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JAY SHREE TEA & INDUSTRIES LIMITED



73rd ANNUAL REPORT 20¹⁸₁₉



The Group Logo

As represented by the 21st Century Atlas



Our Chairman Syt. B. K. Birla

Atlas, the Titan - Collective Strength

Atlas, bearer of the heavens is synonymous with vast, all - encompassing strength and is used to symbolise the Group's own collective strength. It reflects the combined qualities of astute and dynamic management while emphasising the Group's tenacity, consistency, reliability and overall leadership.

The Sun - Enlightenment and Growth

The Sun, as a source of infinite energy and inspiration, is used here in conjunction with the Atlas head to represent the vitality and powerful presence of the Group - both in its industrial prowess and its financial, technological and intellectual skills.

The Earth Segments - Diversified Activities

Each of the latitudes around the Titan represent various sections - industrial, agricultural, financial and other activities of the Group. As with the infinite variety of the world, so is the strength of the Group, made up of its diverse activities.

The Globe - Global Vision

The Group's global presence and vision is reflected in the entirety of the Earth's sphere.

The Base - Solid Foundations

The strength of the entire edifice depends upon the strength of the foundation embedded in the bedrock, represented here by the group name.

The Symmetry - The Resilience, Versatility and Stability

Seen in its entirety, each of the elements - the Atlas, the Sun, the Earth divisions, the Globe and the Base, together sum up a well conceptualised and balanced conglomerate.

Strong Foundation

Sustained Growth

Proven Leadership



JAY SHREE TEA & INDUSTRIES LIMITED

73rd ANNUAL REPORT FOR THE YEAR ENDED 31ST MARCH 2019

BOARD OF DIRECTORS

Mr. B.K. Birla (Chairman)
Mrs. Jayashree Mohta
(Vice-Chairperson)
Mr. S.K. Tapuriah
Mr. Sumit Mazumder
Mr. Harsh Vardhan Kanoria
(Additional Director w.e.f. 11.02.2019)
Mr. Subodh Kumar Agrawal
Mr. Vikash Kandoi
(Executive Director)
Mr. D.P. Maheshwari
(Managing Director)

EXECUTIVES

Mr. R.K. Ganeriwala
(President, CFO & Secretary)
Mr. S. Basu
Advisor (Export & Marketing)
Mr. H.G. Singh
Advisor (Upper Assam Gardens)
Mr. B.K. Chaturvedi
Vice President (Taxation)
Mr. Rajan Goyal
Vice President (Tea Exports)

SOLICITORS

Khaitan & Co.LLP,
1-B, Old Post Office Street,
Kolkata 700 001

STATUTORY AUDITORS

S.R. Batliboi & Co. LLP
22, Camac Street
3rd Floor, Block 'B'
Kolkata 700 016

REGISTRARS

Maheshwari Datamatics Pvt.Ltd
23, R. N. Mukherjee Road
5th Floor, Kolkata 700 001
Ph : (033) 22435029/22482248
Fax : (033) 22484787
E-mail : mdpldc@yahoo.com

BANKERS

Axis Bank Ltd.
DCB Bank Ltd.
HDFC Bank Ltd.
ICICI Bank Ltd.
IndusInd Bank Ltd.
Kotak Mahindra Bank Ltd.
RBL Bank Ltd.
State Bank of India
UCO Bank
Yes Bank Ltd.

SHARE DEPTT.

"Industry House"
10, Camac Street
Kolkata 700 017
Ph : (033) 22827531/4
Fax : (033) 22827535
E-mail : shares@jayshreetea.com

STOCK EXCHANGES WHERE SHARES ARE LISTED

National Stock Exchange of India Ltd.
Bombay Stock Exchange Ltd.
The Calcutta Stock Exchange Ltd.

AUDIT COMMITTEE

Mr. S.K. Tapuriah, (Chairman)
Mr. Sumit Mazumder
Mr. Subodh Kr. Agrawal
Mr. D.P. Maheshwari

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. S.K. Tapuriah (Chairman)
Mr. Sumit Mazumder
Mr. Subodh Kr. Agrawal
Mr. D.P. Maheshwari

NOMINATION AND REMUNERATION COMMITTEE

Mr. S.K. Tapuriah (Chairman)
Mr. B.K. Birla
Mr. Sumit Mazumder

**CORPORATE SOCIAL
RESPONSIBILITY COMMITTEE**
Mrs. Jayashree Mohta (Chairperson)
Mr. S.K. Tapuriah
Mr. Vikash Kandoi
Mr. D.P. Maheshwari

REGISTERED & HEAD OFFICE

"Industry House"
10, Camac Street
Kolkata 700017
Ph : (033) 22827531-34
Fax : (033) 22827535
E-mail : webmaster@jayshreetea.com
website : www.jayshreetea.com
CIN : L15491WB1945PLC012771

MUMBAI OFFICE

708, Embassy Centre, Nariman Point,
Mumbai 400 021
Ph : (022)22830915/22823474
Fax : (022) 22873045

AHMEDABAD OFFICE

101, Sheel Building, 4 Mayur Colony
Navrangpura, Ahmedabad-380 009
Ph : (079) 26565371/26430511

NEW DELHI OFFICE

620-A, Faiz Road
2nd Floor, Karol Bagh
New Delhi - 1100 055
Phone : (011) 23633717/23522149
(011) 23633747

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NOTICE

To the Shareholders

Notice is hereby given that the Seventy Third Annual General Meeting of the Company will be held on Wednesday, the 14th August, 2019 at 3:30 P.M. at “Kala Kunj” 48, Shakespeare Sarani, Kolkata 700 017 to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statement for the Financial Year ended 31.03.2019 and the Reports of the Board of Directors and Auditors thereon.
2. To consider declaration of dividend by the Company, as recommended by the Board of Directors for the Financial Year ended March 31, 2019.
3. To appoint a Director in place of Mr. Vikash Kandoi (holding DIN-00589438), who retires by rotation and is eligible for re-appointment.

SPECIAL BUSINESS:

4. Appointment of Mr. Harsh Vardhan Kanoria as an Independent Director for an initial period of five years
To consider and if thought fit, to pass with or without modifications, the following Resolution as an Ordinary Resolution:
“RESOLVED THAT pursuant to Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 read together with relevant rules made thereunder, including any statutory modification(s),

re-enactment thereof for the time being in force, Mr. Harsh Vardhan Kanoria, (holding DIN 00060259) appointed as an Additional Director of the company pursuant to Section 161 of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting and being eligible offer himself for appointment as Independent Director of the Company and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for five consecutive years until the 78th Annual General Meeting of the company.

5. Approval of the remuneration of the Cost Auditor of the Company for the year 2019-20

To consider and if thought fit, to pass with or without modifications, the following Resolution as an ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, the Cost Auditor appointed by the Board of Directors of the company to conduct the audit of cost records for the year 2019-20 be paid the remuneration as set out in the statement annexed hereto.”

“RESOLVED FURTHER THAT the Board is hereby authorized to do all acts and take all steps to give effect to the above resolution.”

Registered & Head Office :

“Industry House”

10, Camac Street, Kolkata 700 017

Date : 28th May, 2019

By Order of the Board
For **JAY SHREE TEA & INDUSTRIES LIMITED**
R. K. Ganeriwala
(President, CFO & Secretary)

NOTICE (Contd.)**NOTES:**

- a) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORMS SHOULD BE DULY STAMPED, COMPLETED, SIGNED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING. A PERSON CAN ACT AS PROXY ON BEHALF OF THE MEMBERS NOT EXCEEDING FIFTY(50) AND HOLDING AGGREGATE NOT MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.**
- b) The Equity Share Transfer Registers will remain closed from Wednesday, the 7th August, 2019 to Wednesday, the 14th August, 2019 (both days inclusive) for the purpose of Annual General Meeting and payment of dividend.
- c) The dividend on Equity Shares as recommended by the Board, if declared, will be payable on or after 14th August, 2019 to those members whose names appear on the Register of Members of the Company as on 6th August, 2019. In respect of dematerialized shares, the dividend will be payable on the basis of beneficial ownership details to be furnished by NSDL and CDSL for the purpose.
- d) As per SEBI Circular dated 20th April, 2018 Shareholders whose PAN and Bank details are not mapped:-
- Shareholders holding shares in physical mode are requested to compulsorily furnish the details to the Share Department/Registrar & Share Transfer Agent.
 - Shareholders holding shares in electronic mode are requested to furnish the details to their respective Depository Participant (DP).
- e) Members are requested to intimate before hand to the Company query/ies, if any, regarding these accounts/notice at least ten days before the meeting to enable the management to keep the required information readily available at the meeting.
- f) Pursuant to the provisions of section 124 and 125 of the Companies Act, 2013 dividends for the Financial Year ended 31st March, 2012 and thereafter, which

remain unpaid or unclaimed for a period of 7 years will be transferred to the 'Investor Education and Protection Fund' ("IEPF") constituted by the Central Government. Members who have not encashed their dividend warrant(s) for the Financial Year ended 31st March, 2012 or any subsequent financial year(s) are urged to claim such amount from the Company.

The last dates of claim for the following dividends are as follows:

Dividends for the year	Date of declaration of dividend	Last date for claiming Unpaid Dividend
2011-2012	25.07.2012	29th August, 2019
2012-2013	29.07.2013	3rd September, 2020
2013-2014	01.08.2014	4th September, 2021
2014-2015	04.08.2015	9th September, 2022
2015-2016	05.08.2016	9th September, 2023
2016-2017	31.07.2017	5th September, 2024
2017-2018	01.08.2018	2nd September, 2025

- g) The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2010-11, from time to time on due dates, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed dividends lying with the Company as on August 1, 2018 (date of last Annual General Meeting) on the website of the Company (www.jayshreetea.com), as also on the website of the Ministry of Corporate Affairs.
- h) Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, ("Rules") as amended from time to time all equity shares of the Company on which dividend remain unpaid or unclaimed for seven consecutive years or more as on August 29, 2019 shall be transferred by the Company to Investor Education and Protection Fund ("IEPF"). The Company has also written to the concerned Shareholders intimating them their particulars of the equity shares due for transfer. These details are also available on the Company's website www.jayshreetea.com. Shareholders are requested to claim the dividend on these equity shares latest by August 29, 2019 to avoid aforesaid transfer of shares. No claim shall lie against the Company in respect of these equity shares post their transfer to

NOTICE (Contd.)

IEPF. Upon transfer, the Shareholders will be able to claim these equity shares only from the IEPF Authority by making an online application the details of which are available at www.iepf.gov.in.

- i) The Company's shares are enlisted with NSDL and CDSL for participation into Electronic Depository System operated by them. Its shares are compulsorily to be traded in Electronic Form and the security bears Code No.INE364A01020.
- j) Members are requested to notify immediately change of address, if any, to the Company in case shares are held in physical form or to the DPs, where the account is maintained, if held in demat form.
- k) The members who have not yet registered their e-mail address are requested to do so to support the green initiative in the Corporate Governance
- l) Information about the Directors seeking re-appointment at the forthcoming Annual General Meeting pursuant to Regulation 36(3) of the SEBI(Listing Obligation and Disclosure Requirement) Regulations, 2015:

Mr. Vikash Kandoi

Mr. Vikash Kandoi, is one of the Directors of the Company since 29th, July 2008. He has been looking after day to day affairs of the Company and is helping in various ways to improve its performance. Mr. Vikash Kandoi, aged about 42 years, holding 1126 shares, is a Chartered Accountant. He has experience in the overall business management and contribute effectively in guiding the company towards the path of success.

Directorships held in other companies: Armstrong Packagings Pvt. Ltd and Royal Touch Fablon Pvt Ltd.

- m) In compliance of provisions of Section 108 and Rule 20 of the Companies (Management and Administration) Rules, 2015, the company is pleased to provide members facility to exercise their right to vote at the 73rd Annual General Meeting (AGM) by electronic means and the business may be transacted through

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

e-voting services provided by CDSL.

The Company has signed an agreement with CDSL for facilitating e-voting to enable the shareholders to cast their vote electronically.

e-Voting Procedure

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 9th August, 2019 at 9:00 A.M. (IST) and ends on 13th August, 2019 at 5:00 P.M. (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 6th August, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. The facility for voting through ballot paper shall be made available at the Annual General Meeting and the members as on the "cut-off date", i.e 6th August, 2019 attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting through ballot paper.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
- (iii) Click on "Shareholders".
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

NOTICE (Contd.)

Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).
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(viii) After entering these details appropriately, click on "SUBMIT" tab.

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

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

(xi) Click on the EVSN for the relevant JAY SHREE TEA & INDUSTRIES LTD. on which you choose to vote.

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

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

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

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

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

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

(xviii) Shareholders can also cast their vote using CDSL's

mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Institutional Shareholders

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

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com

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

(o) The Board of Directors of the Company at their meeting held on 28th May, 2019 has appointed Mr.A.K.Labh, Practicing Company Secretary (FCS-4848/CP-3238 of A.K.Labh & Co., Company Secretaries, Kolkata) as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner, whose e-mail address is: aklabhcs@gmail.com.

NOTICE (Contd.)

- (p) The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting, will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared will be communicated to the stock exchanges and will also be hosted on the website of the company www.jayshreetea.com.
- (q) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e 14th August, 2019.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**Item No. 4**

The Board of Directors (based on the recommendations of Nomination and Remuneration Committee) had appointed Mr.Harsh Vardhan Kanoria (DIN-00060259) as Additional Director w.e.f 11th February, 2019. Mr.Harsh Vardhan Kanoria is the Chairman & Managing Director of Cheviot Company Limited. Mr.Kanoria was the Chairman of the Indian Jute Mills Association, Kolkata (India) for 2 terms and the Vice Chairman of the Indian Chamber of Commerce. A Trustee on the Board of Bhartiya Vidya Bhavan, an educational institute of repute with over 200 institutes in the nation, he is also the Chairman of the School Committee of Gungabux Kanoria Bhavan School, Kolkata.

Aged about 63 years, Mr.Kanoria holds 200 shares in the Company. Directorships held in other companies:

Cheviot Company Limited.; Cheviot Agro Industries Pvt Ltd.; Cheviot International Ltd.; Elite (India) Pvt Ltd.; Harsh Investments Pvt Ltd.

In opinion of the Board, Mr.Harsh Vardhan Kanoria fulfills the conditions specified in the Companies Act 2013 and rules made thereunder for his appointment as an Independent Director of the company. Copy of draft Letter

of Appointment of Mr.Kanoria as an Independent Director setting out terms and conditions would be available for inspection without any fee for the members at the registered office of the company during 10.00 a.m. to 3.00 p.m. on all working days.

The Board considered that his association would be of immense benefit to the Company and is desirable to avail services of Mr. Harsh Vardhan Kanoria as an Independent Director.

Accordingly, the Board recommends the resolution in relation to appointment of Mr. Harsh Vardhan Kanoria as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Harsh Vardhan Kanoria, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out in item No.4. This Explanatory Statement may also be regarded as a disclosure under Listing Regulations with the Stock Exchange.

Item No. 5

The Board on the recommendation of the Audit Committee has approved the appointment of M/s. D. Sabyasachi & Co., Cost Auditors to audit cost records of tea and chemical units of the company for the financial year ending 31st March 2020 at a remuneration of Rs. 1,25,000/- (Rupees One Lakh Twenty Five Thousand only).

As per Section 148 of the Act, the remuneration payable as above is to be ratified by the shareholders. Accordingly, the consent of the members is sought for passing the said resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out in Item No.5.

The Board recommends the resolution for your approval.

Registered & Head Office :

"Industry House"

10, Camac Street, Kolkata 700 017

Date : 28th May, 2019

By Order of the Board

For **JAY SHREE TEA & INDUSTRIES LIMITED**

R. K. Ganeriwala

(President, CFO & Secretary)

REPORT of the Directors

Dear Shareholders,

We present the 73rd Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March 2019.

FINANCIAL RESULTS

(₹ in Lakhs)

	31st March 2019	31st March 2018
Total Revenue	58913	57911
Profit before finance costs, depreciation and tax	6059	5108
Less : Finance costs	3958	3356
: Depreciation/Amortisation expenses	1593	1454
Profit/(Loss) before tax	508	298
Less: Tax expense		
a) Current Tax	117	-
b) Deferred Tax Charge / (Credit)	242	(41)
c) Tax related to earlier period	(161)	
Profit/(Loss) for the year	310	339

EQUITY DIVIDEND

The Board is pleased to recommend the distribution of dividend @ 7% on face value of ₹ 5/- per share as compared to 10% paid last year. The dividend tax including surcharge and education cess shall be payable by the company on the said dividend, as and when paid.

SHARE CAPITAL

During the year ended 31st March, 2019 there is no change in the issued and subscribed capital of your Company. The outstanding capital as on 31st March, 2019 is ₹ 1443.87 lakh comprising of 2,88,77,488 equity shares of ₹ 5/- each.

REVIEW OF PERFORMANCE

The annual output of tea was 1350 mn Kg compared to 1322 mn kg. last year. The production of North India was higher by 37 mn kg. and South India lower by 9 mn Kg. The increase was even after the Tea Board Directive to the manufacturers to stop plucking by mid December 2018 which sucked out approx 25 mn kg. of poor variety teas.

All India Auction average realization increased during the year by around 4%. Plainer teas were sold well. Price concertina between Plain-Medium and Good narrowed downwards. There was slowdown in the economy, particularly rural India. Money market condition was very tight affecting all commodity markets.

There was a sharp decline in the prices of Assam Teas towards the end of the season on account of quality. Dust prices for Assam and Dooars / Terai BLF better than comparable Broken over last three years. There was improvement in the average price of Darjeeling Tea, but the demand for speciality tea was negligible.

In South India, prices declined till June and firmed up later on, particularly because of decline in production in the aftermath of the floods in Kerala.

The major factors attributing to the operations of the company are:

- Increase in total crop of the company with higher output in Assam, Cachar, Darjeeling and South India
- Sharp increase in input cost particularly for labour & energy, with no corresponding increase in the prices of teas
- Substantial cost cutting measures taken in all tea estates and units yielded good result
- Downward trend in export with shortfall in CIS Countries and Europe
- Improvement in quality standard of all your tea estates with marked improvement in Assam
- All time record performance & profitability in the Single Superphosphate plant at Khardah, West Bengal and sulphuric acid plant at Pataudi Haryana

Tea Estates

All India production in 2018 was higher at 1350 million kg. compared to 1322 million kg. in 2017. Overall Global Tea production witnessed an increase of 2% driven by an increase in the crop of Kenya. Due to increase in the Kenyan crop, prices in Mombassa auction corrected by around 12%. Higher volume exports from Kenya and the uncertainty in demand from Iran due to economic sanction adversely affected Indian bulk tea export performance particularly of high quality orthodox teas.

REPORT of the Directors (Contd.)

Your company's own production was higher at 183.94 lakh kg compared to 170.33 lakh kg last year. The bought leaf production decreased to 37.79 lakh kg against 38.76 lakh kg last year. The overall price realization of your company was up by ₹ 5/- per Kg. Assam price was down by ₹ 10/- per kg, and Darjeeling was down by ₹ 226/- per kg. Dooars and Terai was up by ₹ 6/- per kg South India prices were up by ₹ 13/- per kg.

There is no material change or commitment affecting the financial position of the company occurred between the end of the financial year and the date of this report.

The Jay Shree Chemicals & Fertilisers, Khardah

There was all-round improvement in performance with higher production and better realization. The quality standard was maintained and your product was well appreciated by the market. The unit enjoy very high reputation in terms of quality and so having highest market share for sale of Single Super Phosphate (SSP) in West Bengal. Last year the Government introduced direct benefit transfer of subsidy based on acknowledged sale at retail point and this process is not yet smooth, which delays the release of subsidy causing blockage of working capital.

The figures of production and despatches are as under:

	Production (M.T.)		Despatch (M.T.)	
	2018-19	2017-18	2018-19	2017-18
Single Super Phosphate	92745	77834	76091	88635

The Jay Shree Chemicals & Fertilizers, Gurugram

There was all round improved performance by this unit since its inception with record profitability. There was scarcity of sulphuric acid in the market rallying up the prices. The unit is focusing on battery acid market as under Solar technology in power sector battery demand is increasing every year. This should improve our market share in future.

The figures of production and despatches are as under:

	Production (M.T.)		Despatch (M.T.)	
	2018-19	2017-18	2018-19	2017-18
Sulphuric Acid	30743	29703	30301	30058
Oleum	1517	1446	1465	1581

Export of Tea

India usually exports 20% of its tea production every year and it exports play a vital role in maintaining overall demand-supply balance in the domestic market. In the current year, India's tea export have declined to 240 mn kg. compared to 257 mn kg. last year. Export volumes saw decline as the crop from Kenya was

higher. Going forward, the ability to maintain healthy export volumes at remunerative prices would continue to be a key factor in determining the overall performance of the domestic tea industry. Your Company registered sale of ₹ 75.83 crore as against ₹ 92.64 crore last year.

SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS

The Balance sheet, Statement of Profit & Loss and other documents of subsidiary companies Majhulia Sugar Industries Pvt. Ltd, North Tukvar Tea Company Limited, Jayantika Investment & Finance Ltd., and offshore investment arm Birla Holdings Limited U.A.E, are not being attached with the Balance Sheet of the company. These documents are kept for inspection at the registered office of the company and those of respective subsidiary companies. Any member interested to obtain copy of the same may write to the Company separately. These documents shall be made available either in physical form or electronic mode as per Green Initiative of the MCA. Pursuant to section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of Subsidiary Companies & Joint Venture is given in Form AOC-1 and forms an integral part of the Annual Report.

Majhulia Sugar Industries Pvt Ltd-in its sugar mill produced 55946 tonnes of white sugar in the financial year and 64488 tonnes of white sugar in sugar season 2018-19 compared to 54481 tonnes in financial year and sugar season 2017-18. The sugarcane crushed was 55486 tonnes in financial year and 645119 tonnes in sugar season 2018-19 compared to 605131 tonnes in financial year and sugar season 2017-18. The recovery in financial year was 10.22% and 10.00% in sugar season 2018-19 as compared to 9% in financial year and sugar season 2017-18.

The sugar output in the 2018-19 marketing year (October-September) has been pegged at 33 million tonnes. Unprecedented increase in production has severely hit sugar prices in the domestic market. The Government stepped in with a slew of measures and introduced quota system for sale of sugar, fixed Minimum Sale Price (MSP) and provided export incentive. India's sugar production is likely to decline 8.4% to 30.3 million tonnes for the year 2019-20, because of a likely fall in sugarcane output particularly in Maharashtra. Lower than expected cane production in next season coupled with a net reduction in the national average sugar recovery rate will reduce cane availability for direct crush to sugar and proportionately moderate sugar output as well. Further successive benefits from the dedicated supply of cane juice/B heavy molasses for fuel ethanol production will further incentivize mills to divert excess sugar to produce fuel

REPORT of the Directors (Contd.)

ethanol and thus improve sugar viability.

The Indian market is flooded with excess sugar and there seems to be no other way but to increase exports to get rid of the surplus. Exports of 7-8 million tonnes is a must in 2019-20 in order to bring about stability in the domestic market. In view of the record opening stock and an estimated production of 30.30 million tonne the price stability and payment of cane dues will depend upon the export figure. India had sent its team to Bangladesh, Malaysia, China, Indonesia and South Korea to explore the export of sugar on a Government to Government basis. Further there is good scope for raw sugar export as its quality is better than Brazil & Thailand. However, exports are impossible without Government subsidies due to lower Global prices compared with domestic prices.

Your Company has set up a most modern distillery unit of 45 KLPD expandable to 60 KLPD at its sugar plant with incinerator boiler for operation of 330 days a year. All the parameters adopted for this unit are of highest standard and more than meet the pollution Board requirements. This unit will change the financial dynamics of the Company drastically in years to come.

Birla Holdings Limited (BHL) is a wholly owned subsidiary of the company in Dubai (UAE). Kijura Tea Company Limited and Bondo Tea Estates Limited, Uganda are step down subsidiaries of BHL. Kijura Tea Estate owned by these companies manufactured 31.00 lakh kg. of tea compared to 26.49 lakh kg. last year. The average sale price realized was USD 1.18 per kg. against USD 1.70 per kg. last year. During the year the company recorded a loss of USD 173667 (INR 120.59 lakh) on sales turnover of USD 3.39 mn. (INR 2351 lakh) as against last year operating profit of 784,984 (INR 511.57 lakh) on sales turnover of USD 4.41 mn. (INR 2874 lakh).

Tea Group Investment Company Limited (TGIC), Dubai, a joint venture company with Rwanda Mountain Tea SARL, Rwanda, in East Africa owning 60% stake in Mata Tea Company Limited & Gisakura Tea Company Limited collectively manufactured 42.43 lakh kg. tea during 2018 against 39.44 lakh kg. in last year and the average price realization was USD 2.88 per kg. against USD 3.21 per kg. last year for Mata and USD 2.75 per kg. against USD 3.05 per kg. last year for Gisakura. Mata Tea Company Limited declared a dividend of RWF 1,195,448 thousand (equivalent to USD 1.328 mn) being 70% of its retained profit and Gisakura Tea Company Limited declared a dividend of RWF 358,744 thousand (equivalent to USD 0.399 mn) being 45% of its retained profit.

CORPORATE GOVERNANCE

As per Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate report on corporate Governance is enclosed as a part of this Annual Report. A certificate from the Auditors of the

Company regarding compliance as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to the Report on Corporate Governance.

The declaration by the Managing Director stating that all the Board members and Senior Management personnel have affirmed their compliance with the Company's Code of Conduct for the year ended 31st March 2019 is forming part of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Birla Group are considered pioneer in the field of education, healthcare, sports, people empowerment, and employment. Accordingly the Company has been helping various schools and health care centers in adjoining areas of its operation. It has fully equipped hospital at tea estates to provide best health care to the people of the region. It is also helping self help centres for vocational training programmes. The company is doing afforestation/vegetation on non-tea areas.

The composition of the members of CSR Committee remains the same namely: Mrs. Jayashree Mohta, Chairperson alongwith Mr. S.K. Tapuriah, Mr. Vikash Kandoi and Mr. D.P.Maheshwari as members.

CSR Policy is placed on the website of the company "www.jayshreetea.com". The average net profit/(loss) of the last 3 financial years was ₹ (872.94) lakhs and prescribed expenditure is Nil. However, the company has spent ₹ 9.70 lakhs under CSR activities during the year as per the Annexure forming part of this Report.

PROSPECTS

At a macro level, the outlook is expected to remain positive. Latest estimates on GDP growth rate indicate a 7% plus growth. There is strong purchasing managers index readings for both manufacturing & services sector and low inflation indicate a healthy business environment. Rising per capita income, stability of the government post-election, increase in consumer expenditure pattern are the factors which augurs well for the tea industry.

Some factors may continue to give a cause of concern such as rise in wages, liquidity constraints in the market and rising trade tension between US & China.

Partial strike in Sri Lanka aids Indian Orthodox prices and exports. Further, the high price of Sri Lankan Orthodox compared to that of India works to our advantage.

The Indian and Global tea production is likely to be maintained at last year level. The demand for tea is increasing every year by around 3%, and the supply shall remain limited. So good quality tea should continue to fetch its deserving price.

REPORT of the Directors (Contd.)

In single super phosphate plant at Khardah the Company is constantly trying to increase its market share in West Bengal and has achieved higher production and sales year after year. With continuous cost reduction exercise in place the viability of the unit has improved a lot. Your Haryana unit has broken its previous record and likely to repeat its performance in coming years.

With all these factors, you can take reasonably optimistic view about the future of the company.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors would like to inform members that the audited accounts containing the financial statements for the year 2018-19 are in conformity with the requirements of the provisions of Section 134(3)(c) read with Section 134(5) and all other applicable provision of the Companies Act, 2013 and they believe that the financial statements reflect fairly the form and substance of transactions carried out during the year and reasonably present the Company's financial condition and results of operations. The Statutory Auditors, S.R. Batliboi & Co. LLP, Chartered Accountants, Kolkata have audited these financial statements.

Based on the same, your Directors further confirm that according to their information:

- i. in the preparation of the annual accounts, applicable accounting standards have been followed and there are no material departures;
- ii. the accounting policies selected by directors are consistently followed and applied and judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company;
- iii. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. the annual accounts have been prepared on a going concern basis.
- v. that there is adequate proper internal financial controls with reference to the financial statement have been laid down for the company and such internal financial controls are adequate and were operating effectively.
- vi. that proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

BUSINESS RESPONSIBILITY REPORT (BR)

In terms of SEBI (LODR) Regulations 2015, Top 500 listed entities

are required to submit as part of their Annual Reports, Business Responsibility Reports, describing the initiatives taken by them from an environmental, social and Governance perspective. Your company does not fall under this category. However, BR Report on environment, human resources and principle wise performance in short forms part of the Management discussion and analysis report.

PARTICULARS OF EMPLOYEES

The prescribed particulars of employees required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 is attached.

The Information as required under Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 are given in the Annexure forming part of the Report. In terms of Section 136(1) of the Act, the report and accounts are being sent to members without the aforesaid Annexure. Any member interested in obtaining a copy of the same, may write to the company.

The aforesaid Annexure is also available for inspection by members at the Registered Office of the company.

PUBLIC DEPOSITS

The company has not accepted or renewed any deposit during the year.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Particulars of loans, Guarantees and investment covered under the provisions of Section 186 of the Companies Act, 2013 is given in the Standalone Financial Statement forming part of the Annual Report.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

Financial statements are prepared through both manual and automated process to ensure accuracy of recording all financial transactions during the year. All data pertaining to payment to employees, purchases, plucking, manufacturing, selling despatch and others are computerized. Internal control system ensures that transactions are executed with management authorization and they are recorded in such a way that permit preparation of financial statements in conformity with established accounting principles and that the assets are adequately safeguarded against misuse or loss.

The company's internal control system has been established on values of integrity and operational excellence. The company's internal control systems are periodically tested and supplemented

REPORT of the Directors (Contd.)

by extensive program of internal audit by independent firms of Chartered Accountants. Audits are finalized and conducted based on internal risk management. Significant findings are brought to the notice of the Audit Committee of the Board and corrective measures recommended for implementation

The process of the internal financial control system is still on and the findings of the consultants are being implemented for improvement. This formalized system internal control facilitates effective compliance of Section 138 of the Companies Act, 2013 the listing regulations and also the relevant statutes of the land.

RISK MANAGEMENT

The company has laid down the procedures to inform to the Board about the risk assessment and minimization procedures, which shall be responsible for framing, implementing and monitoring the risk management plan of the company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE COURT OR REGULATORS

There have been no significant and material orders passed by the court or regulators or tribunals impacting the going concern status and company's operations. Your attention is drawn to the Contingent Liabilities and commitments shown in the notes to financial statements forming part of this Annual Report.

DISCLOSURE OF PARTICULARS WITH REGARD TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Necessary information on conservation of energy, technology absorption, foreign exchange earnings and outgo, required to be given pursuant to the provisions of Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is presented in Annexure to this Report.

ENVIRONMENT AND SAFETY

The company is conscious of clean environment and safe operations. It ensures safety of all concerned, compliance with environmental regulations and preservation of natural resources.

As required by the Sexual Harassment of women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the company has an internal policy on prevention of sexual harassment at workplace with a mechanism of lodging complaints. During the year under review, no complaints were reported to the Board.

STATUTORY AUDITORS

The auditors S.R. Batliboi & Co. LLP, Chartered Accountants, were appointed as Statutory Auditors of the company for the year 2018-19 and to hold office from the conclusion of the Annual General Meeting held on 31st July, 2017 till the conclusion of

76th Annual General Meeting of the company at a remuneration to be fixed by the Board. No ratification of their appointment is required as per notification dated May 7, 2018 issued by the Ministry of Corporate Affairs.

COST AUDITORS

The Audit Committee in its meeting held on 28th May, 2019 has recommended the reappointment of D. Sabyasachi & Co., the Cost Auditor to conduct the cost audit of the company for the financial year 2019-20 in terms of section 148(3) of the Companies Act, 2013. Accordingly the Board appointed the said firm of Cost Accountants to carry out the cost audit for the year 2019-20 on the remuneration as recommended by the Board to be fixed by members in the ensuing Annual General Meeting of the Company.

INTERNAL AUDIT

The Company continued to engage reputed firms of Chartered Accountants as its internal auditors at its units and tea estates. Their scope of work and the plan for audit is approved by the Audit Committee. The report submitted by them is regularly reviewed and their findings are discussed with the process owners and suitable corrective action taken on an ongoing basis to improve efficiency in operations.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company has appointed Messrs MR & Associates, Practicing Company Secretaries to undertake the Secretarial Audit of the company. The report of the Secretarial Audit is annexed herewith. Regarding observations: The company had a pending case under Section 58(A) of the Companies Act, 1956 with the court relating to acceptance of a small amount during the period of approval of form by the Board and its filing with ROC and the matter is subjudice

INSURANCE

Adequate insurance cover has been taken for properties of the company including buildings, plant and machineries and stocks against fire, earthquake and other risks as considered necessary.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

As per provisions of Section 152 of the Companies Act, 2013, Mr. Vikash Kandoi (DIN 00589438) retires by rotation and being eligible offers himself for reappointment. The Board recommends his re-appointment.

The Board appointed Mr. Harsh Vardhan Kanoria (DIN 00060259)

REPORT of the Directors (Contd.)

as an Additional Director on 11th February, 2019 who shall hold office upto the date of the ensuing Annual General Meeting. The Company has received a notice as per the provisions of Section 160(1) of the Companies Act, 2013 from a member proposing his appointment as a director. Mr. Harsh Vardhan Kanoria, a commerce graduate is CMD of Cheviot Company Limited and has held various positions in Indian Chamber of Commerce, Indian Jute Mills Association from time to time. It would be prudent to appoint him as an Independent Director, to hold office for five consecutive years until the 78th Annual General Meeting of the Company. A resolution has been included in the Agenda of the ensuing Annual General Meeting of the Company, which we recommend.

The independent directors have submitted the declaration of independence as required under Section 149 of the Companies Act, 2013 and the Board is of the opinion that they are independent within the meaning of the said requirement of the Act.

There is no change in the Key Managerial Personnel during the year.

OTHER DISCLOSURES

EXTRACT OF ANNUAL RETURN

The details for the financial year ended 31st March, 2019 forming part of the extract of the annual return is enclosed.

NUMBER OF BOARD MEETINGS

The Board of Directors met five times during the year ended 31st March, 2019. The details of the Board meetings and the attendance of Directors are provided in the Corporate Governance Report.

COMPOSITION OF COMMITTEE OF DIRECTORS

The Board has constituted the following Committees of Directors:

- (a) Audit Committee,
- (b) Nomination & Remuneration Committee,
- (c) Stakeholder Relationship Committee

The detailed composition of the above Committees along with number of meetings and attendance at the meetings are given in Corporate Governance Report.

- (d) Corporate Social Responsibility Committee

The detailed composition of the above Committee is given under the head Corporate Social Responsibility (CSR).

WHISTLE BLOWER POLICY

The company has formulated Whistle Blower Policy in terms of Section 177(9) of the Companies Act, 2013 the details of which is being provided in the Corporate Governance Report. The Whistle Blower Policy has also been posted on the website of the Company.

RELATED PARTY TRANSACTIONS

All the related party transactions for the year under review are entered on arm's length basis and are in compliance with the Companies Act, 2013 and the Listing Regulations. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc, which may have potential conflict with the interest of the Company at large. All related party transactions are presented to the Audit Committee and the Board for its approval.

The related party transactions policy as approved by the Board is uploaded on the Company's website "www.jayshreetea.com".

The details of the transactions with related party is given in the Standalone Financial Statement forming part of the Annual Report.

EVALUATION OF BOARD'S PERFORMANCE

In compliance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the performance evaluation of the Board was carried out during the year under review. The Board of Directors expressed their satisfaction with the evaluation process. More details on the same is given in the Corporate Governance Report.

AUDITOR'S REPORT & ACCOUNTS

All notes to the Accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

APPRECIATION

The Board wishes to place on record its appreciation of the efforts put in by your company's workers, staff and executives.

Industrial relations at all estates and other units were cordial.

For and on behalf of the Board

D.P.Maheshwari
(Managing Director)
(DIN:02203749)

S.K.Tapuriah
(Director)
(DIN:01065278)

Kolkata, 28th May, 2019

ANNEXURE 1 to the Directors' Report

Reporting of Corporate Social Responsibility (CSR)

[Pursuant to sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

- The Company believes in integrating its business values and operations to meet the expectations of all its stakeholders and committed to ensuring the social well being of the communities in the vicinity of its business operations. The Company takes great care to promote the cause of social inclusiveness and environment protection alongside business objectives.

The CSR activities of the Company are being carried out directly by the Company through its different tea estates and units for fulfilling its responsibilities towards improving the lives of people living in those areas.

The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on Company's website. The details of the activities undertaken can also be accessed on Company's website i.e. www.jayshreetea.com

2. Composition of Committee:

- (1) Mrs. Jayashree Mohta (Chairperson)
- (2) Mr. S.K. Tapuriah
- (3) Mr. Vikash Kandoi
- (4) Mr. D.P. Maheshwari
- (5) Mr. R.K. Ganeriwala
(President, CFO & Secretary) - Permanent Invitee

3. Average Net Profit/(Loss) of the Company for the three financial years

- ₹ (872.94) Lakh

4. Prescribed CSR Expenditure

(Two percent of the amount as in item 3 above)

- ₹ (17.46) Lakh

5. Details of CSR spent during the Financial Year 2018-19

- Amount to be spent for the Financial Year 2018-19 –
- Amount unspent, if any –
- Manner in which the amount spent during the financial year is detailed below :

(₹ in Lakhs)

S/No	CSR Project or activity identified	Sector in which The project covered	Projects or programs Local area or Other specify The State and District where Projects or Programs undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs sub heads 1.Direct expenditure on projects or programs 2. Overheads	Cumulative expenditure upto the reporting	Amount spent Direct or through implementing agency
(i)	Health	Subsidized treatment to poor villagers and organizing and promoting preventive health care	Cachar in the state of Assam	-	5.79	5.79	Direct
(ii)	Education	Promoting education in nearby villages by aids to schools, Cultural Educational Programme,, arranging Literacy Programme for Elders	Cachar in the state of Assam	-	1.88	1.88	Direct
(iii)	Sports	Promotion of Rural Sports by organizing tournaments, awards and arranging participation in rural sports meet	Cachar in the state of Assam	-	2.03	2.03	Direct
					9.70	9.70	

ANNEXURE 1 to the Directors' Report *(Contd.)*

6. In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report- N.A.
7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with the CSR objectives and Policy of the Company.
- The CSR committee confirms that the implementation and monitoring of the CSR policy is in compliance with the CSR objectives and Policy of the Company.

Kolkata, 28th May 2019

D. P. Maheshwari
(Managing Director)
(DIN: 02203749)

Jayashree Mohta
(Chairperson-CSR Committee)
(DIN: 01034912)

ANNEXURE 2 to the Directors' Report

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2018-19, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sl No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for Financial Year 2018-19 (₹ in Lakhs)	% increase in remuneration in the Financial Year 2018-19	Ratio of remuneration of each director/to median remuneration of employees
1	Mr. B. K. Birla (Chairman)	0.20	—	0.20
2	Mrs. Jayashree Mohta (Whole-time Director)	90.00	—	88.24
3	Mr. S. K. Tapuriah	1.60	—	1.57
4	Mr. Sumit Mazumder	1.40	N.A.	1.37
5	Mr. Subodh Kumar Agrawal	0.80	—	0.78
6	Mr. Vikash Kandoi (Whole-time Director)	36.00	—	35.29
7	Mr. D. P. Maheshwari (Managing Director)	131.51	8.51	128.93
8	Mr. R. K. Ganeriwala (President, CFO & Secretary)	106.47	2.14	N.A.

- (ii) The median remuneration of employees of the Company during the financial year was ₹1.02 Lakh
- (iii) In the financial year, there was a increase of 13.33% in the median remuneration of employees.
- (iv) There were 21966 permanent employees on the rolls of Company as on March 31, 2019
- (v) Average percentage increase made in the salaries of employees other than the key managerial personnel in the last financial year i.e. 2018-19 was 13.33 % whereas the increase in the key managerial remuneration for the same financial year was 3.57 %.
- (vi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

For and on behalf of the Board

D. P. Maheshwari
(Managing Director)
(DIN:02203749)

S. K. Tapuriah
(Director)
(DIN:01065278)

Kolkata, 28th May, 2019

ANNEXURE 3 to the Directors' Report

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2019 is given here below and forms part of the Directors' Report.

A. Conservation of Energy :

- I. In line with the Company's commitment towards conservation of energy, all tea estates and units continue with their efforts aimed at improving energy efficiency through improved operational and maintenance practices. The steps taken in this direction at various tea estates and units are as under :
 - Reducing power consumption by providing coal savers, wind ventilators and VFBD driers.
 - Replacement of inefficient motors with energy efficient motors.
 - Installation of Gas Generating Sets for generating power.
 - Upgradation of Machineries and installation of new machineries based on fuel or power efficiency.
 - Maintenance and overhauls of generators to achieve a high unit per ltr. delivery
 - Monitoring the maximum demand and power load factor on daily basis.
 - Installation of adequate power capacitors for efficient utilization of available power.
 - Optimum power factor is being maintained to avoid surcharge on power factor as well as to get maximum rebate on electricity consumption bills.
- II. The steps taken by the Company for utilizing alternate sources of energy. During the year under review the Company utilized solar energy for irrigation.

III. The Capital investment on energy conservation equipment was NIL.

B. Technology Absorbtion

- I. The efforts made by the Company towards technology absorption during the year under review are :
 - Installation of solar pump sets for irrigation.
 - Installation of wind turbo ventilators
 - Developed computer based colour sorter system.
 - Managerial staff are encouraged to attend seminars and training programmes for agricultural practices in the field and manufacturing process in the factories.
 - II. The benefits derived like increase in productivity and cost reduction in some tea estates.
 - III. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) – NOT APPLICABLE.
 - IV. Expenditure on R&D – Research & Development activities are being carried out as part of the Company's normal business activities. Hence, no separate expenditure figures are available. In addition, the Company contributes for the activities of Tea Research Association and United Planters Association of Southern India's Scientific Development regularly.
- The Company has incurred an expenditure of ₹ 61.81 lakhs being amount paid to TRA & UPASI as above.

C. Foreign Exchange Earnings And Outgo

During the year under review foreign exchange earnings were ₹ 74.48 crore and foreign exchange outgo ₹ 37.40 crore.

For and on behalf of the Board

D. P. Maheshwari
(Managing Director)
(DIN:02203749)

S. K. Tapuriah
(Director)
(DIN:01065278)

Kolkata, 28th May, 2019

ANNEXURE 4 to the Directors' Report

Form No. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

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

To,

The Members,

JAY SHREE TEA AND INDUSTRIES LIMITED

Kolkata

1. We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by JAY SHREE TEA AND INDUSTRIES LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.
2. Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:
3. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:
 - i) The Companies Act, 2013 (the Act), amendments thereof and the rules made thereunder;
 - ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - v) The following Regulations and Guidelines prescribed under the Securities and Exchange

Board of India Act, 1992 ('SEBI Act'):-

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations /guidelines/circulars as may be issued by SEBI from time to time;

I further report that, there were no actions/ events in pursuance of;

- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (b) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

We further report that having regard to the compliance system prevailing in the Company, we have relied upon the representation made by the Management, for compliance with the specific applicable laws like:

- (a) Food Safety and Standards Act, 2006
- (b) Agricultural and Processed Food Products Export Act, 1986
- (c) Agricultural and Processed Food Products Export Cess Act, 1986
- (d) Agriculture Produce (Grading and Marking) Act, 1937
- (e) Sugar Cess Act, 1982
- (f) Essential Commodities Act, 1955

ANNEXURE 4 to the Directors' Report (Contd.)

- (g) Plantation Labour Act, 1951
- (h) Tea Act, 1953
- (i) Tea Waste Control Order, 1959
- (j) Tea (Marketing) Control Order, 2003
- (k) Tea (Distribution & Export) Control Order, 2005
- (l) Fertilizer Control Order, 1985
- (m) Weight and Measurement Act, 1976

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

- (i) Secretarial Standards as issued and mandated by the Institute of Company Secretaries of India;
- (ii) The Listing Agreements entered into by the Company with BSE Limited, National Stock Exchange Limited and Calcutta Stock Exchange Limited.

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 following observation:

The Company has a pending case with the Court in Kolkata under Section 58(A) of the Companies Act 1956 and the matter is subjudice.

We further report that,

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act except during the period where one Independent Director resigned and a new Independent director was appointed in subsequent Board meeting.

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

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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

We further report that during the audit period, the Company had Obtained approval of shareholders by way of special resolution passed at the 72nd Annual General Meeting held on 01.08.2018 for the following matters for,

- (i) Appointment of Mr. Sumit Mazumder as an Independent Director to hold office for 5 (five) consecutive years until the 77th Annual General Meeting of the company.
- (ii) Continuation of directorship of Mr. B.K. Birla as Non Executive Director and Chairman of the Company, aged about 97 years with his original terms and conditions of appointment as per regulations 17 (1)(A) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 who has attained the age of seventy five years w.e.f April 1, 2019 under the designation "Non-Executive Director" of the Company
- (iii) Re- appointment of Mrs. Jayashree Mohta, Whole time Director pursuant to Section 196,197,203 read with Schedule V and other applicable provision of the Companies Act,2013 for the term period of three years with effect from 01.04.2019
- (iv) Re- appointment of Mr. D.P. Maheswari, Managing Director pursuant to Section 196,197,203 read with Schedule V and other applicable provision of the Companies Act,2013 for the term period of three years with effect from 27.06.2019.
- (v) Re- appointment of Mr. S. K. Tapuria and Mr. Subodh Kumar Agrawal as an Independent Director as per section 149,150,152 and other applicable provision of the Companies Act,2013 for a second term period with effect from 01.04.2019 respectively.
- (vi) Payment of remuneration to Non-Executive Directors of the Company as per section 197 read with section 198 of the Companies Act, 2013

This Report is to be read with our letter of even date which is annexed "ANNEXURE - A" and forms an Integral Part of this Report.

For **MR & Associates**
Company Secretaries

[M R Goenka]
Partner
FCS No.: 4515
C P No.: 2551

Place: Kolkata
Date: 28.05.2019

ANNEXURE 4 to the Directors' Report (Contd.)

"ANNEXURE – A"

To,
The Members,
JAY SHREE TEA AND INDUSTRIES LIMITED
Kolkata

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 processes as where appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibilities of the management. Our examination was limited to the verification of procedures on test basis.
6. 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 **MR & Associates**
Company Secretaries

[M R Goenka]

Partner

FCS No.: 4515

C P No.: 2551

Place: Kolkata
Date: 28.05.2019

ANNEXURE 5 to the Directors' Report**FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN****As on financial year ended on 31.03.2019**

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

I. REGISTRATION & OTHER DETAILS :

1	CIN	L15491WB1945PLC012771
2	Registration Date	27th October, 1945
3	Name of the Company	Jay Shree Tea & Industries Limited
4	Category/Sub-category of the Company	Public Company: Limited by Shares
5	Address of the Registered office & contact details	"Industry House" 10, Camac Street, Kolkata-700017 Ph.:(033) 2282-7531/34,Fax:(033) 2282-7535 E-mail: webmaster@jayshreetea.com
6	Whether listed company Yes/No	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Maheshwari Datamatics Pvt. Ltd. 23, R.N.Mukherjee Road, 5th Floor, Kolkata-700001 Ph.: (033) 2248-2248, Fax: (033) 2248-4787 E-mail: mdpldc@yahoo.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Tea	0100	82%
2	Chemical	2011	18%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Majhulia Sugar Industries Pvt. Ltd. P-7, Transport Depot Road, Kolkata-700088	U15122WB2015PTC207281	Subsidiary	100.00	2(87)(ii)
2	North Tukvar Tea Co. Ltd. Industry House 10, Camac street, Kolkata-700017	U51218WB1965PLC026362	Subsidiary	90.50	2(87)(ii)
3	Jayantika Investment & Finance Ltd. Industry House 10, Camac street, Kolkata-700017	U65993WB2001PLC162070	Subsidiary	100.00	2(87)(ii)
4	Birla Holdings Ltd. 132, Lease Office Building 16, Jebel Ali Free Zone, Dubai	N.A.	Subsidiary	100.00	2(87)(ii)

ANNEXURE 5 to the Directors' Report *(Contd.)***IV. i) Category-wise Share Holding :**

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2018)				No. of Shares held at the end of the year (31.03.2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	1052660	-	1052660	3.64	1052660	-	1052660	3.64	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	14519114	-	14519114	50.28	13180010	-	13180010	45.64	-4.64
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other: (Specify) Trust	316788	-	316788	1.10	316788	-	316788	1.10	-
Sub-total (A) (1):-	15888562	-	15888562	55.02	14549458	-	14549458	50.38	-4.64
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	15888562	-	15888562	55.02	14549458	-	14549458	50.38	-4.64
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	600	600	-	-	600	600	-	-
b) Banks / FI	488894	22706	511600	1.77	485025	22442	507467	1.76	-0.01
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	1480000	-	1480000	5.13	1480000	-	1480000	5.13	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify) FPI Coporate	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	1968894	23306	1992200	6.90	1965025	23042	1988067	6.89	-0.01
2. Non- Institutions									
a) Bodies Corp.									
i) Indian	2253920	6848	2260768	7.83	2574063	6248	2580311	8.94	1.11
ii) Overseas	104944	-	104944	0.36	104944	-	104944	0.36	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	5938117	429310	6367427	22.05	6908271	368040	7276311	25.20	3.15
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	1738513	-	1738513	6.02	1833955	-	1833955	6.35	0.33

ANNEXURE 5 to the Directors' Report *(Contd.)*

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2018)				No. of Shares held at the end of the year (31.03.2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others (specify)									
(i) Non Resident Individual	332833	2604	335437	1.16	341223	2604	343827	1.19	0.03
(ii) Foreign National	1140	-	1140	0.01	-	-	-	-	-0.01
(iii) Investor Education and Protection Fund	186847	-	186847	0.65	200615	-	200615	0.69	0.04
(iv) Corporate Body-NBFC	1650	-	1650	0.01	-	-	-	-	0.01
Subtotal (B)(2):-	10557964	438762	10996726	38.08	11963071	376892	12339963	42.73	4.65
Total Public Shareholding (B)=(B)(1)+(B)(2)	12526858	462068	12988926	44.98	13928096	399934	14328030	49.62	4.64
C. Shares held by Custodian for GDRs & ADRs									-
Grand Total (A+B+C)	28415420	462068	28877488	100.00	28477554	399934	28877488	100.00	-

ii) Shareholding of Promoters:

Sl No	Shareholder's Name	Share holding at the beginning of the year (01.04.2018)				Share holding at the end of the year (31.03.2019)				% change in share holding during the year
		No. of Shares	% of total Shares of the Company	No. of Pledged/ Encumbered Shares	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	No. of Pledged/ Encumbered Shares	% of Shares Pledged / encumbered to total shares	
1	JPM Merchandise Agencies Limited	6114108	21.17	-	-	6114108	21.17	-	-	-
2	Mr. B.K. Birla	46000	0.16	-	-	46000	0.16	-	-	-
3	Mrs. Jayashree Mohta	985770	3.41	-	-	985770	3.41	-	-	-
4	Mr. Vikash Kandoi	1126	0.01	-	-	1126	0.01	-	-	-
5	Mr. Kumar Mangalam Birla	4500	0.01	-	-	4500	0.01	-	-	-
6	Mrs. Vasavadatta Bajaj	15264	0.04	-	-	15264	0.04	-	-	-
7	Bharat Arogya And Gyan Mandir.	36828	0.13	-	-	36828	0.13	-	-	-
8	Century Textiles and Industries Ltd.	300000	1.04	-	-	300000	1.04	-	-	-
9	Pilani Investment And Industries Corpn. Ltd.	2844	0.01	-	-	2844	0.01	-	-	-
10	Prakash Educational Society	3000	0.01	-	-	3000	0.01	-	-	-
11	Birla Education Trust	313788	1.09	-	-	313788	1.09	-	-	-
12	Manav Investment & Trading Co. Ltd	1020924	3.54	1020924	3.54	-	-	-	-	(3.54)
13	Aditya Marketing and Manufacturing Ltd.	70000	0.24	-	-	70000	0.24	-	-	-
14	Jayantika Investment & Finance Ltd.	6528810	22.61	-	-	6210630	21.51	-	-	-
15	ECE Industries Ltd.	445600	1.55	-	-	445600	1.55	-	-	-
	Total	15888562	55.02	1020924	3.54	14549458	50.38	-	-	-

ANNEXURE 5 to the Directors' Report (Contd.)**iii) Change in Promoters' Shareholding (please specify, if there is no change)**

Sl. No	Name of the Promoters	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year (2018-19)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Manav Investment & Trading Co. Ltd				
	At the beginning of the year	1020924	3.54	1020924	3.54
	Market Sale during the year	1020924	3.54	1020924	3.54
	At the end of the year	–	–	–	–
	Jayantika Investment & Finance Ltd				
	At the beginning of the year	6528810	22.61	6528810	22.61
	Market Sale during the year	318180	1.10	318180	1.10
	At the end of the year	6210630	21.51	6210630	21.51

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (01.04.2018)		Shareholding at the end of the year (31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	EOS Multi Strategy Fund Ltd.	1288000	4.46	1288000	4.46
2	Axis Capital Limited	–	–	525210	1.82
3	The New India Assurance Co. Ltd.	397368	1.38	397368	1.38
4	Raviraj Developers Ltd	97613	0.34	210635	0.73
5	Bodepudi Jeevan Kishore	110053	0.38	155053	0.54
6	JM Financial Services Limited	58573	0.20	151271	0.52
7	Srikanth Dhulipala	90000	0.31	150000	0.52
8	Harikishan Mundhra	73077	0.25	118410	0.41
9	Ares Diversified	112000	0.39	112000	0.39
10	Devi Investment and Development INC	104800	0.36	104800	0.36

v) Shareholding of Directors and Key Managerial Personnel:

Sl No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year 2018-19	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. B.K.Birla				
	At the beginning of the year	46000	0.16	46000	0.16
	At the end of the year	46000	0.16	46000	0.16
2	Mrs.Jayashree Mohta				
	At the beginning of the year	985770	3.41	985770	3.41
	At the end of the year	985770	3.41	985770	3.41
3	Mr.S.K.Tapuriah				
	At the beginning of the year	768	0.00	768	0.00
	At the end of the year	768	0.00	768	0.00

ANNEXURE 5 to the Directors' Report *(Contd.)*

Sl No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year 2018-19	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4	Mr.Sumit Mazumder				
	At the beginning of the year	200	0.00	200	0.00
	At the end of the year	200	0.00	200	0.00
5	Mr.Subodh Kumar Agrawal				
	At the beginning of the year	200	0.00	200	0.00
	At the end of the year	200	0.00	200	0.00
6	Mr.Harsh Vardhan Kanoria*				
	Market purchase during the year	-	-	200	0.00
	At the end of the year	-	-	200	0.00
7	Mr.Vikash Kandoi				
	At the beginning of the year	1126	0.01	1126	0.01
	At the end of the year	1126	0.01	1126	0.01
8	Mr.D.P.Maheshwari				
	At the beginning of the year	606	0.01	606	0.01
	Market purchase during the year	-	-	5000	0.02
	At the end of the year	-	-	5606	0.02

* Appointed w.e.f 11.02.2019

V. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payments (₹ in lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	29307.90	13187.50	-	42495.40
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	139.33	21.00	-	160.33
Total (i+ii+iii)	29447.23	13208.50	-	42655.73
Change in Indebtedness during the financial year				
• Addition	8696.92	-	-	8696.92
• Reduction	-	(4952.42)	-	(4952.42)
Net Change			-	3744.50
Indebtedness at the end of the financial year				
i) Principal Amount	38012.34	8236.21	-	46248.55
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	131.81	19.87	-	151.68
Total (i+ii+iii)	38144.15	8256.08	-	46400.23

ANNEXURE 5 to the Directors' Report (Contd.)**VI. Remuneration of directors and Key Managerial Personnel****A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

Sl. No.	Particulars of Remuneration	Name of MD/WT/ Manager			Total amount (₹ in Lakhs)
		Mrs. Jayashree Mohta	Mr. Vikash Kandoi	Mr. D.P. Maheshwari	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	90.00	36.00	107.65	233.65
	(b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	—	—	10.65	10.65
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	—	—	—	—
2	Stock Option	—	—	—	—
3	Sweat Equity	—	—	—	—
4	Commission				
	-as a % of profit	—	—	—	—
	-others, specify	—	—	—	—
5	others, please specify	—	—	—	—
	Total (A)	90.00	36.00	118.30	244.30
	Ceiling as per the Act	10% of the net profits of the Company calculated as per section 198 of the Companies Act, 2013			

B. Remuneration to other directors:**I. Independent Directors:**

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount (₹ in '000)
		Mr. S. K. Tapuriah	Mr. Sumit Mazumder	Mr. Subodh Kumar Agrawal	
1	Independent Directors				
	Fee for attending board / committee meetings	160	140	80	380
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	160	140	80	380

II. Other Non Executive Directors:

Sl. No.	Particulars of Remuneration	Mr. B.K.Birla	Total Amount (₹ in '000)
	Fee for attending board / committee meetings	20	20
	Commission	-	-
	Others, please specify	-	-
	Total (2)	20	20
	Total (B)=(1+2)		400
	Overall Ceiling as per the Act	1% of the net profits of the Company calculated as per section 198 of the Companies Act, 2013	

ANNEXURE 5 to the Directors' Report *(Contd.)***C. Remuneration to Key Managerial Personnel other than Managing Director/Manager/Whole Time Director**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	
		Company Secretary/CFO	Total amount (₹ in Lakhs)
1	Gross salary		
	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	90.95	90.95
	Value of perquisites u/s 17(2) of the Income Tax Act, 1961	6.87	6.87
	Profits in lieu of salary under section 17(3) Income Tax Act, 1961	—	—
2	Stock Option	—	—
3	Sweat Equity	—	—
4	Commission	—	—
	- as % of profit		
	- others, specify.		
5	Others, please specify		
	Total		97.82

VII. Penalties/Punishment/Compounding of offences: NONE

For and on behalf of the Board

D. P. Maheshwari
(Managing Director)
(DIN:02203749)

S. K. Tapuriah
(Director)
(DIN:01065278)

Kolkata, 28th May, 2019

MANAGEMENT'S Discussion and Analysis

OVERVIEW

All India Tea production was at 1350 million kg. compared to 1322 million kg. in 2017. The crop of Assam, Darjeeling and Tamil Nadu was higher and that of Cachar lower. Your Company produced 221.73 lakh kg. of tea against 209.10 lakh kg. last year. Out of this your own crop was 183.94 lakh kg against 170.33 lakh kg. The bought leaf production decreased to 37.79 lakh kg from 38.76 lakh kg.

SEGMENT ANALYSIS AND REVIEW

The Company is engaged in the manufacture of tea, sugar and chemicals & fertilizers besides tea warehousing and investment activities. Tea accounts for 82%, chemicals & fertilizers 18% of the gross turnover during 2018-19.

TEA

Your Company's district wise production compared to All India production is enumerated below:

(Quantity in million kg.)

District	Tea Manufactured by the Company (April to March)			All India Production* (Jan. to December)		
	2018-19**	2017-18**	Increase/ Decrease (%)	2018	2017	Increase/ Decrease (%)
Cachar	7.76	8.20	(-)5.36	46.09	47.19	(-)2.33
Assam Valley	7.45	6.54	13.91	655.26	627.98	4.34
Total Assam	15.21	14.74	3.19	701.35	675.17	3.88
Darjeeling	0.88	0.34	158.82	7.70	3.21	139.88
Dooars	1.00	0.94	6.38	227.08	219.58	3.42
Terai	3.31	3.24	2.16	159.44	161.72	(-)1.41
Total West Bengal	5.19	4.52	14.82	394.22	384.51	2.53
Others	-	-	-	28.46	27.43	3.75
Total North India	20.40	19.26	5.92	1124.03	1087.11	3.40
Tamilnadu	1.77	1.65	7.27	160.15	166.90	(-)4.04
Kerala	-	-	-	60.76	62.35	(-)2.55
Karnataka	-	-	-	5.10	5.40	(-)5.55
Total South India	1.77	1.65	7.27	226.01	234.65	(-)3.68
Total Production	22.17	20.91	6.03	1350.04	1321.76	2.14

* All India figures on calendar year basis and estimated for 2018.

**The above production includes tea manufactured from bought leaf.

District wise price realised by the Company for own produce compared to previous year is as under:

(Quantity in million kg.)

Tea Areas	This year			Previous year		
	Qty.	Rate (₹)	Dist. Average (₹)	Qty.	Rate (₹)	Dist. Average (₹)
Cachar	7.38	140.55	128.47	8.14	140.16	122.96
Assam	6.90	195.88	154.66	5.51	205.64	149.90
Darjeeling	0.77	517.40	418.50	0.31	743.06	489.03
Dooars/Terai	4.25	153.97	138.05	3.98	148.05	127.08
South India	2.07	126.54	106.21	1.86	113.60	97.61
Total	21.37	172.45		19.81	166.94	

MANAGEMENT'S Discussion and Analysis (Contd.)

OUTLOOK

Smaller carry forward stock and modest production have positive impact on first flush levels. North India Orthodox production increases on back of remunerative returns. Plainer varieties of teas benefit more. Export demand likely to pick up boosting up tea prices.

RISKS AND CONCERNS

- High Value teas unlikely to witness major spurt in prices
- Consistent quality is an important factor for achieving good price.
- Increase in employees cost with accrual liability for retirement benefits is a cause of concern.

CHEMICALS & FERTILISERS

Review of Operations

Your unit is the second largest producer of SSP in West Bengal and is increasing its market share of "Annapurna" brand of SSP, which is well received by farmers.

OUTLOOK

SSP fertilizer is enriched with multiple nutrients. The Government of India has recognized the importance and encouraging the use of SSP to improve soil fertility.

OPPORTUNITIES AND THREATS

Strengths

- Brand image of Annapurna SSP has good command in West Bengal
- Established distributors network in all districts of West Bengal.
- Wide applicability of SSP in various agricultural crops

Threats

- Continuing price disparity between urea and phosphatic fertilizers resulting in imbalance use of fertilizer.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Company continued to lay emphasis on working capital management to have strict check on borrowings and interest cost and saving was achieved on finance cost.

The deployment of fund was guided by the tenets of safety of principal, liquidity and very good return. During the year the investment portfolio was increased to improve other income.

BUSINESS RESPONSIBILITY STATEMENT (BR)

Health, Safety, Security and Environment

Health, safety, security and environment (HSSE) is a key priority for the Company. Our goals are: no accidents, no harm to people and no damage to environment. The health, safety and security of everyone who works for the Company, is ensured.

All fertilisers factories of your Company are following full Environment Management System and Occupational Health & Safety Management System

All the tea estates follow green environment policy. Afforestation is being carried out on regular basis.

DEVELOPMENT IN HUMAN RESOURCES MANAGEMENT

Tea industry is highly labour intensive and your Company considers people as its biggest assets. With regular communication and sustained efforts, it ensures that employees are aligned on common objectives and have the right information on business evolution.

There is endeavour on the part of management to the Company hives and retains its best talent.

Your Company continued to maintain high standards of employee relations.

The total number of people employed in your Company as on 31st March, 2019 was 21966.

CAUTIONARY STATEMENT

The statements in the report of the Board of Directors and the Management's Discussion and Analysis report describing the company's projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied since the Company's operations are influenced by many external and internal factors beyond the control of the Company. Further tea and chemicals industries depend upon the vagaries of nature and any adverse/ favourable situation can change the whole situation.

CORPORATE Governance Report

[Pursuant to Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["Listing Regulations" (as amended)]]

The Company recognizes that good Corporate Governance is a continuous exercise. The Company believes that Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws with highest standards of transparency and business ethics. The Company aims to increase and sustain its corporate values through growth and innovation.

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The essence of Corporate Governance is about maintaining the right balance between economic, social, individual and community goals. At Jay Shree Tea, it is imperative that our Company affairs are managed in a fair and transparent manner. The Company is focused on enhancement of long-term value creation for all stakeholders without compromising on integrity, social obligations, environment and regulatory compliances. The Company acknowledges the rights of its shareholders and provides information on performance and other key events of the Company to them. This timely and accurate disclosure of information improves

public understanding of the structure, activities and policies of the Company. Consequently, the Company is able to attract investors, and enhance the trust and confidence of the stakeholders.

2. BOARD OF DIRECTORS

Composition:

The Board of Directors of the Company comprises of an optimum combination of Executive and Non-Executive Directors, which is in conformity with the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board is broad based and consists of eminent individuals from Industrial, Managerial and Financial background. As of the year ended 31st March, 2019, the Board of directors includes a Non-Executive Independent Chairman, four Independent directors, two whole-time directors designated as Vice-Chairperson and Executive Director and a Managing Director. The composition is as under :

Membership of other Boards of Directors/ Committee of directors and Attendance record for the Company:

Five Board Meetings were held in 2018-2019 i.e. on 29th May, 2018; 1st August, 2018; 14th November, 2018; 11th February, 2019 and 19th February, 2019:

Directors	Categories of Directors	No. of Board Meetings Attended	Attendance at the last AGM	No. of outside Directorship held*	No. of outside Committee Chairman/Member		No. of shares held in the Company as on 31.03.2019	List of Directorship held in other Listed Entities and Category of Directorship
					Chairman	Member		
Mr. B. K. Birla (Chairman)	Promoter-Non-executive	1	No	4	-	-	46000	Century Enka Ltd.; Century Textiles & Industries Ltd; Pilani Investment & Industries Corpn Ltd; Kesoram Industries Ltd. (Non-Executive Director)
Mrs. Jayashree Mohta	Promoter-Executive	4	Yes	2	-	-	985770	Avadh Mercantile Ltd (Director)
Mr. Prashant Jhavar (ceased w.e.f 29.05.2018)	Independent-Non-Executive	-	NA	NA	NA	NA	200	NA
Mr. S. K. Tapuriah	Independent-Non-Executive	4	Yes	-	-	-	768	-
Mr. Sumit Mazumder	Independent-Non-Executive	4	Yes	4	2	-	200	TIL Ltd (Chairman & Managing Director) Balrampur Chini Mills Ltd. (Chairman Non-Executive Independent Director)
Mr. Subodh Kumar Agrawal	Independent-Non-Executive	2	No	1	2	-	200	Richfield Financial Services Ltd (Non Executive Independent Director)

CORPORATE Governance Report (Contd.)

Directors	Categories of Directors	No. of Board Meetings Attended	Attendance at the last AGM	No. of outside Directorship held*	No. of outside Committee Chairman/Member		No. of shares held in the Company as on 31.03.2019	List of Directorship held in other Listed Entities and Category of Directorship
					Chairman	Member		
Mr. Harsh Vardhan Kanoria (w.e.f 11.02.2019)	Independent-Non-Executive	-	NA	2	-	-	200	Cheviot Company Limited (Chairman & Managing Director)
Mr. Vikash Kandoi	Executive (Executive Director)	3	Yes	-	-	-	1126	-
Mr. D. P. Maheshwari	Executive (Managing Director)	5	Yes	-	-	-	5606	-

*Directorship excludes Private, Foreign and Section 8 Companies

No director is related to any other director on the Board in terms of the provisions of the Companies Act, 2013 except Mr. B.K. Birla, Mrs. Jayashree Mohta and Mr. Vikash Kandoi who are related to each other. Mr. B.K. Birla is father of Mrs. Jayashree Mohta and Mr. Vikash Kandoi is son in-law of Mrs. Jayashree Mohta.

All the Directors affirmed that apart from receiving sitting fees and /or remuneration by Executive Directors and Managing Director, they do not have any pecuniary relationships or transactions with the Directors Company, its promoters, its Directors, its Senior Management or its subsidiaries i.e Majhulia Sugar Industries Pvt. Ltd., North Tukvar Tea Co.Ltd., Jayantika Investment & Finance Ltd., Birla Holdings Ltd., joint venture and associates (as defined in Ind-AS 28) which might affect independence of directorship in the Company.

In the opinion of the Board, the Independent Directors, fulfill the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations.

Code of Conduct :

The Company has a code of conduct for all its Board members and senior management personnel which is available on the website of the Company. All the Board members and senior management personnel have confirmed compliance with the code, a declaration to this effect duly signed by the Managing Director is attached and forms part of the Annual Report of the Company.

Separate Meeting of Independent Directors:

As stipulated by the Code of Independent Directors under Companies Act, 2013 and the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on 11th February, 2019 to review the performance of Non Independent Directors including the Chairman and the Board

as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

Chart or a Matrix setting out the Skills/Expertise/Competencies of the Board of Directors:

The following skills/expertise/competencies required in the context of Company's businesses have been identified by the Board for it to function effectively viz.:

(i) Business Strategy, Planning and Corporate Management (ii) Accounting & Financial Skills (iii)Marketing (iv) Communication, Advertising and Media (v) Corporate Governance (vi) Legal & Risk Management (vii) Discharge of Corporate Social Responsibility.

These are available with the Board.

Familiarization Programme:

The Company has taken steps to familiarize its directors including Independent Directors about the Company operations, procedures and practices, business model, industry in which the Company operates and their role and responsibilities through necessary documents, reports and internal policies. The details of such programs can be accessed from the Company's website at :<http://jayshreetea.in/corporate/policy/>

3. AUDIT COMMITTEE

The constitution of Audit Committee is as per requirement of Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

The Audit Committee comprises of three Non-Executive Independent Directors and Mr. D.P. Maheshwari (Managing Director) of the Company. Mr. R.K. Ganeriwala (President,

CORPORATE Governance Report (Contd.)

CFO & Secretary), the Internal Auditors and Statutory Auditors are permanent invitees to the meeting.

The terms of reference of the Committee are:

1. Oversight of the Company's financial reporting process, disclosure of its financial Information, reviewing quarterly & yearly financial statements to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment of the statutory auditor and the fixation of audit and other fees.
3. Reviewing with the management the annual financial statements and auditor's report thereon before submission to the Board for approval.
4. Reviewing and monitoring the auditor's independence and performance.
5. Recommending to the Board, the appointment and remuneration of Cost Auditor.
6. Reviewing with the management, performance of internal auditors and adequacy of the internal control systems.
7. To review the functioning of the Whistle Blower Mechanism.
8. Approval or any subsequent modification of transactions of the Company with related parties.
9. To evaluate internal financial controls and risk management systems.
10. Such other functions as may be prescribed under the applicable laws and regulations.

Four Meetings of the Audit Committee were held in 2018-2019 on 29th May, 2018; 1st August, 2018; 14th November, 2018; and 11th February, 2019.

Attendance record of the Audit Committee Meetings.

Name of Directors	No. of Meetings
Mr. S. K. Tapuriah (Chairman)	4
Mr. Sumit Mazumder (Member)	3
Mr. Subodh Kumar Agrawal (Member)	2
Mr. D. P. Maheshwari (Member)	4

4. EVALUATION OF THE BOARD'S PERFORMANCE

During the year, the Board evaluated its own performance as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out covering various aspects of the Boards functioning such as composition of the Board &

committees, qualification, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of Non-Independent Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise. The performance of Independent Directors has been evaluated based on the guidelines as provided under Schedule IV of the Act and it has been determined that their term of appointment shall be extended or continued as the case may be.

The evaluation of the Independent Directors was carried out by the entire Board except by the Director being evaluated and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors.

The directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

5. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee is constituted as per Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178(1) of the Companies Act, 2013. The Nomination and Remuneration Committee comprises of three Non Executive Directors and Mr R.K. Ganeriwala (President, CFO & Secretary) acts as Secretary to this Committee. The committee had met once in the year 2018-19 on 29th May, 2018.

Attendance record of the Nomination and Remuneration Committee Meetings.

Name of Directors	No. of Meetings
Mr. S. K. Tapuriah (Chairman)	1
Mr. B. K. Birla (Member)	-
Mr. Sumit Mazumder (Member)	1

Terms of reference of this committee are:

- i) Determining/recommending the criteria for appointment of Executive, Non- Executive and Independent Directors to the Board.
- ii) Determining/recommending the criteria for qualification, positive attributes and Independence of Directors and recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees.
- iii) Formulation of criteria for evaluation of performance of independent directors and the Board of Directors.

CORPORATE Governance Report (Contd.)

- iv) Identifying candidates who are qualified to become Directors and who may be appointed in Senior Management and recommending to the Board their appointment and removal.
- v) Reviewing and determining all elements of remuneration package of all Executive Directors i.e. salary, benefits etc.
- vi) Determining policy on service contract, notice period, severance fees for Directors and Senior Management.
- ii. Non Executive Directors shall be entitled to receive commission not exceeding 1% of the net profit of the Company as may be approved by the Board and Shareholders, subject to the profitability of the Company.
- iii. Executive Directors, Managing Director and Key Managerial Personnel(KMP) will carry out individual Performance appraisal review and recommend annual increment and performance incentive.

The Nomination and Remuneration Committee have formulated the criteria for determining qualifications, Positive attributes, and independence of a Director in line with the requirements as given under Schedule IV of the Companies Act, 2013. All the Independent Directors have been appointed based on such criteria's.

Remuneration Policy

The Company follows a policy on remuneration of Directors and Senior Management Employees.

- i. Non Executive director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and the Companies Managerial Remuneration Rule, 2014.

6. REMUNERATION OF DIRECTORS

The details of sitting fees paid to the Non-Executive Directors and salary and perks paid to the Executive Directors and Managing Director of the Company during the year 2018-2019 are given below :-

(₹ in `000)

Name of Directors	Sitting Fees		Total
	Board Meeting	Committee Meeting	
Mr. B.K. Birla	20	-	20
Mr. S.K. Tapuriah	80	80	160
Mr. Sumit Mazumder	80	60	140
Mr. Subodh Kumar Agrawal	40	40	80
	220	180	400

Name of Directors	Salary	Value of perquisites	Retirement benefits		Total
Mrs. Jayashree Mohta (Vice-Chairperson)	9000	-	-		9000
Service Contract				Re-appointed for 3 years from 1st April, 2019	
Notice Period				3 months	
Mr. Vikash Kandoi (Executive Director)	3600	-	-		3600
Service Contract				Re-appointed for 3 years from 1st April, 2018	
Notice Period				3 months	
Mr. D.P. Maheshwari (Managing Director)	8100	2864	2187		13151
Service Contract				Re-appointed for 3 years from 27th June, 2019	
Notice Period				3 months	

CORPORATE Governance Report (Contd.)

7. STAKEHOLDER RELATIONSHIP COMMITTEE

The Stakeholder Relationship Committee is constituted as per Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 (5) of the Companies Act, 2013. The Stakeholder Relationship Committee comprises of three Non-Executive Independent Director and Mr. D. P. Maheshwari (Managing Director). Mr. R. K. Ganeriwala (President, CFO & Secretary) is the Compliance Officer of the Company.

The Company had received 17 complaints from the shareholders and all of them have been resolved to the satisfaction of those shareholders. The shares are traded on the Stock Exchanges in compulsory dematerialised form. There are no pending complaints as on 31st March, 2019.

Two Meetings of the stakeholder relationship Committee were held in 2018-2019 on 29th May, 2018 and 14th November, 2018.

Attendance record of the Stakeholder Relationship Committee Meetings

Name of Directors	No. of Meetings Attended
Mr. S.K. Tapuriah (Chairman)	2
Mr. Sumit Mazumder (Member)	1
Mr. Subodh Kumar Agrawal (Member)	2
Mr. D.P. Maheshwari (Member)	2

9. GENERAL BODY MEETINGS

i) The details of Annual General Meetings held in last three years are as under :

AGM	Year	Venue	Date	Time
Seventieth	2015-2016	Kala Kunj 48, Shakespeare Sarani, Kolkata-700017	5th August, 2016	1:00 P.M.
Seventy First	2016-2017	-do-	31st July, 2017	10:30 A.M.
Seventy Second	2017-2018	-do-	1st August, 2018	10:30 A.M.

ii) Special Resolutions passed in the last three AGMs:

a) In the Annual General Meeting on 1st August, 2018

Six Special Resolution were proposed and approved:

- Approval of continuation of directorship of Non-Executive Director Mr. B.K. Birla, Chairman
- Re-appointment of Mrs. Jayashree Mohta, Whole-time Director designated as Vice Chairperson for a term of three years w.e.f 01.04.2019
- Re-appointment of Mr. D.P. Maheshwari, Managing Director of the company for a term of three years w.e.f 27.06.2019
- Re-appointment of Mr. S.K. Tapuriah as an Independent Director for a second term w.e.f. 01.04.2019
- Re-appointment of Mr. Subodh Kumar Agrawal as an Independent Director for a second term w.e.f. 01.04.2019

8. WHISTLE BLOWER POLICY

In terms of provision of Section 177(9) of the Companies Act, 2013, the Company has implemented a vigilance mechanism which includes implementation of the Whistle Blower Policy. The Policy encourages Directors and employee to bring to the Company's attention, instances of unethical behavior, actual or suspected incidents of fraud or violation of the code of conduct that could adversely impact the Company's operations, business performance and/ or reputation. The Company will investigate such reported incidents in an impartial manner and take appropriate action to ensure that the requisite standards of professional and ethical conduct are always upheld. The Policy is also posted on the website of the Company.

The main objectives of the Policy are as under:

- To protect the brand, reputation and assets of the Company from loss or damages resulting from suspected or confirmed incidents of fraud/misconduct.
- To provide healthy and fraud free culture.
- To provide guidance to the employees on reporting any suspicious activities and handling critical information and evidence.

No personnel has been denied access to the Audit Committee.

CORPORATE Governance Report (Contd.)

- vi) Approval of Payment of remuneration to Non-Executive Directors of the Company for a period of three years from the financial year 1st April, 2019
- b) **In the Annual General Meeting on 31st July, 2017**
Two Special Resolution were proposed and approved:
 - i) Re-appointment of Mr. Vikash Kandoi Whole-time Director designated as Executive Director for a term of three years w.e.f 01.04.2018.
 - ii) To approve continuation of employment of Mr. D. P. Maheshwari, Managing Director
- c) **In the Annual General Meeting on 5th August, 2016**
No Special Resolution was proposed.
- iii) All the resolutions set out in the respective notices were passed by the shareholders.
- iv) No resolution was put through postal ballot during the year 2018-2019.
- iii) There were no strictures or penalties imposed on the Company by Stock Exchanges or SEBI, or any statutory authority for non-compliance of any matter related to capital markets, during the last three years.
- iv) During the year ended 31st March, 2019, the Company has two material unlisted subsidiary companies as defined in Regulation 16 of the Listing Regulations. Regarding having atleast one Independent Director of the Board of the Company on the Board of Unlisted material subsidiary, the same is being complied to in financial year 2019-20. The Company has framed the policy for determining material subsidiary as required under Regulation 16 of the Listing Regulation and the same is disclosed on the Company's website. The web link is: <http://jayshreetea.in/corporate/policy/>
- v) During the year, compisition of the Board of Directors w.r.t executive and non-executive directors has been met throughout the reporting period except during the period when one Independent Director resigned and a new Independent Director was appointed in subsequent Board Meeting.
- vi) Details relating to fees paid to the Statutory Auditors are given in Notes to Standalone and Consolidated Financial Statements. During the year ₹ 28.36 Lakhs was paid to E&Y LLP, Network Firm of which Statutory Auditors are a part.
- vii) The Company has complied with all the applicable mandatory requirements stipulated under Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

10. OTHER DISCLOSURES

- i) There were no materially significant transactions with related parties as defined under Listing Regulations, "Related Party Transactions" entered into by the Company that may have potential conflict with the interests of the Company at large. The Register of Contracts containing the transactions in which Directors are interested is regularly placed at the Board meetings. Attention of Members is drawn to the disclosures of transactions with the related parties set out in note no. 31 of the Standalone Financial Statements, forming part of the Annual Report. Related Party Transaction Policy is available on the Company's website, at the web link: <http://jayshreetea.in/corporate/policy/>
- ii) The Company has followed Ind-AS as specified under section 133 of the Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 while preparing Financial Statements.

11. MD/CFO CERTIFICATE

The Managing Director and President, CFO & Secretary have issued certificate pursuant to the provisions of Regulation 17(8) of the Listing Regulations certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

CORPORATE Governance Report (Contd.)

12. MEANS OF COMMUNICATION

Quarterly results	The results of the Company are published in the Newspapers and uploaded on the website of the Company.
Any website, where displayed	www.jayshreetea.com
Whether, it also displays official news releases ; and	Yes
The presentations made to institutional investors or the analysts	Uploaded on the website.
Newspapers in which results are normally published in	Business Standard (all India edition) Arthik Lipi (Bengali - local edition)

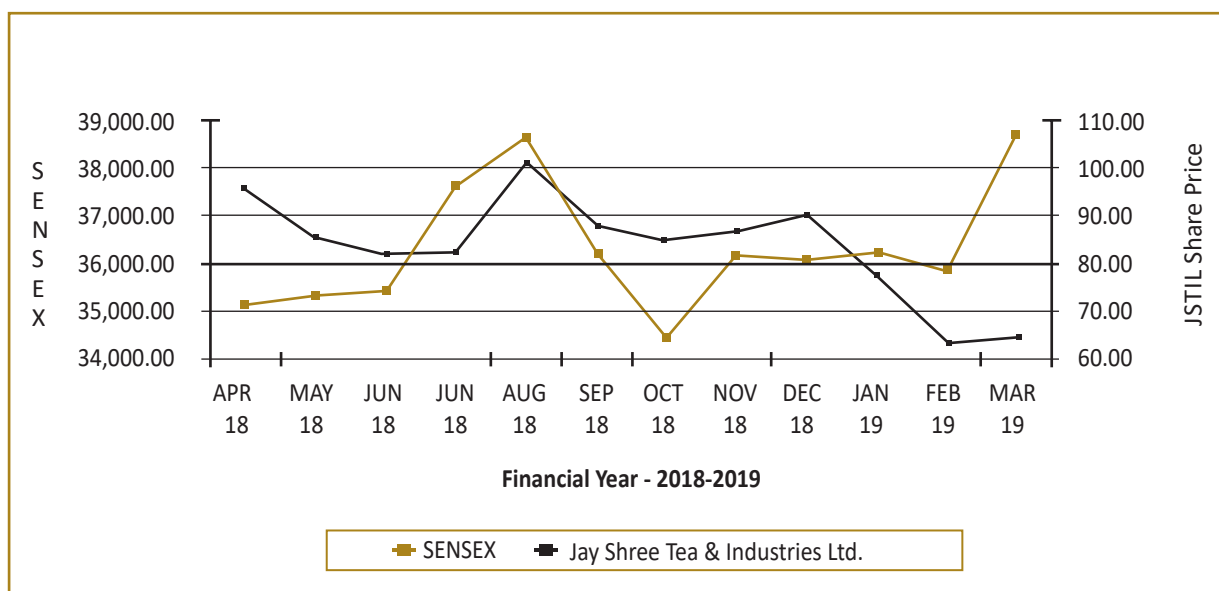
SHAREHOLDERS' INFORMATION

1. ANNUAL GENERAL MEETING													
Date and time	:	14th August, 2019 at 3:30 P.M.											
Venue	:	Kala Kunj 48, Shakespeare Sarani Kolkata-700017											
2. FINANCIAL CALENDER (Tentative)													
Financial Year	:	1st April to 31st March											
Financial Reporting for the Quarter Ending June 30, 2019	:	By 14th August, 2019											
September 30, 2019	:	By 14th November, 2019											
December 31, 2019	:	By 14th February, 2020											
Audited Yearly Results for the Year Ended 31st March, 2020	:	By 30th May, 2020											
3. DATE OF BOOK CLOSURE		:	7th August, 2019 to 14th August, 2019 (both days inclusive)										
4. DIVIDEND PAYMENT DATE		:	By 3rd week of August, 2019 (after declaration at AGM)										
5. LISTING ON STOCK EXCHANGES		:	The Calcutta Stock Exchange Association Ltd. (CSE) 7, Lyons Range Kolkata-700001 BSE Limited (BSE) Phiroze Jeejeebhoy Towers Dalal Street, Mumbai-400 001 National Stock Exchange of India Limited (NSE) “Exchange Plaza” Bandra-Kurla Complex, Bandra(E), Mumbai 400 051 The Company has paid listing fee for 2018-19										
6. STOCK CODE		<table><tr><th>Name of the Stock Exchange</th><th>Stock Code</th></tr><tr><td>The Calcutta Stock Exchange Ltd.</td><td>10000036</td></tr><tr><td>BSE Ltd.</td><td>509715</td></tr><tr><td>The National Stock Exchange of India Ltd.</td><td>JAYSREETEA</td></tr><tr><td>ISIN Number for NSDL & CDSL</td><td>INE364A01020</td></tr></table>		Name of the Stock Exchange	Stock Code	The Calcutta Stock Exchange Ltd.	10000036	BSE Ltd.	509715	The National Stock Exchange of India Ltd.	JAYSREETEA	ISIN Number for NSDL & CDSL	INE364A01020
Name of the Stock Exchange	Stock Code												
The Calcutta Stock Exchange Ltd.	10000036												
BSE Ltd.	509715												
The National Stock Exchange of India Ltd.	JAYSREETEA												
ISIN Number for NSDL & CDSL	INE364A01020												
7. STOCK MARKET DATA		The details of monthly high, low and close price of the shares on Bombay Stock Exchange Ltd. and The National Stock Exchange of India Ltd., where the Company’s shares are most frequently traded throughout the last financial year are as under :											

CORPORATE Governance Report (Contd.)

(In ₹ 5/- per share)

		Bombay Stock Exchange (BSE)			National Stock Exchange (NSE)		
Month		High	Low	Close	High	Low	Close
April	2018	102.75	85.90	95.60	103.50	85.55	95.25
May	2018	98.55	85.15	85.60	98.85	84.20	85.30
June	2018	92.90	76.40	82.45	93.20	76.10	82.30
July	2018	85.40	75.60	82.85	86.00	75.95	82.75
Aug.	2018	105.25	78.95	101.30	108.70	78.75	101.20
Sept.	2018	110.00	86.95	88.40	118.00	86.20	88.55
Oct.	2018	108.00	80.00	85.40	108.00	79.55	85.25
Nov.	2018	101.00	85.95	86.95	100.90	85.30	87.25
Dec.	2018	96.00	83.15	90.45	95.95	82.70	90.20
Jan.	2019	89.65	73.90	77.40	89.85	74.00	77.25
Feb.	2019	78.50	60.00	63.55	78.25	60.20	64.10
March	2019	79.00	64.45	64.80	75.90	64.10	65.00

8. STOCK PERFORMANCE**9. REGISTRAR & TRANSFER AGENTS**

Maheshwari Datamatics Pvt.Ltd.
 23, R.N.Mukherjee Road, 5th Floor, Kolkata-700 001
 Telephone No.: (033)2248-2248 / Fax (033) 2248-4787
 E-mail: mdpldc@yahoo.com

10. SHARE TRANSFER SYSTEM

The shares received for transfer in physical mode, if in order in all respects are registered and returned within 2 weeks from the date of lodgment.

CORPORATE Governance Report (Contd.)

11. DISTRIBUTION OF SHAREHOLDING

The shareholding distribution of equity shares of face value of ₹ 5/- per share as on 31st March, 2019 is given below :

No. of Shares held	No. of Shareholder	% Shareholders	No. of Shares	% of Shareholdings
1 to 500	21269	87.41	2626216	9.10
501 to 1000	1529	6.28	1244953	4.31
1001 to 2000	795	3.27	1217538	4.22
2001 to 3000	254	1.04	653727	2.26
3001 to 4000	126	0.52	447833	1.55
4001 to 5000	95	0.39	443019	1.53
5001 to 10000	131	0.54	943246	3.27
10001 & Above	134	0.55	21300956	73.76
	24333	100.00	28877488	100.00

12. SHARE HOLDING PATTERN AS ON 31st MARCH, 2019

Category	No. of Shareholders	% of Shareholders	No. of Shares held	% of Share holding
Promoters & Promoters Group	14	0.06	14549458	50.38
Financial Institutions, Banks & Mutual Funds	27	0.11	508067	1.76
Foreign Institutional Investors & FPI-Corporate	3	0.01	1480000	5.13
Private Body Corporates	555	2.28	2580311	8.94
NRI / OCB	329	1.35	448771	1.55
Investor Education & Protection Fund	1	0.01	200615	0.69
Individuals	23404	96.18	9110266	31.55
TOTAL	24333	100	28877488	100

13. DEMATERIALISATION OF SHARES AND LIQUIDITY

About 98.62% of the total equity share capital is held in demat form with NSDL & CDSL as on 31st March, 2019

14. OUTSTANDING GDRs/ADRs/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

None

15. COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

The Company is dealing with agro base commodity tea and hence is subjected to price risk relating to commodity price risk. The Company do not engage itself in commodity hedging activities. It is hedging foreign exchange exposures from time to time.

16. LOCATION OF COMPANY'S UNITS

As given on the inside of back cover of the Annual Report.

17. INVESTORS CORRESPONDENCE

Mr. R.K. Ganeriwala
(President, CFO & Secretary)
Jay Shree Tea & Industries Ltd.
"Industry House", 10, Camac Street, Kolkata-700 017
Telephone: (033) 2282-7531/4 (4 lines), Fax: (033) 2282-7535
E-mail: rkg@jayshreetea.com /shares@jayshreetea.com
Website: www.jayshreetea.com

CORPORATE Governance Report (Contd.)

DECLARATION REGARDING CODE OF CONDUCT

The Company has a Code of Conduct (Code) for all the members of the Board and Senior Management Personnel of the Company. The said "Code" has been circulated to the members of the Board and Senior Management Personnel, who have confirmed compliance of the same for the year ended 31st March, 2019. The said "Code" is also been posted on www.jayshreetea.com, the website of the Company. Based on the above, it is hereby declared that the Code has been complied with by all.

For **Jay Shree Tea & Industries Limited**

D. P. MAHESHWARI

Managing Director

(DIN:02203749)

Kolkata, the 28th day of May, 2019

MD/CFO CERTIFICATE

To

The Board of Directors

Jay Shree Tea & Industries Limited

- a) We have reviewed the financial statements and the Cash Flow Statement for the year ended 31st March 2019 duly audited by Statutory Auditors S.R.Batliboi & Co.LLP, Chartered Accountants, Kolkata and that 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 existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year could be considered as fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We do accept the responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the Auditors and that the Audit Committee deficiencies in the design or operation of 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, if any, in the internal control over financial reporting during the year
 - ii) Significant changes, if any, in accounting policies made during the year and that the same have been disclosed in the notes to the financial statement; and
 - iii) Instances of significant fraud of which they 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

R. K .GANERIWALA

President, CFO & Secretary

D. P. MAHESHWARI

Managing Director

(DIN:02203749)

Kolkata, 28th Day of May, 2019

CORPORATE Governance Report (Contd.)

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Members of Jay Shree Tea & Industries Limited
Industry House
10, Camac Street
Kolkata - 700017

1. The Corporate Governance Report prepared by Jay Shree Tea & Industries Limited (hereinafter the "Company"), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') with respect to Corporate Governance for the year ended March 31, 2019. This report is required by the Company for annual submission to the Stock Exchange and to be sent to the Shareholders of the Company.

MANAGEMENT'S RESPONSIBILITY

2. The preparation of the Corporate Governance Report is the responsibility of the management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors of the Company are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

AUDITOR'S RESPONSIBILITY

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the Listing Regulations referred to in paragraph 3 above.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). 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 Institute of Chartered Accountants of India.
6. 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.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of key procedures performed include:
 - i. Reading and understanding of the information prepared by the Company and included in its Corporate Governance Report;
 - ii. Obtained and verified as to whether the composition of the Board of Directors w.r.t executive and non-executive directors has been met throughout the reporting period or not;
 - iii. Obtained and read the Directors Register as on 31st March 2019 and verified that atleast one women director was on the Board during the year;
 - iv. Obtained and read the minutes of the following committee meetings held between 1st April 2018 to 31st March 2019:
 - (a) Board of Directors meeting;
 - (b) Audit committee;
 - (c) Annual General meeting;

CORPORATE Governance Report (Contd.)

- (d) Nomination and remuneration committee;
 - (e) Stakeholders Relationship Committee;
 - (f) Independent directors meeting; and
 - (g) Corporate Social Responsibility Committee.
- v. Obtained necessary representations and declarations from directors of the Company including the independent directors; and
 - vi. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

8. Basis For Qualified Opinion

- a) As per regulation 17(1)(b) of the Listing Regulations, when the chairperson of the board of directors is a non-executive director, at least one-third of the board of directors shall comprise of independent directors, provided further that where the non-executive chairperson is also the promoter of the listed entity, at least half of the board of directors of the listed entity shall consist of independent directors. The Company's non-executive chairperson is one of the promoters of the Company and therefore the Company is required to have at least half of the board consisting of independent directors. During the year, from May 29, 2018 to February 11, 2019, the Company had 3 independent directors as against required number of 4 independent directors on its board.
- b) As per regulation 24(1) of the Listing Regulations, at least one independent director on the board of directors of the listed entity shall be a director on the board of an unlisted material subsidiary, whether incorporated in India. One of the Company's unlisted material subsidiary's board of directors did not have Company's independent director on its board.

Qualified Opinion

- 9. Based on the procedures performed by us as referred in paragraph 7 above, and according to the information and explanations given to us, except for the matters stated in paragraph 8 (a) and (b) above, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2019, referred to in paragraph 2 above.

OTHER MATTERS AND RESTRICTION ON USE

- 10. This report 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.
- 11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Sanjay Kumar Agarwal**

Partner

Membership Number: 060352

UDIN: 19060352AAAABG6386

Place: Kolkata

Date: May 28, 2019

CORPORATE Governance Report (Contd.)**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Jay Shree Tea & Industries Limited
“Industry House”
10, Camac Street, Kolkata-700017

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Jay Shree Tea & Industries Limited having CIN L15491WB1945PLC012771 and having registered office at “Industry House” 10, Camac Street, Kolkata-700017 (hereinafter referred to as ‘the Company’), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. B. K. Birla	00055856	25.10.1945
2.	Mrs. Jayashree Mohta	01034912	17.06.1992
3.	Mr. S. K. Tapuriah	01065278	06.08.1990
4.	Mr. Sumit Mazumder	00116654	07.02.2018
5.	Mr. Subodh Kumar Agrawal	00553916	01.08.2014
6.	Mr. Harsh Vardhan Kanoria	00060259	11.02.2019
7.	Mr. Vikash Kandoi	00589438	29.07.2008
8.	Mr. D. P. Maheshwari	02203749	27.06.2008

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Name : **Seema Bothra**
(Practicing Company Secretary)

Place: Kolkata Membership No. : 8106
Date : 21.05.2019 CP No. : 8420

STATEMENT Pursuant to Section 129 of Companies Act, 2013

(₹ in Lakhs unless otherwise stated)

Statement containing salient features of the financial statement of Subsidiaries/Step down Subsidiaries/
Associate Company/Joint Venture for the Year Ended 31.03.2019**PART "A" - SUBSIDIARIES/ STEP-DOWN SUBSIDIARIES**

Sl. No.	1	2	3	4	5	6
Name of the subsidiary	Majhulia Sugar Industries Private Limited	North Tukvar Tea Company Limited	Jayantika Investment & Finance Limited	Birla Holdings Limited	Kijura Tea Company Limited	Bondo Tea Estate
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Reporting currency and exchange rate as on the last date of the relevant financial year in the case of Foreign Subsidiary/Step down Subsidiaries	N.A.	N.A.	N.A.	INR/USD = 69.15	INR/USD = 0.01796	INR/USD = 0.01796
Equity Share Capital	313.50	240.38	299.50	2.10	18.05	13.54
Other Equity	3,691.36	-333.29	8,290.39	1,678.16	743.06	11.61
Total Assets	41,769.80	371.55	11,890.90	2,791.59	2,553.90	149.75
Total Liabilities	37,764.94	464.46	3,301.01	1,111.33	1,792.79	124.60
Investments	453.45	104.49	9,215.73	1,129.43	920.97	-
Turnover	17,392.08	-	368.47	-	2,280.14	295.57
Profit/(Loss) before taxation	70.82	-6.42	-69.43	5.97	-155.40	7.07
Provision for taxation	-	22.69	-8.35	-	-37.43	-3.22
Profit/(Loss) after taxation	70.82	-29.11	-61.08	5.97	-117.97	3.85
Proposed Dividend	-	-	1.50	-	-	-
% of shareholding	100%	90.50%	100%	100%	100%	100%

PART "B" : ASSOCIATE AND JOINT VENTUREStatement pursuant to Section 129 (3) of the Companies Act, 2013 related to
Associate Company and Joint Venture

Name of Associates / Joint Ventures	Tea Group Investment Company Limited (Joint Venture) including its two subsidiaries - a) Mata Tea Company Limited & b) Gisakura Tea Company Limited	ECE Industries Limited (Associate of Jayantika Investment & Finance Limited)
1. Latest Audited Balance Sheet Date	31.12.2018	31.03.2019
2. Share of Joint Venture/Associate held by the company at the year end	372300 Shares of AED 1 each	2709997 Shares of ₹ 10 each
Amount of Investment in Joint Venture/Associate	51.95	3818.43
Extent of Holding %	50%	37.18%
3. Description of how there is significant influence	N.A.	N.A.
4. Reason why the Associate/Joint Venture is not consolidated	N.A.	N.A.
5. Net Worth attributable to Shareholding as per latest Audited Balance Sheet	3929.97	7518.33
6. Profit/(Loss) for the year		
i) Considered in Consolidation	75.48	-32.84
ii) Not Considered in Consolidation	N.A.	N.A.

Notes :

1.	Name of Subsidiaries/Step-down Subsidiaries/ Associate/ Joint Venture which are yet to commence operations.	NIL
2.	Name of Subsidiaries/Step down Subsidiaries/Associate/ Joint Venture which have been liquidated or sold during the year.	NIL

For and on behalf of Board of Directors

Place: Kolkata
Date: 28 May 2019**D. P. Maheshwari**
(Managing Director)
(DIN: 02203749)**R. K. Ganeriwala**
(President, CFO
& Secretary)**S.K.Tapuriah**
(Director)
(DIN: 01065278)

FINANCIAL HIGHLIGHTS for the five years

(₹ in Lakhs)

	2018-19*	2017-18*	2016-17*	2015-16*	2014-15
ASSETS					
Non-current assets					
Property plant and equipment	22,586.49	21,819.65	21,561.32	34,705.37	30,989.91
Capital work-in-progress	2,308.28	1,825.51	961.30	432.82	1,582.56
Investment Property	2.22	2.26	2.29	2.32	1,484.03
Financial assets					
(a) Investments	28,379.32	27,133.26	25,233.81	14,794.23	21,456.09
(b) Trade Receivables	-	-	-	-	-
(c) Loans	752.21	862.71	852.20	809.71	873.57
(d) Other financial assets	13.55	12.04	5.52	4.64	6.32
Deferred tax assets (net)	1,297.77	1,107.08	910.06	-	-
Current Tax Assets (net)	559.17	524.08	596.93	843.20	819.60
Other non-current assets	501.03	528.67	299.80	329.54	275.11
Total Non-current assets	56,400.04	53,815.26	50,423.23	51,921.83	57,487.19
Current assets					
Inventories	11,677.26	8,972.71	9,459.13	22,426.18	24,265.11
Biological assets other than bearer plants	179.70	88.77	62.19	93.37	-
Financial assets					
(a) Investments	246.09	1,613.07	1,644.72	2,197.31	937.35
(b) Trade receivables	5,524.01	6,537.17	7,726.40	5,995.26	6,747.23
(c) Cash and cash equivalents	392.75	706.61	624.36	1,099.02	8,259.62
(d) Other Bank Balances	90.32	983.67	2,031.05	2,032.55	624.34
(e) Loans	10,289.77	5,484.89	1,322.22	945.40	542.86
(f) Other financial assets	2,888.62	3,420.81	4,134.81	5,272.73	4,723.74
Other current assets	1,731.54	960.43	846.29	1,079.41	1,246.68
Total Current assets	33,020.06	28,768.13	27,851.17	41,141.23	47,346.93
Total assets	89,420.10	82,583.39	78,274.40	93,063.06	1,04,834.12
EQUITY AND LIABILITIES					
Equity					
Equity Share Capital	1,443.87	1,443.87	1,443.87	1,443.87	1,443.87
Other Equity	25,488.68	26,177.00	25,703.92	26,387.05	35,623.46
Total Equity	26,932.55	27,620.87	27,147.79	27,830.92	37,067.33
Liabilities					
Non-current liabilities					
Financial liabilities					
(a) Borrowings	12,931.31	15,426.59	12,622.88	13,836.74	13,029.11
(b) Other Financial liabilities	123.98	117.43	114.46	251.30	166.42
Provisions	3,695.89	2,186.34	2,152.62	1,889.53	546.85
Deferred tax liabilities (net)	-	-	-	181.89	123.71
Current tax liabilities (net)	158.22	76.38	-	-	-
Other non-current liabilities	332.19	277.43	323.13	284.56	-
Total Non-current liabilities	17,241.59	18,084.17	15,213.09	16,444.02	13,866.09
Current liabilities					
Financial liabilities					
(a) Borrowings	26,217.29	20,315.13	18,925.84	16,912.85	24,288.23
(b) Trade payables	4,807.13	3,522.24	3,890.61	17,041.75	17,360.63
(c) Other financial liabilities	8,805.64	8,210.40	8,263.11	9,543.22	8,101.64
Other current liabilities	805.69	699.89	697.19	1,519.42	1,233.61
Provisions	4,610.21	4,130.69	4,136.77	3,770.88	2,916.59
Total Current liabilities	45,245.96	36,878.35	35,913.52	48,788.12	53,900.70
Total liabilities	62,487.55	54,962.52	51,126.61	65,232.14	67,766.79
Total Equity and Liabilities	89,420.10	82,583.39	78,274.40	93,063.06	1,04,834.12
Net Worth per Equity Share of ₹ 5/- each (in ₹)	93.26	95.65	94.01	96.38	128.36
Dividend per Equity Share of ₹ 5/- each (in ₹)	0.35	0.50	0.50	1.00	1.00

* Figures for F.Y.2018-19, F.Y.2017-18, F.Y.2016-17 & F.Y.2015-16 are as per Ind AS compliant financial statements.
Previous period figures are as per IGAAP financial statements.
Figures for Previous years have been regrouped/rearranged.

FINANCIAL HIGHLIGHTS for the five years *(Contd.)*

(₹ in Lakhs)

	2018-19*	2017-18*	2016-17*	2015-16	2014-15
A. Income					
1 Revenue from Operations	56,066.77	55,191.93	54,118.31	69,601.99	68,471.34
2 Other Income	1,447.94	1,749.29	1,794.62	1,841.76	1,474.23
Total Income	57,514.71	56,941.22	55,912.93	71,443.75	69,945.57
B. Expenditure					
1 Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-trade	(2,010.82)	698.00	(41.14)	1,535.32	(673.79)
2 Purchases of Stock-in-trade	5,878.95	7,092.91	6,843.98	7,027.14	5,937.31
3 Cost of Materials Consumed	10,540.77	7,939.61	7,960.82	19,873.11	24,643.95
4 Employee benefits expense	22,825.73	21,091.32	21,671.51	21,485.51	18,710.83
5 Consumption of Stores & Spare Parts	3,154.72	3,140.31	3,448.77	4,023.27	4,457.01
6 Power & Fuel	4,596.27	4,274.39	4,090.30	4,086.24	4,196.70
7 Manufacturing & Other Miscellaneous Exp.	4,045.70	3,844.57	3,304.36	5,361.42	5,843.02
8 Selling & Distribution Expenses	3,821.67	4,722.08	5,024.58	3,965.42	3,657.63
9 Depreciation and amortisation expenses	1,593.44	1,453.77	1,469.02	1,638.26	1,359.22
10 Interest (Net)	2,559.81	2,386.30	2,670.22	4,075.20	3,929.41
Total Expenditure	57,006.24	56,643.26	56,442.42	73,070.89	72,061.29
C. Profit/(Loss) before Taxation (A-B)	508.47	297.96	(529.49)	(1,627.14)	(2,115.72)
D. Tax Expense					
Provision for Taxation-Current Tax	116.86	-	-	110.00	200.00
MAT Credit Entitlement	-	-	-	133.41	173.07
Tax Adjustment for earlier years	(160.38)	-	(7.43)	-	(16.82)
Provision for Taxation-Deferred Tax	241.92	(40.75)	464.94	45.81	(569.63)
Total Tax Expense	198.40	(40.75)	457.51	289.22	(213.38)
E. Profit/(Loss) after Taxation (C-D)	310.07	338.71	(987.00)	(1,916.36)	(1,902.34)
F. Other Comprehensive Income	(824.63)	(342.43)	(181.82)	-	-
G. Total Comprehensive Income (net of tax) (E-F)	(514.56)	(3.72)	(1,168.82)	-	-

* Figures for F.Y.2018-19, F.Y.2017-18 & F.Y.2016-17 are as per Ind AS compliant financial statements.

Previous period figures are as per IGAAP financial statements.

Figures for Previous years have been regrouped/rearranged

Independent Auditor's Report

To the Members of Jay Shree Tea & Industries Limited

REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS

Opinion

We have audited the accompanying standalone Ind AS financial statements of Jay Shree Tea & Industries Limited ("the Company"), which comprise the Balance sheet as at March 31, 2019, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of 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 Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the standalone Ind AS 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 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 audit opinion on the standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Estimation of Useful Life of Bearer Plants (as described in note 3.3 of the standalone Ind AS financial statements)	
Useful life of Bearer Plants requires the management to exercise significant judgement in relation to the estimate thereof. Nature, timing and likelihood of changes to the natural factors may affect the useful life expectancy of the assets and therefore could have a material impact on the depreciation expense for the year. As per the Ind AS 16 – "Property, Plant and Equipment", the management reviews the estimated useful life and the residual value of Bearer Plants annually and adjust for changes, where appropriate. Accordingly, the matter has been identified as key audit matter. The written down value of such Bearer Plants as on March 31, 2019 is Rs. 5,303.05 lakhs.	<ul style="list-style-type: none"> Assessed the management's estimates of the useful life of Bearer Plants with reference to: (1) the consistency with the Company's pattern of economic benefits embodied in such assets and future operating plans including acquisitions and retirements of the Bearer Plants; (2) the comparison to the useful life estimates adopted by the comparable tea producers; and (3) consideration of the Company's historical experience. Evaluated the assumptions and critical judgements used by the management through testing of underlying documents / details. Assessed the related disclosures included in the standalone Ind AS financial statements in this regard.
Valuation of Biological Assets (including valuation of harvested tea leaves) (as described in note 3.8 and 3.9 respectively of the standalone Ind AS financial statements)	
The Company holds ₹ 179.70 lakhs of biological assets (unplucked tea leaves) as current assets inventory as at March 31, 2019. As required by Ind AS 41 - "Agriculture", management estimates the fair value of harvested tea leaves used in manufacture of tea and unplucked tea leaves (biological assets as at the balance sheet	<ul style="list-style-type: none"> Assessed the significant assumptions used in the valuation model with reference to available market information. Understood, evaluated and tested the operating effectiveness of internal controls over valuation of biological assets and harvested tea leaves.

Independent Auditor's Report (Contd.)

Key audit matters	How our audit addressed the key audit matter
date) through the use of valuation models and recent transaction prices. Significant judgement is required for key assumptions used in determining average prevalent selling prices of the tea leaves, average quality of the tea leaves and quantity of unplucked leaves. Accordingly, this matter has been identified as a key audit matter.	<ul style="list-style-type: none"> Tested the selection of data inputs used against appropriate supporting documents. Assessed the financial statement disclosures including disclosures of key assumptions, judgement and sensitivities.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Report of Directors including Annexures to the Report of Directors, Corporate Governance and Statement pursuant to Section 129 of the Companies Act, 2013, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS 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 standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS 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 Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 Ind AS 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 Ind AS 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained,

Independent Auditor's Report (Contd.)

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

- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS 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 Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 30 to the standalone Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Sanjay Kumar Agarwal**

Partner

Membership Number: 060352

Place: Kolkata

Date: May 28, 2019

“ANNEXURE 1” to the Independent Auditor’s Report

Referred to our report of even date to the members of Jay Shree Tea & Industries Limited as at and for the year ended March 31, 2019

- (i)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
 - (b) The Company has a program of verification of property, plant and equipment to cover all the items in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties as shown in Note 4 of the standalone Ind AS financial statements are held in the name of the Company except for (a) 5 (five) tea garden land leases having a gross carrying value of property, plant and equipment thereon including Plantation and Buildings of ₹ 3,453.30 lakhs and ₹ 594.20 lakhs respectively (net carrying value of ₹ 3,207.94 lakhs and ₹ 426.57 lakhs respectively) is under renewal; (b) 2 (two) tea garden land and Plantation thereon having a gross carrying value of ₹ 44.69 lakhs and ₹ 62.61 lakhs (net carrying value of ₹ 44.69 lakhs and ₹ 58.84 lakhs respectively) and 2 (two) of Buildings with gross carrying value of ₹ 16.48 lakh (net carrying amount of ₹ 9.80 lakhs), for which registration in the name of the Company is pending.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification. Inventories lying with third parties have been confirmed by them as at March 31, 2019 and no material discrepancies were noticed in respect of such confirmations.
- (iii)
 - (a) The Company has granted loans to four companies covered in the register maintained under section 189 of the Companies Act, 2013. Except in case of loans to two subsidiaries (including one stepdown subsidiary) aggregating to Rs. 135.73 lakhs on which no interest has been charged by the Company, in our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the Company's interest.
 - (b) The Company has granted loans that are re-payable on demand, to the companies, as stated above, covered in the register maintained under section 189 of the Companies Act, 2013. We are informed that the loans are in the nature of current account balance and as such there has been no default on the part of the parties to whom the money has been lent. Except for our comments in para (iii)(a) above, as represented to us, the payment of interest has been regular.
 - (c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.
- (iv) In our opinion and according to the information and explanations given to us, provisions of section 185 of the Companies Act, 2013 in respect of loans to directors including entities in which they are interested are not applicable to the Company and hence not commented upon. In our opinion and according to the information and explanations given to us, provision of section 186 of the Companies Act, 2013 in respect of loans and advances given, investments made and guarantees given have been complied with by the Company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to manufacture of goods, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii)
 - (a) Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

“ANNEXURE 1” to the Independent Auditor’s Report (Contd.)

- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees’ state insurance, income tax, service tax, sales tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues of income tax, sales tax, service tax, duty of excise and value added tax on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ In Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	169.82	2007-08, 2013-14	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	45.30	2005-06 to 2008-09	Hon'ble High Court, Calcutta
Central Sales Tax Act, 1956	Central Sales Tax	4.65	2006-07, 2009-10	Hon'ble High Court, Calcutta
WB Value Added Tax Act, 2003/ Central Sales Tax Act, 1956	Sales Tax/Central Sales Tax	447.35	2005-06 to 2007-08, 2009-10 to 2014-15	West Bengal Appellate & Revisional Board
WB Value Added Tax Act, 2003/ Central Sales Tax Act, 1956	Sales Tax/Central Sales Tax	0.73	1999-00 and 2001-02	DC Commercial Taxes and Assistant Commissioner of Sales Tax
W.B. Value Added Tax Act, 2003	Sales Tax	97.39	2003-04, 2005-06 to 2007-08, 2011-12	W.B. Taxation Tribunal
The Central Excise Act, 1944	Excise Duty	50.05	2004-05	CESTAT, Kolkata

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to banks. Based on our audit procedures and as per the information and explanations given by the management, the Company did not have any outstanding dues to a financial institution or government or due to debentures holders.
- (ix) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans for the purposes for which they were raised. Based on the information and explanations given by the management, the Company has not raised any money by way of initial public offer, further public offer and debt instruments.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone Ind AS financial statements and according to the information and explanations given by the management, we report that no material fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone Ind AS financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and, consequently reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.

“ANNEXURE 1” to the Independent Auditor’s Report (Contd.)

- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

Place: Kolkata
Date: May 28, 2019

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005
per **Sanjay Kumar Agarwal**
Partner
Membership Number: 060352

“ANNEXURE 2” to the Independent Auditor’s Report

“Annexure 2” To The Independent Auditor’s Report of even date on the Standalone Ind AS Financial Statements of Jay Shree Tea & Industries Limited

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)

We have audited the internal financial controls over financial reporting of Jay Shree Tea & Industries Limited (“the Company”) as of March 31, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 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.

AUDITOR’S RESPONSIBILITY

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting with reference to these standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. 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 with reference to these standalone Ind AS financial statements 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 over financial reporting with reference to these standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone Ind AS financial statements, 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 Ind AS financial statements, whether due to fraud or error.

“ANNEXURE 2” to the Independent Auditor’s Report

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these standalone Ind AS financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE STANDALONE IND AS FINANCIAL STATEMENTS

A company's internal financial control over financial reporting with reference to these standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these standalone Ind AS financial statements 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 standalone Ind AS 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 standalone Ind AS financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE STANDALONE IND AS FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone Ind AS financial statements, 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 with reference to these standalone Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Kolkata

Date: May 28, 2019

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Sanjay Kumar Agarwal**

Partner

Membership Number: 060352

BALANCE SHEET as at 31st March, 2019

(₹ in Lakhs)

	Notes	As at 31-Mar-2019	As at 31-Mar-2018
ASSETS			
Non-Current Assets			
Property, Plant And Equipment	4	22,586.49	21,819.65
Capital Work-in-Progress	4	2,308.28	1,825.51
Investment Property	4	2.22	2.26
Financial Assets			
(a) Investments	5a	28,379.32	27,133.26
(b) Trade Receivables	5c	-	-
(c) Loans	5d	752.21	862.71
(d) Other Financial Assets	5e	13.55	12.04
Deferred Tax Assets (Net)	6	1,297.77	1,107.08
Current Tax Assets (Net)		559.17	524.08
Other Non-Current Assets	7	501.03	528.67
Total Non-Current Assets		56,400.04	53,815.26
Current Assets			
Inventories	8	11,677.26	8,972.71
Biological Assets Other Than Bearer Plants	8a	179.70	88.77
Financial Assets			
(a) Investments	5b	246.09	1,613.07
(b) Trade Receivables	5c	5,524.01	6,537.17
(c) Cash And Cash Equivalents	9a	392.75	706.61
(d) Other Bank Balances	9b	90.32	983.67
(e) Loans	5d	10,289.77	5,484.89
(f) Other Financial Assets	5e	2,888.62	3,420.81
Other Current Assets	7	1,731.54	960.43
Total Current Assets		33,020.06	28,768.13
Total Assets		89,420.10	82,583.39
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	10	1,443.87	1,443.87
Other Equity	11	25,488.68	26,177.00
Total Equity		26,932.55	27,620.87
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
(a) Borrowings	12a	12,931.31	15,426.59
(b) Other Financial Liabilities	12b	123.98	117.43
Provisions	13	3,695.89	2,186.34
Current Tax Liabilities (Net)		158.22	76.38
Other Non-Current Liabilities	15	332.19	277.43
Total Non-Current Liabilities		17,241.59	18,084.17
Current Liabilities			
Financial liabilities			
(a) Borrowings	12c	26,217.29	20,315.13
(b) Trade payables			
Total Outstanding Dues of Micro Enterprises and Small Enterprises	14	-	-
Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	14	4,807.13	3,522.24
(c) Other Financial Liabilities	12b	8,805.64	8,210.40
Other Current Liabilities	15	805.69	699.89
Provisions	13	4,610.21	4,130.69
Total Current Liabilities		45,245.96	36,878.35
Total Liabilities		62,487.55	54,962.52
Total Equity And Liabilities		89,420.10	82,583.39

Significant accounting policies

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

As per our report on even date

For **S.R.BATLIBOI & CO. LLP**

Chartered Accountants

Firm Registration No : 301003E/E300005

per **Sanjay Kumar Agarwal**

Partner

Membership No: 060352

Place: Kolkata

Date: 28 May 2019

For and on behalf of Board of Directors

D. P. Maheshwari
(Managing Director)
(DIN: 02203749)

R. K. Ganeriwala
(President, CFO
& Secretary)

S.K.Tapuriah
(Director)
(DIN: 01065278)

STATEMENT OF PROFIT & LOSS for the year ended 31st March, 2019

(₹ in Lakhs)

	Notes	Year Ended 31-Mar-2019	Year Ended 31-Mar-2018
I. Income			
Revenue from operations	16	56,066.77	55,191.93
Other income	17	2,845.80	2,719.27
Total income (I)		58,912.57	57,911.20
II. Expenses			
Cost of Materials Consumed	18	10,540.77	7,939.61
Purchases of Traded Goods	19	5,878.95	7,092.91
Changes in Inventories of Finished Goods, Work-in-Progress and Traded Goods	20	(2,010.82)	698.00
Employee Benefits Expense	21	22,825.73	21,091.32
Finance Costs	22	3,957.67	3,356.28
Depreciation and Amortisation Expense	23	1,593.44	1,453.77
Other Expenses	24	15,618.36	15,981.35
Total expenses (II)		58,404.10	57,613.24
III. Profit before tax (I-II)		508.47	297.96
IV. Tax expense			
Current Tax		116.86	-
Deferred Tax Charge/(Credit)	6	241.92	(40.75)
Adjustment of Tax relating to Earlier Periods		(160.38)	-
		198.40	(40.75)
V. Profit for the year (III – IV)		310.07	338.71
VI. Other Comprehensive income:			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax)			
Re-measurement gains and (losses) on defined benefit obligations		(1,033.39)	(245.18)
Fair Value of Equity Instruments through OCI		208.76	(97.25)
Other comprehensive income/(loss) for the year, net of tax (VI)		(824.63)	(342.43)
VII. Total comprehensive income for the year, net of tax (V + VI)		(514.56)	(3.72)
Earnings per Equity Share of ₹ 5/- each			
Basic & Diluted	25	1.07	1.17

Significant accounting policies

3

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

As per our report on even date

For **S.R.BATLIBOI & CO. LLP**

For and on behalf of Board of Directors

Chartered Accountants

Firm Registration No : 301003E/E300005

per **Sanjay Kumar Agarwal**

Partner

Membership No: 060352

Place: Kolkata

Date: 28 May 2019

D. P. Maheshwari
(Managing Director)
(DIN: 02203749)

R. K. Ganeriwala
(President, CFO
& Secretary)

S.K.Tapuriah
(Director)
(DIN: 01065278)

STATEMENT OF CHANGES IN EQUITY for the year ended 31st March, 2019

(₹ in Lakhs)

a. Equity Share Capital:

	No. of shares	₹ in Lakhs
Equity shares of ₹ 5 each issued, subscribed and fully paid		
As at 1st April, 2017	2,88,77,488	1,443.87
Issue of share capital	-	-
At 31st March, 2018	2,88,77,488	1,443.87
Issue of share capital	-	-
At 31st March, 2019	2,88,77,488	1,443.87

b. Other equity

For the year ended 31st March, 2019

Particulars	Reserves & Surplus				Treasury shares	Items of OCI Other Comprehensive Income	Total Equity
	Capital Reserve	Capital Redemption Reserve	General reserve	Retained Earnings			
As at 1st April, 2018	2,200.85	165.21	20,201.29	3,758.01	-	(148.36)	26,177.00
Profit for the year	-	-	-	310.07	-	-	310.07
Other comprehensive income/(loss) for the year	-	-	-	-	-	(824.63)	(824.63)
Total Comprehensive Income for the year	-	-	-	310.07	-	(824.63)	(514.56)
Dividend and distribution tax thereon (Note 26)	-	-	-	(173.76)	-	-	(173.76)
As at 31st March, 2019	2,200.85	165.21	20,201.29	3,894.32	-	(972.99)	25,488.68

For the year ended 31st March, 2018

Particulars	Reserves & Surplus				Treasury shares	Items of OCI Other Comprehensive Income	Total Equity
	Capital Reserve	Capital Redemption Reserve	General reserve	Retained Earnings			
As at 1st April, 2017	2,200.85	165.21	20,201.29	3,274.80	(332.30)	194.07	25,703.92
Sale/Transfer of Treasury Shares	-	-	-	352.32	332.30	-	684.62
Profit for the year	-	-	-	338.71	-	-	338.71
Other comprehensive income/(loss) for the year	-	-	-	-	-	(342.43)	(342.43)
Total Comprehensive Income for the year	-	-	-	338.71	-	(342.43)	(3.72)
Dividend and distribution tax thereon (Note 26)	-	-	-	(207.82)	-	-	(207.82)
As at 31st March, 2018	2,200.85	165.21	20,201.29	3,758.01	-	(148.36)	26,177.00

Significant accounting policies

3

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

As per our report on even date

For **S.R.BATLIBOI & CO. LLP**

Chartered Accountants

Firm Registration No : 301003E/E300005

per **Sanjay Kumar Agarwal**

Partner

Membership No: 060352

Place: Kolkata

Date: 28 May 2019

For and on behalf of Board of Directors

D. P. Maheshwari
(Managing Director)
(DIN: 02203749)

R. K. Ganeriwala
(President, CFO
& Secretary)

S.K.Tapuriah
(Director)
(DIN: 01065278)

CASH FLOW STATEMENT for the year ended 31st March, 2019

(₹ in Lakhs)

	Particulars	Year Ended 31-Mar-2019	Year Ended 31-Mar-2018
A.	CASH FLOW FROM OPERATING ACTIVITIES:		
	Profit before tax	508.47	297.96
	Adjustment to reconcile profit before tax to net cash flow		
	Depreciation and Amortisation Expense	1,593.44	1,453.77
	Finance Costs	3,957.67	3,356.28
	Bad Debts & Irrecoverable Loans, Advances & Claims written off	21.16	20.73
	Reserve for Doubtful Debts & Advances further created	37.46	0.98
	Dividend Received from Investments	(74.82)	(94.62)
	Profit on Sale of Investments	(361.19)	(1,182.49)
	Fair Value Loss on Investments	196.39	364.41
	Fair Value (Gain) on Biological Assets	(90.93)	(26.58)
	Profit on sale of Property, Plant & Equipment	(580.17)	(0.12)
	Excess Liabilities and Unclaimed Balances written back	(111.79)	(23.98)
	Interest Income	(1,397.86)	(969.97)
	Operating profit before working capital changes	3,697.83	3,196.37
	Adjustments for-		
	(Increase)/Decrease in Inventories	(2,704.55)	486.42
	Decrease in Trade Receivables	954.54	1,167.52
	(Increase)/Decrease in Loans, Deposits and Other Assets	(217.29)	342.67
	Increase/(Decrease) in Trade Payables	1,284.93	(368.33)
	Increase/(Decrease) in Other Liabilities	825.63	(16.85)
	Increase/(Decrease) in Provisions	494.65	(349.23)
	Cash generated from operations	4,335.74	4,458.57
	Income Tax (Paid)/Refund [Net]	90.27	149.23
	Net cash inflow from Operating Activities	4,426.01	4,607.80
B.	CASH FLOW FROM INVESTING ACTIVITIES:		
	Dividend Received from Investments	74.82	94.62
	Interest Received	1,431.76	918.43
	Sale of Property, Plant & Equipment	820.44	32.25
	Maturity of Bank Fixed Deposits [Net]	889.14	1,035.40
	(Purchase)/Sale of Non-Current Investments [Net]	1,014.83	(486.92)
		4,230.99	1,593.78
	Less :		
	Purchase of Property, Plant & Equipment	(3,216.04)	(2,659.57)
	Investment in Subsidiaries	(491.93)	-
	Loans and Advances to Subsidiaries	(4,678.53)	(4,155.04)
	Net cash (outflow) from Investing Activities	(4,155.51)	(5,220.83)

CASH FLOW STATEMENT for the year ended 31st March, 2019 *(Contd.)*

(₹ in Lakhs)

Particulars		Year Ended 31-Mar-2019	Year Ended 31-Mar-2018
C.	CASH FLOW FROM FINANCING ACTIVITIES:		
	Proceeds from Non-Current Borrowings	4,600.00	9,900.00
	Proceeds from Current Borrowings [Net]	5,902.16	1,389.29
	Repayment of Non-Current Borrowings	(6,944.50)	(6,964.90)
	Dividend Paid (including Dividend Distribution Tax)	(173.76)	(205.88)
	Interest Paid	(3,968.26)	(3,423.23)
	Net cash (outflow)/inflow from Financing Activities	(584.36)	695.28
	Net (Decrease)/Increase in Cash and Cash Equivalents (A+B+C)	(313.86)	82.25
	Cash and Cash Equivalents at the beginning of the Year (Refer Note 9a)	706.61	624.36
	Cash and Cash Equivalents at the end of the Year (Refer Note 9a)	392.75	706.61

Significant accounting policies

3

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

As per our report on even date

For **S.R.BATLIBOI & CO. LLP**

For and on behalf of Board of Directors

Chartered Accountants

Firm Registration No : 301003E/E300005

per **Sanjay Kumar Agarwal**

Partner

Membership No: 060352

Place: Kolkata

Date: 28 May 2019

D. P. Maheshwari
(Managing Director)
(DIN: 02203749)

R. K. Ganeriwala
(President, CFO
& Secretary)

S.K.Tapuriah
(Director)
(DIN: 01065278)

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019

Note - 1 Corporate Information

Jay Shree Tea & Industries Limited ('the Company') is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act. Its shares are listed on three stock exchanges in India.

The Company is engaged in manufacture of tea and chemical & fertilisers.

The registered office of the Company is located at 10, Camac Street, Kolkata - 700 017, West Bengal, India.

The standalone Ind AS financial statements were approved and authorised for issue in accordance with the resolution of the Company's Board of Directors on 28th May 2019.

Note - 2 Basis of Preparation

The financial statements of the Company for the year ended 31 March, 2019 have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

The preparation of financial statements require judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities including contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period prospectively in which the results are known/ materialized.

These Ind AS financial statements have been prepared on a historical cost basis, except for

- Certain financial assets and liabilities (including derivative financial instruments) measured at fair value / amortized cost
- Defined benefit plans – plan assets measured at fair value
- Certain biological assets (including unplucked green leaves) which are measured at fair value less cost to sell. (refer accounting policy regarding financial instruments).

The Ind AS financial statements are presented in INR and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

Note - 3 SIGNIFICANT ACCOUNTING POLICIES

3.1. Current and Non-Current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The group has identified twelve months as its operating cycle.

3.2. Foreign Currencies

Functional and presentation currency

The Ind AS financial statements are presented in INR, which is the Company's functional currency. Foreign currency transactions are initially recorded at functional currency spot rates at the date the transaction first qualifies for recognition.

Transaction and balances

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on the settlement or translation of monetary items are recognized in the Statement of Profit and Loss in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

3.3. Property, Plant and Equipment

Property, plant and equipment are carried at cost of acquisition, less accumulated depreciation and accumulated impairment, if any. Cost comprises purchase price and directly attributable cost of bringing the asset to its working condition for the intended use. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

Bearer Plants which is used in the production or supply of agriculture produce and expected to bear produce for more than a period of twelve months are capitalized as a part of Property, Plant & Equipment. The cost of Bearer Plant includes all cost incurred till the plants are ready for commercial harvest. Bearer Plants are depreciated from the date when they are ready for commercial harvest.

An item of Property, Plant and Equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of the asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Depreciation on Property, Plant and Equipment other than land is provided on the Straight Line Method to allocate their cost, net of their residual values on the basis of useful lives prescribed in the Schedule II of the Companies Act, 2013. In respect of the following assets, useful lives different from Schedule II have been considered on the basis of technical evaluation, as under:-

- In case of asset "Plucking/Pruning/Power Spraying Machines", depreciation is provided on Straight Line Method at the rates determined considering the useful lives of 5 years which is based on internal assessment and the management believes that the useful lives as considered above best represent the period over which the respective assets shall be expected in use.
- Depreciation on Bearer Plants has been provided on Straight Line Basis at the rates determined considering useful lives of tea bushes of 45-70 years. The Residual Value in case of Bearer Plants has been considered as 1% of Original Cost.

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.4. Capital Work in Progress

Capital Work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production.

3.5. Investment Properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes.

3.6. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease.

Where the Company is lessee

A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Where the Company is the lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Assets subject to operating leases are included in property, plant and equipment. Lease income on an operating lease is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the Statement of Profit and Loss.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease

3.7. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they incur. Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds. Other borrowing costs are recognized as an expense in the period in which they are incurred.

3.8. Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials in the form of harvested tea leaves, produced from own gardens are measured at fair value for the purpose of valuation of made tea.

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)*

Raw materials (including purchased tea leaves), Stores & Spare parts, Finished Goods and Traded Goods stated at the lower of cost and estimated net realisable value. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to their present location and condition and includes appropriate overheads (in case of Finished Goods). Cost is determined on weighted average basis. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

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

3.9. Biological Assets

Biological Assets of tea leaves growing on tea bushes are measured at fair value less cost to sell with changes in fair value recognised in Statement of Profit and Loss. The fair value of these assets excludes the land upon which the crops are planted, or the items of Property, plant and equipment utilised in the upkeep of the planted areas.

3.10. Cash and Cash Equivalents

Cash and cash equivalent comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

3.11. Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment, if any.

3.12. Equity Investments in subsidiaries and joint venture

Investments representing equity interest in subsidiaries and joint venture are carried at cost.

3.13. Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units' (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are 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 asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit and Loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

3.14. Government Grants

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

asset, it is deducted while calculating carrying amount of the asset. The grant is recognised in the Profit and loss statement over the life of the depreciable asset as a reduced depreciation expense.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to the Statement of Profit and Loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities in respect of loans / assistances received subsequent to the date of transition.

Amendment to Ind AS 20 Government Grant related to non-monetary asset

The amendment clarifies that where the government grant related to asset, including non-monetary grant at fair value, shall be presented in balance sheet either by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset. Prior to the amendment, Ind AS 20 did not allow the option to present asset related grant by deducting the grant from the carrying amount of the asset. The Company has adopted the method of deducting grant from the carrying amount of the asset. However, this amendment does not have any significant impact on the financial statements.

3.15. Revenue from contracts with customer

Ind AS 115 was issued on 28 March 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all the relevant facts and circumstances when applying each step of the model to contracts with their customers. The Company adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of 1 April 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Company elected to apply the standard to all contracts as at 1 April 2018. However, the application of Ind AS 115 does not have any significant impact on the recognition and measurement of revenue and related items.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Revenue is measured at the fair value of the consideration received or receivable, net of returns, discounts, volume rebates, outgoing sales taxes including goods and service tax. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company regardless of when the payment is being made.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of Goods

Revenue from sale of goods is recognized when the Company transfers the control of goods to the customer as per the terms of contract. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing component, non-cash considerations and consideration payable to the customer (if any).

Sale of services

Revenue from services rendered is recognised as the services are rendered and is booked based on agreements/ arrangements with the concerned parties.

Contract balances:

-Trade receivables

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)*

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Export incentives

Exports entitlements are recognised when the right to receive credit as per the terms of the schemes is established in respect of the exports made by the Company and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Rental Income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in revenue in the Statement of Profit or Loss. The Company has determined that it does not meet criteria for recognition of lease rental income on a basis other than straight-line basis.

Interest Income

Interest Income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income from debt instruments is recognised using the effective interest rate method.

Dividends

Dividend income is recognised in the statement of profit and loss only when the right to receive payment is established, which is generally when shareholders approve the dividend

3.16. Retirement and other Employee Benefits

Short term Employees Benefits:

The undiscounted amount of short term employee benefit expected to be paid in exchange for the services rendered by employee is recognized during the period when the employee renders the service. This benefit includes salary, wages, short term compensatory absences and bonus.

Long Term Employee Benefits:

Defined Contribution Scheme: This benefit includes contribution to Superannuation Scheme, ESIC (Employees' State Insurance Corporation) and Provident Fund Schemes. The contribution is recognized during the period in which the employee renders service.

Defined Benefit Scheme: For defined benefit scheme the cost of providing benefit is determined using the projected unit credit method with actuarial valuation being carried out at each balance sheet date. The retirement benefit obligation recognized in the Balance Sheet represents value of defined benefit obligation as reduced by the fair value of planned assets. Actuarial gains and losses are recognized in full in Other Comprehensive Income during the period in which they occur.

In case of certain employees, the employer-established provident fund trusts are treated as Defined Benefit Plans since the Company is obligated to meet the interest shortfall, if any, with respect to covered employees.

Other Long Term Benefits: Long term compensated absence is provided for on the basis of an actuarial valuation, using the Projected Unit Credit Method as at the date of Balance Sheet.

3.17. Taxation

Tax Expense comprises of Current and Deferred Tax. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is provided using the balance sheet method on deductible temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

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

Minimum alternate tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset, it is created by way of credit to the Statement of Profit and Loss and shown as part of deferred tax asset. The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

3.18. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The chief operating decision maker is responsible for allocating resources and assessing performance of the operating segments and has been identified as the Managing Director of the Company.

As per Ind AS 108 if a financial report contains both the consolidated financial statements of a parent that is within the scope of this Indian Accounting Standard as well as the parent's separate financial statements, segment information is required only in the consolidated financial statements. Accordingly, the Company has presented segment only for consolidated financial statements.

Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which the customers of the Company are located.

Allocation of common costs

Common allocable costs are allocated to each segment on a case to case basis applying the ratio, appropriate to each relevant case. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis, are included under the head "Unallocated".

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)*

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

3.19. Earnings per Share

Basic Earnings per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

3.20. Provisions and Contingencies

A provision is recognized when an enterprise has a present obligation (legal or constructive) as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The expense relating to a provision is presented in the statement of profit and loss.

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

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

3.21. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The EIR amortisation is included in finance income in the Statement of Profit and Loss.

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)***Equity investments**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at Fair Value Through Profit and Loss (FVTPL). For all other equity instruments, the Company makes an irrevocable election to present in Other Comprehensive Income (OCI) subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Derecognition

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

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

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18 (referred to as 'contractual revenue receivables' in these financial statements)

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables or contract revenue receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original Effective Interest Rate (EIR). Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' (or 'other income') in the Statement of Profit and Loss.

Financial Liabilities**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables.

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

Subsequent measurement**Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method.

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Derecognition

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

3.22. Fair Value measurement

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

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

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

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

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

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

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

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

3.23. Standard issued but not yet effective

The following standards/ amendments to standards have been issued but are not yet effective up to the date of issuance of the Company's Financial Statements. Except specifically disclosed below, the Company is evaluating the requirements of these standards, improvements and amendments and has not yet determined the impact on the financial statements.

Ind AS 116 – Leases

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

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

Lessees will be also 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 intends to adopt this standard. However, adoption of this standard is not likely to have a significant impact in its Financial Statements.

Ind AS 12 – Uncertainty over Income Tax Treatment

The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 and does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

An entity has to determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty should be followed.

The interpretation is effective for annual reporting periods beginning on or after 1 April 2019, but certain transition reliefs are available. The Company will apply the interpretation from its effective date.

Ind AS 109 – Prepayment Features with Negative Compensation

Under Ind AS 109, a debt instrument can be measured at amortised cost or at fair value through other comprehensive income, provided that the contractual cash flows are 'solely payments of principal and interest on the principal amount outstanding' (the SPPI criterion) and the instrument is held within the appropriate business model for that classification. The amendments to Ind AS 109 clarify that a financial asset passes the SPPI criterion regardless of the event or circumstance that causes the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract.

The amendments should be applied retrospectively and are effective for annual periods beginning on or after 1 April 2019. The Company will apply the interpretation from its effective date.

Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments to Ind AS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to:

- Determine current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to remeasure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event.
- Determine net interest for the remainder of the period after the plan amendment, curtailment or settlement using: the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event; and the discount rate used to remeasure that net defined benefit liability (asset).

The amendments also clarify that an entity first determines any past service cost, or a gain or loss on settlement, without considering the effect of the asset ceiling. This amount is recognised in profit or loss.

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)*

The amendments apply to plan amendments, curtailments, or settlements occurring on or after the beginning of the first annual reporting period that begins on or after 1 April 2019. These amendments will apply only to any future plan amendments, curtailments, or settlements of the Company.

Annual improvement to Ind AS (2018):

These improvements include:

Amendments to Ind AS 12 – Income Taxes

The amendments clarify that the income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity recognises the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

An entity applies those amendments for annual reporting periods beginning on or after 1 April 2019. Since the Company's current practice is in line with these amendments, the Company does not expect any effect on its financial statements.

Amendments to Ind AS 23 – Borrowing Costs

The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete.

An entity applies those amendments to borrowing costs incurred on or after the beginning of the annual reporting period in which the entity first applies those amendments. An entity applies those amendments for annual reporting periods beginning on or after 1 April 2019. Since the Company's current practice is in line with these amendments, the Company does not expect any effect on its financial statements.

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)*

(₹ in Lakhs)

Note - 4(a) Property Plant and Equipment								
Particulars	Gross Block			Depreciation / Amortisation		Net Block		
	As at 01-Apr-2018	Additions	Deletions	As at 31-Mar-2019	As at 01-Apr-2018	On Deletions (accumulated upto the date of sale)	As at 31-Mar-2019	As at 31-Mar-2018
Freehold Land	2,792.97	5.35	19.50	2,778.82	-	-	2,778.82	2,792.97
Plantation	5,477.35	224.65	-	5,702.00	262.31	136.64	5,303.05	5,215.04
Leasehold Land	122.54	-	-	122.54	59.67	8.11	54.76	62.87
Buildings	9,582.16	453.64	170.00	9,865.80	3,318.23	297.69	3,537.37	6,328.43
Plant and Equipment	15,523.52	1,480.96	605.70	16,398.78	9,062.97	894.02	9,529.40	6,460.55
Vehicles	2,440.77	172.34	143.08	2,470.03	1,690.59	173.80	1,739.18	730.85
Furniture and Fixtures	577.82	271.48	114.16	735.14	368.67	79.86	333.13	209.15
Office Equipment	245.93	100.74	22.76	323.91	180.97	15.07	204.72	64.96
Total	36,763.06	2,709.16	1,075.20	38,397.02	14,943.41	1,593.40	15,810.53	21,819.65
							22,586.49	

Note - 4(b) Capital work in Progress				
Particulars	Gross Block at Cost			
	As at	Additions	Capitalisation	As at
	01-Apr-2018			31-Mar-2019
Bearer Plants	1,533.84	901.69	224.65	2,210.88
Buildings	27.93	32.12	27.93	32.12
Plant and Equipment	263.74	55.05	253.51	65.28
Total	1,825.51	988.86	506.09	2,308.28

Note - 4(c)

The title deeds of immovable properties are held in the name of the Company except for (a) 5 (five) tea garden land leases having a gross carrying value of property, plant and equipment thereon including Plantation and Buildings of ₹ 3,453.30 lakhs and ₹ 594.20 lakhs respectively (net carrying value of ₹ 3,207.94 lakhs and ₹ 426.57 lakhs respectively) is under renewal; (b) 2 (two) tea garden land and Plantation thereon having a gross carrying value of ₹ 44.69 lakhs and ₹ 62.61 lakhs (net carrying value of ₹ 44.69 lakhs and ₹ 58.84 lakhs respectively) and 2 (two) of Buildings with gross carrying value of ₹ 16.48 lakh (net carrying amount of ₹ 9.80 lakhs), titles for which registration in the name of the Company is pending.

Note - 4(d)

During the year, the Company has sold one of its bought leaf factory in Assam at a consideration of ₹ 900.00 lakhs. The written-down value of the said undertaking was ₹ 285.86 lakhs.

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

Note - 4(e) Property, Plant and Equipment											
Particulars	Gross Block			Depreciation / Amortisation			Net Block				
	As at 01-Apr-2017	Additions	Deletions	As at 31-Mar-2018	As at 01-Apr-2017	For the Year	On Deletions (accumulated upto the date of sale)	As at 31-Mar-2018	As at 31-Mar-2018	As at 31-Mar-2017	
Freehold Land	2,792.97	-	-	2,792.97	-	-	-	-	2,792.97	2,792.97	
Plantation	5,341.21	136.14	-	5,477.35	130.76	131.55	-	262.31	5,215.04	5,210.45	
Leasehold Land	122.54	-	-	122.54	51.56	8.11	-	59.67	62.87	70.98	
Buildings	9,222.79	376.67	17.30	9,582.16	3,030.03	299.85	11.65	3,318.23	6,263.93	6,192.76	
Plant and Equipment	14,725.83	1,003.04	205.35	15,523.52	8,479.26	764.31	180.60	9,062.97	6,460.55	6,246.57	
Vehicles	2,322.23	154.88	36.34	2,440.77	1,541.66	183.38	34.45	1,690.59	750.18	780.57	
Furniture and fixtures	552.25	31.77	6.20	577.82	336.20	38.07	5.60	368.67	209.15	216.05	
Office Equipment	218.35	41.71	14.13	245.93	167.38	28.47	14.88	180.97	64.96	50.97	
Total	35,298.17	1,744.21	279.32	36,763.06	13,736.85	1,453.74	247.18	14,943.41	21,819.65	21,561.32	

Note - 4(f) Capital Work-in-Progress					
Particulars	Gross Block at Cost				
	As at 01-Apr-2017	Additions	Capitalisation	As at 31-Mar-2018	
Bearer Plants	834.38	835.60	136.14	1,533.84	
Buildings	29.65	23.01	24.73	27.93	
Plant and Equipment	97.27	195.83	29.36	263.74	
Total	961.30	1,054.44	190.23	1,825.51	

Note - 4(g) Investment Property			
Particulars	As at 31-Mar-2019	As at 31-Mar-2018	
Gross Carrying Amount			
Opening Gross carrying amount	2.32	2.32	2.32
Additions	-	-	-
Closing Gross Carrying Amount	2.32	2.32	2.32
Accumulated Depreciation			
Opening Accumulated Depreciation	0.06	0.06	0.03
Depreciation Charge	0.04	0.04	0.03
Closing Accumulated Depreciation	0.10	0.10	0.06
Net Carrying Amount	2.22	2.22	2.26
Fair Value			
Particulars	As at 31-Mar-2019	As at 31-Mar-2018	
Investment Property	975.00	699.00	

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)*

(₹ in Lakhs)

Note - 5a Financial assets - Investments						
	Nominal Value per unit	Currency (₹ Unless otherwise stated)	Number of Shares/Units/ Bonds		Non- Current	
			As at 31-Mar-2019	As at 31-Mar-2018	As at 31-Mar-2019	As at 31-Mar-2018
Investment (Fully paid)						
Investment in Equity Shares - "At Cost"						
In Subsidiary Companies						
Unquoted						
North Tukvar Tea Company Ltd.	10	₹	21,75,450	21,75,450	356.20	356.20
Birla Holdings Ltd.	1	AED	10,935	10,000	493.18	1.25
Majhualia Sugar Industries Pvt Ltd.	10	₹	31,35,000	31,35,000	3,782.38	3,782.38
Jayantika Investment & Finance Ltd.	10	₹	29,95,000	29,95,000	6,325.24	6,325.24
In Joint Venture						
Unquoted						
Tea Group Investment Company Ltd.	1	AED	3,72,300	3,72,300	51.95	51.95
In Others						
Unquoted						
The Coimbatore & Nilgiris Dist. Small Scale Service Ind. Co-Op. Society Ltd.	100	₹	10	10	0.01	0.01
The Tamil Nadu Tea Manufacturers' Service Industrial Co-Op. Society Ltd.	5,000	₹	1	1	0.05	0.05
Investment in Preference Shares of Subsidiary Companies						
"Equity Portion as per Ind AS (Derived Cost)"						
Jayantika Investment & Finance Ltd. - 5% Cumulative Preference Shares redeemable at par, February 21, 2022	100	₹	30,000	30,000	672.66	674.16
Investment in Debentures of Subsidiary Companies-						
"Equity Contribution" (Derived Cost)						
North Tukvar Tea Company Ltd.- 1% Redeemable Non Convertible Debentures	100	₹	1,50,000	1,50,000	40.85	40.85
Investment in Government or Trust securities at Cost						
Unquoted						
National Savings Certificates	1,000	₹	3	3	0.03	0.03
					11,722.55	11,232.12
Investment in Subsidiary Companies - "Debt Portion as per Ind AS" (Fair Value)						
Jayantika Investment & Finance Ltd. - 5% Cumulative Preference Shares redeemable at par, February 21, 2022	100	₹	30,000	30,000	1,403.06	1,287.49
					1,403.06	1,287.49
Investment in Equity Shares at Fair Value Through Other Comprehensive Income						
Unquoted						
Essel Mining & Industries Ltd.	10	₹	20	20	16.55	20.46
JPM Merchandise Agencies Limited	10	₹	2,05,680	2,05,680	442.56	549.14
Kesoram Insurance Broking Services Ltd.	10	₹	25,000	25,000	16.10	16.57
Birla International Ltd.	100	CHF	2,500	2,500	402.15	52.25
Vasavadatta Services Ltd.	10	₹	4,600	4,600	16.25	17.96

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

	Nominal Value per unit	Currency (₹ Unless otherwise stated)	Number of Shares/Units/ Bonds		Non- Current	
			As at 31-Mar-2019	As at 31-Mar-2018	As at 31-Mar-2019	As at 31-Mar-2018
Quoted						
McLeod Russel India Ltd.	5	₹	75	75	0.06	0.11
					893.67	656.49
Investments in Debentures "At Amortised Cost"						
Unquoted						
16.00% NCDs of Wondrous Buildmart Private Limited SR-I *	1,00,000	₹	200	200	200.00	200.00
North Tukvar Tea Company Ltd.- 1% Redeemable Non Convertible Debentures	100		1,50,000	1,50,000	107.07	99.15
					307.07	299.15
Investments in Mutual Fund "At Fair Value Through Profit and Loss"						
Unquoted						
Edelweiss Balanced Advantage Fund - Direct Plan-Quarterly Dividend Option (Formerly - Edelweiss Absolute Return Fund- Direct Plan Dividend option-Payout)	10	₹	-	40,21,968	-	603.30
Edelweiss Balanced Advantage Fund - Direct Plan-Quarterly Dividend Option (Formerly - Edelweiss Absolute Return Fund- Direct Plan Dividend option-Payout) **	10	₹	34,10,953	34,10,953	518.46	511.64
Aditya Birla Sunlife Short Term Opportunities Fund-Growth-Regular Plan**	10	₹	8,86,112	8,86,112	273.93	255.69
Reliance Credit Risk Fund - Growth Plan Growth Option (Formerly Reliance Regular Savings Fund - Debt- Growth)**	10	₹	21,43,669	21,43,669	552.60	518.93
Franklin India Corporate Bond Opportunities Fund	10	₹	-	21,49,798	-	387.89
UTI Credit Risk Fund - Regular Growth Plan (Formerly UTI Income Opportunities Fund)**	10	₹	17,99,539	17,99,539	301.00	285.17
ICICI Prudential Medium Term Bond Fund (Formerly ICICI Prudential Corporate Bond Fund)**	10	₹	10,46,439	10,46,439	297.70	282.99
Kotak FMP Series 183 -1204 days Growth (Regular Plan)*	10	₹	-	20,00,000	-	244.79
Reliance Short Term Fund-Growth Plan - Growth Option**	10	₹	10,26,125	10,26,125	356.41	335.06
Aditya Birla Sun Life Medium Term Plan-Growth- Regular Plan **	10	₹	15,53,197	15,53,197	353.96	341.36
DSP Credit Risk Fund-Regular Plan-Growth (Formerly-DSP Black Rock Income Opportunities Fund-Regular Plan-Growth)*	10	₹	23,09,399	23,09,399	648.16	660.75
SBI Credit Risk Fund Regular Growth (Formerly SBI Corporate Bond Fund-Regular Plan-Growth)**	10	₹	8,10,140	8,10,140	241.97	226.29
ICICI Prudential Short Term Fund-Growth Option **	10	₹	6,22,281	6,22,281	240.42	225.34
ICICI Prudential Bond Fund-Growth (Formerly ICICI Prudential Income Opportunities Fund-Growth)**	10	₹	9,21,370	9,21,370	237.30	223.70
BOI AXA Credit Risk Fund - Regular Plan (Formerly - BOI AXA Corporate Credit Spectrum Fund- Regular Plan) **	10	₹	48,03,964	48,03,964	635.90	641.25
BOI AXA Credit Risk Fund - Regular Plan (Formerly - BOI AXA Corporate Credit Spectrum Fund- Regular Plan) *	10	₹	25,62,555	25,62,555	339.20	342.06
Kotak Credit Risk Fund - Growth - Regular Plan (Formerly Kotak Income Opportunities Fund -Growth)**	10	₹	13,84,850	13,84,850	281.71	264.86
Kotak Medium Term Fund-Growth-Regular Plan**	10	₹	18,35,576	18,35,576	280.55	264.92
Reliance Strategic Debt Fund - Growth Plan (Formerly Reliance Corporate Bond Fund - Growth Plan) **	10	₹	36,21,142	36,21,142	532.67	507.43
Total					6,091.94	7,123.42

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)*

(₹ in Lakhs)

	Nominal Value per unit	Currency (₹ Unless otherwise stated)	Number of Shares/Units/ Bonds		Non- Current	
			As at 31-Mar-2019	As at 31-Mar-2018	As at 31-Mar-2019	As at 31-Mar-2018
Investments in Portfolio Management Services/ Alternative Investment Fund “At Fair Value Through Profit and Loss”						
Peninsula Brookfield India Real estate Fund		₹			109.38	116.70
IDFC Real Estate Yield Fund		₹			63.25	83.65
Reliance Capital Asset Management Company Ltd. (Yield Maximiser Fund)		₹			18.20	33.93
Reliance Yield Maximiser AIF Scheme II		₹			137.81	292.30
India Realty Excellence Fund III		₹			266.78	191.77
Indiabulls High Yield Fund		₹			200.00	200.00
IIFL Real Estate Fund (Domestic) - Series 4		₹			193.83	200.00
Reliance Yield Maximiser AIF Scheme III		₹			283.58	300.00
ASK Real Estate Special Situations Fund - I		₹			133.00	58.00
Edelweiss Real Estate Opportunities Fund		₹			107.00	95.00
KKR India Debt Opportunities Fund II**		₹			267.21	225.00
BPEA Credit - India Fund II		₹			-	30.00
BPEA Credit - India Fund II**		₹			610.00	580.00
Avendus Structured Credit Fund I**		₹			221.33	56.33
UTI Structure Debt Opportunities Fund I**		₹			100.00	50.15
Alteria Capital India Fund I**		₹			212.37	84.37
Avendus Absolute Return Fund-Class A3 15**		₹			556.28	521.27
Edelweiss Alpha Fund**		₹			531.74	508.60
Avendus Enhanced Return Fund**		₹			501.95	-
India Business Excellence Trust		₹			74.10	-
India Business Excellence Fund III		₹			195.00	143.75
Add: Mark to Market Gain on above					694.63	201.40
Total					5,477.44	3,972.22
Investments in Bonds "At Fair Value Through Profit and Loss"						
Quoted						
9% Bonds of Mahindra and Mahindra Financial Services Ltd*	1,000	₹	50,000	50,000	484.39	513.87
9.50% Unsecured bonds of Union Bank of India SR-XX 9.5 BD Perpetual FVRS 10 Lac 25 ** & 25 Free	10,00,000	₹	50	50	469.96	507.86
9.25% Dewan Housing Finance Corporation Limited Series III Category III & IV*	1,000	₹	50,000	50,000	453.87	506.72
8.60% Exim Perpetual Bonds SR-I BD*	10,00,000	₹	50	50	490.92	496.62
Zero Coupon NCD of Ecap Equities Limited **	1,00,000	₹	500	500	584.45	537.30
Total					2,483.59	2,562.37
Total Non Current Investments					28,379.32	27,133.26
Aggregate amount of Quoted Investments					2,483.65	2,562.48
Aggregate amount of Unquoted Investments					25,895.67	24,570.78

*Pledged as security to secure certain short term rupee loan from a bank.

**Pledged as security to secure certain long term rupee loans from banks.

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)*

(₹ in Lakhs)

Note - 5b Financial Assets - Investments						
	Nominal Value per unit	Currency (₹ Unless otherwise stated)	Number of Shares/Units/ Bonds		Current	
			As at 31-Mar-2019	As at 31-Mar-2018	As at 31-Mar-2019	As at 31-Mar-2018
Investments (Fully Paid)						
Investments in Mutual Fund "At Fair Value Through Profit and Loss"						
Unquoted						
Kotak FMP Series 183 -1204 days Growth (Regular Plan)*	10	₹	20,00,000	-	246.09	-
ICICI Prudential FMP Series 75 - 1246 Days Plan U - Regular*	10	₹	-	20,00,000	-	273.03
HDFC FMP 1184D-Series 33-Regular-Growth**	10	₹	-	30,00,000	-	399.14
UTI Fixed Term Income Fund Series XXII-VI (1098 days) - Growth*	10	₹	-	30,00,000	-	389.82
					246.09	1,061.99
Investments in Portfolio Management Services/ Alternative Investment Fund "At Fair Value Through Profit and Loss"						
India Business Excellence Trust#		₹			-	80.91
Add: Mark to Market Gain on above					-	470.17
					-	551.08
Total Current Investments					246.09	1,613.07
Aggregate amount of Unquoted Investments					246.09	1,613.07

*Pledged as security to secure certain short term rupee loan from a bank.

**Pledged as security to secure certain long term rupee loans from banks.

During the year, reclassified to Non-Current due to change in maturity.

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)*

(₹ in Lakhs)

Note - 5c Trade Receivables					
	Non Current		Current		
	As at 31-Mar-2019	As at 31-Mar-2018	As at 31-Mar-2019	As at 31-Mar-2018	
(Unsecured)					
Considered Good	-	-	5,524.01	6,537.17	
Considered Doubtful	82.42	147.89	-	-	
Less: Provision for Doubtful Receivables	(82.42)	(147.89)	-	-	
Total	-	-	5,524.01	6,537.17	

Terms and conditions of the above Trade Receivables:

- a) Trade Receivables are non-interest bearing and are generally on terms of 0 - 60 days for domestic customers and upto 180 days for export customers.
- b) Refer Note 34 for information about credit risk and market risk on Trade Receivables

Note - 5d Financial Assets - Loans					
(Unsecured considered good unless otherwise stated)					
Security Deposits					
- Subsidiary Company (Refer Note 31)	211.26	251.00	-	-	
- Others	430.70	464.84	64.11	8.99	
Loans to Related Parties (Refer Note 31)*	-	-	9,909.25	5,230.72	
Other Loans					
- Loans/ Advances to Employees	110.25	124.15	102.08	78.07	
- Others					
- Considered Good	-	22.72	214.33	167.11	
- Considered Doubtful	3.73	3.73	-	-	
Less: Provision	(3.73)	(3.73)	-	-	
Total	752.21	862.71	10,289.77	5,484.89	

* Includes Loan to wholly owned subsidiary Majhulia Sugar Industries Private Limited - ₹ 7,907.60 (P.Y. ₹ 3,427.83)

Note - 5e Other Financial Assets					
Bank Deposits	13.53	12.02	-	-	
Interest accrued on Deposits	0.02	0.02	21.95	66.40	
Interest accrued on Investments	-	-	135.44	124.89	
Rent Receivable					
- Considered Good	-	-	2.39	2.51	
- Considered Doubtful	11.24	11.24	-	-	
Less: Provision for Doubtful Receivables	(11.24)	(11.24)	-	-	
Incentive and Subsidy Receivable	-	-	2,578.70	3,226.97	
Receivable against Sale of Property, Plant and Equipment	-	-	108.61	-	
Deposit with NABARD	-	-	0.04	0.04	
Fair Value Derivative Assets	-	-	41.49	-	
Total	13.55	12.04	2,888.62	3,420.81	

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

Note - 6 Deferred Tax Assets & Liabilities (Net)				
Significant Components of Deferred Tax Assets & Liabilities	Balance Sheet		Statement of Profit and Loss including OCI	
	As at 31-Mar-2019	As at 31-Mar-2018	Year ended 31-Mar-2019	Year ended 31-Mar-2018
Deferred Tax Liabilities				
Property, Plant and Equipment	2,128.32	2,080.11	(48.21)	(144.21)
Fair Valuation of Other Asset and Liability	214.30	208.85	(5.45)	64.21
Total (A)	2,342.62	2,288.96	(53.66)	(80.00)
Deferred Tax Assets				
Unabsorbed Depreciation	613.33	1,415.19	(801.86)	194.25
Minimum Alternate Tax Credit	230.26	113.41	116.85	-
Fair Valuation of Other Asset and Liability	151.43	194.58	(43.15)	(39.62)
Employee Benefits - Gratuity	1,743.09	986.09	757.00	134.65
Other Temporary Differences	902.28	686.77	215.51	(12.25)
Total (B)	3,640.39	3,396.04	244.35	277.03
Net Deferred Tax (Liabilities)/Assets (B-A)	1,297.77	1,107.08	190.69	197.03
			31-Mar-2019	31-Mar-2018
Reconciliation of deferred tax Assets (net)				
Opening Balance			1,107.08	910.06
Tax income/(expense) during the period recognised in Statement of Profit and Loss			(241.92)	40.75
Tax income/(expense) during the period recognised in OCI			432.61	156.27
Closing Balance			1,297.77	1,107.08

Reconciliation of Tax Expense and the Accounting Profit multiplied by India's Domestic Tax Rate for 31st March, 2019 and 31st March, 2018:

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the standard rate of corporation tax in India as follows:

	Year Ended 31-Mar-2019	Year Ended 31-Mar-2018
Profit before Tax	508.47	297.96
Indian Statutory Income Tax Rate	34.944%	34.608%
Tax at Statutory Income Tax Rate	177.68	103.12
Effects of:		
Income Exempted From Tax	(38.33)	(316.35)
Additional Allowance under Income Tax	(10.19)	(8.51)
Unrecognised Deferred Tax Credit on Agricultural Losses	552.16	321.13
Utilisation of Previously Unrecognised Tax Losses (Capital Loss)	(271.86)	(155.59)
Adjustment to Tax relating to Earlier Periods	(30.43)	-
Other Permanent Differences	(180.63)	15.45
Net Effective Income Tax	198.40	(40.75)

Note -

- a) The tax rate used above is the corporate tax rate payable on taxable profits under the Income Tax Act, 1961.
b) The Company's agricultural income is subject to lower tax rates @ 30% under the respective state tax laws.

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)*

(₹ in Lakhs)

Note - 7 Other Assets

	Non Current		Current	
	As at 31-Mar-2019	As at 31-Mar-2018	As at 31-Mar-2019	As at 31-Mar-2018
Capital Advances	76.01	140.10	—	—
Leasehold Land Prepayments	203.76	203.76	—	—
Advance against Supply of Goods and Services	—	—	167.88	253.97
Others				
Balance with Government Authorities	161.15	161.15	1,428.01	577.10
Prepaid Expenses	41.05	23.66	107.13	117.69
Advance Rent to Subsidiary (Refer Note 31)	19.06	—	19.06	—
Insurance	—	—	9.46	11.67
Total	501.03	528.67	1,731.54	960.43

Note - 8 Inventories

	As at 31-Mar-2019	As at 31-Mar-2018
(Lower of cost or net realisable value)		
Raw Materials	1,001.27	577.17
Work-in-Progress	18.66	80.09
Finished Goods	4,993.97	2,855.21
Traded Goods	3,476.49	3,543.00
Stores and Spares	2,186.87	1,917.24
Total	11,677.26	8,972.71

Note - 8a Biological Assets

Opening Balance	88.77	62.19
Green Leaf Recognised at Fair Value	179.70	88.77
Transfer of Harvested Leaves for Production	(88.77)	(62.19)
Closing Balance	179.70	88.77

Note - 9a Cash and Cash Equivalents

Balances with Banks:		
On Current Accounts	264.22	528.65
Cheques/Drafts on Hand	86.63	129.96
Cash on Hand	41.90	48.00
Total	392.75	706.61

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

Note - 9b Other Bank Balances

	As at 31-Mar-2019	As at 31-Mar-2018
Earmarked Balances with Banks (Unpaid Dividend Account)	62.25	66.46
Term Deposits with maturity of more than three months but upto twelve months (Including ₹ 25.75 lakhs (P.Y. ₹ 17.47 lakhs) pledged as margin money)	28.07	917.21
Total	90.32	983.67

Note - 10 Equity Share Capital

Authorised Capital		
5,80,00,000 Equity Shares of ₹ 5/- each	2,900.00	2,900.00
Issued Capital		
2,89,02,786 Equity Shares of ₹ 5/- each	1,445.14	1,445.14
Subscribed and Paid-up Capital		
2,88,77,488 Equity Shares of ₹ 5/- each	1,443.87	1,443.87
Total	1,443.87	1,443.87

a) The reconciliation of shares capital is given below:

	As at 31-Mar-2019		As at 31-Mar-2018	
	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
At the beginning of the year	2,88,77,488	1,443.87	2,88,77,488	1,443.87
Issued during the year	-	-	-	-
At the end of the year	2,88,77,488	1,443.87	2,88,77,488	1,443.87

b) Terms/Rights attached to class of shares

The Company has only one class of Equity Shares having a par value of ₹ 5 each. Holder of each Equity Share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. 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 the shareholders.

c) The Company does not have any Holding Company/ultimate Holding Company.**d) Details of Shareholders holding more than 5 percent of Equity Shares in the Company**

	As at 31-Mar-2019		As at 31-Mar-2018	
	No. of Shares	% holding	No. of Shares	% holding
JPM Merchandise Agencies Limited	61,14,108	21.17%	61,14,108	21.17%
Jayantika Investment & Finance Limited	62,10,630	21.51%	65,28,810	22.61%

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)*

(₹ in Lakhs)

Note - 11 Other Equity

	As at 31-Mar-2019	As at 31-Mar-2018
Reserves & Surplus		
Capital Reserve	2,200.85	2,200.85
Capital Redemption Reserve	165.21	165.21
General Reserve	20,201.29	20,201.29
Retained Earnings	3,894.32	3,758.01
Other Comprehensive Income	(972.99)	(148.36)
Total	25,488.68	26,177.00

Nature and Purpose of Other Equity**A. Capital Reserve**

Represents the amount transferred from the transferor company pursuant to Scheme of Arrangement effected in earlier years.

B. Capital Redemption Reserve

Represents the amount transferred to reserve on buy back of equity shares of the company.

C. General Reserve

General Reserve is created and utilised in compliance with the provisions of the Act.

D. Retained Earnings

Retained earnings represent accumulated profits earned by the Company and remaining undistributed as on date.

E. Other Comprehensive Income

The Company has elected to recognise changes in the fair value of investments in equity instruments through other comprehensive income. These changes are accumulated within other comprehensive income.

Note - 12a Non-Current Borrowings

	As at 31-Mar-2019	As at 31-Mar-2018
Secured		
Rupee Term Loans from Banks	15,501.30	15,975.87
Foreign Currency Term Loan from Banks	1,093.75	1,718.75
Total Secured Borrowings (A)	16,595.05	17,694.62
Unsecured		
Foreign Currency Term Loan from Bank	-	4,684.62
Rupee Term Loan from Bank	3,436.21	-
Total Unsecured Borrowings (B)	3,436.21	4,684.62
Total Borrowings (A)+ (B)	20,031.26	22,379.24
Less: Current Maturities of Long Term Debt	7,099.95	6,952.65
Non Current Borrowings	12,931.31	15,426.59

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

Facility Category	Security Details	As at 31-Mar-2019	As at 31-Mar-2018
Rupee Term Loan	Secured/To be Secured by equitable mortgage by deposit of title deeds of Tea Estates alongwith all immovable properties thereon ranking pari-passu, interse, with working capital lenders for tea division. Further certain investments are pledged as additional security for a term loan.	999.54	1,997.83
Rupee Term Loan		6,487.74	5,387.80
Rupee Term Loan		416.67	1,250.01
Foreign Currency Term Loan		1,093.75	1,718.75
Rupee Term Loan		1,159.15	1,815.52
Rupee Term Loan	Secured by pledge of certain investments in Mutual Fund and AIF	6,213.20	4,849.71
Rupee Term Loan		225.00	675.00
Total		16,595.05	17,694.62

Repayment Schedule as at 31 March, 2019

Borrowings	Total Carrying Value	< 1 year	1 to 3 years	3 to 5 years	Terms and conditions of Term loan from Banks
Secured					
Rupee Term Loan	999.54	999.54	-	-	Payable in two equal half yearly installments
Rupee Term Loan	416.67	416.67	-	-	Payable in one half yearly installment
Rupee Term Loan	225.00	225.00	-	-	Payable in one half yearly installment
Foreign Currency Term Loan	1,093.75	625.00	468.75	-	Payable in seven equal quarterly installments
Rupee Term Loan	1,159.15	660.74	498.41	-	Payable in seven equal quarterly installments
Rupee Term Loan	6,487.73	1,838.66	3,713.24	935.83	Payable in 14 equal quarterly installments
Rupee Term Loan	4,216.69	986.48	1,983.31	1,246.90	Payable in 7 half yearly installments of 10% and last installment of 15%.
Rupee Term Loan	1,996.52	98.82	898.13	999.57	Payable 5% in Mar 2020, thereafter 3 half yearly installments of 10%, 15% in Mar 2022 and the last 2 half yearly installments of 25%
Unsecured					
Rupee Term Loan	3,436.21	1,249.04	2,187.17	-	Payable in eleven equal quarterly installments
Total	20,031.26	7,099.95	9,749.01	3,182.30	

The rate of interest on the above loans are in the range of 7.99% to 10.20% p.a.

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)*

(₹ in Lakhs)

Note - 12b Other Financial Liabilities

	Non Current		Current	
	As at 31-Mar-2019	As at 31-Mar-2018	As at 31-Mar-2019	As at 31-Mar-2018
Trade and Security Deposits	123.98	117.43	2.05	9.15
Current Maturities of Long-Term Debt	–	–	7,099.95	6,952.65
Interest Accrued but not due on Borrowings	–	–	151.68	162.27
Interest Accrued and due on Borrowings	–	–	1.05	1.05
Employee Benefits Payable	–	–	1,250.96	651.28
Unpaid and Unclaimed Dividends	–	–	62.25	66.46
Amount Payable for Capital Goods	–	–	130.18	218.38
Fair Value Derivative Liability	–	–	–	25.05
Others	–	–	107.52	124.11
Total	123.98	117.43	8,805.64	8,210.40

Note - 12c Current Borrowings

	As at 31-Mar-2019	As at 31-Mar-2018
Secured		
Working Capital Loan	13,797.29	7,050.83
Packing Credit Loan	3,500.00	3,000.00
Short Term Rupee Loan	4,120.00	1,380.00
Buyers Credit	–	384.30
	21,417.29	11,815.13
Unsecured		
Packing Credit Loan	–	500.00
Short Term Rupee Loan	4,800.00	8,000.00
	4,800.00	8,500.00
Total	26,217.29	20,315.13

Facility Category	Security Details	As at 31-Mar-2019	As at 31-Mar-2018
Working Capital Loan	i) Secured by first charge by way of hypothecation over entire current assets of the Company ranking <i>pari-passu</i> with other consortium banks as primary security & second charge by way of hypothecation of entire movable plant & machinery of the Company ranking <i>pari-passu</i> with other consortium banks as collateral. ii) Secured working capital loan for tea division are also secured by equitable Mortgage over the immovable properties of Company's 21 tea estates ranking <i>pari-passu</i> with term lenders for tea division.	13,797.29	7,050.83
Packing Credit Loan		3,500.00	3,000.00
Buyers Credit		–	384.30
Short Term Rupee Loan		1,500.00	–
Short Term Rupee Loan	Secured by pledge of certain investments in Mutual Fund, Bonds and NCD.	2,620.00	1,380.00
Total		21,417.29	11,815.13

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

Note - 13 Provisions

	Non Current		Current	
	As at 31-Mar-2019	As at 31-Mar-2018	As at 31-Mar-2019	As at 31-Mar-2018
Provision for Employee Benefits				
- Gratuity (Refer Note 28)	3,200.50	1,575.64	2,449.72	1,837.21
- Leave Encashment	495.39	610.70	326.26	286.04
- Bonus and Others	–	–	1,666.64	1,965.53
Provisions for Others	–	–	167.59	41.91
Total	3,695.89	2,186.34	4,610.21	4,130.69

Note - 14 Trade Payables

	As at 31-Mar-2019	As at 31-Mar-2018
Trade Payables		
Total Outstanding Dues of Micro Enterprises and Small Enterprises	–	–
Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	4,807.13	3,522.24
Total	4,807.13	3,522.24

Terms and conditions of the above trade payables:

Trade payables are non interest bearing and are normally settled on 30-60 days terms

Note:

There are no outstanding dues of Micro and Small Enterprises (MSEs) based on information available with the Company

Note - 15 Other Liabilities

	Non Current		Current	
	As at 31-Mar-2019	As at 31-Mar-2018	As at 31-Mar-2019	As at 31-Mar-2018
Advances from Customers	–	–	261.05	241.00
Others:				
Statutory Dues	–	–	497.61	416.86
Deferred Government Grant	332.19	277.43	47.03	42.03
Total	332.19	277.43	805.69	699.89

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)*

(₹ in Lakhs)

Note - 16 Revenue From Operations

	Year Ended 31-Mar-2019	Year Ended 31-Mar-2018
Sales of Finished Goods & Other Products	53,252.37	52,667.26
Sale of Services (Warehousing Charges)	276.13	215.07
Other Operating Revenue		
Fertilizer Subsidy	2,038.29	1,919.36
Other Incentives & Subsidies	77.72	64.40
Export Benefits	410.06	311.87
Other Operating Income	12.20	13.97
Total	56,066.77	55,191.93

Note - 17 Other Income

	Year Ended 31-Mar-2019	Year Ended 31-Mar-2018
Interest Income		
On Investments	601.85	560.07
On Bank Deposits	20.09	92.53
On Loans & Other Deposits	47.71	35.33
On Subsidiaries	728.21	258.26
On Others	-	23.79
Dividend Income		
On Long Term Investments	74.82	94.62
Net gain on sale of Investments (including MTM gain/loss)	164.80	818.08
Other Non-Operating Income		
Profit on sale of Property, Plant and Equipment	580.17	0.12
Rental Income	108.17	80.14
Net Gain on foreign currency translation	79.67	445.16
Excess Liabilities and Unclaimed Balances written back	111.79	23.98
Miscellaneous Income	237.59	260.61
Changes in Fair Value of Biological Assets	90.93	26.58
Total	2,845.80	2,719.27

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)*

(₹ in Lakhs)

Note - 18 Cost of Materials Consumed

	Year Ended 31-Mar-2019	Year Ended 31-Mar-2018
Opening Inventories	577.17	419.72
Add : Purchase	10,964.87	8,097.06
Less: Closing Inventories	(1,001.27)	(577.17)
	10,540.77	7,939.61
Details of Raw Material Consumed		
Green Tea Leaves	2,997.83	2,803.30
Chemicals/Minerals	7,041.38	4,650.84
Others	501.56	485.47
Total	10,540.77	7,939.61

Note - 19 Purchases of Traded Goods

	Year Ended 31-Mar-2019	Year Ended 31-Mar-2018
Traded Goods		
Tea	5,826.07	7,026.49
Chemicals	52.88	66.42
Total	5,878.95	7,092.91

Note - 20 Changes in Inventories of Finished Goods, Work-in-Progress and Traded Goods

	Year Ended 31-Mar-2019	Year Ended 31-Mar-2018
Inventories at the beginning of the year		
Finished Goods	2,855.21	3,977.48
Work-in-Progress	80.09	46.47
Traded Goods	3,543.00	3,140.36
	6,478.30	7,164.31
Inventories at the end of the year		
Finished Goods	4,993.97	2,855.21
Work-in-Progress	18.66	80.09
Traded Goods	3,476.49	3,543.00
	8,489.12	6,478.30
Increase /(Decrease) in Excise Duty & Cess on Finished Goods	—	11.99
Total	(2,010.82)	698.00

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)*

(₹ in Lakhs)

Note - 21 Employee Benefits Expense

	Year Ended 31-Mar-2019	Year Ended 31-Mar-2018
Salaries and Wages	19,022.72	17,434.25
Contribution to Provident and Other Funds (Refer Note 28)	1,549.90	1,402.69
Gratuity Expense (Refer Note 28)	742.95	608.44
Contribution to Superannuation Fund (Refer Note 28)	91.32	94.67
Staff Welfare Expenses	1,418.84	1,551.27
Total	22,825.73	21,091.32

Note - 22 Finance Costs

	Year Ended 31-Mar-2019	Year Ended 31-Mar-2018
Interest Expense		
On Fixed Loans and Deposits	1,795.86	1,717.63
Bank and Others	2,249.70	1,485.67
On Loan from Subsidiary	-	178.89
Other Borrowing Cost		
Other Financial Charges	73.96	67.74
Borrowing Cost Capitalised	(161.85)	(93.65)
Total	3,957.67	3,356.28

Note - 23 Depreciation and Amortisation Expense

	Year Ended 31-Mar-2019	Year Ended 31-Mar-2018
On Property, Plant and Equipment (Refer Note 4)	1,593.40	1,453.74
On Investment Property (Refer Note 4)	0.04	0.03
Total	1,593.44	1,453.77

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)*

(₹ in Lakhs)

Note - 24 Other Expenses		
	Year Ended 31-Mar-2019	Year Ended 31-Mar-2018
Consumption of Stores, Spare Parts & Packing Materials	1,564.28	1,673.51
Power & Fuel	4,596.27	4,274.39
Consumption of Manures/ Pesticides	1,590.44	1,466.80
Repairs to Buildings	379.80	393.79
Repairs to Machinery	851.49	818.78
Repairs to Other Assets	404.14	477.67
Freight & Cartage	1,505.02	1,741.35
Insurance	64.90	84.85
Brokerage & Commission	396.47	685.11
Warehousing Charges	141.23	138.58
Other Selling Expenses [including packing material ₹ 333.77 lakhs, (P.Y. ₹ 370.83 lakhs)]	976.27	1,225.35
Rent	307.07	307.60
Rates & Taxes (Duty & Cess)	262.37	284.71
Insurance excluding on sales	168.34	176.34
Auditors' Remuneration (Refer Note 24.1)	92.90	77.60
Cost Audit Fees	1.83	2.08
Corporate Social Responsibility Expenses (Refer Note 24.2)	9.70	11.96
Bad Debts & Irrecoverable Loans, Advances & Claims written off [net of Reserve for Doubtful Debts created in earlier years ₹ 102.93 lakhs (P.Y. ₹ Nil)]	21.16	20.73
Reserve for Doubtful Debts & Advances further created	37.46	0.98
Forward Contract Charges	-	0.47
Excise Duty on sale of goods	-	78.19
Donations and Charity	-	1.87
Other Miscellaneous Expenses	2,247.22	2,038.64
Total	15,618.36	15,981.35

Note - 24.1 Auditor's Remuneration		
As Auditor:		
Audit Fees	30.25	30.25
Tax Audit Fees	7.50	7.50
Other Services	52.58	34.95
Reimbursement of Expenses	2.57	2.36
Reimbursement of Service Tax	-	2.54
Total	92.90	77.60

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)*

(₹ in Lakhs)

Note - 24.2 Details of CSR Expenditure

	Year Ended 31-Mar-2019	Year Ended 31-Mar-2018
a) Gross amount required to be spent by the Company during the year	-	-
b) Amount spent during the year	9.70	11.96

Note - 25 Earnings Per Share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	31-Mar-2019	31-Mar-2018
Net Profit for calculation of Basic and Diluted Earnings Per Share (₹ in Lakhs)	310.07	338.71
Number of Equity Shares (Nos.)	2,88,77,488	2,88,77,488
Earning per equity share		
Basic & Diluted earning per share (₹)	1.07	1.17

Note - 26 Dividend Distribution made

	As at 31-Mar-2019	As at 31-Mar-2018
Dividend on equity shares declared and paid:		
Final dividend paid	144.39	144.39
DDT on final dividend (including earlier years)	29.37	63.43
Total	173.76	207.82

Note - 27 Significant Accounting Judgements, Estimates and Assumptions

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

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. In the process of applying the Company's accounting policies, management has made the following judgements, estimates and assumptions, which have the most significant effect on the amounts recognised in the Financial Statements:

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

Defined Benefit Plans

The cost and the present value of the defined benefit gratuity plan and other post-employment leave encashment benefit are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in future. These include the determination of appropriate discount rate, estimating future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates. For further details about gratuity obligations are given in Note 28.

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 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 lives and residual values of company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at 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.

Valuation of Biological Assets

As required by Ind AS 41 - "Agriculture", management estimates the fair value of plucked (harvested tea leaf) and unplucked tea leaves (biological assets as at the balance sheet date) through the use of valuation models and recent transaction prices. Significant judgement is required for key assumptions used in determining average prevalent selling prices of the tea leaf, average quality of the tea leaf and quantity of unplucked leaf.

Biological assets are disclosed in Note 8a to the financial statements, the valuation is discussed as a key source of estimation uncertainty and the valuation policy is disclosed in the principal accounting policies.

Note - 28 Employee Benefits Obligation**(I) Defined benefit plans****(a) Gratuity**

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 days salary for each completed year of service. Vesting occurs upon completion of 5 years of continuous service. The Company makes contribution to JSTI Gratuity Fund, which is funded defined benefit plan for qualifying employees.

(i) The principal assumptions used in determining gratuity obligations for the Company's plans are as follows:

Significant Actuarial Assumptions	31-Mar-2019	31-Mar-2018
Discount Rate	7.7%	7.7%
Employee turnover	1% to 8%	1% to 8%
Salary Escalation Rate	4.0%	4.0%
Mortality Rate	IALM (2006-08) Table	IALM (2006-08) Table

(ii) Amounts Recognised in the Balance Sheet consists of:

Particulars	31-Mar-2019	31-Mar-2018
Present value of defined benefit obligation at the year end	9,843.42	7,963.85
Fair Value of the Plan Assets at the year end	4,193.20	4,551.00
Liability Recognised in the Balance Sheet	5,650.22	3,412.85

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)*

(₹ in Lakhs)

(iii) Movement in present value of defined benefit obligation:

Particulars	31-Mar-2019	31-Mar-2018
Changes in the present value of defined benefit obligation		
Present value of defined benefit obligation as at year beginning	7,963.85	7,464.06
Current Service Cost	508.57	385.00
Past Service Cost	-	4.52
Interest Cost	584.81	545.13
Remeasurements (gains)/losses		
- Actuarial (gains)/losses arising from changes in financial assumptions	5.90	(649.20)
- Actuarial losses arising from changes in experience adjustments	1,518.01	983.27
Benefits Paid	(737.72)	(768.93)
Present value of defined benefit obligation as at year end	9,843.42	7,963.85

(iv) Amount recognised in Statement of Profit or Loss in respect of defined benefit plan are as follows:

Current Service Cost	508.57	385.00
Past Service Cost	-	4.52
Net Interest Cost	584.81	545.13
Expected return on plan assets	(350.43)	(326.21)
Components of defined benefit costs recognised in profit or loss	742.95	608.44

(v) Amount recognised in other comprehensive income in respect of defined benefit plan are as follows:

Re-measurement of the net defined benefit obligation:-		
-Actuarial (gains)/losses arising from changes in financial assumptions	5.90	(649.20)
-Actuarial losses arising from changes in experience adjustments	1,518.01	983.27
-(Gain)/Loss on plan assets (excluding amounts included in net interest cost)	(29.49)	42.81
Components of defined benefit costs recognised in other comprehensive income	1,494.42	376.88

(vi) Movement during in the fair value of plan assets is as follow (Refer Note 30):

Opening Balance	4,551.00	4,236.53
-Expected return	350.43	326.21
-Benefits paid	(737.72)	(768.93)
-Contributions by the Employer	-	800.00
-Actuarial gains / (losses)	29.49	(42.81)
Closing Balance	4,193.20	4,551.00

(vii) Percentage allocation of plan assets by category:

Particulars	JSTI Gratuity Fund	
	31-Mar-2019	31-Mar-2018
Government Securities	2.90%	2.27%
Debentures / Bonds	95.24%	95.89%
Fixed deposits	1.82%	1.82%
Cash and Cash Equivalents	0.04%	0.02%

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

JSTI Gratuity Fund contributes funds in Birla Sun Life Insurance, HDFC Life Insurance, Bajaj Allianz, India First Life Insurance, Life Insurance Corporation.

The Company expects to contribute ₹ 800 Lakhs to the funded defined benefit plans in financial year 2019-20.

Sensitivity Analysis

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligations and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

	31-Mar-2019		31-Mar-2018	
Assumptions	Discount rate		Discount rate	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(513.99)	572.97	(254.42)	227.22

	31-Mar-2019		31-Mar-2018	
Assumptions	Future Salary increase		Future Salary increase	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	597.27	(541.27)	251.04	(278.31)

Risk analysis

Company is exposed to a number of risks in the defined benefit plans. Most significant risks pertaining to defined benefits plans, and management's estimation of the impact of these risks are as follows:

Interest risk

A decrease in the interest rate on plan assets will increase the plan liability.

Salary growth risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

Investment risk

The Gratuity plan is funded with Birla Sun Life Insurance, HDFC Life Insurance, Bajaj Allianz, India First Life Insurance, Life Insurance Corporation. Company does not have any liberty to manage the fund provided to the Insurance Companies. The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government of India bonds. If the return on plan asset is below this rate, it will create a plan deficit.

(b) Provident fund for certain employees

In view of year-end position of the employer established provident fund and confirmation from the Trustees's of such fund, there is no shortfall as at the year end.

(II) Defined contribution plans**a) Provident Fund**

Particulars	31-Mar-2019	31-Mar-2018
Contribution to Provident Fund during the year	1,549.90	1,402.69

b) Superannuation Fund

Contribution to Superannuation Fund during the year	91.32	94.67
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NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

The Company has defined contribution superannuation plan for the benefit of its eligible employees. Employees who are members of the defined contribution superannuation plan are entitled to benefits depending on the years of service and salary drawn. Separate irrevocable trust is maintained for employees covered and entitled to benefits. The Company contributes 15% of the eligible employees' salary to the trust. Such contributions are recognised as an expense as and when incurred. The Company does not have any further obligation beyond this contribution.

Note - 29 Leases**Operating lease — Company as Lessee (Other than land lease)**

The Company's leasing arrangement are in the nature of cancellable operating leases. The Company has taken warehouse, machineries on Operating Leases. These leases have a life of between 1 year to 15 years which is renewable by mutual consent of concerned parties. No contingent rent is payable by the Company in respect of the above leases. Some of the lease agreements have price escalation clauses. Related lease rentals have been disclosed under the head "Rent" in Note 24 of Statement of Profit and Loss. There are no restrictions placed upon the Company by such leases.

Note - 30 Commitment and Contingencies**I. Commitments**

	As at 31-Mar-2019	As at 31-Mar-2018
i. Capital Commitments outstanding (Net of Advances)	35.66	116.34
ii. Investments pledged with a bank amounting to ₹ Nil (P.Y. ₹ 1,394.71 lakhs) towards banking facilities availed by a subsidiary and step down subsidiary from the Bank.	-	1,138.28
iii. Letter of credit issued against purchase of fuel	27.12	24.77
iv. Commitments outstanding against further investments in Alternate Investment Fund(AIF)	1,856.34	2,116.25

II. Guarantees

i. Bank Guarantees	466.95	281.81
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III. Contingent Liabilities**a) Claims against the Company not acknowledged as debts:**

i. Demand from Sales Tax authority : Certain disallowances of Sales Tax were demanded against the company and the appeals before the Commissioner/ Tribunal Appellate and revisional Board has been filed and the management is of the opinion that it will obtain full relief	693.57	693.57
ii. Income Tax demand under appeal	337.91	617.72
iii. Entry Tax Liability in the state of West Bengal, stay has been granted by Hon'ble High Court at Calcutta *	116.14	116.14
iv. Demand from a lessor for interest on differential rent	70.14	70.14
v. Demand of Provident Fund Damages and Interest by the Provident Fund Authorities, West Bengal	117.88	117.88
vi. Demand of wages of a closed unit for earlier years pending before Labour Court (Estimated)	61.50	61.50
vii. Demand against differential excise duty in relation to a closed unit for earlier years pending before Central Excise & Service Tax Appellate Tribunal (CESTAT)	50.05	50.05

*In view of injunction granted by the Hon'ble High Court at Calcutta, no provision has been made in respect of Entry Tax imposed by Govt. of West Bengal under the "Entry of Goods into Local Area Act 2012".

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

b) Other Contingencies and Commitments

- i. There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated 28th February, 2019. The Company believes that it does not have any significant impact on a prospective basis from the date of the SC order. The company will revisit its position, on receiving further clarity on the subject.
- ii. The Company has provided Corporate Guarantee during the year amounting to ₹ 1,425.00 lakhs against term loan availed by Majhulia Sugar Industries Private Limited (a wholly owned subsidiary company) for the purpose of their business. The amount of facility availed by the subsidiary as on 31st March, 2019 is ₹ 1,117.27 lakhs.

Note: In respect of above, future cash flows are determinable only on receipt of judgements pending at various forums/authorities which in the opinion of the Company is not tenable and there is no possibility of any future cash outflow in case of above.

Note - 31 Disclosure in Respect of Related Parties Pursuant to Ind As 24**A Names of related parties and description of relation :****(i) Subsidiaries**

Majhulia Sugar Industries Private Limited (Wholly owned subsidiary) [MSIPL]
 Jayantika Investment & Finance Limited (Wholly owned subsidiary) [JIFL]
 Birla Holdings Limited (Wholly owned subsidiary) [BHL]
 North Tukvar Tea Company Limited [NTTCL]

(ii) Joint Ventures

Tea Group Investment Company Limited (TGICL)

(iii) Key management personnel (KMP)

(a) Chairman	Mr. Basant Kumar Birla
(b) Vice Chairperson	Mrs. Jayashree Mohta
(c) Executive Director	Mr. Vikash Kandoi
(d) Managing Director	Mr. Damodar Prasad Maheshwari
(e) Non Executive Director	Mr. Gouri Prasad Goenka (ceased w.e.f. December 08, 2017) Mr. Prashant Jhawar (ceased w.e.f. May 29, 2018) Mr. Surendra Kumar Tapuriah Mr. Sumit Mazumder Mr. Subodh Kumar Agrawal Mr. Harsh Vardhan Kanoria (w.e.f. February 11, 2019)
(f) Chief Financial Officer and Company Secretary	Mr. Ramesh Kumar Ganeriwala

(iv) Others

	Nature of Relationship
Kijura Tea Company Limited	Subsidiary of BHL
Bondo Tea Estate Limited	Step down subsidiary of BHL
Gisakura Tea Company Limited	Subsidiary of TGICL
Mata Tea Company Limited	Subsidiary of TGICL
ECE Industries Limited	Associate of JIFL
JPM Merchandise Agencies Limited	Entity over which KMP has significant influence
Century Textiles & Industries Limited	Entity over which KMP has significant influence
Kesoram Industries Limited	Entity over which KMP has significant influence
Birla International Limited	Entity over which KMP has significant influence

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)*

(₹ in Lakhs)

(v) Post-employment Benefit Plans (PEBP)

Birla Industries Provident Fund

B K Birla Group of Companies Provident Fund Institution

JSTI Gratuity Fund

B. During the year the following transactions were carried out with the related parties in the ordinary course of business:**i. Transactions with related parties**

	For the year ended	
	31-Mar-2019	31-Mar-2018
Other Expenses		
North Tukvar Tea Company Limited	28.06	28.06
Total	28.06	28.06
Interest Paid/Payable		
Majhulia Sugar Industries Private Limited	-	178.89
Total	-	178.89
Interest Received/Receivable		
North Tukvar Tea Company Limited	26.86	29.55
Jayantika Investment & Finance Limited	290.24	228.71
Majhulia Sugar Industries Private Limited	411.11	-
Total	728.21	258.26
Dividend Paid		
JPM Merchandise Agencies Limited	30.57	30.57
ECE Industries Limited	2.23	2.23
Jayantika Investment & Finance Limited	32.64	32.64
Pilani Investment and Industries Corporation Limited	0.01	0.01
Century Textiles & Industries Limited	1.50	1.50
Kesoram Industries Limited	-	1.94
Mr. Basant Kumar Birla	0.23	0.23
Mrs. Jayashree Mohta	4.93	4.93
Mr. Gouri Prasad Goenka	-	*
Mr. Prashant Jhavar	-	*
Mr. Sumit Mazumder	*	-
Mr. Surendra Kumar Tapuriah	*	*
Mr. Subodh Kumar Agrawal	*	*
Mr. Vikash Kandoi	0.01	0.01
Mr. Damodar Prasad Maheshwari	0.03	*
Total	72.15	74.06
Dividend Received		
Jayantika Investment & Finance Limited [JIFL] (netted off against Equity Portion of Investment in 5% Cumulative Preference Shares of JIFL)	1.50	1.50
Birla International Limited	12.47	8.34
Total	13.97	9.84

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)*

(₹ in Lakhs)

	For the year ended	
	31-Mar-2019	31-Mar-2018
Loan Given/ (Received) [Net]		
Majhulia Sugar Industries Private Limited	4,479.77	3,487.90
Jayantika Investment & Finance Limited	185.16	705.94
Kijura Tea Company Limited	-	21.26
North Tukvar Tea Company Limited	13.60	-
Total	4,678.53	4,215.10
Investment in Equity Shares		
Birla Holdings Limited	491.93	-
Total	491.93	-

*Amounts are below the rounding off norm adopted by the Company.

(ii) Remuneration of Key Management Personnel (KMP)

The remuneration of key management personnel of the Company are set out below in aggregate for each of the categories specified in Ind AS 24 Related party disclosures.

Salaries and Wages	327.04	317.31
Contribution to Provident and Other Funds #	36.94	34.13
Directors' Sitting Fees	4.00	3.30
Total	367.98	354.74

Does not include gratuity and compensated absences as these are provided in the books of accounts on the basis of actuarial valuation for the company as a whole and hence individual amount cannot be determined.

(iii) Contribution to Post Employment Benefit Plan

Birla Industries Provident Fund	125.49	127.15
B K Birla Group of Companies Provident Fund Institution	76.12	73.66
JSTI Gratuity Fund	-	800.00
Total	201.61	1,000.81

C. Balances as at year end are set out below:

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
Loans Receivable:		
Majhulia Sugar Industries Private Limited	7,907.60	3,427.83
Jayantika Investment & Finance Limited	1,865.92	1,680.76
Kijura Tea Company Limited	122.13	122.13
North Tukvar Tea Company Limited	13.60	-
Total	9,909.25	5,230.72

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)*

(₹ in Lakhs)

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
Security Deposits Given:		
North Tukvar Tea Company Limited	211.26	251.00
Total	211.26	251.00
Advance Rent Paid:		
North Tukvar Tea Company Limited	38.12	-
Total	38.12	-
Assets pledged against loan availed by step down subsidiary		
Kijura Tea Company Limited	-	1,138.28
Total	-	1,138.28
Payable to Post Employment Benefit Plan		
Birla Industries Provident Fund	9.75	5.64
B K Birla Group of Companies Provident Fund Institution	5.85	-
Total	15.60	5.64
Plan Assets (Refer Note 28):		
JSTI Gratuity Fund	4,193.20	4,551.00
Total	4,193.20	4,551.00

Note - 32 Fair Value Measurements

Financial Assets - Non Current		
At Fair Value through Profit or Loss		
Investments	15,456.03	14,945.50
At Fair Value through Other Comprehensive Income		
Investments	893.67	656.49
At Amortised Cost		
(a) Investment	307.07	299.15
(b) Trade Receivable	-	-
(c) Loans	752.21	862.71
(d) Other Financial Assets	13.55	12.04
	1,072.83	1,173.90
At Cost		
Investments	11,722.55	11,232.12
Total Non-Current Financial Assets (a)	29,145.08	28,008.01
Financial Assets - Current		
At Fair Value through Profit or Loss		
(a) Investments	246.09	1,613.07
(b) Other Financial Assets	41.49	-
	287.58	1,613.07

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)*

(₹ in Lakhs)

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
At Amortised cost		
(a) Trade Receivables	5,524.01	6,537.17
(b) Cash and Cash Equivalents	392.75	706.61
(c) Other Bank Balances	90.32	983.67
(d) Loans	10,289.77	5,484.89
(e) Other Financial Assets	2,847.13	3,420.81
	19,143.98	17,133.15
Total Current Financial Assets (b)	19,431.56	18,746.22
Total Financial Assets (a + b)	48,576.64	46,754.23
Financial Liabilities - Non-Current		
At Amortised Cost		
(a) Borrowings	12,931.31	15,426.59
(b) Other Financial Liabilities	123.98	117.43
Total Non-Current Financial Liabilities (a)	13,055.29	15,544.02
Financial Liabilities - Current		
At Fair Value through Profit or Loss		
Other Financial Liabilities	-	25.05
At Amortised Cost		
(a) Borrowings (including current maturities of long term debt)	33,317.24	27,267.78
(b) Trade Payables	4,807.13	3,522.24
(c) Other Financial Liabilities	1,705.69	1,232.70
Total Current Financial Liabilities (b)	39,830.06	32,047.77
Total Financial Liabilities (a + b)	52,885.35	47,591.79

Note - 33 Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the standalone financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows below:

The table shown below analyses financial instruments carried at fair value. The different levels have been defined below:-

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

Level 2: Inputs other than quoted prices included within 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)

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

(a) Financial assets and liabilities measured at fair value at 31st March, 2019

	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment at FVTPL				
In Preference Shares of Subsidiary Company	-	1,403.06	-	1,403.06
In Mutual Funds	-	6,338.03	-	6,338.03
In Alternate Investment Funds (AIF)	-	5,477.44	-	5,477.44
In Bonds	2,483.59	-	-	2,483.59
Derivatives not designated as hedges at FVTPL	-	41.49	-	41.49
Investment at FVTOCI				
In Equity Shares (Quoted and Unquoted)	0.06	893.61	-	893.67

Financial assets and liabilities measured at fair value at 31st March, 2018

	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment at FVTPL				
In Preference Shares of Subsidiary Company	-	1,287.49	-	1,287.49
In Mutual Funds	-	8,185.41	-	8,185.41
In Alternate Investment Funds (AIF)	-	4,523.30	-	4,523.30
In Bonds	2,562.37	-	-	2,562.37
Investment at FVTOCI				
In Equity Shares (Quoted and Unquoted)	0.11	656.38	-	656.49
Financial Liabilities				
Derivatives not designated as hedges at FVTPL	-	25.05	-	25.05

(b) Financial instruments at Amortised Cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

	31-Mar-2019		31-Mar-18	
Financial Assets	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Investment in Unquoted Bonds	307.07	307.07	299.15	299.15

(c) Biological assets other than Bearer Plants

This section explains the judgements and estimates made in determining the fair value of the biological assets other than bearer plants that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its biological assets other than bearer plants into Level 2 in the fair value hierarchy, since no significant adjustments need to be made to the prices obtained from the local markets.

Biological assets other than Bearer Plants for which fair value (less cost to sell) are disclosed at 31st March, 2019	Level 1	Level 2	Level 3	Total
Unharvested Tea Leaves	-	179.70	-	179.70
Total	-	179.70	-	179.70

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

Biological assets other than Bearer Plants for which fair value (less cost to sell) are disclosed at 31st March, 2018	Level 1	Level 2	Level 3	Total
Unharvested Tea Leaves	-	88.77	-	88.77
Total	-	88.77	-	88.77

(d) During the year there has been no transfer from one level to another.

Note - 34 Financial Risk Management

The Company's activities expose it to credit risk, liquidity risk and market risk. In order to minimise any adverse effects on the financial performance of the Company, the company has risk management policies as described below-

(A) Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company is exposed to credit risk from its operating activities (primarily Trade Receivables) and from its investing activities (primarily Deposits with Banks and Investments in Mutual Funds).

Credit risk from balances with banks, term deposits, loans, investments and derivative instruments is managed by Company's finance department. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. The Company monitors ratings, credit spreads and financial strength of its counterparties.

The Company's maximum exposure to credit risk for the components of the Balance Sheet as of 31st March, 2019 and 31st March, 2018 is the carrying amounts as disclosed in Note 32.

Trade Receivables

Trade Receivables are typically unsecured and are derived from revenue earned from customers. Customer credit risk is managed by each business unit subject to the Company's policy and procedures which involve credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. Outstanding customer receivables are regularly monitored.

The ageing analysis of the receivables (net of provision) has been considered from the date the invoice falls due.

Trade Receivable	< 90 days	91 to 180 days	> 180 days	Total
31st March, 2019	4,073.84	847.46	602.71	5,524.01
31st March, 2018	5,624.62	600.72	311.83	6,537.17

(B) Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and maintains adequate sources of financing.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Contractual Maturities of Financial Liabilities	Less than 1 year	1 to 3 years	More than 3 years	Total
31st March, 2019				
Borrowings*	33,317.24	9,749.01	3,182.30	46,248.55
Contractual Interest on Borrowings	1,814.85	1,396.72	153.36	3,364.93
Trade Payables	4,807.13	-	-	4,807.13
Other Financial Liabilities	1,705.69	123.98	-	1,829.67
Total	41,644.91	11,269.71	3,335.66	56,250.28

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)*

(₹ in Lakhs)

Contractual Maturities of Financial Liabilities	Less than 1 year	1 to 3 years	More than 3 years	Total
31st March, 2018				
Borrowings*	27,267.78	12,049.38	3,377.21	42,694.37
Trade Payables	3,522.24	-	-	3,522.24
Other Financial Liabilities	1,257.75	117.43	-	1,375.18
Total	32,047.77	12,166.81	3,377.21	47,591.79

*Includes Non-Current Borrowings, Current Borrowings and Current Maturities of Non-Current Borrowings.

(C) Market Risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – 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.

(i) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, EUR and GBP. The Company has obtained foreign currency loans and has foreign currency trade receivables and trade payables and is therefore exposed to foreign currency risk.

The Company uses forward exchange contracts to hedge the effects of movements in foreign exchange rates on foreign currency denominated assets and liabilities.

(a) Sensitivity

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

	Impact on profit before tax	
	31-Mar- 2019	31-Mar- 2018
USD Sensitivity		
INR/USD -Increase by 10%*	(50.62)	0.93
INR/USD -Decrease by 10%*	50.62	(0.93)
Euro Sensitivity		
INR/EUR-Increase by 10%*	59.27	90.10
INR/EUR-Decrease by 10%*	(59.27)	(90.10)
GBP Sensitivity		
INR/GBP-Increase by 10%*	(-)	0.01
INR/GBP-Decrease by 10%*	-	(0.01)

* Holding all other variables constant

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's main interest rate risk arises from short term and long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. During 31st March 2019 and 31st March 2018, the Company's borrowings at variable rate were mainly denominated in INR.

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of changes in market interest rates.

(a) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

	Impact on profit before tax	
	31-Mar- 2019	31-Mar- 2018
Interest Rates — Increase by 50 basis points	(175.92)	(177.07)
Interest Rates — Decrease by 50 basis points	175.92	177.07

* Holding all other variables constant and on the assumption that amount outstanding as at reporting dates were utilised for the full financial year.

(iii) Price Risk

Securities price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded prices.

The Company invests its surplus funds in various debt instruments. These comprise of mainly mutual funds and alternative investment fund. To manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio. Mutual fund investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments.

(a) Sensitivity

The sensitivity of profit or loss to changes in Net Assets Values (NAVs) as at year end for investments.

	Impact on profit before tax	
	31-Mar- 2019	31-Mar- 2018
NAV - Increase by 1%*	157.02	165.59
NAV - Decrease by 1%*	(157.02)	(165.59)

* Holding all other variables constant

(iv) Agricultural Risk

Cultivation of tea being an agricultural activity, there are certain specific financial risks. These financial risks arise mainly due to adverse weather conditions, logistic problems inherent to remote areas, and fluctuation of selling price of finished goods (tea) due to increase in supply/availability.

The Company manages the above financial risks in the following manner:

- Sufficient inventory levels of chemicals, fertilisers and other inputs are maintained so that timely corrective action can be taken in case of adverse weather conditions.
- Slightly higher level of consumable stores viz. packing materials, coal and HSD are maintained in order to mitigate financial risk arising from logistics problems.
- Forward contracts are made with overseas customers as well as domestic customers, in order to mitigate the financial risk in fluctuation in selling price of tea
- Sufficient working-capital-facility is obtained from banks in such a way that cultivation, manufacture and sale of tea is not adversely affected even in times of adverse conditions.

NOTES to Standalone Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

Note - 35 Capital Management

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

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximise the shareholders value. The Company's overall strategy remains unchanged from previous year. The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of borrowed funds and internal fund generation. The Company's policy is to use short-term and long-term borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the net debt to equity ratio. Net debt are long term and short term debts as reduced by cash and cash equivalents. Equity comprises share capital and free reserves (total reserves excluding OCI). The following table summarizes the capital of the Company:

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
Borrowings	46,248.55	42,694.37
Less: Cash and Cash Equivalents	(392.75)	(706.61)
Net Debt	45,855.80	41,987.76
Total Equity	27,905.54	27,769.23
Net Debt to Equity ratio	1.64	1.51

No changes were made to the objectives, policies or processes from managing capital during the reporting periods.

As per our report on even date

For **S.R.BATLIBOI & CO. LLP**

Chartered Accountants

Firm Registration No : 301003E/E300005

per **Sanjay Kumar Agarwal**

Partner

Membership No: 060352

Place: Kolkata

Date: 28 May 2019

For and on behalf of Board of Directors

D. P. Maheshwari
(Managing Director)
(DIN: 02203749)

R. K. Ganeriwala
(President, CFO
& Secretary)

S.K.Tapuriah
(Director)
(DIN: 01065278)

Independent Auditors Report on Consolidated Financial Statements

To the Members of Jay Shree Tea & Industries Limited

Report on the Consolidated Ind AS Financial Statements

Qualified Opinion

We have audited the accompanying consolidated Ind AS financial statements of Jay Shree Tea & Industries Limited (hereinafter referred to as “the Holding Company”), its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”) its associate and joint venture comprising of the consolidated Balance Sheet as at March 31 2019, the consolidated Statement of Profit and Loss including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated Ind AS 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 and on the other financial information of the subsidiaries and joint venture, except for the effects of the matters described in the ‘Basis of Qualified Opinion’ section of our report, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate and joint venture as at March 31, 2019, their consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis of Qualified Opinion

The accompanying consolidated Ind AS financial statements include the Group’s share of net loss of ₹ 32.84 lakhs for the year ended March 31, 2019, as considered in the consolidated Ind AS financial statements, in respect of an associate whose Ind AS financial statements have not been audited and whose unaudited Ind AS financial statements and other financial information have been approved by the Board of Directors of the associate and furnished to us by the management of the Holding Company. We are unable to comment on the adjustments in relation to such balances, if any, had the same been subjected to audit.

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the ‘Auditor’s Responsibilities for the Audit of the Consolidated Ind AS 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Independent Auditors Report on Consolidated Financial Statements (Contd.)

Key audit matters	How our audit addressed the key audit matter
Useful Life of Bearer Plants <i>(as described in note 3.3 of the consolidated Ind AS financial statements)</i>	
<p>Useful life of Bearer Plants requires the management to exercise significant judgement in relation to the estimate thereof. Nature, timing and likelihood of changes to the natural factors may affect the useful life expectancy of the assets and therefore could have a material impact on the depreciation expense for the year.</p> <p>As per the Ind AS 16 – “Property, Plant and Equipment”, the management reviews the estimated useful life and the residual value of Bearer Plants annually and adjust for changes, where appropriate.</p> <p>The written down value of such Bearer Plants as on March 31, 2019 is ₹ 5,581.95 lakhs.</p>	<ul style="list-style-type: none">Assessed the management’s estimates of the useful life of Bearer Plants with reference to: (1) the consistency with the Group’s pattern of economic benefits embodied in such assets and future operating plans including acquisitions and retirements of the Bearer Plants; (2) the comparison to the useful life estimates adopted by the comparable tea producers; and (3) consideration of the Group’s historical experience.Evaluated the assumptions and critical judgements used by the management through verification of underlying documents / details.Assessed the adequacy of related disclosures in the consolidated Ind AS financial statements in this regard.
Valuation of Biological Assets (including valuation of harvested tea leaves) <i>(as described in note 3.8 and 3.9 respectively of the consolidated Ind AS financial statements)</i>	
<p>The Group holds ₹ 181.41 lakhs of biological assets (unplucked tea leaves) as current assets as at March 31, 2019.</p> <p>As required by Ind AS 41- “Agriculture”, management estimates the fair value of harvested tea leaves used in manufacture of tea and unplucked tea leaves (biological assets as at the balance sheet date) through the use of valuation models and recent transaction prices. Significant judgement is required for key assumptions used in determining average prevalent selling prices of the tea leaves, average quality of the tea leaves and quantity of unplucked leaves. Accordingly, this matter has been identified as a key audit matter.</p>	<ul style="list-style-type: none">Assessed the significant assumptions used in the valuation model with reference to available market information.Understood, evaluated and tested the operating effectiveness of internal controls over valuation of biological assets and harvested tea leaves.Tested the selection of data inputs used against appropriate supporting documents.Assessed the adequacy of financial statement disclosures including disclosures of key assumptions, judgement and sensitivities.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Report of Directors including Annexures to the Report of Directors, Corporate Governance and Statement pursuant to Section 129 of the Companies Act, 2013, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the consolidated Ind AS financial statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity

Independent Auditors Report on Consolidated Financial Statements *(Contd.)*

of the Group including its associate and joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associate and joint venture 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for assessing the ability of the Group and of its associate and joint venture 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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associate and joint venture are also responsible for overseeing the financial reporting process of the Group and of its associate and joint venture.

Auditor's Responsibilities for the Audit of the consolidated Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 Ind AS 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 Ind AS 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.
- 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 Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate and joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS 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 and its associate and joint venture to cease to continue as a going concern.

Independent Auditors Report on Consolidated Financial Statements (Contd.)

- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS 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 the entities or business activities within the Group and its associate and joint venture of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. 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.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS 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 Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

- We did not audit the financial statements and other financial information, in respect of four direct subsidiaries whose Ind AS financial statements and two subsidiaries of Birla Holdings Limited (BHL)(including stepdown subsidiary), together include total assets of ₹ 56,933.92 lakhs as at March 31, 2019, and total revenues of ₹ 19,624.91 Lakhs and net cash outflows of ₹ 684.69 lakhs for the year ended on that date. These Ind AS financial statements, financial statements of two subsidiaries of BHL and other financial information have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net profit of ₹ 75.48 lakhs for the year ended March 31, 2019, as considered in the consolidated Ind AS financial statements, in respect of a joint venture, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries (including stepdown subsidiaries) and joint venture, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture, is based solely on the report(s) of such other auditors.
- Two of the subsidiaries of BHL (including stepdown subsidiary) and two subsidiaries of the joint venture are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such entities located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such entities located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

Independent Auditors Report on Consolidated Financial Statements (Contd.)

Our opinion above on the consolidated Ind AS 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 and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, associate and joint venture, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- (a) Except for the matter described in the Basis of Qualified Opinion paragraph above, we/the other auditors whose report we have relied upon 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 Ind AS financial statements;
- (b) Except for the matter described in the Basis of Qualified Opinion paragraph above, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The Consolidated Balance Sheet, the consolidated Statement of Profit and Loss including the other comprehensive income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- (d) Except for the matter described in the Basis of Qualified Opinion paragraph above, in our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Group;
- (f) Except for the matter described in the Basis of Qualified Opinion paragraph above, on the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
- (g) Except for the matter described in the Basis of Qualified Opinion paragraph above, with respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies incorporated in India, refer to our separate Report in "Annexure 1" to this report;
- (h) Except for the matter described in the Basis of Qualified Opinion paragraph above, in our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries incorporated in India, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Holding Company and its subsidiaries incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and joint venture, as noted in the 'Other matter' paragraph:

Independent Auditors Report on Consolidated Financial Statements (Contd.)

- i. Except for the possible effect of the matter described in the Basis of Qualified Opinion paragraph above, the consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associate and joint venture in its consolidated Ind AS financial statements – Refer Note 30 to the consolidated Ind AS financial statements;
- ii. Except for the possible effect of the matter described in the Basis of Qualified Opinion paragraph above, the Group, its associate and joint venture did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2019;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2019. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary incorporated in India during the year ended March 31, 2019.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Sanjay Kumar Agarwal**

Partner

Membership Number: 060352

Place: Kolkata

Date: May 28, 2019

ANNEXURE 1 to the Independent Auditors Report on Consolidated Financial Statements

“Annexure 1” to the Independent Auditor’s of even date on the consolidated Ind AS financial statements of Jay Shree Tea & Industries Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated Ind AS financial statements of Jay Shree Tea & Industries Limited as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Jay Shree Tea & Industries Limited (hereinafter referred to as the “Holding Company”), its subsidiary companies and its associate company, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the company’s internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 with reference to these consolidated Ind AS financial statements 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 over financial reporting with reference to these consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements, 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 consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these consolidated Ind AS financial statements

A company’s internal financial control over financial reporting with reference to these consolidated Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting with reference to these consolidated Ind AS financial statements 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 consolidated Ind AS 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

ANNEXURE 1 to the Independent Auditors Report on Consolidated Financial Statements (Contd.)

company's assets that could have a material effect on the consolidated Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these consolidated Ind AS financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements, 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 with reference to these consolidated Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate..

Qualified Opinion

The system of internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements with regard to its associate company were not made available, to determine if the associate company has established adequate internal financial control over financial reporting with reference to these consolidated Ind AS financial statements and whether such internal financial controls with reference to these consolidated Ind AS financial statements were operating effectively as at March 31, 2019. Hence, we are unable to comment on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements, in so far as it relates to such associate.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the holding company's annual or interim consolidated financial statements will not be prevented or detected on a timely basis.

In our opinion, the Holding Company and its subsidiary companies, except for the possible effects of the matter described in qualified opinion paragraph above in respect of associate company incorporated in India, have maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements and such internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company insofar as it relates to three subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India as specified under section 143(10) of the Act, the consolidated Ind AS financial statements of the Holding Company, which comprise the Consolidated Balance Sheet as at March 31, 2019, and the Consolidated Statement of Profit and Loss including other comprehensive income and Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information, and our report dated May 28, 2019 expressed a qualified opinion thereon.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Sanjay Kumar Agarwal**

Partner

Membership Number: 060352

Place of Signature: Kolkata

Date: May 28, 2019

CONSOLIDATED BALANCE SHEET as at 31st March, 2019

(₹ in Lakhs)

	Notes	As at 31-Mar-2019	As at 31-Mar-2018
ASSETS			
Non-Current Assets			
Property plant and equipment	4	32,966.92	30,978.23
Capital Work-in-Progress	4	10,351.08	2,208.09
Investment Property	4	13.37	2.25
Goodwill	4	1,343.97	1,315.74
Financial Assets			
(a) Investments	5a	28,513.38	27,664.37
(b) Trade Receivables	5c	-	-
(c) Loans	5d	540.95	611.71
(d) Other Financial Assets	5e	235.55	12.04
Deferred Tax Assets (Net)	6	1,514.03	1,127.79
Current Tax Assets (Net)		633.02	576.15
Other Non-Current Assets	7	938.54	737.00
Total Non-Current Assets		77,050.81	65,233.37
Current Assets			
Inventories	8	30,711.31	26,359.65
Biological Assets other than Bearer Plants	8a	269.00	176.75
Financial Assets			
(a) Investments	5b	246.09	1,967.32
(b) Trade Receivables	5c	6,083.32	7,409.43
(c) Cash and Cash Equivalents	9a	600.59	1,634.14
(d) Other Bank Balances	9b	135.32	993.67
(e) Loans	5d	2,672.41	2,223.54
(f) Other Financial Assets	5e	4,906.45	5,780.23
Other Current Assets	7	3,339.35	1,346.38
Total Current Assets		48,963.84	47,891.11
Total Assets		1,26,014.65	1,13,124.48
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	10	1,133.34	1,117.43
Other Equity	11	31,131.74	32,168.56
Total Equity		32,265.08	33,285.99
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
(a) Borrowings	12a	13,437.52	16,356.69
(b) Other Financial Liabilities	12b	240.61	249.87
Provisions	13	3,784.41	2,286.59
Current Tax Liabilities (Net)		166.04	88.38
Other Non-Current Liabilities	15	332.19	277.43
Total Non-Current liabilities		17,960.77	19,258.96
Current Liabilities			
Financial Liabilities			
(a) Borrowings	12c	30,344.28	22,492.81
(b) Trade Payables			
Total Outstanding Dues of Micro Enterprises and Small Enterprises	14	-	-
Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	14	29,031.20	23,292.08
(c) Other Financial Liabilities	12b	9,911.57	9,636.80
Other Current Liabilities	15	1,671.78	814.17
Provisions	13	4,829.97	4,343.67
Total Current Liabilities		75,788.80	60,579.53
Total Liabilities		93,749.57	79,838.49
Total Equity and Liabilities		1,26,014.65	1,13,124.48

Significant accounting policies

3

The accompanying notes are an integral part of the consolidated Ind AS financial statements

As per our report on even date

For **S.R.BATLIBOI & CO. LLP**

For and on behalf of Board of Directors

Chartered Accountants

Firm Registration No : 301003E/E300005

per **Sanjay Kumar Agarwal**

Partner

Membership No: 060352

Place: Kolkata

Date: 28 May 2019

D. P. Maheshwari
(Managing Director)
(DIN: 02203749)

R. K. Ganeriwala
(President, CFO
& Secretary)

S.K.Tapuriah
(Director)
(DIN: 01065278)

CONSOLIDATED STATEMENT OF PROFIT & LOSS for the year ended 31st March, 2019

(₹ in Lakhs)

	Notes	Year Ended 31-Mar-2019	Year Ended 31-Mar-2018
I. Income			
Revenue from operations	16	75,691.69	75,769.62
Other income	17	4,213.89	4,821.64
Total income (I)		79,905.58	80,591.26
II. Expenses			
Cost of Materials Consumed	18	27,508.87	27,189.21
Purchases of Traded Goods	19	5,878.95	7,092.91
Changes in Inventories of Finished Goods, Work-in-Progress and Traded Goods	20	(3,450.38)	(1,187.77)
Employee Benefits Expense	21	24,460.83	22,551.01
Finance Costs	22	4,907.79	4,258.35
Depreciation and Amortisation expenses	23	1,926.66	1,779.65
Other Expenses	24	19,073.56	18,899.67
Total Expenses (II)		80,306.28	80,583.03
III. Profit/(Loss) before tax (I-II)		(400.70)	8.23
IV. Tax expense			
Current Tax		126.84	76.87
Deferred Tax Charge / (Credit)	6	28.03	(292.35)
Adjustment of Tax relating to Earlier Periods		(160.38)	-
		(5.51)	(215.48)
V. Profit/(Loss) for the year (III-IV)		(395.19)	223.71
VI. Share of Profit of Associate and Joint Venture	38 & 39	42.64	3,198.53
VII. Profit/(Loss) after Tax, share of profit of Associate and Joint Venture (V+VI)		(352.55)	3,422.24
VIII. Other Comprehensive income:			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
a) Re-measurement gains and (losses) on defined benefit obligations (net of tax)		(995.13)	(310.13)
b) Fair Value of Equity Instruments through OCI (net of tax)		141.85	(21.86)
c) Exchange Differences on Translation of Foreign Operations		(37.65)	(18.58)
d) Share of other comprehensive income in Associate and Joint Venture	38 & 39	104.21	(27.96)
Other comprehensive income/(loss) for the year, net of tax (VIII)		(786.72)	(378.53)
IX. Total comprehensive income/(loss) for the year, net of tax (VII + VIII)		(1,139.27)	3,043.71
Earnings per Equity Share of ₹ 5/- each			
Basic & Diluted	25	(1.57)	15.31

Significant accounting policies

3

The accompanying notes are an integral part of the consolidated Ind AS financial statements

As per our report on even date

For **S.R.BATLIBOI & CO. LLP**

Chartered Accountants

Firm Registration No : 301003E/E300005

per **Sanjay Kumar Agarwal**

Partner

Membership No: 060352

Place: Kolkata

Date: 28 May 2019

For and on behalf of Board of Directors

D. P. Maheshwari
(Managing Director)
(DIN: 02203749)

R. K. Ganeriwala
(President, CFO
& Secretary)

S.K.Tapuriah
(Director)
(DIN: 01065278)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended 31st March, 2019

(₹ in Lakhs)

a. Equity Share Capital:

	No. of shares	₹ in Lakhs
Equity shares of ₹ 5 each issued, subscribed and fully paid		
As at 1st April, 2017	2,23,48,678	1,117.43
Changes in Equity Share Capital	-	-
At 31st March, 2018	2,23,48,678	1,117.43
Changes in Equity Share Capital		
- Effect of Cross Holding	3,18,180	15.91
At 31st March, 2019	2,26,66,858	1,133.34

b. Other equity

For the year ended 31 March, 2019

Particulars	Reserves & Surplus					Treasury Shares	Items of Other Comprehensive Income		Total Other Equity
	Capital Reserve	Capital Redemption Reserve	RBI Reserve Fund	General reserve	Retained Earnings		Foreign Currency Translation Reserve	Other Comprehensive Income	
As at 1st April, 2018	-	165.20	48.96	17,529.41	13,537.32	-	(126.71)	1,014.38	32,168.56
Profit/(Loss) for the Year	-	-	-	-	(352.55)	-	-	-	(352.55)
Other Comprehensive Income/(Loss) for the Year	-	-	-	-	-	-	(37.65)	(749.07)	(786.72)
Total Comprehensive Income for the year	-	-	-	-	(352.55)	-	(37.65)	(749.07)	(1,139.27)
Effect of Cross Holding	107.57	-	-	136.31	-	-	-	-	243.88
Dividend and Distribution Tax thereon (Note 26)	-	-	-	-	(141.43)	-	-	-	(141.43)
Realised profit on Sale of Investment valued at FVTOCI transferred to General Reserve from OCI	-	-	-	71.88	-	-	-	(71.88)	-
As at 31st March, 2019	107.57	165.20	48.96	17,737.60	13,043.34	-	(164.36)	193.43	31,131.74

For the year ended 31 March, 2018

Particulars	Reserves & Surplus					Treasury Shares	Items of Other Comprehensive Income		Total Other Equity
	Capital Reserve	Capital Redemption Reserve	RBI Reserve Fund	General reserve	Retained Earnings		Foreign Currency Translation Reserve	Other Comprehensive Income	
As at 1st April, 2017	-	165.20	24.69	17,529.41	9,962.52	(332.30)	(108.13)	1,374.33	28,615.72
Sale / Transfer of Treasury Shares	-	-	-	-	352.32	332.30	-	-	684.62
Profit/(Loss) for the Year	-	-	-	-	3,422.24	-	-	-	3,422.24
Other Comprehensive Income/(Loss) for the Year	-	-	-	-	-	-	(18.58)	(359.95)	(378.53)
Total Comprehensive Income for the year	-	-	-	-	3,422.24	-	(18.58)	(359.95)	3,043.71
Transfer to reserve under section 45-IC of the RBI Act, 1934	-	-	24.27	-	(24.27)	-	-	-	-
Dividend and Distribution Tax thereon (Note 26)	-	-	-	-	(175.49)	-	-	-	(175.49)
As at 31st March, 2018	-	165.20	48.96	17,529.41	13,537.32	-	(126.71)	1,014.38	32,168.56

Significant accounting policies

3

The accompanying notes are an integral part of the consolidated Ind AS financial statements

As per our report on even date

For **S.R.BATLIBOI & CO. LLP**

For and on behalf of Board of Directors

Chartered Accountants

Firm Registration No : 301003E/E300005

per **Sanjay Kumar Agarwal**

Partner

Membership No: 060352

Place: Kolkata

Date: 28 May 2019

D. P. Maheshwari
(Managing Director)
(DIN: 02203749)

R. K. Ganeriwala
(President, CFO
& Secretary)

S.K.Tapuriah
(Director)
(DIN: 01065278)

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March, 2019

(₹ in Lakhs)

Particulars	Year Ended 31-Mar-2019	Year Ended 31-Mar-2018
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit/(Loss) before Tax	(400.70)	8.23
Adjustment to reconcile profit before tax to net cash flow		
Depreciation and Amortisation Expense	1,926.66	1,779.65
Finance Costs	4,907.79	4,258.35
Bad Debts & Irrecoverable Loans, Advances & Claims written off	108.79	20.73
Reserve for Doubtful Debts & Advances further created	37.46	0.98
Dividend Received from Investments	(153.78)	(172.09)
Profit on Sale of Investments	(361.19)	(1,182.49)
Fair Value Loss on Investments	174.67	411.85
Profit on sale of Property, Plant & Equipment	(1,303.47)	(1,736.49)
Fair Value (Gain) on Biological Assets	(92.25)	(44.62)
Excess Liabilities and Unclaimed Balances written back	(126.24)	(25.32)
Interest Income	(977.37)	(1,011.84)
Operating profit before Working Capital Changes	3,740.37	2,306.94
Adjustments for-		
(Increase) in inventories	(4,351.66)	(584.76)
(Increase)/decrease in Trade Receivables	1,179.86	649.17
(Increase)/decrease in Loans, Deposits and Other Assets	(1,436.63)	(1,728.38)
Increase in Trade Payables	5,739.16	1,832.56
Increase/(decrease) in other liabilities	892.48	(875.44)
Increase/(decrease) in Provisions	527.94	(343.93)
Cash generated in operations	6,291.52	1,256.16
Income Tax (Paid)/Refund [Net]	51.48	(189.18)
Net Cash flow from Operating Activities	6,343.00	1,066.98
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Dividend Received from Investments	153.78	172.09
Interest Received	1,009.93	1,145.73
Maturity of Bank Fixed Deposits [Net]	630.63	1,028.52
Sale of Property, Plant & Equipment	2,289.18	1,832.53
(Purchase)/Sale of Non-Current Investments [Net]	1,590.95	(89.18)
	5,674.47	4,089.69
Less : Purchase of Property, Plant & Equipment	(12,617.68)	(3,176.50)
Net Cash (Outflow) from Investing Activities	(6,943.21)	913.19

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March, 2019 *(Contd.)*

(₹ in Lakhs)

Particulars	Year Ended 31-Mar-2019	Year Ended 31-Mar-2018
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Non-Current Borrowings	4,600.00	10,090.05
Proceeds from Current Borrowings [Net]	7,851.45	827.52
Repayment of Non-Current Borrowings	(7,771.86)	(8,119.60)
Dividend Paid (including Dividend Distribution Tax)	(141.43)	(175.49)
Interest Paid	(4,971.50)	(4,364.03)
Net Cash (Outflow) from Financing Activities	(433.34)	(1,741.55)
Net (Decrease)/Increase in Cash and Cash Equivalents (A+B+C)	(1,033.55)	238.62
Cash and Cash Equivalents at the beginning of the Year (Refer Note 9a)	1,634.14	1,395.52
Cash and Cash Equivalents at the end of the Year (Refer Note 9a)	600.59	1,634.14

Significant accounting policies

3

The accompanying notes are an integral part of the consolidated Ind AS financial statements

As per our report on even date

For **S.R.BATLIBOI & CO. LLP**

For and on behalf of Board of Directors

Chartered Accountants

Firm Registration No : 301003E/E300005

per **Sanjay Kumar Agarwal**

Partner

Membership No: 060352

Place: Kolkata

Date: 28 May 2019

D. P. Maheshwari
(Managing Director)
(DIN: 02203749)

R. K. Ganeriwala
(President, CFO
& Secretary)

S.K.Tapuriah
(Director)
(DIN: 01065278)

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019

Note - 1.1 Corporate Information

The consolidated financial statements comprise financial statements of Jay Shree Tea & Industries Limited ('the Company') and its subsidiaries (collectively the "Group") for the year ended 31st March, 2019. The Company is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on three stock exchanges in India. The registered office of the Company is located at 10, Camac Street, Kolkata - 700017, West Bengal, India.

The Group is principally engaged in manufacture of tea, chemical & fertilisers and sugar. Information on the Group's structure is provided in Note 37.

The consolidated Ind AS financial statements were approved and authorised for issue in accordance with the resolution of the Company's Board of Directors on 28th May, 2019.

Note - 1.2 Basis of Preparation

The consolidated financial statements of the Group for the year ended 31st March, 2019 have been prepared in accordance Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Scheduled III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

The preparation of financial statements require judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities including contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period prospectively in which the results are known/ materialized.

The consolidated Ind AS financial statements have been prepared on a historical cost basis, except for:

- Certain financial assets and liabilities (including derivative financial instruments) which are measured at fair value/amortised cost
- Defined benefit plans – plan assets measured at fair value
- Certain biological assets (including unplucked green leaves and standing crops of sugarcane) which are measured at fair value less cost to sell.

The consolidated Ind AS financial statements are presented in INR and all values are rounded to the nearest Lakhs (INR 00,000), except when otherwise indicated.

Note - 2 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31st March, 2019. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Company ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March except for one joint venture (including its two subsidiaries) where the most recent financial statements, i.e., 31 December is being used for the purpose of consolidation and adjusted for the effects of significant transactions or events that occur between the date of those financial statements and the date of the consolidated financial statements, if any.

Consolidation procedure:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- (b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

Note - 3 Significant Accounting Policies

3.1. Investments in associate and joint venture

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit and loss.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

3.2. Goodwill

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized. Goodwill is initially measured at cost, being the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed, measured in accordance with Ind AS 103, 'Business Combinations'.

Goodwill is considered to have indefinite useful life and hence is not subject to amortization but tested for impairment at least annually. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination, is from the acquisition date, allocated to each of the respective company's cash generating units (CGUs) that are expected to benefit from the combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Each CGU or a combination of CGUs to which goodwill is so allocated represents the lowest level at which goodwill is monitored for internal management purpose and it is not larger than an operating segment of the Group.

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

A CGU to which goodwill is allocated is tested for impairment annually, and whenever there is an indication that the CGU may be impaired; by comparing the carrying amount of the CGU, including the goodwill, with the recoverable amount of the CGU. If the recoverable amount of the CGU exceeds the carrying amount of the CGU, the CGU and the goodwill allocated to that CGU is regarded as not impaired. If the carrying amount of the CGU exceeds the recoverable amount of the CGU, the respective company recognizes an impairment loss by first reducing the carrying amount of any goodwill allocated to the CGU and then to other assets of the CGU pro-rata based on the carrying amount of each asset in the CGU. Any impairment loss on goodwill is recognized in the Statement of Profit and Loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

On disposal of a CGU to which goodwill is allocated, the goodwill associated with the disposed CGU is included in the carrying amount of the CGU when determining the gain or loss on disposal.

3.3. Current and Non-Current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The group has identified twelve months as its operating cycle.

3.4. Foreign Currencies

Functional and presentation currency

The Group's consolidated financial statements are presented in INR, which is also the parent company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Transaction and balances

Transactions in foreign currencies are initially recorded by the Group at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

Any goodwill arising in the acquisition/ business combination of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

3.5. Property, Plant and Equipment

Property, plant and equipment are carried at cost of acquisition, less accumulated depreciation and accumulated impairment, if any. Cost comprises purchase price and directly attributable cost of bringing the asset to its working condition for the intended use. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

Bearer Plants which is used in the production or supply of agriculture produce and expected to bear produce for more than a period of twelve months are capitalized as a part of Property, Plant & Equipment. The cost of Bearer Plant includes all cost incurred till the plants are ready for commercial harvest. Bearer Plants are depreciated from the date when they are ready for commercial harvest.

An item of Property, Plant and Equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of the asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Depreciation on property, plant and equipment assets other than land is provided on the Straight Line Method to allocate their cost, net of their residual values on the basis of useful lives prescribed in the Schedule II of the Companies Act, 2013. In respect of the following assets, useful lives different from Schedule II have been considered on the basis of technical evaluation, as under:-

- In case of asset "Plucking/Pruning/Power Spraying Machines", depreciation is provided on Straight Line Method at the rates determined considering the useful lives of 5 years which is based on internal assessment and the management believes that the useful lives as considered above best represent the period over which the respective assets shall be expected in use.
- Depreciation on Bearer Plants has been provided on Straight Line Basis at the rates determined considering useful lives of tea bushes of 45-70 years. The Residual Value in case of Bearer Plants has been considered as 1% of Original Cost.

Depreciation in respect of two step subsidiary is calculated based on reducing balance method.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.6. Capital Work-in-Progress

Capital Work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production.

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

3.7 Investment Properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Though the group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes.

3.8 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease.

Group as a lessee

- A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.
- Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.
- A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.
- Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Group as a lessor

- Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.
- Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

3.9. Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost until the asset is ready for its intended use. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Other borrowing costs are recognized as an expense in the period in which they are incurred.

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

3.10 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials in the form of harvested tea leaves, produced from own gardens are measured at fair value for the purpose of value of made tea.

Raw materials (including purchased tea leaves), Work-in-Progress, Stores & Spare parts, Finished Goods and Traded Goods are stated at the lower of cost and estimated net realisable value. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to their present location and condition and includes appropriate overheads (in case of Finished Goods).

By-products, whose cost is not identifiable, are valued at estimated net realisable value.

Cost is determined on weighted average basis. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

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

3.11 Biological Assets

Biological Assets of tea leaves growing on tea bushes and standing crops of sugarcane are measured at fair value less cost to sell with changes in fair value recognised in Statement of Profit and Loss. The fair value of these assets excludes the land upon which the crops are planted, or the items of Property, plant and equipment utilised in the upkeep of the planted areas.

The biological process of standing crops of sugarcane starts with preparation of land for planting, seedlings and ends with the harvesting of crops. For biological assets, where little biological transformation has taken place since the initial cost was incurred (for example seedlings planted immediately before the balance sheet date), such biological assets are measured at cost i.e. the total expenses incurred on such plantation upto the balance sheet date. When harvested, cane is transferred to inventory at fair value less costs to sell.

3.12 Cash and Cash Equivalents

Cash and cash equivalent comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

3.13 Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment, if any.

3.14 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are 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 asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit and Loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

3.15 Government Grants

Government grants and subsidies are recognised when there is reasonable assurance that the Group will comply with the conditions attached to them and the grants/subsidy will be received.

When the grant or subsidy from the Government relates to revenue, it is accrued and shown as income in the period in which the right to receive grant is established.

Government grants relating to the acquisition/construction of property, plant and equipment are included in non-current liabilities as deferred government grant and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to the Statement of Profit and Loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities in respect of loans / assistances received subsequent to the date of transition.

Amendment to Ind AS 20 Government Grant related to non-monetary asset

The amendment clarifies that where the government grant related to asset, including non-monetary grant at fair value, shall be presented in balance sheet either by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset. Prior to the amendment, Ind AS 20 did not allow the option to present asset related grant by deducting the grant from the carrying amount of the asset. The Group has adopted the method of deducting grant from the carrying amount of the asset. However, this amendment does not have any significant impact on the financial statements.

3.16 Revenue from contracts with customer

Ind AS 115 was issued on 28 March 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all the relevant facts and circumstances when applying each step of the model to contracts with their customers. The Group adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of 1 April 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Group elected to apply the standard to all contracts as at 1 April 2018. However, the application of Ind AS 115 does not have any significant impact on the recognition and measurement of revenue and related items.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Revenue is measured at the fair value of the consideration received or receivable, net of returns, discounts, volume rebates, outgoing sales taxes including goods and service tax. The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group regardless of when the payment is being made.

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

The specific recognition criteria described below must also be met before revenue is recognised.

- **Sale of goods**

Revenue from sale of goods is recognized when the Group transfers the control of goods to the customer as per the terms of contract. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Group considers the effects of variable consideration, the existence of significant financing component, non-cash considerations and consideration payable to the customer (if any).

- **Sale of services**

Revenue from services rendered is recognised as the services are rendered and is booked based on agreements/ arrangements with the concerned parties.

Contract balances:

-Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

- **Export Benefits**

Exports entitlements are recognised when the right to receive credit as per the terms of the schemes is established in respect of the exports made by the Group and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

- **Interest Income**

Interest Income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income from debt instruments is recognised using the effective interest rate method.

- **Dividends**

Dividend income is recognised in the statement of profit and loss only when the right to receive payment is established, which is generally when shareholders approve the dividend.

- **Rental Income**

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in revenue in the Statement of Profit or Loss. The Group has determined that it does not meet criteria for recognition of lease rental income on a basis other than straight-line basis.

- **Insurance Claim Receivable**

Insurance and other claims, Interest on doubtful loans and advances to cane growers and Compensation receivable in respect of land surrendered to / acquired by the Government due to uncertainty in realization, are accounted for on acceptance basis.

3.17 Retirement and other Employee Benefits

Short term Employees Benefits:

The undiscounted amount of short term employee benefit expected to be paid in exchange for the services rendered by employee is recognized during the period when the employee renders the service. This benefit includes salary, wages, short term compensatory absences and bonus.

Long Term Employee Benefits:

- **Defined Contribution Scheme:** This benefit includes contribution to Superannuation Scheme, ESIC (Employees' State Insurance Corporation) and Provident Fund Schemes. The contribution is recognized during the period in which the employee renders service.

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

- **Defined Benefit Scheme:** For defined benefit scheme the cost of providing benefit is determined using the projected unit credit method with actuarial valuation being carried out at each balance sheet date. The retirement benefit obligation recognized in the Balance Sheet represents value of defined benefit obligation as reduced by the fair value of planned assets. Actuarial gains and losses are recognized in full in Other Comprehensive Income during the period in which they occur.
- In case of certain employees, the employer-established provident fund trusts are treated as Defined Benefit Plans since the Group is obligated to meet the interest shortfall, if any, with respect to covered employees.
- **Other Long Term Benefits:** Long term compensated absence is provided for on the basis of an actuarial valuation, using the Projected Unit Credit Method as at the date of Balance Sheet.

3.18 Taxation

Tax Expense comprises of Current and Deferred Tax. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is provided using the balance sheet method on deductible temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)*

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

Minimum alternate tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset, it is created by way of credit to the Statement of Profit and Loss and shown as part of deferred tax asset. The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

3.19 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The chief operating decision maker is responsible for allocating resources and assessing performance of the operating segments and has been identified as the Managing Director of the Group.

Identification of segments

The Group's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which the customers of the Group are located.

Allocation of common costs

Common allocable costs are allocated to each segment on a case to case basis applying the ratio, appropriate to each relevant case. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis, are included under the head "Unallocated".

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

Refer Note 36 for segment information presented.

3.20 Earnings per Share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of parent company (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the parent company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.21 Provisions and Contingencies

Provision is recognized when an Group has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

rate that reflects current market assessments of the time value of money and the risk specific to the liability. The expense relating to a provision is presented in the statement of profit and loss.

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

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

3.22 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The EIR amortisation is included in finance income in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at Fair Value Through Profit and Loss (FVTPL). For all other equity instruments, the Group makes an irrevocable election to present in Other Comprehensive Income (OCI) subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Derecognition

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

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

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18 (referred to as 'contractual revenue receivables' in these financial statements)

The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables or contract revenue receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original Effective Interest Rate (EIR). Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' (or 'other income') in the Statement of Profit and Loss.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables.

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

Subsequent measurement

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Derecognition

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

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

3.23 Fair Value measurement

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

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

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

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

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

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

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

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

3.24 Standard issued but not yet effective

The following standards/ amendments to standards have been issued but are not yet effective up to the date of issuance of the Group's Financial Statements. Except specifically disclosed below, the Group is evaluating the requirements of these standards, improvements and amendments and has not yet determined the impact on the financial statements.

Ind AS 116 – Leases

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

Lessees will be also 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.

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

The Group intends to adopt this standard. However, adoption of this standard is not likely to have a significant impact in its Financial Statements.

Ind AS 12 – Uncertainty over Income Tax Treatment

The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 and does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

An entity has to determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty should be followed.

The interpretation is effective for annual reporting periods beginning on or after 1 April 2019, but certain transition reliefs are available. The Group will apply the interpretation from its effective date.

Ind AS 109 – Prepayment Features with Negative Compensation

Under Ind AS 109, a debt instrument can be measured at amortised cost or at fair value through other comprehensive income, provided that the contractual cash flows are 'solely payments of principal and interest on the principal amount outstanding' (the SPPI criterion) and the instrument is held within the appropriate business model for that classification. The amendments to Ind AS 109 clarify that a financial asset passes the SPPI criterion regardless of the event or circumstance that causes the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract.

The amendments should be applied retrospectively and are effective for annual periods beginning on or after 1 April 2019. The Group will apply the interpretation from its effective date.

Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments to Ind AS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to:

- Determine current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to remeasure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event.
- Determine net interest for the remainder of the period after the plan amendment, curtailment or settlement using: the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event; and the discount rate used to remeasure that net defined benefit liability (asset).

The amendments also clarify that an entity first determines any past service cost, or a gain or loss on settlement, without considering the effect of the asset ceiling. This amount is recognised in profit or loss.

The amendments apply to plan amendments, curtailments, or settlements occurring on or after the beginning of the first annual reporting period that begins on or after 1 April 2019. These amendments will apply only to any future plan amendments, curtailments, or settlements of the Group.

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)***Annual improvement to Ind AS (2018):**

These improvements include:

Amendments to Ind AS 12 – Income Taxes

The amendments clarify that the income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity recognises the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

An entity applies those amendments for annual reporting periods beginning on or after 1 April 2019. Since the Group's current practice is in line with these amendments, the Group does not expect any effect on its financial statements.

Amendments to Ind AS 23 – Borrowing Costs

The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete.

An entity applies those amendments to borrowing costs incurred on or after the beginning of the annual reporting period in which the entity first applies those amendments. An entity applies those amendments for annual reporting periods beginning on or after 1 April 2019. Since the Group's current practice is in line with these amendments, the Group does not expect any effect on its financial statements.

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)***Note - 4(a) Property Plant and Equipment**

Particulars	Gross Block			Depreciation / Amortisation			Net Block	
	As at 01-Apr-2018	Additions [Refer (i) below]	Deletions	As at 01-Apr-2018	For the Year [Refer (ii) below]	On Deletions (accumulated upto the date of sale)	As at 31-Mar-2019	As at 31-Mar-2018
Freehold Land	6,717.56	5.49	57.36	-	-	-	6,665.69	6,717.56
Plantation	5,789.33	230.18	-	286.42	151.14	-	5,581.95	5,502.91
Leasehold Land	122.79	-	-	59.67	8.11	-	67.78	63.12
Buildings	11,134.33	1,059.94	170.00	3,444.78	333.84	78.55	8,324.20	7,689.55
Plant and Equipment	19,990.68	2,452.93	605.70	10,110.03	1,170.41	427.59	10,852.85	9,880.65
Vehicles	2,600.78	188.04	143.08	1,787.03	189.72	125.21	1,851.54	813.75
Furniture and Fixtures	603.64	272.95	114.16	375.07	46.61	79.86	420.61	228.57
Office Equipment	272.40	106.22	22.76	190.28	40.45	15.07	140.20	82.12
Total	47,231.51	4,315.75	1,113.06	16,253.28	1,940.28	726.28	17,467.28	30,978.23

(i) Includes foreign exchange adjustment of ₹ 26.57 Lakhs

(ii) Includes foreign exchange adjustment of ₹ 13.66 Lakhs

Note - 4(b) Capital Work in Progress

Particulars	Gross Block at Cost		
	As at 01-Apr-2018	Additions	Capitalisation As at 31-Mar-2019
Bearer Plants	1,533.84	901.69	224.65
Buildings	391.09	32.12	284.06
Plant and Equipment	283.16	7,971.40	253.51
Total	2,208.09	8,905.21	10,351.08

Note - 4(c)

The title deeds of immovable properties are held in the name of the Holding Company except for (a) 5 (five) tea garden land leases having a gross carrying value of property, plant and equipment thereon including Plantation and Buildings of ₹ 3,453.30 Lakhs and ₹ 594.20 Lakhs respectively (net carrying value of ₹ 3,207.94 Lakhs and ₹ 426.57 Lakhs respectively) is under renewal; (b) 2 (two) tea garden land and Plantation thereon having a gross carrying value of ₹ 44.69 Lakhs and ₹ 62.61 Lakhs (net carrying value of ₹ 44.69 Lakhs and ₹ 58.84 Lakhs respectively) and 2 (two) of Buildings with gross carrying value of ₹ 16.48 Lakhs (net carrying amount of ₹ 9.80 Lakhs), titles for which registration in the name of the Holding Company is pending.

Note - 4(d)

During the year, the Holding Company has sold one of its bought leaf factory in Assam at a consideration of ₹ 900.00 Lakhs. The written-down value of the said undertaking was ₹ 285.86 Lakhs.

Note - 4(e)

Majhulia Sugar Industries Private Limited, a wholly owned subsidiary is holding 1,070.57 acre of Land which is in dispute under "Bihar Land Reforms (Fixation of Ceiling Area and Acquisition of Surplus Land) Act, 1961 & Rules 1963. The Additional Collector, Bettiah vide its order dated December 12, 2012 had declared 970.57 acre of Land as surplus and ordered for surrender of such Land. The subsidiary company has filed an appeal against the order of the collector and matter is sub-judice. Further compensation of 146.92 acres of Land which was surrendered under the above Act in earlier years is yet to be determined and shall be accounted for by the subsidiary in the year of receipt.

The subsidiary company has also sold 2.79 acres of Land during the year (P.Y. 15.93 acres) for which title deeds have not been executed till the balance sheet date. Further, it has entered into an understanding of selling another 13.00 acres of Land for which an advance of ₹ 705.00 Lakhs have been received. Necessary accounting for the same shall be made on signing of the definitive agreement with the buyer

(₹ in Lakhs)

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

Note - 4(f) Property, Plant and Equipment								
Particulars	Gross Block			Depreciation / Amortisation		Net Block		
	As at 01-Apr-17	Additions	Deletions	As at 01-Apr-17	For the Year	On Deletions (accumulated upto the date of sale)	As at 31-Mar-18	As at 31-Mar-17
Freehold Land	6,778.31	2.97	63.72	-	-	-	6,717.56	6,778.31
Plantation	5,646.92	142.41	-	140.55	145.87	-	286.42	5,506.37
Leasehold Land	122.79	-	-	51.56	8.11	-	59.67	71.23
Buildings	10,381.15	770.48	17.30	3,125.63	330.80	11.65	3,444.78	7,255.52
Plant and Equipment	18,852.62	1,343.41	205.35	9,269.46	1,021.17	180.60	10,110.03	9,583.16
Vehicles	2,477.94	159.18	36.34	1,620.71	200.77	34.45	1,787.03	857.23
Furniture and Fixtures	567.92	41.92	6.20	340.87	39.80	5.60	375.07	227.05
Live Stock	0.19	-	0.19	-	-	-	-	0.19
Office Equipment	232.18	54.35	14.13	172.07	33.10	14.89	190.28	60.11
Total	45,060.02	2,514.72	343.23	14,720.85	1,779.62	247.19	16,253.28	30,339.17
Note - 4(g) Capital Work-in-Progress								
Particulars				Gross Block at Cost				
				As at 01-Apr-2017	Additions	Capitalisation	As at 31-Mar-2018	
Bearer Plants				834.38		835.60	136.14	1,533.84
Buildings				613.93		93.55	316.39	391.09
Plant and Equipment				106.74		205.78	29.36	283.16
Total				1,555.05		1,134.93	481.89	2,208.09
Note - 4(h) Investment Property								
Particulars				As at 31-Mar-2019		As at 31-Mar-2018		
Gross Carrying Amount								
Opening Gross carrying amount				2.32		2.32		
Additions				11.16		-		
Closing Gross Carrying Amount				13.48		2.32		
Accumulated Depreciation								
Opening Accumulated Depreciation				0.07		0.04		
Depreciation Charge				0.04		0.03		
Closing Accumulated Depreciation				0.11		0.07		
Net Carrying Amount				13.37		2.25		
Fair Value								
Particulars				As at 31-Mar-2019		As at 31-Mar-2018		
Investment Property				1,306.66		699.00		

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)*

(₹ in Lakhs)

Note - 4(i) Goodwill		Gross Carrying Amount					Amortisation / Impairment			Net Carrying Amount	
Particulars	As at 01-Apr-2018	Additions / adjustment during the year	Deletions	Foreign Exchange Translation Difference	As at 31-Mar-2019	As at 01-Apr-2018	For the Year	On Deletions (accumulated upto the date of sale)	Foreign Exchange Translation Difference	As at 31-Mar-2019	As at 31-Mar-18
Goodwill	1,315.74	-	-	28.23	1,343.97	-	-	-	-	1,343.97	1,315.74
Total	1,315.74	-	-	28.23	1,343.97	-	-	-	-	1,343.97	1,315.74

Particulars	As at 01-Apr-2017	Additions / adjustment during the year	Deletions	Foreign Exchange Translation Difference	As at 31-Mar-2018	As at 01-Apr-2017	For the Year	On Deletions (accumulated upto the date of sale)	Foreign Exchange Translation Difference	As at 31-Mar-2018	As at 31-Mar-17
Goodwill	1,338.99	-	-	(23.25)	1,315.74	-	-	-	-	1,315.74	1,338.99
Total	1,338.99	-	-	(23.25)	1,315.74	-	-	-	-	1,315.74	1,338.99

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

Note - 5(a) Financial Assets - Investments (Non-Current)

	Nominal Value per unit	Currency (₹ Unless otherwise stated)	Number of Shares/Units/Bonds		Non-Current	
			As at 31-Mar-2019	As at 31-Mar-2018	As at 31-Mar-2019	As at 31-Mar-2018
Investments (Fully Paid)						
Investment in Equity Shares - "At Cost"						
In Joint Venture (carrying amount determined using the equity method of accounting)						
Unquoted						
Tea Group Investment Company Limited	1	AED	3,72,300	3,72,300	51.95	51.95
Add : Accumulated Group's Share of Profits					3,771.15	3,695.67
Add/(Less) : Accumulated Group's Share of Other Comprehensive Income					106.87	(199.60)
					3,929.97	3,548.02
In Associate (carrying amount determined using the equity method of accounting)						
Unquoted (P.Y. Quoted)						
ECE Industries Limited	10	₹	27,09,997	27,09,997	3,818.43	3,818.43
Add : Accumulated Group's Share of Profits					3,164.95	3,197.79
Add : Accumulated Group's Share of Other Comprehensive Income					534.95	737.21
					7,518.33	7,753.43
In Others						
Unquoted						
The Coimbatore & Nilgiris Dist. Small Scale Service Ind. Co-Op. Society Ltd.	100	₹	10	10	0.01	0.01
The Tamil Nadu Tea Manufacturers' Service Industrial Co-Op. Society Ltd.	5,000	₹	1	1	0.05	0.05
					0.06	0.06
Total					11,448.36	11,301.51
Investment in Government or Trust securities at Cost						
Unquoted						
National Savings Certificates	1,000	₹	3	3	0.03	0.03
Total					0.03	0.03
Investment in Equity Shares at Fair Value Through Other Comprehensive Income						
Unquoted						
Essel Mining & Industries Ltd.	10	₹	20	20	16.55	20.46
JPM Merchandise Agencies Limited	10	₹	2,05,680	2,05,680	442.56	549.14
Kesoram Insurance Broking Services Ltd.	10	₹	25,000	25,000	16.10	16.57
Birla International Limited	100	CHF	2,500	2,500	402.15	52.25
Vasavadatta Services Ltd.	10	₹	4,600	4,600	16.25	17.96
Quoted						

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

	Nominal Value per unit	Currency (₹ Unless otherwise stated)	Number of Shares/Units/ Bonds		Non-Current	
			As at 31-Mar-2019	As at 31-Mar-2018	As at 31-Mar-2019	As at 31-Mar-2018
McLeod Russel India Ltd.	5	₹	75	75	0.06	0.11
Total					893.67	656.49
Investment in Equity Shares at "Fair Value Through Profit and Loss"						
Quoted						
Century Enka Limited	10	₹	1,00,000	1,00,000	252.25	301.35
Kesoram Textile Mills Limited	2	₹	5,69,089	5,69,089	11.38	11.38
Pilani Investment and Industries Limited	10	₹	6,700	6,700	144.33	172.15
HGI Industries Limited	10	₹	86,200	86,200	21.98	21.98
Kiran Vyapar Limited	10	₹	1,01,500	1,01,500	104.50	145.20
Total					534.44	652.06
Investments in Debentures "At Amortised Cost"						
Unquoted						
16.00% NCDs of Wondrous Buildmart Private Limited SR-I	1,00,000	₹	200	200	200.00	200.00
1.00% Kushagra Properties Private Limited	100	₹	10,00,000	10,00,000	930.45	884.64
Total					1,130.45	1,084.64
Investments in Mutual Fund "At Fair Value Through Profit and Loss"						
Unquoted						
Edelweiss Balanced Advantage Fund - Direct Plan-Quarterly Dividend Option (Formerly -Edelweiss Absolute Return Fund- Direct Plan Dividend option-Payout)	10	₹	-	40,21,968	-	603.30
Edelweiss Balanced Advantage Fund - Direct Plan-Quarterly Dividend Option (Formerly -Edelweiss Absolute Return Fund- Direct Plan Dividend option-Payout) **	10	₹	34,10,953	34,10,953	518.46	511.64
Aditya Birla Sunlife Short Term Opportunities Fund-Growth - Regular Plan **	10	₹	8,86,112	8,86,112	273.93	255.69
Reliance Credit Risk Fund - Growth Plan Growth Option (Formerly Reliance Regular Savings Fund - Debt- Growth) **	10	₹	21,43,669	21,43,669	552.60	518.93
Franklin India Corporate Bond Opportunities Fund	10	₹	-	21,49,798	-	387.89
UTI Credit Risk Fund - Regular Growth Plan (Formerly UTI Income Opportunities Fund) **	10	₹	17,99,539	17,99,539	301.00	285.17
ICICI Prudential Medium Term Bond Fund (Formerly ICICI Prudential Corporate Bond Fund)**	10	₹	10,46,439	10,46,439	297.70	282.99
Kotak FMP Series 183 -1204 days Growth (Regular Plan)*	10	₹	-	20,00,000	-	244.79
Reliance Short Term Fund-Growth Plan - Growth Option**	10	₹	10,26,125	10,26,125	356.41	335.06
Aditya Birla Sun Life Medium Term Plan-Growth- Regular Plan**	10	₹	15,53,197	15,53,197	353.96	341.36
DSP BlackRock Credit Risk Fund-Regular Plan-Growth (Formerly-DSP BlackRock Income Opportunities Fund-Regular Plan-Growth)*	10	₹	23,09,399	23,09,399	648.16	660.75
SBI Credit Risk Fund Regular Growth (Formerly SBI Corporate Bond Fund-Regular Plan-Growth) **	10	₹	8,10,140	8,10,140	241.97	226.29
ICICI Prudential Short Term Plan-Growth Option**	10	₹	6,22,281	6,22,281	240.42	225.34
ICICI Prudential Bond Fund-Growth (Formerly ICICI Prudential Income Opportunities Fund-Growth) **	10	₹	9,21,370	9,21,370	237.30	223.70
BOI AXA Credit Risk Fund - Regular Plan (Formerly - BOI AXA Corporate Credit Spectrum Fund- Regular Plan) **	10	₹	48,03,963	48,03,963	635.90	641.25

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

	Nominal Value per unit	Currency (₹ Unless otherwise stated)	Number of Shares/Units/ Bonds		Non-Current	
			As at 31-Mar-2019	As at 31-Mar-2018	As at 31-Mar-2019	As at 31-Mar-2018
BOI AXA Credit Risk Fund - Regular Plan (Formerly - BOI AXA Corporate Credit Spectrum Fund- Regular Plan) *	10	₹	25,62,555	25,62,555	339.20	342.06
Kotak Credit Risk Fund - Growth - Regular Plan (Formerly Kotak Income Opportunities Fund -Growth)**	10	₹	13,84,850	13,84,850	281.71	264.86
Kotak Medium Term Fund-Growth-Regular Plan**	10	₹	18,35,576	18,35,576	280.55	264.92
Reliance Strategic Debt Fund - Growth Plan (Formerly Reliance Corporate Bond Fund - Growth Plan) **	10	₹	36,21,142	36,21,142	532.67	507.43
Total					6,091.94	7,123.42
Investments in Portfolio Management Services/ Alternative Investment Fund "At Fair Value Through Profit and Loss"						
Peninsula Brookfield India Real Estate Fund		₹			109.38	116.70
IDFC Real Estate Yield Fund		₹			63.25	83.65
Reliance Capital Asset Management Company Ltd. (Yield Maximiser Fund)		₹			18.20	33.93
Reliance Yield Maximiser AIF Scheme II		₹			137.81	292.30
India Realty Excellence Fund III		₹			266.78	191.77
Indiabulls High Yield Fund		₹			406.66	401.79
IIFL Real Estate Fund (Domestic) - Series 4		₹			193.83	200.00
Reliance Yield Maximiser AIF Scheme III		₹			283.58	300.00
ASK Real Estate Special Situations Fund - I		₹			133.00	58.00
Edelweiss Real Estate Opportunities Fund		₹			107.00	95.00
KKR India Debt Opportunities Fund II**		₹			267.21	225.00
BPEA Credit - India Fund II		₹			-	30.00
BPEA Credit - India Fund II**		₹			610.00	580.00
Avendus Structured Credit Fund I		₹			101.87	58.58
Avendus Structured Credit Fund I**		₹			221.33	56.33
UTI Structure Debt Opportunities Fund I**		₹			100.00	50.15
Alteria Capital India Fund I**		₹			357.30	135.63
Avendus Absolute Return Fund-Class A3 15**		₹			556.28	521.27
Edelweiss Alpha Fund**		₹			531.74	508.60
Avendus Enhanced Return Fund**		₹			501.95	-
India Business Excellence Trust		₹			74.10	-
India Business Excellence Fund III		₹			195.00	143.75
Add: Mark to Market Gain on Above					694.63	201.40
Total					5,930.90	4,283.85
Investments in Bonds "At Fair Value Through Profit and Loss"						
Quoted						
9% Bonds of Mahindra and Mahindra Financial Services Ltd*	1,000	₹	50,000	50,000	484.39	513.87
9.50% Unsecured bonds of Union Bank of India SR-XX 9.5 BD Perpetual FVRS 10 Lakhs 25 ** & 25 Free	10,00,000	₹	50	50	469.96	507.86
9.25% Dewan Housing Finance Corporation Limited Series III Category III & IV*	1,000	₹	50,000	50,000	453.87	506.72
8.60% Exim Perpetual Bonds SR-I BD*	10,00,000	₹	50	50	490.92	496.62

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

	Nominal Value per unit	Currency (₹ Unless otherwise stated)	Number of Shares/Units/ Bonds		Non-Current	
			As at 31-Mar-2019	As at 31-Mar-2018	As at 31-Mar-2019	As at 31-Mar-2018
Zero Coupon NCD of Ecap Equities Limited	1,00,000	₹	500	500	584.45	537.30
Total					2,483.59	2,562.37
Total Non Current Investments					28,513.38	27,664.37
Aggregate amount of Quoted Investments					3,018.09	10,967.97
Aggregate amount of Unquoted Investments					25,495.29	16,696.40

*Pledged as security to secure certain short term rupee loan from a bank.

**Pledged as security to secure certain long term rupee loans from banks.

Note - 5(b) Financial Assets - Investments (Current)

	Nominal Value per unit	Currency (₹ Unless otherwise stated)	Number of Shares/Units/ Bonds		Current	
			As at 31-Mar-2019	As at 31-Mar-2018	As at 31-Mar-2019	As at 31-Mar-2018
Investments (Fully Paid)						
Investments in Mutual Fund "At Fair Value Through Profit and Loss"						
Unquoted						
Kotak FMP Series 183 -1204 days Growth(Regular Plan)*	10	₹	20,00,000	-	246.09	-
ICICI Prudential FMP Series 75 - 1246 Days Plan U - Regular*	10	₹	-	20,00,000	-	273.03
HDFC FMP 1184D-Series 33-Regular-Growth**	10	₹	-	30,00,000	-	399.14
UTI Fixed Term Income Fund Series XXII-VI (1098 days)-Growth*	10	₹	-	30,00,000	-	389.82
Total					246.09	1,061.99
Investments in Bonds "At Fair Value Through Profit and Loss"						
7% ICICI Bank UK PLC	100	USD	-	2,000	-	141.70
7% ICICI Bank UK PLC	100	USD	-	1,300	-	92.11
7% ICICI Bank UK PLC	100	USD	-	1,700	-	120.44
Total					-	354.25
Investments in Portfolio Management Services/ Alternative Investment Fund "At Fair Value Through Profit and Loss"						
India Business Excellence Trust#		₹			-	80.91
Add: Mark to Market Gain on Above					-	470.17
Total					-	551.08
Total Current Investments					246.09	1,967.32
Aggregate amount of Unquoted Investments					246.09	1,967.32

*Pledged as security to secure certain short term rupee loan from a bank.

**Pledged as security to certain secure long term rupee loans from banks.

During the year, reclassified to Non-Current due to change in maturity.

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

Note - 5c Trade Receivables				
	Non current		Current	
	As at 31-Mar-2019	As at 31-Mar-2018	As at 31-Mar-2019	As at 31-Mar-2018
(Un-secured)				
Considered Good	-	-	6,083.32	7,409.43
Considered Doubtful	82.42	147.89	74.72	-
Less: Provision for Doubtful Receivables	(82.42)	(147.89)	(74.72)	-
Total	-	-	6,083.32	7,409.43

Terms and conditions of the above Trade Receivables:

- Trade Receivables are non-interest bearing and are generally on terms of 0 - 60 days for domestic customers and upto 180 days for export customers (other than Sugar Division). Trade Receivables for Sugar Division are generally on terms of 4 to 7 days.
- Refer Note 34 for information about credit risk and market risk on Trade Receivables
- Certain Trade Receivables of the Group are pledged against the borrowings as referred in Note 12a.

Note - 5d Financial Assets - Loans				
(Unsecured considered good unless otherwise stated)				
Security Deposits				
- Others	430.70	464.84	76.60	21.47
Loans to Related Party (Refer Note 31)	-	-	8.44	-
Other Loans				
- Loans/Advances to Employees	110.25	124.15	107.48	79.47
- Others				
- Considered Good	-	22.72	2,479.89	2,122.60
- Considered Doubtful	3.73	3.73	-	-
Less: Provision	(3.73)	(3.73)	-	-
Total	540.95	611.71	2,672.41	2,223.54

Note - 5e Other Financial Assets				
Bank Deposits*	235.53	12.02	-	-
Interest accrued on Deposits	0.02	0.02	28.88	66.40
Interest accrued on Investments	-	-	135.44	132.88
Interest accrued on loans / Inter corporate Deposits	-	-	46.28	43.88
Rent Receivable				
- Considered Good	-	-	3.80	2.87
- Considered Doubtful	11.24	11.24	-	-
Less: Provision for Doubtful Receivables	(11.24)	(11.24)	-	-
Incentive and Subsidy Receivable	-	-	4,499.73	3,522.05
Receivable against Sale of Property, Plant and Equipment	-	-	108.61	-
Deposits with NABARD	-	-	0.04	0.04
Fair Value Derivative Assets	-	-	41.49	-
Others				
- Considered Good	-	-	42.18	2,012.11
- Considered Doubtful	-	-	144.69	-
Less: Provision	-	-	(144.69)	-
Total	235.55	12.04	4,906.45	5,780.23

* Includes ₹ 222.00 Lakhs (P.Y. ₹ Nil) held as Deposit against Bank Guarantee issued by the subsidiary company.

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

Note - 6		Deferred Tax Assets & Liabilities (Net)		
		Balance Sheet		Statement of Profit and Loss including OCI
Significant Components of Deferred Tax Assets & Liabilities		As at 31-Mar-2019	As at 31-Mar-2018	Year ended 31-Mar-2019
				Year ended 31-Mar-2018
Deferred Tax Liabilities				
Property, Plant and Equipment		2,135.78	2,088.02	(47.76)
Fair Valuation of Other Asset and Liability		329.09	342.10	13.01
Total (A)		2,464.87	2,430.12	(34.75)
Deferred Tax Assets				
Unabsorbed Depreciation and Unabsorbed Business Losses		629.20	1,425.85	(796.65)
Property, Plant and Equipment		175.70	138.65	37.05
Minimum Alternate Tax Credit		230.26	113.41	116.85
Fair Valuation of Other Asset and Liability		276.10	181.46	94.64
Employee Benefits - Gratuity		1,763.89	1,010.49	753.40
Other Temporary Differences		903.75	688.05	212.87
Total (B)		3,978.90	3,557.91	418.16
Net Deferred Tax (Liabilities)/Assets		1,514.03	1,127.79	383.41
				31-Mar-2019
				31-Mar-2018
Reconciliation of Deferred Tax Assets				
Opening Balance				1,127.79
Tax income/(expense) during the period recognised in Statement of Profit and Loss				(28.03)
Tax income/(expense) during the period recognised in OCI				411.43
Other items of deferred tax not routed through PL				2.84
Closing Balance				1,514.03

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)*

(₹ in Lakhs)

Reconciliation of Tax Expense and the Accounting Profit multiplied by India's Domestic Tax Rate for 31st March, 2019 and 31st March, 2018:

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the standard rate of corporation tax in India as follows:

	Year Ended 31-Mar-2019	Year Ended 31-Mar-2018
Profit before Tax	(400.70)	8.23
Indian Statutory Income Tax Rate	34.944%	34.608%
Tax at Statutory Income Tax Rate	(140.02)	2.85
Effects of:		
Income Exempted From Tax	(67.35)	(402.88)
Additional Allowance under Income Tax	(10.19)	(8.51)
Unrecognised Deferred Tax Credit on Business/Agricultural Losses	552.16	383.25
Effect of Tax Rate Differences of Subsidiaries Operating in Other Jurisdiction and Other Tax Bracket	90.36	(40.25)
Change in Tax Balance due to Change in Income Tax Rate	-	0.46
Adjustment to Tax relating to Earlier Periods	(30.43)	-
Utilisation of Previously Unrecognised Tax Losses (Capital Loss)	(271.86)	(155.59)
Other Permanent Differences	(128.19)	5.19
Net Effective Income Tax	(5.52)	(215.48)

Note -

a) The tax rate used above is the corporate tax rate payable on taxable profits under the Income Tax Act, 1961.

b) The Parent Company's agricultural income is subject to lower tax rates @ 30% under the respective state tax laws.

Note - 7 Other Assets

	Non current		Current	
	As at 31-Mar-2019	As at 31-Mar-2018	As at 31-Mar-2019	As at 31-Mar-2018
Capital Advances				
- Considered Good	451.45	269.48	-	-
- Considered Doubtful	43.30	43.12	-	-
Less: Provision for Doubtful Capital Advances	(43.30)	(43.12)	-	-
Leasehold Land Prepayments	203.76	203.76	-	-
Advance against Supply of Goods and Services	-	-	242.92	379.93
Advance recoverable in cash or in kind	-	-	39.82	37.53
Others				
Balance with Government Authorities	161.15	161.15	2,883.85	693.61
Prepaid Expenses	122.18	102.61	163.30	223.64
Insurance	-	-	9.46	11.67
Total	938.54	737.00	3,339.35	1,346.38

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)*

(₹ in Lakhs)

Note - 8 Inventories

	As at 31-Mar-2019	As at 31-Mar-2018
(Lower of Cost or Net Realisable Value)		
Raw Materials	1,001.27	577.17
Work-in-Progress	283.54	94.60
Finished Goods	23,082.40	19,754.42
Traded Goods	3,476.49	3,543.00
Stores and Spares	2,867.61	2,390.46
Total	30,711.31	26,359.65

Note - 8a Biological Assets

Opening Balance	176.75	132.19
Green Leaf Recognised at Fair Value	181.41	92.82
Sugarcane Recognised at Fair Value	87.59	83.93
Transfer of Harvested Leaves for Production	(92.82)	(62.19)
Transfer of Standing Crop of Sugarcane for Production	(83.93)	(70.00)
Closing Balance	269.00	176.75

Note - 9a Cash and Cash Equivalents

Balances with Banks:		
On Current Accounts	427.06	1,437.94
Cheques/Drafts on Hand	124.74	139.68
Cash on Hand	48.79	56.52
Total	600.59	1,634.14

Note - 9b Other Bank Balances

Earmarked Balances with Banks (Unpaid Dividend Account)	62.25	66.46
Term Deposits with maturity of more than three months but upto twelve months (Including ₹ 70.75 Lakhs (PY ₹ 27.47 Lakhs) pledged as margin money)	73.07	927.21
Total	135.32	993.67

Note - 10 Equity Share Capital

Authorised Capital		
5,80,00,000 Equity Shares of ₹ 5/- each	2,900.00	2,900.00
Issued Capital		
2,89,02,786 Equity Shares of ₹ 5/- each	1,445.14	1,445.14
Subscribed and Paid-up Capital		
2,88,77,488 Equity Shares of ₹ 5/- each	1,443.87	1,443.87
Less: Effect of Cross Holding	(310.53)	(326.44)
Total	1,133.34	1,117.43

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

a) The Reconciliation of shares capital is given below:

	As at 31-Mar-2019		As at 31-Mar-2018	
	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
At the beginning of the year	2,88,77,488	1,443.87	2,88,77,488	1,443.87
Less: Effect of Cross Holding	(62,10,630)	(310.53)	(65,28,810)	(326.44)
At the end of the year	2,26,66,858	1,133.34	2,23,48,678	1,117.43

b) Terms/Rights attached to class of shares

The Parent Company has only one class of Equity Shares having a par value of ₹ 5 each. Holder of each Equity Share is entitled to one vote per share. The Parent Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive remaining assets of the Parent Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) The Company does not have any Holding Company/ultimate Holding Company.**d) Details of Shareholders holding more than 5 percent of Equity Shares in the Company**

	As at 31-Mar-2019		As at 31-Mar-2018	
	No. of Shares	% holding	No. of Shares	% holding
JPM Merchandise Agencies Limited	61,14,108	21.17%	61,14,108	21.17%
Jayantika Investment & Finance Limited	62,10,630	21.51%	65,28,810	22.61%

Note - 11 Other Equity

	As at 31-Mar-2019	As at 31-Mar-2018
Reserves & Surplus		
Capital Reserve	107.57	-
Capital Redemption Reserve	165.20	165.20
RBI Reserve Fund	48.96	48.96
General Reserve	17,737.60	17,529.41
Retained Earnings	13,043.34	13,537.32
Foreign Currency Translation Reserve	(164.36)	(126.71)
Other Comprehensive Income	193.43	1,014.38
Total	31,131.74	32,168.56

Nature and Purpose of Other equity**A. Capital Reserve**

Represents the amount transferred from the transferor company pursuant to Scheme of Arrangement effected in earlier years / surplus on sale of treasury shares.

B. Capital Redemption Reserve

Represents the amount transferred to reserve on buy back of equity shares of the Parent Company.

C. RBI Reserve Fund

Pertains to reserve created in subsidiary company. According to Section 45-IC of the Reserve Bank of India Act, 1934, every NBFC shall create a reserve fund and transfer therein a sum not less than 20% of its Net Profit every year before declaration of dividend.

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

D. General Reserve

General Reserve is created and utilised in compliance with the provisions of the Act.

E. Retained Earnings

Retained earnings represent accumulated profits earned by the Group and remaining undistributed as on date.

F. Foreign Currency Translation Reserve

This Reserve contains the balance of foreign exchange differences arising on monetary items that, in substance, form part of the Group's net investment in a foreign operation whose functional currency is other than Indian Rupees.

G. Other Comprehensive Income

The Group has elected to recognise changes in the fair value of investments in equity instruments through other comprehensive income. These changes are accumulated within other comprehensive income.

Note - 12a Non-Current Borrowings

	As at 31-Mar-2019	As at 31-Mar-2018
Secured		
Rupee Term Loans from Banks	15,501.30	15,975.87
Rupee Term Loan from Bank (Sugar Division)	859.11	1,596.94
Foreign Currency Term Loan from Banks	1,093.75	1,718.75
Sugar Development Fund	258.16	344.21
Total Secured Borrowings (A)	17,712.32	19,635.77
Unsecured		
Foreign Currency Term Loan from Bank	-	4,684.62
Rupee Term Loan from Bank	3,436.21	-
Total Unsecured Borrowings (B)	3,436.21	4,684.62
Total Borrowings (A)+ (B)	21,148.53	24,320.39
Less: Current Maturities of Long Term Debt	7,711.01	7,963.70
Non Current Borrowings	13,437.52	16,356.69

Security

Facility Category	Security Details	As at 31-Mar-2019	As at 31-Mar-2018
Rupee Term Loan	Secured/to be Secured by equitable mortgage by deposit of title deeds of Tea Estates alongwith all immovable properties thereon ranking pari-passu, interse, with working capital lenders for tea division. Further certain investments are pledged as additional security for a term loan.	999.54	1,997.83
Rupee Term Loan		6,487.74	5,387.80
Rupee Term Loan		416.67	1,250.01
Foreign Currency Term Loan		1,093.75	1,718.75
Rupee Term Loan		1,159.15	1,815.51
Rupee Term Loan	Secured by pledge of certain investments in Mutual Fund and AIF	6,213.20	4,849.71
Rupee Term Loan		225.00	675.00
Sugar Development Fund Loan	Secured /to be Secured by way of equitable mortgage of immovable/ movable properties of Jay Shree Sugar Division ranking pari-passu	258.16	344.22
Rupee Term Loan (Sugar Division)	Secured by first charge by hypothecation of stocks, book debts/ receivable and other current assets of sugar division ranking pari-passu with other working capital consortium bank.	859.11	1,596.94
Total		17,712.32	19,635.77

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

Repayment Schedule as at 31st March, 2019

Borrowings	Total Carrying Value	< 1 year	1 to 3 years	3 to 5 years	Terms and conditions of Term loan from Banks
Secured					
Rupee Term Loan	999.54	999.54	-	-	Payable in two equal half yearly installments
Rupee Term Loan	416.67	416.67	-	-	Payable in one half yearly installment
Rupee Term Loan	225.00	225.00	-	-	Payable in one half yearly installment
Rupee Term Loan	1,093.75	625.00	468.75	-	Payable in seven equal quarterly installments
Foreign Currency Term Loan	1,159.15	660.74	498.41	-	Payable in seven equal quarterly installments
Rupee Term Loan	6,487.73	1,838.66	3,713.24	935.83	Payable in 14 equal quarterly installments
Rupee Term Loan	4,216.69	986.48	1,983.31	1,246.90	Payable in 7 half yearly installments of 10% and last installment of 15%.
Rupee Term Loan	1,996.52	98.82	898.13	999.57	Payable 5% in Mar 2020, thereafter 3 half yearly installments of 10%, 15% in Mar 2022 and the last 2 half yearly installments of 25%
Sugar Development Fund Loan	258.16	86.05	172.11	-	Payable in six equal half yearly installments
Sugar Term Loan	859.11	525.00	334.11	-	Payable in one quarterly installment/ Payable in nine equal quarterly installments
Unsecured					
Rupee Term Loan	3,436.21	1,249.04	2,187.17	-	Payable in fifteen equal quarterly installments
Total	21,148.53	7,711.00	10,255.23	3,182.30	

The rate of interest on the above loans are in the range of 7% to 12.0% p.a.

Note - 12b Other Financial Liabilities

	Non current		Current	
	As at 31-Mar-2019	As at 31-Mar-2018	As at 31-Mar-2019	As at 31-Mar-2018
Trade and Security Deposits	178.98	172.42	2.05	9.15
Current Maturities of Long-Term Debt	-	-	7,711.01	7,963.70
Interest Accrued but not due on Borrowings	61.63	77.45	438.97	486.86
Interest Accrued and due on Borrowings	-	-	1.05	1.05
Employee Benefits Payable	-	-	1,347.30	742.04
Unpaid and Unclaimed Dividends	-	-	62.25	66.46
Amount Payable for Capital Goods	-	-	241.42	218.38
Fair Value Derivative Liability	-	-	-	25.05
Others	-	-	107.52	124.11
Total	240.61	249.87	9,911.57	9,636.80

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

Note - 12c Current Borrowings

	As at 31-Mar-2019	As at 31-Mar-2018
Secured		
Working Capital Loans	16,812.95	8,189.10
Packing Credit Loan	3,500.00	3,000.00
Short Term Rupee Loans	4,120.00	1,380.00
Buyers Credit	-	384.30
	24,432.95	12,953.40
Unsecured		
Packing Credit Loan	-	500.00
Short Term Rupee Loan	4,800.00	8,000.00
Other Loans & Advances from Related Parties (Refer Note 31)	1,111.33	1,039.41
	5,911.33	9,539.41
Total	30,344.28	22,492.81

Facility Category	Security Details	As at 31-Mar-2019	As at 31-Mar-2018
Working Capital Loan	i) Secured by first charge by way of hypothecation over entire current assets of the Company ranking <i>pari-passu</i> with other consortium banks as primary security & second charge by way of hypothecation of entire movable plant & machinery of the Company ranking <i>pari-passu</i> with other consortium banks as collateral. ii) Secured working capital loan for tea division are also secured by equitable Mortgage over the immovable properties of Company's 21 tea estates ranking <i>pari-passu</i> with term lenders for tea division. iii) Securing working capital loans in the books of step down subsidiary are secured by personal guarantee of Mr. R.K. Ganeriwala and Mr. D.P. Maheshwari. iv) Securing working capital loans in the books of subsidiary are secured by hypothecation of buffer stock of sugar and stock of finished goods (other than buffer stock) of the Sugar Division of the Group.	16,812.95	8,189.10
Packing Credit Loan		3,500.00	3,000.00
Buyers Credit		-	384.30
Short Term Rupee Loan		1,500.00	-
Short Term Rupee Loans	Secured by pledge of certain investments in Mutual Fund and AIF.	2,620.00	1,380.00
Total		24,432.95	12,953.40

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

Note - 13 Provisions

	Non Current		Current	
	As at 31-Mar-2019	As at 31-Mar-2018	As at 31-Mar-2019	As at 31-Mar-2018
Provision for Employee Benefits				
- Gratuity (Refer Note 28)	3,279.27	1,668.02	2,610.90	1,995.13
- Leave Encashment	505.14	618.57	329.88	289.22
- Bonus and Others	-	-	1,692.02	1,991.35
Provisions for Others	-	-	197.17	67.97
Total	3,784.41	2,286.59	4,829.97	4,343.67

Note - 14 Trade Payables

	As at 31-Mar-2019	As at 31-Mar-2018
Trade Payables		
Total Outstanding Dues of Micro Enterprises and Small Enterprises	-	-
Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	29,031.20	23,292.08
Total	29,031.20	23,292.08

Terms and conditions of the above trade payables:

Trade payables are non interest bearing and are normally settled on 30-60 days terms.

Note:

There are no outstanding dues of Micro and Small Enterprises (MSEs) based on information available with the Group.

Note - 15 Other Liabilities

	Non Current		Current	
	As at 31-Mar-2019	As at 31-Mar-2018	As at 31-Mar-2019	As at 31-Mar-2018
Advances from Customers	-	-	274.63	251.25
Advances against Sale of Property, Plant and Equipment	-	-	705.00	-
Others:				
Statutory Dues	-	-	645.12	520.89
Deferred Government Grant	332.19	277.43	47.03	42.03
Total	332.19	277.43	1,671.78	814.17

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)*

(₹ in Lakhs)

Note - 16 Revenue from Operations

	Year Ended 31-Mar-2019	Year Ended 31-Mar-2018
Sales of Finished Goods & Other Products	72,823.77	73,216.56
Sale of Services (Warehousing Charges)	276.13	215.07
Other Operating Revenue		
Fertilizer Subsidy	2,038.29	1,919.36
Other Incentives & Subsidies	77.72	64.39
Export Benefits	410.06	311.87
Income from Farm Product (details as below)	53.51	1.99
Other Operating Income	12.21	40.38
Total	75,691.69	75,769.62
Income from Farm Product		
Sales of Agricultural Produce	133.10	79.74
Subsidy on Sugar Cane	69.06	61.74
Lease Rent	7.60	8.70
Closing Stock of Grain	-	1.57
Sub-Total	209.76	151.75
Less:		
Agricultural Farming Expenses (towards cultivation & other expenses)	155.98	149.26
Other Repairs	0.17	0.21
Rent, Rates & Taxes	0.10	0.10
Dead Bullock	-	0.19
Sub-Total	156.25	149.76
Grand Total	53.51	1.99

Note - 17 Other Income

Interest Income		
On Investments	697.66	706.43
On Bank Deposits	20.15	93.65
On Loans & Other Deposits	259.56	187.98
On Others	-	23.78
Dividend Income		
On Long term Investments	153.78	172.09
Net gain on sale of Investments (including MTM gain/loss)	186.52	770.64
Other Non-Operating Income		
Profit on sale of Plant, Property and Equipment	1,303.47	1,736.49
Rental Income	113.49	83.74
Net Gain on foreign currency translation	83.25	420.38
Management Fees	899.35	-
Excess Liabilities and Unclaimed Balances written back	126.24	25.32
Miscellaneous Income	278.17	556.52
Changes in Fair Value of Biological Assets	92.25	44.62
Total	4,213.89	4,821.64

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)*

(₹ in Lakhs)

Note - 18 Cost of Materials Consumed

	Year Ended 31-Mar-2019	Year Ended 31-Mar-2018
Opening Inventories	577.17	419.72
Add : Purchase	27,932.97	27,346.66
Less: Closing Inventories	(1,001.27)	(577.17)
	27,508.87	27,189.21
Details of Raw Material Consumed		
Green Tea Leaves	3,695.73	3,924.12
Chemicals/Minerals	7,041.38	4,650.84
Sugarcane	16,270.20	18,128.78
Others	501.56	485.47
Total	27,508.87	27,189.21

Note - 19 Purchases of Traded Goods

Traded Goods		
Tea	5,826.07	7,026.49
Chemicals	52.88	66.42
Total	5,878.95	7,092.91

Note - 20 Changes in Inventories of Finished Goods, Work-in-Progress and Traded Goods

Inventories at the beginning of the year		
Finished Goods	19,754.42	19,892.64
Work-in-Progress	94.60	61.89
Traded Goods	3,543.00	3,140.36
	23,392.02	23,094.89
Inventories at the end of the year		
Finished Goods	23,082.40	19,754.42
Work-in-Progress	283.54	94.60
Traded Goods	3,476.49	3,543.00
	26,842.43	23,392.02
Increase/(Decrease) in Excise Duty & Cess on Finished Goods	-	(886.49)
Fluctuation in Exchange Rate carried to Foreign Currency Translation Reserve	0.03	(4.15)
Total	(3,450.38)	(1,187.77)

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)*

(₹ in Lakhs)

Note - 21 Employee Benefits Expense

	Year Ended 31-Mar-2019	Year Ended 31-Mar-2018
Salaries and Wages	20,426.48	18,673.92
Contribution to Provident and Other Funds (Refer Note 28)	1,656.53	1,516.02
Gratuity Expense (Refer Note 28)	784.47	641.25
Contribution to Superannuation Fund (Refer Note 28)	91.32	94.67
Staff Welfare Expenses	1,502.03	1,625.15
Total	24,460.83	22,551.01

Note - 22 Finance Costs

Interest Expense		
On Fixed Loans & Deposits	1,795.86	1,717.62
Bank & Others	3,197.59	2,543.74
Other Borrowing Cost		
Other Financial Charges	76.19	90.64
Borrowing Cost Capitalised	(161.85)	(93.65)
Total	4,907.79	4,258.35

Note - 23 Depreciation and Amortisation Expense

On Property, Plant and Equipment (Refer Note 4)	1,926.62	1,779.62
On Investment Property (Refer Note 4)	0.04	0.03
Total	1,926.66	1,779.65

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

Note - 24 Other Expenses

	Year Ended 31-Mar-2019	Year Ended 31-Mar-2018
Consumption of Stores, Spare Parts & Packing Materials	2,298.03	2,358.22
Power & Fuel	5,163.51	4,703.33
Consumption of Manures/ Pesticides	1,667.48	1,532.97
Repairs to Buildings	502.32	460.43
Repairs to Machinery	1,504.10	1,401.33
Repairs to Other Assets	645.05	703.44
Freight & Cartage	1,715.98	1,926.19
Insurance	93.60	124.81
Brokerage & Commission	467.23	751.44
Warehousing Charges	195.03	187.30
Other Selling Expenses [including packing material ₹ 333.77 Lakhs, (P.Y. ₹ 370.83 Lakhs)]	976.27	1,225.35
Rent	283.71	283.08
Rates & Taxes (Duty & Cess)	279.95	296.76
Insurance excluding on sales	189.25	187.01
Charity & Donation	-	2.99
Auditors' Remuneration (Refer Note 24.1)	106.51	88.04
Cost Audit Fees	1.83	2.08
Corporate Social Responsibility Expenses (Refer Note 24.2)	9.70	11.96
Bad Debts & Irrecoverable Loans, Advances & Claims written off [net of Reserve for Doubtful Debts created in earlier years ₹ 102.93 Lakhs (P.Y. ₹ Nil)]	108.79	20.73
Reserve for Doubtful Debts & Advances further created	37.46	0.98
Forward Contract Charges	-	0.47
Excise Duty on Sale of goods	-	254.43
Other Miscellaneous Expenses	2,827.76	2,376.33
Total	19,073.56	18,899.67

Note - 24.1 Auditor's Remuneration

As Auditor:		
Audit Fees	41.29	38.65
Tax Audit Fees	9.00	8.50
Other Services	53.33	35.70
Reimbursement of Expenses	2.89	2.65
Reimbursement of Service Tax	-	2.54
Total	106.51	88.04

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)*

(₹ in Lakhs)

Note - 24.2 Details of CSR Expenditure

	Year Ended 31-Mar-2019	Year Ended 31-Mar-2018
a) Gross amount required to be spent by the Parent Company during the year	-	-
b) Amount spent during the year	9.70	11.96
Total	9.70	11.96

Note - 25 Earnings Per Share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Group by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Group by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	As at 31-Mar-2019	As at 31-Mar-2018
Net Profit for calculation of Basic and Diluted Earnings Per Share (₹ in Lakhs)	(352.55)	3,422.24
Weighted average number of shares (Nos.)	2,25,13,400	2,23,48,678
Earning per equity share		
Basic & Diluted earning per share (₹)	(1.57)	15.31

Note - 26 Dividend Distribution made

Dividend on equity shares declared and paid:		
Final dividend paid	111.75	111.75
DDT on final dividend (including earlier years)	29.68	63.74
Total	141.43	175.49

Note - 27 Significant Accounting Judgements, Estimates and Assumptions

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

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur. In the process of applying the Group's accounting policies, management has made the following judgements, estimates and assumptions, which have the most significant effect on the amounts recognised in the Financial Statements:

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

Defined Benefit Plans

The cost and the present value of the defined benefit gratuity plan and other post-employment leave encashment benefit are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in future. These include the determination of appropriate discount rate, estimating future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates. For further details about gratuity obligations are given in Note 28.

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 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 lives and residual values of company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at 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.

Valuation of Biological Assets of Tea

As required by Ind AS 41 - "Agriculture", management estimates the fair value of plucked (harvested tea leaf) and unplucked tea leaves (biological assets as at the balance sheet date) through the use of valuation models and recent transaction prices. Significant judgement is required for key assumptions used in determining average prevalent selling prices of the tea leaf, average quality of the tea leaf and quantity of unplucked leaf.

Biological assets of Tea are disclosed in Note 8a to the financial statements, the valuation is discussed as a key source of estimation uncertainty and the valuation policy is disclosed in the principal accounting policies.

Note - 28 Employee Benefits Obligation**(I) Defined benefit plans****(a) Gratuity**

The Group provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 days salary for each completed year of service. Vesting occurs upon completion of 5 years of continuous service. The Group makes contribution to JSTI Gratuity Fund and Life Insurance Corporation of India, which is funded defined benefit plan for qualifying employees.

(i) The principal assumptions used in determining gratuity obligations for the Group's plans are as follows:

Significant Actuarial Assumptions	31-Mar-2019	31-Mar-2018
Discount Rate	7.3% - 7.7%	7.7%
Employee turnover	1% to 8%	1% to 8%
Salary Escalation Rate	4.0%	4.0%
Mortality Rate	IALM (2006-08) Table	IALM (2006-08) Table

(ii) Amounts Recognised in the Balance Sheet consists of:

Present value of defined benefit obligation at the year end	10,356.98	8,467.50
Fair Value of the Plan Assets at the year end	4,466.81	4,804.35
Liability Recognised in the Balance Sheet	5,890.17	3,663.15

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

(iii) Movement in present value of defined benefit obligation is as follows:

Particulars	31-Mar-2019	31-Mar-2018
Changes in the present value of defined benefit obligation		
Present value of defined benefit obligation as at year beginning	8,467.50	7,832.43
Current Service Cost	539.49	414.44
Past Service Cost	-	4.52
Interest Cost	613.90	565.13
Remeasurements (gains)/losses		
-Actuarial (gains)/losses arising from changes in financial assumptions	14.36	(699.14)
-Actuarial losses arising from changes in experience adjustments	1,498.67	1,151.39
Benefits Paid	(776.94)	(801.27)
Present value of defined benefit obligation as at year end	10,356.98	8,467.50

(iv) Amount recognised in Statement of Profit or Loss in respect of defined benefit plan are as follows:

Current Service Cost	539.49	414.44
Past Service Cost	-	4.52
Net Interest Cost	613.90	565.13
Expected return on plan assets	(368.92)	(342.84)
Components of defined benefit costs recognised in profit or loss	784.47	641.25

(v) Amount recognised in other comprehensive income in respect of defined benefit plan are as follows:

Re-measurement of the net defined benefit obligation:-		
-Actuarial (gains)/losses arising from changes in financial assumptions	14.36	(699.14)
-Actuarial losses arising from changes in experience adjustments	1,498.67	1,151.39
-(Gain)/Loss on plan assets (excluding amounts included in net interest cost)	(29.49)	42.81
-Return on Plan Assets (greater)/ less than discount rates	(27.38)	(20.70)
Components of defined benefit costs recognised in Other comprehensive income	1,456.16	474.36

(vi) Movement in the fair value of plan assets is as follows:

Opening Balance	4,804.35	4,452.55
-Interest income	368.92	342.84
-Return on Plan Assets greater/(less) than discount rates	27.38	20.70
-Benefits paid	(776.94)	(801.27)
-Contributions by the Employer	13.61	832.34
-Actuarial gains / (losses)	29.49	(42.81)
Closing Balance*	4,466.81	4,804.35

*Includes ₹ 4,193.20 Lakhs (P.Y. ₹ 4,551.00 Lakhs) contributed to JSTI Gratuity Fund (Refer Note 30)

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

(vii) Percentage allocation of plan assets by category:

Particulars	Plan Assets	
	31-Mar-2019	31-Mar-2018
Government Securities	2.72%	2.15%
Debentures / Bonds	89.40%	90.83%
Fixed deposits	1.71%	1.72%
Cash and Cash Equivalents	0.04%	0.02%
Insurance Managed Funds	6.13%	5.27%

JSTI Gratuity Fund contributes funds in Birla Sun Life Insurance, HDFC Life Insurance, Bajaj Allianz, India First Life Insurance, Life Insurance Corporation.

The Group expects to contribute ₹ 900.00 Lakhs to the funded defined benefit plans in financial year 2019-20.

Sensitivity Analysis

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligations and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

	31-Mar-2019		31-Mar-2018	
Assumptions	Discount rate		Discount rate	
Sensitivity Level	0.5% to 1% increase	0.5% to 1% decrease	0.5% to 1% increase	0.5% to 1% decrease
Impact on defined benefit obligation	(556.71)	570.82	(264.27)	237.61

	31-Mar-2019		31-Mar-2018	
Assumptions	Future Salary increase		Future Salary increase	
Sensitivity Level	0.5% to 1% increase	0.5% to 1% decrease	0.5% to 1% increase	0.5% to 1% decrease
Impact on defined benefit obligation	595.57	(584.70)	261.70	(288.49)

Risk analysis

Group is exposed to a number of risks in the defined benefit plans. Most significant risks pertaining to defined benefits plans, and management's estimation of the impact of these risks are as follows:

Interest risk

A decrease in the interest rate on plan assets will increase the plan liability.

Salary growth risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

Investment risk

The Gratuity plan is funded with Birla Sun Life Insurance, HDFC Life Insurance, Bajaj Allianz, India First Life Insurance, Life Insurance Corporation. Group does not have any liberty to manage the fund provided to the Insurance Companies. The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government of India bonds. If the return on plan asset is below this rate, it will create a plan deficit.

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

(b) Provident fund for certain employees

In view of year-end position of the employer established provident fund and confirmation from the Trustees's of such fund, there is no shortfall as at the year end.

(II) Defined contribution plans**a) Provident Fund**

	31-Mar-2019	31-Mar-2018
Contribution to Provident Fund during the year	1,656.53	1,516.02

b) Superannuation Fund

	31-Mar-2019	31-Mar-2018
Contribution to Superannuation Fund during the year	91.32	94.67

The Holding Company has defined contribution superannuation plan for the benefit of its eligible employees. Employees who are members of the defined contribution superannuation plan are entitled to benefits depending on the years of service and salary drawn.

Separate irrevocable trust is maintained for employees covered and entitled to benefits. The Holding Company contributes 15% of the eligible employees' salary to the trust. Such contributions are recognised as an expense as and when incurred. The Holding Company does not have any further obligation beyond this contribution.

Note - 29 Leases**Operating lease — Group as Lessee (Other than land lease)**

The Group's leasing arrangement are in the nature of cancellable operating leases. The Group has taken warehouse, machineries, etc. on Operating Leases. These leases have a life of between 1 year to 15 years which is renewable by mutual consent of concerned parties. No contingent rent is payable by the Group in respect of the above leases. Some of the lease agreements have price escalation clauses. Related lease rentals have been disclosed under the head "Rent" in Note 24 of Statement of Profit and Loss. There are no restrictions placed upon the Group by such leases.

Note - 30 Commitment and Contingencies**I. Commitments**

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
i. Capital Commitments outstanding (Net of Advances)	67.32	148.71
ii. Investments pledged with a bank amounting to ₹ Nil (P.Y. ₹ 1,394.71 Lakhs) towards banking facilities availed by a subsidiary and step down subsidiary from the Bank.	-	1,138.28
iii. Letter of credit issued against purchase of fuel	27.12	24.77
iv. Commitments outstanding against further investments in Alternate Investment Fund (AIF)	2,129.54	2,116.25

II. Guarantees

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
i. Bank Guarantees	466.95	281.81

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)*

(₹ in Lakhs)

III. Contingent Liabilities**a) Claims against the Company not acknowledged as debts:**

	As at 31-Mar-2019	As at 31-Mar-2018
(i) Demand from Sales Tax authority : Certain disallowances of Sales Tax were demanded against the company and the appeals before the Commissioner/ Tribunal Appellate and revisional Board has been filed and the management is of the opinion that it will obtain full relief"	706.73	706.73
(ii) Income Tax demand under appeal	384.63	617.72
(iii) Entry Tax Liability in the state of West Bengal, stay has been granted by Hon'ble High Court at Calcutta *	116.14	116.14
(iv) Demand from a lessor for interest on differential rent	70.14	70.14
(v) Demand of Provident Fund Damages and Interest by the Provident Fund Authorities, West Bengal	117.88	117.88
(vi) Electricity duty demanded by Government of Bihar appealed in Hon'ble Supreme Court	103.10	103.10
(vii) Demand of wages of a closed unit for earlier years pending before Labour Court (Estimated)	61.50	61.50
(viii) Demand against differential excise duty in relation to a closed unit for earlier years pending before Central Excise & Service Tax Appellate Tribunal (CESTAT)	50.05	50.05

*In view of injunction granted by the Hon'ble High Court at Calcutta, no provision has been made in respect of Entry Tax imposed by Govt. of West Bengal under the "Entry of Goods into Local Area Act 2012"

b) Other Contingencies and Commitments

- i. There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated 28th February, 2019. The Group believes that it does not have any significant impact on a prospective basis from the date of the SC order. The Group will revisit its position, on receiving further clarity on the subject.
- ii. The Holding Company has provided Corporate Guarantee during the year amounting to ₹ 1,425.00 Lakhs against term loan availed by Majhulia Sugar Industries Private Limited (a wholly owned subsidiary company) for the purpose of their business. The amount of facility availed by the subsidiary as on 31st March, 2019 is ₹ 1,117.27 Lakhs.

Note: In respect of above, future cash flows are determinable only on receipt of judgements pending at various forums/authorities which in the opinion of the Group is not tenable and there is no possibility of any future cash outflow in case of above.

Note - 31 Disclosure in respect of Related Parties pursuant to Ind AS 24**A Names of related parties and description of relation :****(i) Joint Venture**

Tea Group Investment Company Limited (TGICL)

(ii) Associate

ECE Industries Limited [Associate of Jayantika Investment & Finance Limited (JIFL), a subsidiary company]

(iii) Key management personnel (KMP)

- | | |
|----------------------------|---|
| (a) Chairman | Mr. Basant Kumar Birla |
| (b) Vice Chairperson | Mrs. Jayashree Mohta |
| (c) Executive Director | Mr. Vikash Kandoi |
| (d) Managing Director | Mr. Damodar Prasad Maheshwari |
| (e) Non Executive Director | Mr. Prashant Jhavar (ceased w.e.f. May 29, 2018)
Mr. Surendra Kumar Tapuriah |

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

	Mr. Subodh Kumar Agrawal
	Mr. Sumit Mazumder
	Mr. Harsh Vardhan Kanoria (w.e.f. February 11, 2019)
	Mr. Gouri Prasad Goenka (ceased w.e.f. December 08, 2017)
	Mr. Rajesh Sarda (Director in Majhaulia Sugar Industries Pvt. Ltd.)
	Mr. Chinni Lal Shukla (Director in Majhaulia Sugar Industries Pvt. Ltd.)
	Mr. Pradip Kumar Agrawal (Director in Jayantika Investment & Finance Ltd.)
	Mr. Hari Prasad Maheshwari (Director in Jayantika Investment & Finance Ltd.)
	Mr. Dan Mal Jain (Director in North Tukvar Tea Co. Ltd.) [ceased w.e.f. July 31, 2018]
	Mr. Bijay Kumar Dalan (Director in North Tukvar Tea Co. Ltd.)
	Mr. Sanjay Kumar Patodia (Director in North Tukvar Tea Co. Ltd.)
	Mr. Sushil Kumar Jajodia (Director in North Tukvar Tea Co. Ltd.)
(f) Chief Financial Officer and Company Secretary	Mr. Ramesh Kumar Ganeriwala
(g) Chief Financial & Executive Officer	Mr. Ashok Nenawati in Kijura Tea Co. Ltd. (ceased w.e.f. February 05, 2019)
(h) Chief Executive Officer	Mr. Tilak Chetry in Kijura Tea Co. Ltd. (w.e.f. February 06, 2019)
(iv) Others	Nature of Relationship
Gisakura Tea Company Limited	Subsidiary of TGICL
Mata Tea Company Limited	Subsidiary of TGICL
JPM Merchandise Agencies Limited	Entity over which KMP has significant influence
Century Textiles & Industries Limited	Entity over which KMP has significant influence
Kesoram Industries Limited	Entity over which KMP has significant influence
Birla International Limited	Entity over which KMP has significant influence
(v) Post-employment Benefit Plans (PEBP)	
Birla Industries Provident Fund	
B K Birla Group of Companies Provident Fund Institution	
JSTI Gratuity Fund	

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

Note - 31 Disclosure in respect of Related Parties pursuant to Ind AS 24 (cont.)**B. During the year the following transactions were carried out with the related parties in the ordinary course of business:****i. Transactions with related parties**

	For the year ended	
	31-Mar-2019	31-Mar-2018
Purchases of Property, Plant and Equipment		
Mr. Rajesh Sarda	-	9.85
Total	-	9.85
Income from Management Fees		
Tea Group Investment Company Limited	899.35	-
Total	899.35	-
Dividend Paid		
JPM Merchandise Agencies Limited	30.57	30.57
ECE Industries Limited	2.23	2.23
Pilani Investment and Industries Corporation Limited	0.01	0.01
Century Textiles & Industries Limited	1.50	1.50
Kesoram Industries Limited	-	1.94
Mr. Basant Kumar Birla	0.23	0.23
Mrs. Jayashree Mohta	4.93	4.93
Mr. Gouri Prasad Goenka	-	*
Mr. Prashant Jhavar	-	*
Mr. Sumit Mazumder	*	-
Mr. Surendra Kumar Tapuriah	*	*
Mr. Subodh Kumar Agrawal	*	*
Mr. Vikash Kandoi	0.01	0.01
Mr. Damodar Prasad Maheshwari	0.03	*
Total	39.51	41.42
Dividend Received		
Birla International Limited	12.47	8.34
Total	12.47	8.34
Loan Taken / (Repaid) [Net]		
Tea Group Investment Company Limited	71.92	1,039.41
Total	71.92	1,039.41
Loan Given/ (Received) [Net]		
Tea Group Investment Company Limited	8.44	-
Total	8.44	-
Advance Given/ (Received) [Net]		
Tea Group Investment Company Limited	-	(49.83)
Total	-	(49.83)

*Amounts are below the rounding off norm adopted by the Group.

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

(ii) Remuneration of Key Management Personnel (KMP)

The remuneration of key management personnel of the Group are set out below in aggregate for each of the categories specified in Ind AS 24 Related party disclosures.

	For the year ended	
	31-Mar-2019	31-Mar-2018
Salaries and Wages	439.00	346.60
Contribution to Provident and Other Funds #	36.94	34.13
Directors' Sitting Fees	4.00	3.30
Total	479.94	384.03

Does not include gratuity and compensated absences as these are provided in the books of accounts on the basis of actuarial valuation for the Group as a whole and hence individual amount cannot be determined.

(iii) Contribution to Post Employment Benefit Plan

Birla Industries Provident Fund	125.49	127.15
B K Birla Group of Companies Provident Fund Institution	76.12	73.66
JSTI Gratuity Fund	-	800.00
Total	201.61	1,000.81

C. Balances as at year end are set out below:

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
Loans Receivable:		
Tea Group Investment Company Limited	8.44	-
Total	8.44	-
Loans Taken:		
Tea Group Investment Company Limited	1,111.33	1,039.41
Total	1,111.33	1,039.41
Assets pledged against loan availed by step down subsidiary		
Kijura Tea Company Limited	-	1,138.28
Total	-	1,138.28
Payable to Key Managerial Personnel (KMP)		
Mr. Chinni Lal Shukla	-	0.94
Total	-	0.94
Payable to Post Employment Benefit Plan		
Birla Industries Provident Fund	9.75	5.64
B K Birla Group of Companies Provident Fund Institution	5.85	-
Total	15.60	5.64
Plan Assets (Refer Note 28):		
JSTI Gratuity Fund	4,193.20	4,551.00
Total	4,193.20	4,551.00

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

Note - 32 Fair Value Measurements		
Particulars	As at 31-Mar-2019	As at 31-Mar-2018
Financial Assets - Non Current		
At Fair Value through profit or loss		
Investments	15,040.87	14,621.70
At Fair Value through Other Comprehensive Income		
Investments	893.67	656.49
At Amortised Cost		
(a) Investment	1,130.45	1,084.64
(b) Trade Receivable	-	-
(c) Loans	540.95	611.71
(d) Other Financial Assets	235.55	12.04
	1,906.95	1,708.39
At Cost		
Investments	11,448.39	11,301.54
Total Non-Current Financial Assets (a)	29,289.88	28,288.12
Financial Assets - Current		
At Fair Value through Profit or Loss		
(a) Investments	246.09	1,967.32
(b) Other Financial Assets	41.49	-
	287.58	1,967.32
At Amortised cost		
(a) Trade Receivables	6,083.32	7,409.43
(b) Cash and Cash Equivalents	600.59	1,634.14
(c) Other Bank Balances	135.32	993.67
(d) Loans	2,672.41	2,223.54
(e) Other Financial Assets	4,864.96	5,780.23
	14,356.60	18,041.01
Total Current Financial Assets (b)	14,644.18	20,008.33
Total Financial Assets (a + b)	43,934.06	48,296.45

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

	As at 31-Mar-2019	As at 31-Mar-2018
Financial Liabilities - Non-Current		
At Amortised Cost		
(a) Borrowings	13,437.52	16,356.69
(b) Other Financial Liabilities	240.61	249.87
Total Non-Current Financial Liabilities (a)	13,678.13	16,606.56
Financial Liabilities - Current		
At Fair Value through Profit or Loss		
Other Financial Liabilities	-	25.05
At Amortised Cost		
(a) Borrowings (including current maturities of long term debt)	38,055.29	30,456.51
(b) Trade Payables	29,031.20	23,292.08
(c) Other Financial Liabilities	2,200.56	1,648.05
Total Current Financial Liabilities (b)	69,287.05	55,421.69
Total Financial Liabilities (a + b)	82,965.18	72,028.25

Note - 33 Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the standalone financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows below:

The table shown below analyses financial instruments carried at fair value. The different levels have been defined below:-

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

Level 2: Inputs other than quoted prices included within 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)

(a) Financial assets and liabilities measured at fair value at 31st March, 2019

Financial Assets	Level 1	Level 2	Level 3	Total
Investment at FVTPL				
In Mutual Funds	-	6,338.03	-	6,338.03
In Alternate Investment Funds (AIF)	-	5,930.90	-	5,930.90
In Bonds	2,483.59	-	-	2,483.59
In Equity Shares	534.44	-	-	534.44
Derivatives not designated as hedges at FVTPL	-	41.49	-	41.49
Investment at FVTOCI				
In Equity Shares (Quoted and Unquoted)	0.06	893.61	-	893.67

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

Financial assets and liabilities measured at fair value at 31st March, 2018

	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment at FVTPL				
In Mutual Funds	-	8,185.41	-	8,185.41
In Alternate Investment Funds (AIF)	-	4,834.93	-	4,834.93
In Bonds	2,916.62	-	-	2,916.62
In Equity Shares	652.06	-	-	652.06
Investment at FVTOCI				
In Equity Shares (Quoted and Unquoted)	0.11	656.38	-	656.49
Financial Liabilities				
Derivatives not designated as hedges at FVTPL	-	25.05	-	25.05

(b) Financial instruments at Amortised Cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

	31-Mar-2019		31-Mar-18	
Financial Assets	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Investment in Unquoted Bonds	1,130.45	1,130.45	1,084.64	1,084.64

(c) Biological assets other than Bearer Plants

This section explains the judgements and estimates made in determining the fair value of the biological assets other than bearer plants that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its biological assets other than bearer plants into Level 2 in the fair value hierarchy, since no significant adjustments need to be made to the prices obtained from the local markets.

Biological assets other than Bearer Plants for which fair value (less cost to sell) are disclosed at 31st March, 2019	Level 1	Level 2	Level 3	Total
Unharvested Tea Leaves	-	181.41	-	181.41
Standing Sugarcane Crop	-	87.59	-	87.59
Total	-	269.00	-	269.00

Biological assets other than Bearer Plants for which fair value (less cost to sell) are disclosed at 31st March, 2018	Level 1	Level 2	Level 3	Total
Unharvested Tea Leaves	-	92.82	-	92.82
Standing Sugarcane Crop	-	83.93	-	83.93
Total	-	176.75	-	176.75

(d) During the year there has been no transfer from one level to another.

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

Note - 34 Financial Risk Management

The Group's activities expose it to credit risk, liquidity risk and market risk. In order to minimise any adverse effects on the financial performance of the Group, the Group has risk management policies as described below-

(A) Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Group is exposed to credit risk from its operating activities (primarily Trade Receivables) and from its investing activities (primarily Deposits with Banks and Investments in Mutual Funds).

Credit risk from balances with banks, term deposits, loans, investments and derivative instruments is managed by Group's finance department. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. The Group monitors ratings, credit spreads and financial strength of its counterparties.

The Group's maximum exposure to credit risk for the components of the Balance Sheet as of 31st March, 2019 and 31st March, 2018 is the carrying amounts as disclosed in Note 32.

Trade Receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers. Customer credit risk is managed by each business unit subject to the Group's policy and procedures which involve credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Group grants credit terms in the normal course of business. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit.

The ageing analysis of the receivables (net of provision) has been considered from the date the invoice falls due.

Trade Receivable	< 90 days	91 to 180 days	> 180 days	Total
31st March, 2019	4,289.56	1,191.05	602.71	6,083.32
31st March, 2018	6,117.77	979.83	311.83	7,409.43

(B) Liquidity Risk

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group closely monitors its liquidity position and maintains adequate sources of financing.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

Contractual Maturities of Financial Liabilities	Less than 1 year	1 to 3 years	More than 3 years	Total
31st March, 2019				
Borrowings*	38,055.29	10,255.23	3,182.30	51,492.82
Contractual Interest on Borrowings	1,847.13	1,417.77	206.69	3,471.59
Trade Payables	29,031.20	-	-	29,031.20
Other Financial Liabilities	2,200.56	240.61	-	2,441.17
Total	71,134.18	11,913.61	3,388.99	86,436.78

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

Contractual Maturities of Financial Liabilities	Less than 1 year	1 to 3 years	More than 3 years	Total
31st March, 2018				
Borrowings*	30,456.51	12,893.42	3,463.27	46,813.20
Trade Payables	23,292.08	-	-	23,292.08
Other Financial Liabilities	1,673.10	249.87	-	1,922.97
Total	55,421.69	13,143.29	3,463.27	72,028.25

*Includes Non-Current Borrowings, Current Borrowings and Current Maturities of Non-Current Borrowings.

(C) Market Risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – 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.

(i) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, EUR and GBP. The Group has obtained foreign currency loans and has foreign currency trade receivables and trade payables and is therefore exposed to foreign currency risk.

The Group uses forward exchange contracts to hedge the effects of movements in foreign exchange rates on foreign currency denominated assets and liabilities.

(a) Sensitivity

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

	Impact on profit before tax	
	31-Mar- 2019	31-Mar- 2018
USD Sensitivity		
INR/USD -Increase by 10%*	(56.76)	(109.97)
INR/USD -Decrease by 10%*	56.76	109.97
Euro Sensitivity		
INR/EUR-Increase by 10%*	59.27	90.10
INR/EUR-Decrease by 10%*	(59.27)	(90.10)
GBP Sensitivity		
INR/GBP-Increase by 10%*	(0.00)	0.01
INR/GBP-Decrease by 10%*	0.00	(0.01)

* Holding all other variables constant

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's main interest rate risk arises from short term and long-term borrowings with variable rates, which expose the group to cash flow interest rate risk. During 31st March 2019 and 31st March 2018, the Group's borrowings at variable rate were mainly denominated in INR.

The Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of changes in market interest rates.

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

(a) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

	Impact on profit before tax	
	31-Mar- 2019	31-Mar- 2018
Interest Rates — Increase by 50 basis points	(190.24)	(190.75)
Interest Rates — Decrease by 50 basis points	190.24	190.75

* Holding all other variables constant and on the assumption that amount outstanding as at reporting dates were utilised for the full financial year.

(iii) Price Risk

Securities price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded prices.

The Group invests its surplus funds in various debt instruments. These comprise of mainly mutual funds and alternative investment fund. To manage its price risk arising from investments in mutual funds, the Group diversifies its portfolio. Mutual fund investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments.

(a) Sensitivity

The sensitivity of profit or loss to changes in Net Assets Values (NAVs) as at year end for investments.

	Impact on profit before tax	
	31-Mar- 2019	31-Mar- 2018
NAV - Increase by 1%*	152.87	165.89
NAV - Decrease by 1%*	(152.87)	(165.89)

* Holding all other variables constant

(iv) Agricultural Risk

Cultivation of tea being an agricultural activity, there are certain specific financial risks. These financial risks arise mainly due to adverse weather conditions, logistic problems inherent to remote areas, and fluctuation of selling price of finished goods (tea) due to increase in supply/availability.

The Company manages the above financial risks in the following manner:

- Sufficient inventory levels of chemicals, fertilisers and other inputs are maintained so that timely corrective action can be taken in case of adverse weather conditions.
- Slightly higher level of consumable stores viz. packing materials, coal and HSD are maintained in order to mitigate financial risk arising from logistics problems.
- Forward contracts are made with overseas customers as well as domestic customers, in order to mitigate the financial risk in fluctuation in selling price of tea.
- Sufficient working-capital-facility is obtained from banks in such a way that cultivation, manufacture and sale of tea is not adversely affected even in times of adverse conditions.

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

Note - 35 Capital Management

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximise the shareholders value. The Group's overall strategy remains unchanged from previous year. The Group sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of borrowed funds and internal fund generation. The Group's policy is to use short term and long-term borrowings to meet anticipated funding requirements. The Group monitors capital on the basis of the net debt to equity ratio. Net debt are long term and short term debts as reduced by cash and cash equivalents. Equity comprises share capital and free reserves (total reserves excluding OCI). The following table summarizes the capital of the Group:

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
Borrowings	51,492.82	46,813.20
Less: Cash and Cash Equivalents	(600.59)	(1,634.14)
Net Debt	50,892.23	45,179.06
Total Equity	32,071.65	32,271.61
Net Debt to Equity ratio	1.59	1.40

No changes were made to the objectives, policies or processes from managing capital during the reporting periods.

Note - 36 Segment Information

1. The Group has disclosed business segment as the primary segment. The Group is collectively organised into following business segments namely:

(a) Tea ; (b) Chemical & Fertiliser and (c) Sugar

Segments have been identified as reportable segments by the Group's chief operating decision maker ("CODM"). Segment profit amounts are evaluated regularly by the Board, which has been identified as the CODM, in deciding how to allocate resources and in assessing performance. Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amount allocated on a reasonable basis. Unallocated expenditure consists of common expenditure incurred for all the segments and expenses incurred at corporate level. The assets and liabilities that cannot be allocated between the segments are shown as unallocated corporate assets and liabilities respectively.

2. The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 3. Segment profit (Earnings before interest and tax) amounts are evaluated regularly by the Board that has been identified as its CODM in deciding how to allocate resources and in assessing performance. The Group's financing (including finance costs and finance income) and income taxes are reviewed on an overall basis and are not allocated to operating segments.

3. The net expenses and income, which are not directly attributable to a particular Business Segment, are shown as unallocated corporate cost and income respectively.

4. Assets and Liabilities that can not be allocated between the segments are shown as a part of unallocated corporate assets and liabilities respectively.

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)*

(₹ in Lakhs)

The following table presents revenue and profit information for the Group's operating segment for the year ended 31st March, 2019 and 31st March, 2018

Particulars	Tea		Chemical & Fertiliser		Sugar		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Revenue								
Total External Revenue	48,345.24	48,698.57	9,954.36	9,347.56	17,392.09	17,723.49	75,691.69	75,769.62
Inter Segment Revenue	-	-	-	-	-	-	-	-
Total Revenue	48,345.24	48,698.57	9,954.36	9,347.56	17,392.09	17,723.49	75,691.69	75,769.62
Segment Results	2,940.51	2,902.19	1,098.07	581.44	614.15	76.51	4,652.73	3,560.14
Reconciliation to Profit before Tax:								
Interest Income							978.87	986.60
Finance Costs (Note 22)							(4,907.79)	(4,258.35)
Unallocable expenditure net off Unallocable Income							(1,124.51)	(280.16)
Profit /(Loss) Before Tax							(400.70)	8.23
Depreciation and Amortisation expense	1,493.25	1,374.01	56.58	54.59	235.44	225.24	1,785.27	1,653.84
Unallocable							141.39	125.81
Total							1,926.66	1,779.65
Non-cash Expenses other than Depreciation and Amortisation	146.25	21.71	-	-	-	-	146.25	21.71
Capital Expenditure	2,804.78	2,546.51	95.85	59.53	9,067.17	518.18	11,967.80	3,124.22
Unallocable							490.94	43.54
Total							12,458.74	3,167.76
Share of Profit of Associate and Joint Venture	-	-	-	-	-	-	-	-
Unallocable							42.64	3,198.53
Total							42.64	3,198.53

The following table presents assets and liabilities information for the Group's operating segment as at 31st March, 2019 and 31 March, 2018

Particulars	Tea		Chemical & Fertiliser		Sugar		Total	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Segment Assets	40,499.09	39,214.27	8,135.00	6,691.84	40,905.40	29,477.17	89,539.49	75,383.28
Reconciliation to Total Assets								
Investments							28,759.47	29,631.69
Deferred Tax Assets (net)							1,514.03	1,127.79
Current Tax Assets (net)							633.02	576.15
Other Unallocable Assets							5,568.64	6,405.57
Total Assets							1,26,014.65	1,13,124.48
Segment Liabilities	12,804.10	9,424.64	2,559.49	2,279.40	25,441.21	20,200.32	40,804.80	31,904.36
Reconciliation to Total Liabilities								
Borrowings							51,492.81	46,813.20
Current Tax Liabilities (Net)							166.04	88.38
Other Unallocable Liabilities							1,285.92	1,032.55
Total Liabilities							93,749.57	79,838.49

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

Particulars	Tea		Chemical & Fertiliser		Sugar		Total	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Investments in an Associate and a Joint Venture	-	-	-	-	-	-	-	-
Unallocated							11,448.30	11,301.45
Total							11,448.30	11,301.45

Geographical Segment Analysis

Revenue by Geographical Segment	31-Mar-2019	31-Mar-2018
India	65,838.86	63,652.30
Rest of the World	9,852.83	12,117.32
	75,691.69	75,769.62

No customer individually accounted for more than 10% of the revenues from external customers during the years.

The following is an analysis of the carrying amount of non-current assets, which do not include deferred tax assets, income tax assets and financial assets analysed by the geographical area in which the assets are located:

Non-Current Operating Assets	31-Mar-2019	31-Mar-2018
India	43,608.88	33,354.59
Rest of the World	2,005.00	1,886.72
	45,613.88	35,241.31

Segment Capital Expenditure	31-Mar-2019	31-Mar-2018
India	11,768.17	3,083.04
Rest of the World	199.63	41.18
	11,967.80	3,124.22

Note - 37 a) Group Information

The consolidated financial statements comprise the financial statements of the Parent Company and its subsidiary companies as detailed below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held by the Group and the proportion of ownership interests held equals the voting rights held by the Group.

Entity Name	Place of Business/ Country of Incorporation	Proportion of Ownership Interest held by the Group		Principal Business Activity
		As at 31-Mar-19	As at 31-Mar-18	
Indian Subsidiaries				
North Tukvar Tea Company Limited	India	90.50%	90.50%	Manufacturing and Selling of Tea
Jayantika Investment and Finance Limited (JIFL) (formerly Parvati Tea Company Limited)	India	100.00%	100.00%	Non-Banking Financial Company
Majhulia Sugar Industries Private Limited	India	100.00%	100.00%	Manufacturing and Selling of Sugar
Foreign Subsidiaries				
Birla Holdings Limited including its subsidiary and stepdown subsidiary:	Dubai	100.00%	100.00%	Manufacturing and Selling of Tea
a) Kijura Tea Company Limited (KTCL)	Uganda	100.00%	100.00%	
b) Bondo Tea Estates Limited (subsidiary of KTCL)	Uganda	100.00%	100.00%	

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 *(Contd.)*

(₹ in Lakhs)

Associate

The Group has a 37.18% interest in ECE Industries Limited (associate of JIFL) (P.Y.: 37.18%) [Refer Note 38].

Joint arrangement in which the Group is a Joint Venture

The Group has a 50% interest in Tea Group Investment Company Limited (P.Y.: 50%) [Refer Note 39].

Entity with significant influence over the Group

JPM Merchandise Agencies Limited owns 21.17% of the Equity shares in Jay Shree Tea & Industries Limited (P.Y.: 21.17%).

b) Disclosure of additional information pertaining to the Parent Company, Subsidiaries, Associate and Joint Venture in respect of Net Assets:

Entity Name	Net Assets			
	As at 31-Mar-19		As at 31-Mar-18	
	% of consolidated assets	Amount (₹ in Lakhs)	% of consolidated assets	Amount (₹ in Lakhs)
Parent Company				
Jay Shree Tea & Industries Limited	11.57%	3,731.83	28.62%	9,526.89
Indian Subsidiaries				
North Tukvar Tea Company Limited	0.86%	277.14	0.99%	328.48
Jayantika Investment and Finance Limited (JIFL) (formerly Parvati Tea Company Limited)	11.41%	3,683.03	10.61%	3,530.70
Majhauria Sugar Industries Private Limited	35.65%	11,501.35	22.00%	7,323.58
Foreign Subsidiaries				
Birla Holdings Limited including its subsidiary and stepdown subsidiary: a) Kijura Tea Company Limited (KTCL) b) Bondo Tea Estates Limited (subsidiary of KTCL)	5.03%	1,623.44	3.83%	1,274.90
Joint Venture				
Tea Group Investment Company Limited its two subsidiaries: a) Mata Tea Company Limited b) Gisakura Tea Company Limited	12.18%	3,929.96	10.66%	3,548.01
Associate				
ECE Industries Limited (associate of JIFL)	23.30%	7,518.33	23.29%	7,753.43
		32,265.08		33,285.99

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

c) Disclosure of additional information pertaining to the Parent Company, Subsidiaries, Associate and Joint Venture in respect of Share of Profit / (Loss), Other Comprehensive Income (OCI) and Total Comprehensive Income (TCI):

Entity Name	Share of Profit / (Loss)				OCI				TCI			
	31-Mar-2019		31-Mar-2018		31-Mar-2019		31-Mar-2018		31-Mar-2019		31-Mar-2018	
	% of consolidated profit and loss	Amount (₹ in Lakhs)	% of consolidated profit and loss	Amount (₹ in Lakhs)	% of consolidated OCI	Amount (₹ in Lakhs)	% of consolidated OCI	Amount (₹ in Lakhs)	% of consolidated TCI	Amount (₹ in Lakhs)	% of consolidated TCI	Amount (₹ in Lakhs)
Parent Company												
Jay Shree Tea & Industries Limited	-58.19%	205.13	12.54%	428.99	104.82%	(824.63)	90.46%	(342.43)	54.38%	(619.50)	2.84%	86.56
Indian Subsidiaries												
North Tukvar Tea Company Limited	8.60%	(30.32)	-0.25%	(8.55)	5.83%	(45.87)	-12.58%	47.60	6.69%	(76.19)	1.28%	39.05
Jayantika Investment and Finance Limited (JIFL) (formerly Parvati Tea Company Limited)	-55.74%	196.52	5.61%	191.87	2.67%	(21.04)	-7.34%	27.78	-15.40%	175.48	7.22%	219.65
Majhaulia Sugar Industries Private Limited	187.43%	(660.76)	-24.22%	(828.77)	-4.86%	38.26	17.16%	(64.94)	54.64%	(622.50)	-29.36%	(893.71)
Foreign Subsidiaries												
Birla Holdings Limited including its subsidiary and stepdown subsidiary: a) Kijura Tea Company Limited (KTCL) b) Bondo Tea Estates Limited (subsidiary of KTCL)	30.00%	(105.75)	12.86%	440.18	0.00%	-	0.00%	-	9.28%	(105.75)	14.46%	440.18
Joint Venture												
Tea Group Investment Company Limited including its two subsidiaries: a) Mata Tea Company Limited b) Giskura Tea Company Limited	-21.41%	75.48	32.32%	1,105.95	-38.95%	306.47	69.67%	(263.71)	-33.53%	381.94	27.67%	842.24
Associate												
ECE Industries Limited (associate of JIFL)	9.32%	(32.84)	61.15%	2,092.57	25.71%	(202.26)	-62.28%	235.75	20.64%	(235.10)	76.50%	2,328.32
Foreign Currency Translation Reserve	0.00%	-	0.00%	-	4.79%	(37.65)	4.91%	(18.58)	3.30%	(37.65)	-0.61%	(18.58)
		(352.54)		3,422.24		(786.72)		(378.53)		(1,139.27)		3,043.71

NOTES to Consolidated Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(₹ in Lakhs)

Note - 38 Investment in Associate

The Group has a 37.18% interest in ECE Industries Limited (associate of JIFL) (P.Y.: 37.18%) which are engaged in manufacturing and selling of Transformer, Elevator's Components and Switchgear and is also engaged in erection and installation of Elevator. The Group's interest in associate are accounted for using the equity method in the consolidated financial statements. The following table illustrates the aggregate financial information relating to associate as required by Ind AS 112 - Disclosure of Interest in Other entities:

	As at	
	31-Mar-2019	31-Mar-2018
Carrying amount of interest in Associate	7,518.33	7,753.43
	31-Mar-2019	31-Mar-2018
Group's Share of Profit from Associate	(32.84)	2,092.58
Group's share of Other Comprehensive Income (OCI) for the year from Associate	(202.26)	235.75
Group's share of Total Comprehensive Income (Loss) for the year from Associate	(235.10)	2,328.33

Note - 39 Investment in Joint Venture

The Group has a 50% interest in Tea Group Investment Company Limited (TGICL) (P.Y.: 50%) which are involved in the manufacturing and selling of tea. The joint venture is a company incorporated in Dubai. The Group's interest in joint venture are accounted for using the equity method in the consolidated financial statements. TGICL has two subsidiaries whose information has been given below. For the purpose of Group's Share of Profit / OCI from Joint Venture, the financial statement of TGICL includes the financial statements of its subsidiaries.

Entity Name	Place of Business / Country of Incorporation	Proportion of Ownership Interest held by the Group	
		As at 31-Mar-2019	As at 31-Mar-2018
Mata Tea Company Limited	Rwanda	30.00%	30.00%
Gisakura Tea Company Limited	Rwanda	30.00%	30.00%

The following table illustrates the aggregate financial information relating to joint ventures as required by Ind AS 112 - Disclosure of Interest in Other entities:

	As at	
	31-Mar-2019	31-Mar-2018
Carrying amount of interest in Joint Venture	3,929.97	3,548.02
	31-Mar-2019	31-Mar-2018
Group's Share of Profit from Joint Venture	75.48	1,105.95
Group's share of Other Comprehensive Income (OCI) for the year from Joint Venture	306.47	(263.71)
Group's share of Total Comprehensive Income for the year from Joint Venture	381.95	842.24

For **S.R.BATLIBOI & CO. LLP**

Chartered Accountants

Firm Registration No : 301003E/E300005

per **Sanjay Kumar Agarwal**

Partner

Membership No: 060352

Place: Kolkata

Date: 28 May 2019

For and on behalf of Board of Directors

D. P. Maheshwari
(Managing Director)
(DIN: 02203749)

R. K. Ganeriwala
(President, CFO
& Secretary)

S.K.Tapuriah
(Director)
(DIN: 01065278)

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Notes

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This image shows a full page of blank handwriting practice paper. It features 20 evenly spaced, horizontal blue lines across the entire page. The lines are uniform in thickness and color, providing a guide for letter height and placement. There are no margins, text, or other markings on the paper.

JAY SHREE TEA & INDUSTRIES LIMITED

Registered Office: "Industry House", 10, Camac Street, Kolkata - 700 017
CIN : L15491WB1945PLC012771 • Website: www.jayshreetea.com
Email: shares@jayshreetea.com • Phone: 033-22827531-4 • Fax: 033-22827535

ATTENDANCE SLIP

Name of the Member(s):

Registered Address :

Folio No /Client ID No. & DP ID

No. of Share(s) held

I/We hereby record my/our presence at the **73rd Annual General Meeting of Jay Shree Tea & Industries Ltd. held on Wednesday, the 14th August, 2019 at 3:30 p.m. at "Kala Kunj", 48, Shakespeare Sarani, Kolkata 700 017**

Name of the Shareholder/Proxy
(In capital letters)

Signature of Shareholder/Proxy

Note: Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip properly and hand it over at the entrance of the meeting venue.

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JAY SHREE TEA & INDUSTRIES LIMITED

Registered Office: "Industry House", 10, Camac Street, Kolkata - 700 017
CIN : L15491WB1945PLC012771 • Website: www.jayshreetea.com
Email: shares@jayshreetea.com • Phone: 033-22827531-4 • Fax: 033-22827535

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of Companies (Management and Administration) Rules, 2014]
73rd Annual General Meeting to be held on Wednesday, the 14th August, 2019 at 3:30 p.m. at "Kala Kunj", 48, Shakespeare Sarani, Kolkata 700 017

Name of the Member(s):

Registered Address :

E-mail ID :

Folio No./ Client ID & DP ID No.

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

1.Name: _____

Address: _____

E-mail Id: _____ Signature: _____, or failing him

2.Name: _____

Address: _____

E-mail Id: _____ Signature: _____, or failing him

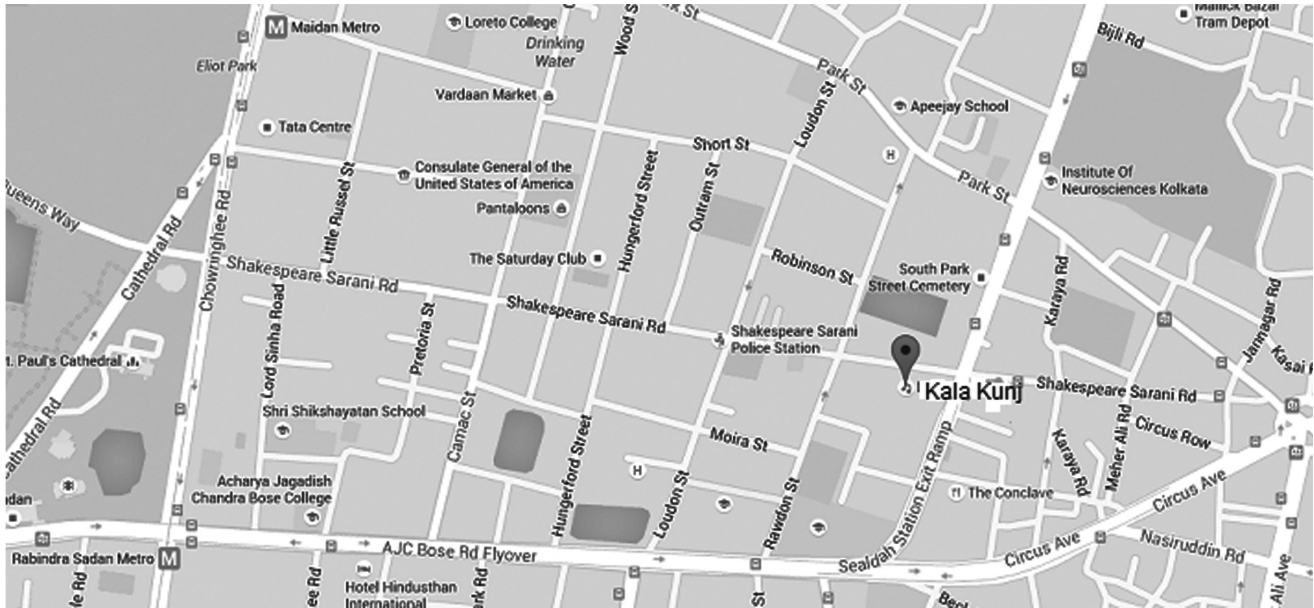
3.Name: _____

Address: _____

E-mail Id: _____ Signature: _____, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 73rd Annual General Meeting of the Company, to be held on Wednesday, the 14th August 2019 at 3:30 p.m. at "Kala Kunj" 48, Shakespeare Sarani, Kolkata 700 017 and at any adjournment thereof in respect of such resolutions as are indicated below:

Venue of the Meeting
“Kala Kunj”, 48 Shakespeare Sarani, Kolkata-700 017



----- cut here -----

Resolution No.		Particulars	Optional	
Ordinary Business			For	Against
1		Adoption of Annual Financial Statements for the year ended March 31, 2019		
2		Approval of Dividend		
3		Re-appointment of Mr.Vikash Kandoi who retires by rotation.		
Special Business				
4		Appointment of Mr.Harsh Vardhan Kanoria as an Independent Director		
5		Approval of the remuneration of the Cost Auditor for the year 2019-20		

Signed this _____ day of _____ 2019

Signature of Shareholder:

Affix
Revenue
Stamp

Signature of Proxy holder(s):

Note:

- This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**
- A Proxy need not be a member of the Company.**
- For the resolutions, Explanatory Statement and Notes, please refer to the Notice of the 73rd Annual General Meeting
- A person can act as a proxy on behalf of member(s) not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not acts as a proxy for any other person or shareholder.

TEA ESTATES

Towkok, Manjushree, Mangalam, Nahorhabi
Sibsagar, Assam

Meleng
Jorhat, Assam

Dewan, Burtoll, Labac, Kalline, Jellalpole
Cachar, Assam

Tukvar, Risheehat Singbulli, Balasun, Sungma,
North Tukvar, Marionbarie, Jayantika
Darjeeling, West Bengal

Aryaman
Jalpaiguri, West Bengal

Ananyashree
Uttar Dinajpur, West Bengal

Sholayar, Kallyar
Coimbatore, Tamil Nadu

CHEMICALS & FERTILISERS UNITS

The Jay Shree Chemicals & Fertilisers, Khardah
24 Parganas (North), West Bengal

The Jay Shree Chemicals & Fertilisers, Pataudi
Gurgaon, Haryana

OTHERS

Warehousing & Tea Export Deptt.
Kolkata, West Bengal

Tea Warehouse & Sales Deptt.
Kochi, Kerala

SUBSIDIARY COMPANIES

North Tukvar Tea Company Limited
Jayantika Investment & Finance Limited
Majhulia Sugar Industries Private Limited
Birla Holdings Limited, U.A.E.

OVERSEAS JOINT VENTURE

Tea Group Investment Company Limited, U.A.E.





available online



If undelivered please return to
Jay Shree Tea & Industries Limited

"Industry House", 10 Camac Street
Kolkata 700017, India

CIN No. : L15491WB1945PLC012771

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