenditure other than depreciation</b>	153	16	-	5	-	174	88	2	-	*	-	90
	Unallocated non-cash expenditure other than depreciation					-						-	
	<b>Total non-cash expenditure other than depreciation</b>						<b>174</b>						<b>90</b>

\*Amount is below the rounding off norms adopted by the Company.

# ASPINWALL AND COMPANY LIMITED

Notes to the Consolidated financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

## 35 Operating segment (continued)

### Geographical segment information

The Group has exported coffee and coir products during the year. Information regarding Geographical segments are given below:

	Particulars	Year ended 31 March 2019	Year ended 31 March 2018
1	<b>Segment Revenue</b>		
	Americas (including Canada and South American countries)	1,532	1,469
	Europe	11,397	10,665
	India	13,968	15,593
	Others	687	549
	<b>Segment Revenue</b>	<b>27,584</b>	<b>28,276</b>
2	<b>Segment Assets</b>		
	Americas (including Canada and South American countries)	201	209
	Europe	1,583	1,396
	India	22,757	24,607
	Others	1,030	83
	<b>Segment Assets</b>	<b>25,571</b>	<b>26,295</b>
3	<b>Capital Expenditure</b>		
	India	708	952
	<b>Total Capital Expenditure</b>	<b>708</b>	<b>952</b>

## 36 Leases

The Group is obligated under cancellable operating leases for office, port and residential space. Total rental expense under cancellable operating leases [including Rs. 550 lakhs (previous year - Rs. 1255 lakhs) grouped under handling charges] during the year was Rs. 689 lakhs (previous year: Rs. 1390 lakhs)

## 37 Tax assets, liabilities and reconciliations

### A. Deferred tax (asset)/ liabilities

#### (a) Movement in deferred tax balances for the year ended 31 March 2019

	Net balance 1 April 2018	Recognised in profit or loss	Recognised in OCI	As at 31 March 2019		
				Net tax asset	Deferred tax asset	Deferred liability
<b>Deferred tax (asset)/ liabilities</b>						
Property, plant and equipment	56	28	-	84	-	84
Employee benefits**	(102)	21	(24)	(105)	105	-
Provision for doubtful trade receivables	(57)	(28)	-	(85)	85	-
Disallowances under Section 43B of the Income-Tax Act, 1961	(47)	47	-	-	-	-
MAT Credit entitlement	-	(92)	-	(92)	92	-
Fair valuation of biological assets	142	(13)	-	129	-	129
Fair valuation changes in cash flow hedges	22	7	-	29	-	29
Other disallowances	(337)	(16)	-	(353)	353	-
<b>Net deferred tax</b>	<b>(323)</b>	<b>(70)</b>	<b>(24)</b>	<b>(393)</b>	<b>635</b>	<b>242</b>

# ASPINWALL AND COMPANY LIMITED

Notes to the Consolidated financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

## 37 Tax assets, liabilities and reconciliations (continued)

### (b) Movement in deferred tax balances for the year ended 31 March 2018

	Net balance 1 April 2017	Recognised in profit or loss	Recognised in OCI	As at 31 March 2018		
				Net Deferred tax asset	Deferred liability	
<b>Deferred tax (asset)/ liabilities</b>						
Property, plant and equipment	35	21	-	56	-	56
Employee benefits**	(92)	(8)	(2)	(102)	102	-
Provision for doubtful trade receivables	(56)	(1)	-	(57)	57	-
Disallowances under Section 43B of the Income - tax Act, 1961	(44)	(3)	-	(47)	47	-
MAT Credit entitlement	-	-	-	-	-	-
Fair valuation of biological assets	128	14	-	142	-	142
Fair valuation changes in cash flow hedges	81	(59)	-	22	-	22
Other disallowances	(346)	9	-	(337)	337	-
<b>Net deferred tax</b>	<b>(294)</b>	<b>(27)</b>	<b>(2)</b>	<b>(323)</b>	<b>543</b>	<b>220</b>

### (c) Movement in deferred tax balances of subsidiary companies for the year ended 31 March 2019

	Net balance 1 April 2018	Recognised in profit or loss	Recognised in OCI	As at 31 March 2019		
				Net Deferred tax asset	Deferred liability	
<b>Deferred tax (asset)/ liabilities</b>						
Property, plant and equipment	(1)	*	-	(1)	1	-
Employee benefits**	(2)	(*)	(*)	(2)	2	-
Provision for doubtful trade receivables	(1)	-	-	(1)	1	-
Other disallowances	8	3	-	11	-	11
<b>Net deferred tax</b>	<b>4</b>	<b>3</b>	<b>-</b>	<b>7</b>	<b>4</b>	<b>11</b>
MAT Credit entitlement	(2)	-	-	(2)	2	-

### (d) Movement in deferred tax balances of subsidiary companies for the year ended 31 March 2018

	Net balance 1 April 2017	Recognised in profit or loss	Recognised in OCI	As at 31 March 2018		
				Net Deferred tax asset	Deferred liability	
<b>Deferred tax (asset)/ liabilities</b>						
Property, plant and equipment	(1)	*	-	(1)	1	-
Employee benefits**	(2)	(*)	(*)	(2)	2	-
Provision for doubtful trade receivables	(1)	(*)	-	(1)	1	-
Other disallowances	6	2	-	8	-	8
Net tax assets	2	2	-	4	4	8
MAT Credit entitlement	(2)	-	-	(2)	2	-

\*\*Includes provision for gratuity, provision for leave encashment, provision for bonus and actuarial gain/ loss on remeasurment of defined benefit liability recognised in Other comprehensive income.

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

\*Amount is below the rounding off norms adopted by the Company.

# ASPINWALL AND COMPANY LIMITED

## Notes to the Consolidated financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

### 37 Tax assets, liabilities and reconciliations (Continued)

#### B. Income tax assets /(liabilities)

Particulars	As at 31 March 2019	As at 31 March 2018
<b>Non-current</b>		
Advance tax, net of provision for tax	348	255
Provision for tax, net of advance tax	(359)	(592)
	<b>(11)</b>	<b>(337)</b>

#### (a). Amount recognised in statement of profit and loss

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Current tax	262	807
Income tax charge (credit) for earlier years	(52)	(10)
Deferred tax credit	(68)	(25)
<b>Net tax expense</b>	<b>142</b>	<b>772</b>

#### (b). Amount recognised in other comprehensive income

Particulars	Before Tax	Tax Expense / (Benefit)	Net of Tax
<b>Year ended 31 March 2019</b>			
Remeasurement of defined benefit liability	87	(24)	63
	<b>87</b>	<b>(24)</b>	<b>63</b>
<b>Year ended 31 March 2018</b>			
Remeasurement of defined benefit liability	6	(2)	4
	<b>6</b>	<b>(2)</b>	<b>4</b>

#### C. Reconciliation of effective tax rate

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
<b>Profit before tax</b>	868	2,063
Group's domestic tax rate	27.82%	34.61%
Tax using Group's domestic tax rate	242	714
Impact of:		
Exempt income	(1)	(27)
Corporate social responsibility expenditure	6	8
Tax losses for which no deferred income tax was recognised	6	12
Exceptional items	-	108
Deferred tax assets recognised	(68)	(25)
Adjustments for current tax of prior years	(52)	(10)
Others	9	(8)
Income tax expense	<b>142</b>	<b>772</b>
Effective tax rate	<b>16.36%</b>	<b>37.42%</b>

# ASPINWALL AND COMPANY LIMITED

## Notes to the Consolidated financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

### 38 Employee Benefits

(a) The employee benefit schemes are as under:

The Group recognised Rs. 66 lakhs (31 March 2018 Rs. 52 lakhs) for superannuation contribution and other retirement benefit contributions in the consolidated statement of profit and loss.

The Group also makes contribution towards social security and insurance - in the case of a foreign national employee who is employed at Hertogenbosch (Netherlands). The Group had recognised Rs. 18 lakhs (31 March 2018: Rs. 16 lakhs) for social security and insurance contributions in the consolidated statement of profit and loss.

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement at 15 days salary (last drawn salary) for each completed year of service. In the case of executive staff, gratuity payable at 15 days salary (last drawn salary) for the first 15 years of service and at 30 days salary (last drawn salary) for service above 15 years. The scheme is funded and an amount of Rs. 157 lakhs (31 March 2018: Rs. 72 lakhs) has been recognised and included in "Contribution to provident and other funds" in the consolidated statement of profit and loss on account of provision. The scheme is funded in case of holding company and unfunded in the case of subsidiary companies.

All employees of the Company receive benefits under the provident fund which is a defined benefit plan wherein the Company provides the guarantee of a specified return on contribution. The contribution is made both by the employee and the Company equal to 12% of the employees' salary (with Company's contribution to the plan being 12% less contribution towards employee pension scheme). These contributions are made to the Fund administered and managed by the Company's own Trust.

b) The following tables sets out the particulars of the employee benefits as required under the Ind AS 19-"Employee Benefits".

i) The amounts recognised in the balance sheet and the movements in the defined benefit obligation over the year for Gratuity are as follows:

Funded: Parent

	31 March 2019			31 March 2018		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
<b>Opening balance</b>	<b>1,128</b>	<b>1,124</b>	<b>4</b>	<b>1,061</b>	<b>1,051</b>	<b>10</b>
Current service cost	70	-	70	66	-	66
Interest cost / (income)	79	-	79	69	-	69
Expected returns	-	81	(81)	-	71	(71)
<b>Total amount recognised in profit and loss</b>	<b>149</b>	<b>81</b>	<b>68</b>	<b>135</b>	<b>71</b>	<b>64</b>
<i>Remeasurements</i>						
(Gain)/loss from change in financial assumptions	20	-	20	(29)	-	(29)
Experience losses	67	-	67	53	-	53
Return on plan assets, greater/ less discount rate	-	*	(*)	-	19	(19)
<b>Total amount recognised in other comprehensive income</b>	<b>87</b>	<b>*</b>	<b>87</b>	<b>24</b>	<b>19</b>	<b>5</b>
Contributions	-	54	(54)	-	75	(75)
Benefits paid	(80)	(80)	-	(92)	(92)	-
<b>Closing balance</b>	<b>1,284</b>	<b>1,179</b>	<b>105</b>	<b>1,128</b>	<b>1,124</b>	<b>4</b>

# ASPINWALL AND COMPANY LIMITED

Notes to the Consolidated financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

## 38 Employee Benefits (Continued)

### Unfunded: Subsidiaries

	31 March 2019			31 March 2018		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
<b>Opening balance</b>	8	-	8	6	-	6
Current service cost	1	-	1	1	-	1
Past service cost	-	-	-	1	-	1
Expected returns on plan assets	-	-	-	-	-	-
Interest cost	1	-	1	-	-	-
Remeasurement loss/ (gain):	-	-	-	-	-	-
Actuarial loss / (gain) arising from:	-	-	-	-	-	-
<b>Expected returns</b>	-	-	-	-	-	-
<b>Total amount recognised in profit and loss</b>	<b>2</b>	<b>-</b>	<b>2</b>	<b>2</b>	<b>-</b>	<b>2</b>
<i>Remeasurements</i>						
(Gain)/loss from change in financial assumptions	*	-	*	*	-	*
Experience (gains)/ losses	*	-	*	*	-	*
Return on plan assets, greater/ less discount rate	-	-	-	-	-	-
<b>Total amount recognised in other comprehensive income</b>	<b>*</b>	<b>-</b>	<b>*</b>	<b>*</b>	<b>-</b>	<b>*</b>
Contributions	-	-	-	-	-	-
Benefits paid	(*)	-	-	-	-	-
<b>Closing balance</b>	<b>10</b>	<b>-</b>	<b>10</b>	<b>8</b>	<b>-</b>	<b>8</b>

li) The movement in the defined benefit obligation over the year for Provident fund is as follows:

	31 March 2019			31 March 2018		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
<b>Opening balance</b>	<b>1,696</b>	<b>1,689</b>	<b>7</b>	<b>1,515</b>	<b>1,515</b>	<b>-</b>
Current service cost	204	-	204	182	-	182
Interest cost	143	-	143	133	-	133
Expected returns	-	142	(142)	-	133	(133)
Immediate recognition of loss	11	-	11	7	-	7
<b>Total amount recognised in profit and loss</b>	<b>358</b>	<b>142</b>	<b>216</b>	<b>322</b>	<b>133</b>	<b>189</b>
<i>Remeasurements</i>						
(Gain)/loss from change in financial assumptions	13	-	13	7	-	7
Experience (gains)/ losses	(2)	-	(2)	(1)	-	(1)
Return on plan assets, greater/ less discount rate	-	-	-	-	(1)	1
Actuarial (gain) arising during current period	(11)	-	(11)	(7)	-	(7)
<b>Total amount recognised in other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1)</b>	<b>(1)</b>	<b>-</b>
Contributions	-	202	(202)	-	182	(182)
Benefits paid	(217)	(217)	-	(140)	(140)	-
<b>Closing balance</b>	<b>1,837</b>	<b>1,816</b>	<b>21</b>	<b>1,696</b>	<b>1,689</b>	<b>7</b>



# ASPINWALL AND COMPANY LIMITED

## Notes to the Consolidated financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

### 38 Employee Benefits (continued)

#### iii) Actuarial assumptions:

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	Gratuity		Provident Fund	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Discount rate	7.30%	7.30%	7.00%	7.30%
Salary escalation rate	8.00%	8.00%	Not applicable	Not applicable
Expected return on exempt fund	Not applicable	Not applicable	8.70%	8.90%
Expected return on EPFO	Not applicable	Not applicable	8.55%	8.55%
Attrition	3-12%	3-12%	12.00%	12.00%

#### iv) Sensitivity analysis

##### (a) Gratuity

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	31 March 2019		31 March 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(62.06)	69.62	(54.15)	60.51
Salary escalation rate (1% movement)	68.37	(62.15)	59.62	(54.38)
Withdrawal rate (1% movement)	(4.40)	4.43	(2.38)	2.59

##### (b) Provident Fund

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	31 March 2019		31 March 2018	
	Increase	Decrease	Increase	Decrease
Increase/ (decrease) in the interest guarantee liability due to 0.5% change in expected return on exempt fund	(20.83)	46.35	(7.22)	31.30

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

#### (v) Maturity profile of defined benefit obligation:

	Gratuity	
	31 March 2019	31 March 2018
Year 1	248.77	220.59
Year 2	182.68	136.56
Year 3	178.99	170.45
Year 4	191.93	157.84
Year 5	137.59	167.80
Year 6 to 10	139.53	619.29

#### vi) Details of plan assets

	Gratuity		Provident fund	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Government of India Securities	51.98%	52.13%	47.10%	46.06%
High quality corporate bonds	12.10%	15.17%	38.59%	40.74%
Cash	9.87%	8.04%	11.15%	10.91%
Equity shares of listed companies	26.05%	24.66%	3.16%	2.29%
Total	100.00%	100.00%	100.00%	100.00%

# ASPINWALL AND COMPANY LIMITED

Notes to the Consolidated financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

## 39 Financial instruments

### A Financial instruments by category

The carrying value and fair value of financial instruments by categories as of 31 March 2019 were as follows,

Particulars	Carrying value			Fair value			
	Amortised cost	Financial assets/ liabilities at FVTPL (Mandatorily)	Total	Level 1	Level 2	Level 3	Total
<b>Assets</b>							
Investments	-	288	288	-	288	-	288
Trade receivables	3,292	-	3,292	-	-	-	-
Cash and cash equivalents	438	-	438	-	-	-	-
Bank balances other than cash and cash equivalents	59	-	59	-	-	-	-
Other financial assets	1,485	-	1,485	-	-	-	-
	<b>5,274</b>	<b>288</b>	<b>5,562</b>	<b>-</b>	<b>288</b>	<b>-</b>	<b>288</b>
<b>Liabilities</b>							
Borrowings (including current maturities)	6,739	-	6,739	-	-	-	-
Trade payables	878	-	878	-	-	-	-
Other financial liabilities	1,621	-	1,621	-	-	-	-
	<b>9,238</b>	<b>-</b>	<b>9,238</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The carrying value and fair value of financial instruments by categories as of 31 March 2018 were as follows,

Particulars	Carrying value			Fair value			
	Amortised cost	Financial assets/ liabilities at FVTPL (Mandatorily)	Total	Level 1	Level 2	Level 3	Total
<b>Assets</b>							
Investments	-	337	337	-	337	-	337
Trade receivables	3,402	-	3,402	-	-	-	-
Cash and cash equivalents	341	-	341	-	-	-	-
Bank balances other than cash and cash equivalents	61	-	61	-	-	-	-
Other financial assets	1,828	-	1,828	-	-	-	-
	<b>5,632</b>	<b>337</b>	<b>5,969</b>	<b>-</b>	<b>337</b>	<b>-</b>	<b>337</b>
<b>Liabilities</b>							
Borrowings (including current maturities)	6,903	-	6,903	-	-	-	-
Trade payables	917	-	917	-	-	-	-
Other financial liabilities	2,002	-	2,002	-	-	-	-
	<b>9,822</b>	<b>-</b>	<b>9,822</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# ASPINWALL AND COMPANY LIMITED

## Notes to the Consolidated financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

### 39 Financial instruments (Continued)

The Group has not disclosed the fair value of cash and bank balances, loans, trade receivables, other financial assets, borrowings, trade payables and other financial liabilities because their carrying amounts are a reasonable approximation of fair value.

#### B Capital management

The key objective of the Group's capital management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor and customer confidence and to ensure future developments of the business. The Group is focused on maintaining a strong equity base to ensure independence, security as well as financial flexibility for potential future borrowings, if required, without impacting the risk profile of the Group.

The Group's debt to equity ratio at the reporting date are as follows:

	As at 31 March 2019	As at 31 March 2018
Total liabilities	11,582	12,639
Less: cash and cash equivalents	438	341
<b>Net debt</b>	<b>11,144</b>	<b>12,298</b>
<b>Total equity</b>	<b>13,989</b>	<b>13,656</b>
<b>Debt to equity ratio</b>	<b>0.80</b>	<b>0.90</b>

There are no changes in the Group's approach to capital management during the year. The Company is not subject to externally imposed capital requirements.

#### C Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- (i) Credit risk;
- (ii) Liquidity risk; and
- (iii) Market risk

#### Risk management framework

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

# ASPINWALL AND COMPANY LIMITED

## Notes to the Consolidated financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

### 39 Financial instruments (continued)

#### (i) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investments in liquid mutual funds

The carrying amount of following financial assets represents the maximum credit exposure.

#### **Trade receivables (including contractually reimbursable expense)**

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry.

Credit risk has always been managed by the Group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers based on which the Group agrees on the credit terms with customers in the normal course of business. On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or gain. The Group uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled revenue. The provision matrix takes into account available external and internal credit risk factors and the Group's historical experience for customers.

The movement in allowance for credit loss in respect of trade and other receivables during the year was as follows:

<b>Allowance for credit loss</b>	<b>As at 31 March 2019</b>	<b>As at 31 March 2018</b>
Balance at the beginning	163	158
Impairment loss recognised	146	55
Specific provisions no longer required written back	9	18
Amounts written off	12	32
<b>Balance at the end</b>	<b>288</b>	<b>163</b>

There was only one customer group (coffee segment) who contributed for more than 10% of the revenue for the year ended 31 March 2019 and 31 March 2018. Company's credit risk is primarily concentrated in logistics segment.

#### (ii) Liquidity risk

Liquidity risk is the risk that the Group will encounter in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach for managing liquidity is by ensuring, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank facilities and by ensuring adequate internally generated funds.

# ASPINWALL AND COMPANY LIMITED

Notes to the Consolidated financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

## 39 Financial instruments (continued)

### Exposure to liquidity risk

The contractual undiscounted cash flows associated with financial liabilities at reporting dates are as follows:

Contractual cash flows						
31 March 2019	Carrying amount	Total	Less than one year	1-2 years	2-5 years	More than 5 years
<b>Financial liabilities</b>						
Non current borrowings from banks (including current maturities)	1,048	1,048	392	392	216	48
Current borrowings from banks	5,691	5,691	5,691	-	-	-
Trade payables	878	878	878	-	-	-
Other financial liabilities	1,621	1,621	1,621	-	-	-

Contractual cash flows						
31 March 2018	Carrying amount	Total	Less than one year	1-2 years	2-5 years	More than 5 years
<b>Financial liabilities</b>						
Non current borrowings from banks (including current maturities)	1,476	1,476	428	392	608	48
Current borrowings from banks	5,427	5,427	5,427	-	-	-
Trade payables	917	917	917	-	-	-
Other financial liabilities	2,002	2,002	2,002	-	-	-

The gross (inflows)/ outflows disclosed in the above table represent the contractual undiscounted cash flows relating to financial liabilities.

### (iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates which will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

#### (a) Foreign currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which transactions are denominated and the functional currency of the Group. The functional currency of company is INR. The currencies in which these transactions are primarily denominated is US Dollars, GBP, SGD, JPY and Euro.

# ASPINWALL AND COMPANY LIMITED

## Notes to the Consolidated financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

### 39 Financial instruments (continued)

The summary quantitative data about the Company's exposure to currency risk at the end of reporting period expressed in INR are as follows

As at 31 March 2019	USD	GBP	EURO	JPY	SGD
Financial assets					
Trade receivables	1,848	1	11	-	-
Cash and cash equivalents					
Balance in EEFC account	*	*	*	-	-
Balance in foreign bank account	-	-	24	-	-
<b>Net exposure to foreign currency risk (assets)</b>	<b>1,848</b>	<b>1</b>	<b>35</b>	<b>-</b>	<b>-</b>
Financial liabilities					
Trade payables	4	3	4	-	-
Other liabilities	39	-	-	-	-
<b>Net exposure to foreign currency risk (liabilities)</b>	<b>43</b>	<b>3</b>	<b>4</b>	<b>-</b>	<b>-</b>

As at 31 March 2018	USD	GBP	EURO	JPY	SGD
Financial assets					
Trade receivables	1,322	-	36	-	1
Cash and cash equivalents					
Balance in EEFC account	*	*	6	-	-
Balance in foreign bank account	-	-	17	-	-
<b>Net exposure to foreign currency risk (assets)</b>	<b>1,322</b>	<b>*</b>	<b>59</b>	<b>-</b>	<b>1</b>
Financial liabilities					
Trade payables	64	2	4	1	-
Other liabilities	237	-	-	-	-
<b>Net exposure to foreign currency risk (liabilities)</b>	<b>301</b>	<b>2</b>	<b>4</b>	<b>1</b>	<b>-</b>

\*Amount is below the rounding off norms adopted by the Company.

# ASPINWALL AND COMPANY LIMITED

Notes to the Consolidated financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

## 39 Financial instruments (continued)

### Sensitivity analysis

The sensitivity of profit or loss to changes in exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	Impact on profit or (loss)		Impact on equity, net of tax	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
<b>USD sensitivity</b>				
INR/USD - increase by 1%	18.05	10.21	13.03	6.68
INR/USD - decrease by 1%	(18.05)	(10.21)	(13.03)	(6.68)
<b>EURO sensitivity</b>				
INR/EURO - increase by 1%	0.31	0.55	0.22	0.36
INR/EURO - decrease by 1%	(0.31)	(0.55)	(0.22)	(0.36)
<b>GBP sensitivity</b>				
INR/GBP - increase by 1%	(0.03)	(0.02)	(0.02)	(0.01)
INR/GBP - decrease by 1%	0.03	0.02	0.02	0.01
<b>SGD sensitivity</b>				
INR/SGD - increase by 1%	-	0.01	-	0.01
INR/SGD - decrease by 1%	-	(0.01)	-	(0.01)
<b>JPY sensitivity</b>				
INR/JPY - increase by 1%	-	(0.01)	-	(*)
INR/JPY - decrease by 1%	-	0.01	-	*

\*Amount is below the rounding off norms adopted by the Company.

# ASPINWALL AND COMPANY LIMITED

Notes to the Consolidated financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

## 39 Financial instruments (continued)

### (a) Foreign currency risk (continued)

I. Assets	Foreign currency	As at 31 March 2019			As at 31 March 2018		
		Exchange rate	Amount in foreign currency	Rs	Exchange rate	Amount in foreign currency	Rs
Receivables (trade and other) - (A)	USD	69.09	27	1,848	64.91	20	1,322
	Euro	76.89	*	11	80.67	*	36
	SGD				47.41	*	1
	GBP	89.55	*	1	-	-	-
Hedges by derivative contracts (B)	USD	69.51	13	913	65.26	4	264
	Euro	-	-	-	80.59	*	27
	SGD	-	-	-	-	-	-
	GBP	-	-	-	-	-	-
Unhedged (C) - (A)-(B)	USD		14	935		16	1,058
	Euro		*	11		*	9
	SGD	-	-	-	-	*	1
	GBP	-	*	1	-	-	-

II. Liabilities	Foreign currency	As at 31 March 2019			As at 31 March 2018		
		Exchange rate	Amount in foreign currency	Rs	Exchange rate	Amount in foreign currency	Rs
Payables (trade and other) - (A)	USD	69.35	1	43	65.50	5	301
	Euro	78.17	*	4	80.90	*	4
	GBP	90.91	*	3	86.61	*	2
	JPY	-	-	-	0.57	1	1
Hedges by derivative contracts - (B)	USD	-	-	-	-	-	-
	Euro	-	-	-	-	-	-
	GBP	-	-	-	-	-	-
	JPY	-	-	-	-	-	-
Unhedged (C) - (A)-(B)	USD		1	43	-	5	301
	Euro		*	4	-	*	4
	GBP	-	*	3	-	*	2
	JPY	-	-	-	-	1	1

\*Amount is below the rounding off norms adopted by the Company.



# ASPINWALL AND COMPANY LIMITED

## Notes to the Consolidated financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

### 39 Financial instruments (continued)

#### Financial risk management (continued)

#### D Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with a fixed/ floating interest rate and bank deposits.

#### Exposure to interest rate risk

Group's interest rate risk arises from borrowings and fixed deposits. Borrowings issued at fixed / floating rates exposes to fair value interest rate risk. The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows:

	Nominal amount	
	31 March 2019	31 March 2018
<b>Fixed-rate instruments</b>		
Financial assets - fixed deposits	131	145
Financial liabilities - borrowings (including current maturities of long-term loans)	1,048	1,476
	<b>1,179</b>	<b>1,621</b>
<b>Variable-rate instruments</b>		
Financial liabilities - borrowings	5,691	5,427
	<b>5,691</b>	<b>5,427</b>

#### Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased/ (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, remain constant.

INR	Profit for the year		Equity, net of tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
<b>31 March 2019</b>				
Variable-rate instruments	(56.91)	56.91	(41.08)	41.08
<b>Cash flow sensitivity (net)</b>	<b>(56.91)</b>	<b>56.91</b>	<b>(41.08)</b>	<b>41.08</b>
<b>31 March 2018</b>				
Variable-rate instruments	(54.14)	54.14	(35.40)	35.40
<b>Cash flow sensitivity (net)</b>	<b>(54.14)</b>	<b>54.14</b>	<b>(35.40)</b>	<b>35.40</b>

# ASPINWALL AND COMPANY LIMITED

Notes to the Consolidated financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

## 40 Biological assets other than bearer plants

### Reconciliation of carrying amount

Particulars	Standing trees
<b>Balance at 1 April 2017</b>	<b>370</b>
New plantations	-
Sales	-
Changes in fair value less estimated cost to sell	
- due to price changes	(9)
- due to physical changes	44
<b>Balance at 31 March 2018</b>	<b>405</b>

Particulars	Standing trees
<b>Balance at 1 April 2018</b>	<b>405</b>
New plantations	-
Sales	-
Changes in fair value less estimated cost to sell	
- due to price changes	(20)
- due to physical changes	57
<b>Balance at 31 March 2019</b>	<b>442</b>

# ASPINWALL AND COMPANY LIMITED

## Notes to the Consolidated financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

### 41 (a) Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

Name of the entity	31 March 2019							
	Net assets, i.e., total assets		Share of profit or (loss)		Share of other comprehensive income		Total	
	As % of consolidated net assets	Amount (in lakhs)	As % of consolidated profit or (loss)	Amount (in lakhs)	As % of other comprehensive income	Amount (in lakhs)	As % of total comprehensive income	Amount (in lakhs)
<b>Parent</b>								
Aspinwall and Company Limited	96.98	13,567	110.33	801	100.00	(63)	111.31	738
<b>Subsidiaries</b>								
Indian								
1 Aspinwall Geotech Limited	(0.66)	(93)	(0.96)	(7)	-	-	(1.06)	(7)
2 Aspinwall Technologies Limited	0.35	49	0.14	1	-	-	0.15	1
3 Malabar Coast Marine Services Private Limited	4.27	598	10.88	79	(*)	(*)	11.92	79
4 SFS Pharma Logistics Private Limited	0.01	1	1.24	9	(*)	(*)	1.36	9
Adjustments arising out of elimination	(0.95)	(133)	(21.63)	(157)	-	-	(23.68)	(157)
	<b>100.00</b>	<b>13,989</b>	<b>100.00</b>	<b>726</b>	<b>100.00</b>	<b>(63)</b>	<b>100.00</b>	<b>663</b>

Name of the entity	31 March 2018							
	Net assets, i.e., total assets		Share of profit or (loss)		Share of other comprehensive income		Total	
	As % of consolidated net assets	Amount (in lakhs)	As % of consolidated profit or (loss)	Amount (in lakhs)	As % of other comprehensive income	Amount (in lakhs)	As % of total comprehensive income	Amount (in lakhs)
<b>Parent</b>								
Aspinwall and Company Limited	96.30	13,151	102.25	1,320	75.00	(3)	102.33	1,317
<b>Subsidiaries</b>								
Indian								
1 Aspinwall Geotech Limited	(0.63)	(86)	(0.54)	(7)	-	-	(0.54)	(7)
2 Aspinwall Technologies Limited	0.49	67	0.31	4	-	-	0.31	4
3 Malabar Coast Marine Services Private Limited	4.02	549	2.86	37	-	-	2.87	37
4 SFS Pharma Logistics Private Limited	(0.06)	(8)	0.23	3	25.00	(1)	0.16	2
Adjustments arising out of elimination	(0.12)	(17)	(5.11)	(66)	-	-	(5.13)	(66)
	<b>100.00</b>	<b>13,656</b>	<b>100.00</b>	<b>1,291</b>	<b>100.00</b>	<b>(4)</b>	<b>100.00</b>	<b>1,287</b>

\*Amount is below the rounding off norms adopted by the Company.

# ASPINWALL AND COMPANY LIMITED

Notes to the Consolidated financial statements for the year ended 31 March, 2019 (Continued)

(All amounts in Indian rupees lakhs)

## 41(b) Dividends

The Board of Directors has proposed a dividend of Rs.3/- per equity share (previous year Rs.3.5/-per equity share) for the year ended 31 March 2019, subject to the approval of the shareholders at the ensuing Annual General Meeting. The proposed dividend including dividend distribution tax of Rs.283 lakhs (previous year Rs.330 lakhs), is not recognised as liability as on 31 March 2019.

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

As per our report of even date attached

for **B S R & Associates LLP**  
Chartered Accountants  
number: 116231W/ W-100024

for and on behalf of the Board of Directors of  
**Aspinwall and Company Limited** Firm's registration  
CIN: L74999KL1920PLC001389

**Vikash Somani**  
Partner  
Membership No.: 061272

**Rama Varma**  
Managing Director  
DIN: 00031890

**M Lakshminarayanan**  
Chairman  
DIN: 05003710

**T.R. Radhakrishnan**  
Chief Financial Officer

**Neeraj R. Varma**  
Company Secretary  
Membership No.: A29030

New Delhi  
27 May 2019

Kochi  
27 May 2019



Coffee Division



Logistics Division



Natural Fibre Division



Plantation Division

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## ASPINWALL AND COMPANY LIMITED

**Registered Office** : Devankulangara, Edappally, Cochin - 682 024, India

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*'Aspinwall House' T. C. No. 24/2269(7),*

*Kawdiar - Kuravankonam Road, Kawdiar,*

*Thiruvananthapuram, Kerala - 695 003.)*

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Mangalore - Mumbai - Pollachi - Pullangode

Thiruvananthapuram - Tuticorin

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