Jay Shree Tea & Industries Ltd.

B K BIRLA GROUP OF COMPANIES

SHR/21/

August 3,2018

The Secretary,
BOMBAY STOCK EXCHANGE LTD.
Corporate Relationship Department,
Rotunda Building, 1st floor,
New Trading Ring,
Dalal Street,
MUMBAI 400 001

Dear Sir,

Annual Report 2017-2018

Enclosed please find Annual Report of our Company for the year 2017-2018 under Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 for your information and records.

Thanking you,

Yours faithfully,
For Jay Shree Tea & Industries Ltd.

(R.K.Ganeriwala)
President & Secretary

Encl : As above

L

Regd. & H. O.: Industry House, 15th Floor, 10, Camac Street, Kolkata-700 017, India. Ph.: +91 33 2282 7531-4 Fax : +91 33 2282 7535
E-mail: webmaster@jayshreetea.com Website : www.jayshreetea.com, CIN : L15491WB 1945PLC012771

Chai Piyo Mast Jiyo

JAY SHREE TEA & INDUSTRIES LIMITED

72nd ANNUAL REPORT
2017-18

buy our teas online at jayshreetea.com

The Group Logo

As represented by the 21st Century Atlas

Our Chairman Syt. B. K. Birla

Atlas, the Titan - ***Collective Stength***

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 - ***Enlightment 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 entirely 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

72nd ANNUAL REPORT FOR THE YEAR ENDED 31ST MARCH 2018

Corporate Information

BOARD OF DIRECTORS
Mr.B.K. Birla (Chairman)
Mrs.Jayashree Mohta
(Vice-Chairperson)
Mr.Prashant Jhawar
Mr. S.K.Tapuriah
Mr. Sumit Mazumder
Additional Director w.e.f. 07.02.2018
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. P.K.Agrawal
President (Darjeeling & Dooars Tea Estates)
Mr. H.G.Singh
Vice President (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 'C'
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.
Rabobank International
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. Subodh Kr. Agrawal
Mr. D.P.Maheshwari

STAKEHOLDERS RELATIONSHIP COMMITTEE
Mr. S.K.Tapuriah *(Chairman)*
Mr. Prashant Jhawar
Mr. Subodh Kr.Agrawal
Mr. D.P.Maheshwari

NOMINATION AND REMUNERATION COMMITTEE
Mr. S.K.Tapuriah *(Chairman)*
Mr. B.K.Birla
Mr. Prashant Jhawar

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) 2287 3045

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

Inside this report	

NOTICE

To the Shareholders

Notice is hereby given that the Seventy Second Annual General Meeting of the Company will be held on Wednesday, the 1st August, 2018 at 10:30 A.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 31.03.2018 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, 2018.
3. To appoint a Director in place of Mr.B.K.Birla (holding DIN-00055856), who retires by rotation and is eligible for re- appointment.

SPECIAL BUSINESS:

4. **Appointment of Mr.Sumit Mazumder 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.Sumit Mazumder, (holding DIN 00116654) 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 77th Annual General Meeting of the company.

5. **To approve continuation of directorship of Non-Executive Director - Mr.B.K.Birla, Chairman.**

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

   "**RESOLVED THAT** pursuant to Regulation 17(1)(A) of the SEBI (Listing Obligations and Disclosure Requirement) (Amendment) Regulations, 2018 which requires a special resolution for continuing the directorship of any person as a Non Executive Director who has attained the age of seventy five years w.e.f. April 1, 2019, approval of the Company be and is hereby accorded for the continuation of directorship of Mr. B.K.Birla (holding DIN-00055856) as Non-Executive Director and Chairman of the Company, aged about 97 years with his original terms and conditions of appointment."

6. **Reappointment of Mrs.Jayashree Mohta, Whole time Director designated as Vice Chairperson for a term of three years w.e.f. 1.4.2019.**

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

   "**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 read with Schedule V and other applicable provisions, including any modification(s) or re-enactment thereof, if any of the Companies Act, 2013 (the Act) or any other law and subject to such consent(s), approval(s) and permission(s) as may be necessary in this regard, the consent of the company be and is hereby accorded for re-appointment of Mrs. Jayashree Mohta (holding DIN-01034912) as a Whole Time Director under the designation "Vice-Chairperson" of the Company for a period of three years w.e.f 01.4.2019, liable to retire by rotation, on the remuneration and terms and conditions enumerated in the Statement attached hereto as recommended by the

NOTICE *(Contd.)*

Nomination and Remuneration committee and/or approved by Board upon time to time and as may be acceptable to Mrs. Jayashree Mohta."

"**RESOLVED FURTHER THAT**, notwithstanding anything herein above stated where in any Financial Year closing on or after March 31, 2018 during the tenure of Mrs. Jayashree Mohta as Whole- time Director of the Company, the Company incurs loss or its profits are inadequate, the company shall pay Mrs. Jayashree Mohta the remuneration by way of salary, perquisites and allowances as a minimum remuneration but not exceeding the limits specified under Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration."

"**RESOLVED FURTHER THAT** the Board and/or its committee be and is hereby authorized in its absolute discretion to decide/determine, fix and/or vary/alter /modify within the limit stated above, the components of Remuneration (including Minimum Remuneration in the event of absence or inadequacy of profits in any financial year) payable to Mrs. Jayashree Mohta from time to time and to comply with legal provisions and to do all such acts, deeds, things and matters and ancillary and consequential things as may be considered necessary and to settle all questions or difficulties whatsoever that may arise to give effect to the above resolution."

7. Re-appointment of Mr. D. P. Maheshwari, Managing Director of the company for a term of three years w.e.f. 27.6.2019.

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

"**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 read with Schedule V and other applicable provisions, including any modification(s) or re-enactment thereof, if any of the Companies Act, 2013 (the Act) or any other law and subject to such consent(s), approval(s) and permission(s) as may be necessary in this regard, the consent of the company be and is hereby accorded for re-appointment of Mr. D.P.Maheshwari (holding DIN-02203749) as a Managing Director of the Company for a period of three years w.e.f 27.6.2019 to 26.06.2022 liable to retire by rotation, on the remuneration and terms and conditions enumerated in the Statement attached hereto as recommended by the Nomination and Remuneration committee and/or approved by Board upon time to time and as may be acceptable to Mr.D.P.Maheshwari"

"**RESOLVED FURTHER THAT**, notwithstanding anything herein above stated where in any financial Year closing on or after March 31, 2018 during the tenure of Mr. D.P.Maheshwari as Managing Director of the Company, the Company incurs loss or its profits are inadequate, the company shall pay Mr. D.P.Maheshwari the remuneration by way of salary, perquisites and allowances as a minimum remuneration but not exceeding the limits specified under Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration."

"**RESOLVED FURTHER THAT** the Board and/or its committee be and is hereby authorized in its absolute discretion to decide/determine, fix and/or vary/alter /modify within the limit stated above, the components of Remuneration (including Minimum Remuneration in the event of absence or inadequacy of profits in any financial year) payable to Mr. D.P.Maheshwari from time to time and to comply with legal provisions and to do all such acts, deeds, things and matters and ancillary and consequential things as may be considered necessary and to settle all questions or difficulties whatsoever that may arise to give effect to the above resolution."

NOTICE *(Contd.)*

8. Re-appointment of Mr.S.K.Tapuriah as an Independent Director for a second term w.e.f. 01.04.2019

To consider and if thought fit, to pass with or without modifications, the following Resolution as Special 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.S.K.Tapuriah, (holding DIN 01065278) who holds office up to March 31, 2019 and being eligible offers himself for re-appointment as Independent Director of the Company be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for second term of five consecutive years until the 77th Annual General Meeting of the company."

"**RESOLVED FURTHER THAT** pursuant to Regulation 17(1)(A) of the SEBI (Listing Obligations and Disclosure Requirement) (Amendment) Regulations, 2018 which requires a special resolution for continuing the directorship of any person as a Non Executive Director who has attained the age of seventy five years w.e.f. April 1, 2019, approval of the Company be and is hereby accorded for the continuation of directorship of Mr.S.K.Tapuriah (holding DIN-01065278) as Non-Executive Independent Director of the Company, aged about 79 years with his original terms and conditions of re-appointment."

9. Re-appointment of Mr.Subodh Kumar Agrawal as an Independent Director for a second term w.e.f. 01.04.2019

To consider and if thought fit, to pass with or without modifications, the following Resolution as Special 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.Subodh Kumar Agrawal, (holding DIN 00553916) who holds office up to March 31, 2019 and being eligible offers himself for re-appointment as Independent Director of the Company be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for second term of five consecutive years until the 77th Annual General Meeting of the company."

10. Approval of payment of remuneration to Non-Executive Directors of the Company

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

"**RESOLVED THAT** pursuant to the provisions of Section 197 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder, including any statutory modification(s) or re-enactment thereof for the time being in force, the consent of the Company be and is hereby accorded to the payment of commission of a sum not exceeding one percent of the annual net profits of the Company computed in accordance with the provisions of Section 197 read with Section 198 of the Act. The remuneration will be distributed amongst the Directors of the Company in such manner or proportion as may be determined by the Board of Directors for a period of three years from the financial year commencing from 1st April, 2019. The above remuneration shall be in addition to the fees payable to the Directors for attending the meetings of the Board or Commitees thereof."

"**RESOLVED FURTHER** that for the purpose of giving effect to this resolution, the Board be and is hereby authorized to take all actions and do all such acts, deeds,matters and things,as it may in its absolute discretion deem necessary, proper or desirable in this regard and to vary or increase the commission as may be permitted or authorized in accordance with any provisions under the the Act, for the time being in force or any

NOTICE *(Contd.)*

statutory modifications or re-enactment thereof and/or any rules or regulations framed thereunder."

11. Approval of the remuneration of the Cost Auditor of the Company for the year 2018-19

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 2018-19 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 : 29th May 2018

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

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 25.07.2018 to 01.08.2018 (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 1st August, 2018 to those members whose names appear on the Register of Members of the Company as on 24th July, 2018. 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, 2011 and thereafter, which remain unpaid or unclaimed for a period of 7 years will be transferred to the 'Investor Education and

NOTICE *(Contd.)*

Protection Fund' ("IEPF") constituted by the Central Government. Members who have not encashed their dividend warrant(s) for the Financial Year ended 31st March, 2011 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
2010-2011	22.09.2011	26th October, 2018
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

g) The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2009-10, 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 July 31, 2017 (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 October 26, 2018 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 October 26, 2018 to avoid aforesaid transfer of shares. No claim shall lie against the Company in respect of these equity shares post their transfer to 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.B.K.Birla

Mr. B.K.Birla aged about 97 years, holding 46000 shares, is a well known industrialist in the country and is well regarded for his foresightedness, enterprise and leadership qualities. Coming from the pioneer industrial house of India, he built up an industrial empire with strong foundation, sustained growth and proven leadership. He is associated with various educational cultural and philanthropic institutions in the country.

NOTICE *(Contd.)*

Directorships held in other companies:

Century Enka Ltd., Century Textiles & Industries Ltd., Kesoram Industries Ltd., Pilani Investment & Industries Corporation Ltd. & B.K.Birla Foundation.

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 72nd Annual General Meeting (AGM) by electronic means and the business may be transacted through 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 29th July, 2018 at 9:00 A.M. (IST) and ends on 31st July, 2018 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 25th July, 2018, 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 25th July, 2018 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.

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

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the 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.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

NOTICE *(Contd.)*

(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

NOTICE *(Contd.)*

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 29th May, 2018 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.

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 1st August, 2018.

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. Sumit Mazumder (DIN-00116654) as Additional Director w.e.f 7th February, 2018. Mr.Sumit Mazumder is the Chairman & Managing Director of TIL Ltd. Mr. Mazumder was President of Confederation of Indian Industry (CII) for 2015-16. A Trustee of Kolkata Port Trust (KOPT), he is on the Board of West Bengal Industrial Development Corporation (WBIDC). Master of Business Administration (MBA) from Sam Houston State University, Texas, USA, he undertook the advanced management program at Harvard Business School, USA. He is also the Chairman of the Board of Directors of Balrampur Chini Mills Ltd.

Aged about 70 years, Mr. Mazumder holds 200 shares in the Company. Directorships held in other companies: TIL Ltd.; Paharpur Cooling Towers Ltd.; West Bengal Industrial Development Corporation Ltd.; Balrampur Chini Mills Ltd.; Marbellous Trading Pvt Ltd.; Salgurn Merchants Pvt Ltd.; BP Commodities Pvt Ltd.; Ansuya Agencies Pvt Ltd.; Subhmangal Tracom Pvt Ltd.; Gokul Leasing and Finance Pvt Ltd.; Ratnapriya Tracom Pvt Ltd.; Mukundah Commosales Pvt Ltd.; Myanmar Tractors Ltd.; The Coles Cranes Group Ltd.; TIL Overseas Pte Ltd., Singapore.

In opinion of the Board, Mr. Sumit Mazumder 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. Mazumder 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. Sumit Mazumder as an Independent Director.

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

Except Mr. Sumit Mazumder, 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

Mr. B.K.Birla, our Chairman, an Institution in himself, a doyen of Indian Industry with his acumen and strong corporate ethics. He has brought the Company from two tea estates since its inception to the level it is today. He is considered as a guiding spirit for generations to come.

He always reviewed and guided corporate strategy, major plans of action, business plan. He also monitored major capital expenditures,

NOTICE *(Contd.)*

acquisitions and disinvestments. He created a pool of human resources in varied field and trained them to discharge their duties and function effectively. Taking into account the interest of various stakeholders, he set very high ethical standards for the Company. The Board observed that his contribution to the Company towards its growth is exemplary. His continuing directorship and as Chairman of the Board in terms of Regulation 17(1)(A) of the SEBI(Listing Obligations and Disclosure Requirement) (Amendment) Regulations, 2018 would be of immense benefit to the Company.

The Board recommends the Special Resolution set out at item no. 5 of the Notice for the approval of the members.

(None of the Directors, except Mr. B.K.Birla himself and Mrs.Jayashree Mohta being the relative of Mr.B.K.Birla are concerned or interested in the said resolution.)

Item No. 6

Mrs. Jayashree Mohta, aged about 67 years, holding 985770 shares is the Whole time Director designated as "Vice Chairperson" of the Company w.e.f. 1st April 2011. Mrs. Mohta holds a Bachelors degree in Arts. She has more than 26 years of experience in the business management, tea, sugar, chemicals and fertilizers industries and in particular, having perfect palate for tea tasting which guides in proper valuation of high value teas. She is actively involved in various educational institutions on pan India basis and development of art and culture in India.

Directorships held in other companies :

North Tukvar Tea Co. Ltd., Avadh Mercantile Co.Ltd., Gagan Services Pvt.Ltd., Sanjay Estates Pvt.Ltd., Universal Plastocrafts Pvt. Ltd., Jayashree Finvest Pvt. Ltd., Marigold Traders Pvt. Ltd. and B. K. Birla Foundation.

Mrs. Jayshree Mohta was appointed as a Whole Time Director for a period of three years w.e.f 1st April, 2016. So her term will cease on 31.03.2019. In view of the vast experience and valuable contribution of Mrs. Jayashree Mohta towards the growth of the Company, the Board in its meeting held on 29th May, 2018, as recommended by the Nomination and Remuneration Committee, subject to the approval of the members of the company in the Annual General Meeting has decided to re-appoint her as a Whole Time Director designated as "Vice-chairperson" of the Company for the further period of 3 years w.e.f 1st April, 2019 on the remuneration terms and conditions set out herein. Accordingly, this resolution is being proposed for the approval of the Shareholders:

a)	**Remuneration (Salary, Perquisites & Allowances**	:	Not exceeding ₹ 120 lakhs (Rupees one hundred twenty lakh only) per annum. Perquisites and allowances shall be evaluated as per Income Tax Rules, wherever applicable and at actual cost to the company in other cases.
b)	**Termination**	:	The appointment, not-withstanding three years tenure fixed w.e.f. April 1, 2019 as may be terminated by either party by giving three months notice in writing.
c)	**Sitting Fee**	:	No sitting fees shall be payable for attending the meetings of the Board of Directors or any Committee thereof.
d)	**Others**	:	As per company rules.

Notwithstanding anything hereinabove, where in any financial year during the tenure of office of Mrs. Jayashree Mohta the Company has no profits or its profits are inadequate, the Company will pay the aforesaid remuneration by way of salary and perquisites as Minimum Remuneration but not exceeding the limits specified under Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.

The overall remuneration of the Director including perquisites are well within the overall limits specified under Section 196, 197, 203 read with Schedule V of the Companies Act, 2013.

(None of the Directors, except Mrs. Jayashree Mohta herself and Mr.B.K.Birla, Mr.Vikash Kandoi, being the relative of Mrs.Jayashree Mohta are concerned or interested in the said resolution.)

NOTICE *(Contd.)*

ITEM NO. 7

Mr. D.P.Maheshwari, is Managing Director of the company since 27th June, 2008. He was re-appointed in the Annual General Meeting held on 4th August, 2015 for a period of three years w.e.f 27.06.2016 to 26.06.2019. So the tenure of Mr. D.P.Maheshwari is due to expire on 26.06.2019. He holds directorship in Vibhuti Vincom Pvt. Ltd. Mr. D. P. Maheshwari is about 70 years of age, resolution under section 196(3) of the Companies Act, 2013 was taken at the Annual General Meeting of the Company on 31.07.2017. Mr.Maheshwari holds 606 shares. Keeping in view the qualification and vast experience of Mr.Maheshwari, the Board in its meeting held on 29th May, 2018, as recommended by the Nomination and Remuneration committee, subject to the approval of the members of the Company in the Annual General Meeting has decided to re-appoint him as the Managing Director of the Company for the further period of three years w.e.f 27.6.2019 to 26.06.2022 on the remuneration and terms and conditions set out herein. Accordingly this resolution is being proposed for the approval of the members.

TERMS & CONDITIONS

(i)	**Period**	:	3 years w.e.f. 27.6.2019 to 26.6.2022
(ii)	**Salary**	:	₹ 6,75,000/- to ₹ 9,00,000/- per month as may be determined by Nomination and Remuneration Committee from time to time.
(iii)	**Perquisite**	:	Perquisites shall be allowed in addition to salary as under :
PART – A			
(a)	**Housing**	:	Rent free accommodation or house rent allowance as per Rules of the Company.
(b)	**Medical Re-imbursement**	:	Expenses incurred for self and family subject to a ceiling of one month's salary and mediclaim premium as per rules of the Company.
(c)	**Leave Travel Concession**	:	For self and family once in a year incurred in accordance with the rules of the Company.
(d)	**Bonus**	:	Bonus shall be payable as per rules of the Company.
(e)	**Club Fees**	:	Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fee
(f)	**Personal Accident Insurance**	:	Actual premium not exceeding ₹10,000/- per annum
PART – B			
i)	**Company's contribution to Provident & Super-annuation Fund**	:	In accordance with the Schemes of the Company.
ii)	**Gratuity**	:	One half month's salary for each completed year of service as per rules of the Company.
iii)	**Leave Encashment**	:	Encashment of leave as per rules of the Company
PART-C			
i)	**Car**	:	Free use of Company's car with driver on company's business. Such use will not be considered as perquisites. Personal use of the company's car will be billed.
ii)	**Telephone**	:	Use of telephones (including Mobile) on business. Such use will not be considered as perquisites.
iii)	**Termination of Appointment**	:	The appointment may be terminated by either party giving three months prior notice.

Notwithstanding anything hereinabove, where in any financial year during the tenure of office of Mr. D.P.Maheshwari the Company has no profits or its profits are inadequate, the Company will pay the aforesaid remuneration by way of salary and perquisites as Minimum Remuneration but not exceeding the limits specified under Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.

NOTICE *(Contd.)*

The overall remuneration of the Director including perquisites are well within the overall limits specified under Section 196, 197, 203 read with Schedule V of the Companies Act, 2013.

(None of the Directors, except Mr. D.P.Maheshwari is concerned or interested in the said resolution.)

Information in terms of Schedule V to the Companies Act, 2013 for seeking approval of the shareholders are given below:

I GENERAL INFORMATION

1. Nature of Industry	:	Cultivation of tea and manufacturing of tea, chemicals & fertilizers and warehousing activities.
2. Date of Commencement of commercial production	:	The Company is in manufacturing operation since 1945.
3. In case of new companies, expected date of commencement of activities as per project approved by financial Institution appearing in the prospectus	:	Not applicable
4. Financial performance based on given Indicator	:	As per Audited Financial Results for the year ended.

(₹ In lakhs)

	31-Mar-2018	31-Mar-2017	31-Mar-2016
Total Revenue from operations (net)	55192	54118	69601
Profit before interest, depreciation & tax (PBIDTA)	4138	3610	4086
Interest (Net)	2386	2670	4075
Profit/(Loss) before Depreciation & Tax (PBDT)	1752	940	11
Depreciation/Amortization	1454	1469	1638
Profit/(Loss) before Tax (PBT)	298	(529)	(1627)
Provision for Tax	(41)	458	289
Profit/(Loss) after Tax (PAT)	339	(987)	(1916)

5. Foreign Investment or collaborators, If any,	:	The Company has joint venture operation for two tea estates at Rwanda and has acquired 100% stake in tea companies owning two estates in Uganda.

II INFORMATION ABOUT THE APPOINTEES:

a) Mrs. Jayashree Mohta

1. Background details :

Mrs. Jayashree Mohta, aged about 67 years, holds a Bachelors degree in Arts. She is on Board of Company since 17th June 1992. The Board in its meeting held on 14.2.2011 appointed Mrs.Jayashree Mohta as Whole-time Director designated as "Vice Chairperson" of the Company w.e.f. 1st April 2011.

NOTICE *(Contd.)*

2. **Past remuneration :**

Remuneration paid during last 3 years

2015-16	₹ 90 lakhs
2016-17	₹ 90 lakhs
2017-18	₹ 90 lakhs

3. **Recognition or Awards:**

The company under her stewardship developed international market for tea getting accolades in international arena.

4. **Job profile and suitability:**

Mrs. Jayashree Mohta has been entrusted with the responsibilities to manage the affairs of the company on a day to day basis. She has been rendering services to the company in relation to development of its tea plantation, tea exports, chemical, sugar and other operations. She has perfect palate for tea tasting which guides in proper valuation of high value teas and improved tea sales realization.

5. **Remuneration Proposed:**

The proposed remuneration is within the limit set out under Section 196, 197, 203 read with Schedule V of the Companies Act,2013.

6. **Comparative remuneration profile with respect to industry, size of the company, profile of the Position and person:**

Remuneration of Chief Executive Officers in the industry in general has gone up manifold in past few years. It is not possible to find out comparative remuneration in the industry with respect to profile of the position with respect to diversified activities of the company tea, chemicals & fertilizers and sugar segments. The remuneration to Mrs. Jayashree Mohta is purely based on merits.

7. **Pecuniary relationship directly or indirectly with the company relationship with the managerial personnel:**

Mrs. Jayashree Mohta has no pecuniary relationship with the Company other than her remuneration as Whole Time Director. She is related to Mr. B.K.Birla and Mr. Vikash Kandoi within the meaning of Section 2 of the Companies Act,2013.

b) **Mr. D.P.Maheshwari**

1. **Background details:**

Mr. D. P. Maheshwari aged about 70 years is a Commerce Graduate. He is with the company since 1967. He is the senior most executive of the company and is the Managing Director since 27.06.2008.

2. **Past remuneration**

(₹ In lakhs)

	31.03.2018	31.03.2017	31.03.2016
Salary	7500	7500	6900
Perquisites	2595	2687	2381
Contribution to P.F. and Super-annuation Fund	2025	2025	1863
Total	**12120**	**12212**	**11144**

3. **Recognition or Awards:**

Mr.D.P.Maheshwari started his career from Sholayar Estate, way back in 1967 and has held various positions in the industry organizations starting from district planters Association as Chairman of Annamalai Planters Association, State Planters Association as Chairman of Planters Association of Tamil Nadu and has held the post of President of United Planters' Association of Southern India (UPASI) & member of the Tea Committee for five years. He has been Member of Tea Board for five years and also had been the Vice-Chairman of Tea Board for the year 2008-09. Mr. Maheshwari was the President of Tea Association of India. He was also the Chairman of tea Research Association for 4 years.

4. **Job profile and suitability:**

Mr.D.P.Maheshwari, the Managing Director is entrusted with the powers and authorities to manage the affairs of the company on a day to day basis subject to superintendence, direction and control of the Board of Directors. He is an experienced planter and have extensive knowledge of tea industry. His experience at various levels has helped him to successfully manage the affairs of the company for last several years.

NOTICE *(Contd.)*

5. **Remuneration Proposed:**

   The proposed remuneration is within the limit set out under Section 196, 197, 203 read with Schedule V of the Companies Act,2013.

6. **Comparative remuneration profile with respect to industry, size of the company, profile of the Position and person.**

   Remuneration of Chief Executive Officers in the industry in general has gone up manifold in past few years. It is not possible to find out comparative remuneration in the industry with respect to profile of the position with respect to diversified activities of the company tea, chemicals & fertilizers and sugar segments. The remuneration to Mr. D.P.Maheshwari is purely based on merits.

7. **Pecuniary relationship directly or indirectly with the company relationship with the managerial personnel:**

   Mr.D.P.Maheshwari has no pecuniary relationship with the Company other than his remuneration as Managing Director. There is no managerial personnel related to Mr. D.P.Maheshwari.

III. OTHER INFORMATION:

1. **Reasons of loss or inadequate profits:**

   The company operates in tea and fertilizers. Tea industry is passing though a difficult phase. Cost of inputs have gone up considerably without any corresponding increase in sale, price due to factors beyond the control of the management.

   The profitability over the last 5 years in given below:

(₹ In Lakhs)

Year	Profit after Tax	Dividend Percentage (%)
2013-14	334	40%
2014-15	(1902)	20%
2015-16	(1916)	20%
2016-17	(987)	10%
2017-18	**339**	**10%**

2. **Steps taken or proposed to be taken for improvement:**

   The company is taking continuous steps for improvement in quality of tea. Cost control measures have been initiated at fertilizer units. These measures should help in better price realisation of tea and improvement in efficiency of fertilizer units.

3. **Expected increase in productivity and profits in measurable terms:**

   All the company's gardens are producing quality teas. The Company's gardens are included amongst the top gardens in the areas of their operation. The yields are improving gradually with stress on quality. This should increase our profit margin substantially.

IV DISCLOSURES

1. **Disclosure under Corporate Governance in the Board of Directors' Report**

   The details of sitting fees paid to the Directors and remuneration package payable alongwith relevant details payable to Mrs. Jayashree Mohta and Mr. D.P.Maheshwari has been mentioned hereinabove in the Report of Corporate Governance attached to the Director's Report. There is no severance fee or stock option to either of them. The period of appointment and remuneration to them is as per approval of Annual General Meeting resolution. The appointment may be terminated by either party giving three months notice.

ITEM NO 8 & 9

Mr.S.K.Tapuriah (DIN-01065278) and Mr.Subodh Kumar Agrawal (DIN-00553916) were appointed as independent Directors on the Board of the Company pursuant to the provisions of Section 149 of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014. They hold office as Independent Directors of the Company up to March 31, 2019.

Mr.S.K.Tapuriah, 79 years, holds a bachelors degree in Commerce and has been associated with the Company since 1990. He has more than 40 years of experience in Business Management and Finance. He is ex-member of Parliament and contributed effectively to the development of trade and industry in India. The Board considered that his continued association would be of immense benefit to the Company and decided to continue his directorship in terms of Regulation 17(1)(A) of the SEBI(Listing obligations

NOTICE *(Contd.)*

and Disclosure Requirement) (Amendment) Regulations, 2018. Mr.Tapuriah holds 768 shares in the company.

Mr.S.K.Tapuriah holds directorship in unlisted material subsidiary of the Company, Majhaulia Sugar Industries Pvt. Ltd. He also hold Chairmanship in the Audit as well as the Stakeholders Grievance committee of the company and membership in the Nomination and Remuneration Committee of the Company.

Mr.Subodh Kumar Agrawal, 56 years, is a Practicing Chartered Accountant. He has been associated with The Institute of Chartered Accountants of India as former President. Mr.Agrawal holds 200 shares in the Company. Mr.Subodh Kumar Agrawal holds directorship in Richfield Financial Services Ltd.

The Nomination and Remuneration Committee of the Company, on the basis of the report of performance evaluation of Independent Directors, has recommended re-appointment of Mr.S.K.Tapuriah and Mr. Subodh Kumar Agrawal as Independent Directors for a second term of five consecutive years w.e.f 01.04.2019 on the Board of the Company, not liable to retire by rotation.

The board, based on the performance evaluation of independent Directors as per the recommendation of the Nomination and Remuneration Committee, considers that given their background and experience and contributions made by them during their tenure, the continued association of Mr.S.K.Tapuriah and Mr.Subodh Kumar Agrawal would be beneficial to the Company and its is desirable to continue to avail their services as Independent Directors.

Mr.S.K.Tapuriah and Mr.Subodh Kumar Agrawal have submitted their declarations that they meet the criteria of independence under sub-section (6) of Section 149 of the Act and under the Listing Regulations.

Except Mr.S.K.Tapuriah and Mr. Subodh Kumar Agrawal, 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. 8 & 9.

This statement may also be regarded as an appropriate disclosure under the listing regulations.

The Board recommends the Special Resolution set out at item no. 8 & 9 of the Notice for the approval of the members.

ITEM NO.10

At the Annual general Meeting held on July 29, 2013 the Members had approved of the payment of remuneration by way of Commission to the Non-Executive Directors of the Company, not exceeding one percent per annum of the net profits of the Company computed in accordance with the provisions of erstwhile The Companies Act 1956 for a period of five financial years commencing from April 1, 2014. The Board of Directors of the Company at its meeting held on May 29, 2017, has recommended for the approval of the Members, payment of remuneration by way of commission to the Non-Executive Directors of the Company for a period not exceeding three financial years with effect from April 1, 2019 as set out in the Resolution.

All the directors of the Company except the Managing Director and Whole Time Directors are concerned or interested in the resolution to the extent of the remuneration that may be received by them.

The Board recommends the Special Resolution set out at item no. 10 of the Notice for the approval of the members.

ITEM NO.11

The Board on the recommendation of the Audit Committee has approved the appointment of D. Sabyasachi & Co., Cost Auditors to audit cost records of tea and chemical units of the company for the financial year ending 31st March 2019 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.11.

The Board recommends the resolution for your approval.

Registered & Head Office :
"Industry House"
10, Camac Street, Kolkata 700 017
Date: 29th May 2018

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 72nd Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March 2018.

FINANCIAL RESULTS

(₹ in lakhs)

	31st March 2018	31st March 2017
Revenue from operations	**55192**	54118
Profit before finance costs, depreciation and tax	**5108**	4481
Less : Finance costs	**3356**	3541
: Depreciation/Amortisation expenses	**1454**	1469
Profit/(Loss) before tax	**298**	(529)
Less: Tax expense		
a) Current Tax	**-**	(7)
b) Deferred Tax Charge / (Credit)	**(41)**	465
Profit/(Loss) for the year	**339**	(987)

IND AS – IFRS CONVERGED STANDARDS

Your Company has adopted Indian Accounting Standards ("Ind-AS") with effect from 1st April, 2017. Financial statements for the year ended and as at 31st March, 2017 have been re-stated to conform to Ind AS. Notes to the financial statement provides further explanation on the transition to Ind AS. Your Company has shared all four quarters re-stated Ind AS Profit and Loss Statement with investors along with quarterly results for comparisons. Your Company has accordingly prepared Ind AS Financials for the year ended 31st March, 2018 along with comparable figures as on 31st March, 2017 and Opening Statement of Assets and Liabilities as on 1st April, 2016.

EQUITY DIVIDEND

The Board is pleased to recommend the distribution of dividend @ 10% on face value of ₹ 5/- per share same as was paid last year. The dividend tax including surcharge and education cess amounting to ₹ 29.68 lakh shall be payable by the company on the said dividend, as and when paid.

SHARE CAPITAL

During the year ended 31st March, 2018 there is no change in the issued and subscribed capital of your Company. The outstanding capital as on 31st March, 2018 is ₹ 1443.87 lakh comprising of 2,88,77,488 equity shares of ₹ 5/- each.

GOODS AND SERVICES TAX (GST)

The Goods and Services Tax (GST) is a landmark reform which will have a lasting impact on the economy and on businesses. Implementation of a well-designed GST model that applies to the widest possible base at a low rate can provide stimulus to the business. Your Company has successfully implemented and migrated to GST with effect from 1st July 2017 and changes across IT systems, Supply Chain and operations have been made keeping in mind the sweeping changes that GST has brought in.

REVIEW OF PERFORMANCE

The annual output of tea was 1322 mn Kg compared to 1267 mn kg. last year. The production of North India was higher by 33 mn kg. and South India higher by 22 mn Kg. This rise in production attributes to the roll out of Goods and Services Tax (GST) that forced more producers to file returns and disclose production.

The good and best varieties tea was back in favour with welcome increase in prices. Dust grades saw better price jump in comparison to leaf. Orthodox tea continued to do well even with record production. The good volumes were sold at marginally lower levels to 2016. Even estates producing medium orthodox witnessed remunerative levels.

Prices for tippy teas and primary whole leaf stagnate. Brokens and secondaries recorded a sharp drop in averages compared to last year. There was pressure on availability of good CTC widening concertina between good quality and plainer varieties.

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

REPORT of the Directors *(Contd.)*

i) Decrease in total crop of the company with lower output in Assam, Cachar, Darjeeling and South India

ii) Increase in crop of Dooars and Terai region

iii) Darjeeling tea witnessed its greatest ever debacle with a 104 day strike. Prime second flush tea was left on the bush. The district production was merely 2.8 mn kg. compared to 8.1 mn kg. last year

iv) Record export of tea both in value and volume terms.

v) Improvement in quality standard of all your tea estates with marked improvement in Assam.

vi) One of the record production & desptaches in last 5 years by Single Superphosphate plant at Khardah, West Bengal.

vii) Good performance by sulphuric acid plant at Pataudi Haryana

viii) Goods and Services Tax (GST) introduced w.e.f 1st July, 2017 affected buying power of cash based small traders leading to fall in prices of common varieties of tea.

Tea Estates

All India production in 2017 was higher at 1322 million kg. compared to 1267 million kg. in 2016. Kenya crop was down by 33 mn. Kg, Bangladesh by 5 mn Kg. Sri Lanka crop was up by 15 mn. Kg. So the world crop was higher compared to last year. With fall in Kenya crop prices in Mombassa auction improved from USD 2.29 to USD 2.81. This helped Indian Teas to find greater market share in Egypt, Pakistan, UAE, etc. Prices in Colombo auction increased further to USD 4.06 level compared to 3.21 in 2016.

Your company's own production was lower at 170.33 lakh kg compared to 181.86 lakh kg. last year. The bought leaf production was 38.76 lakh kg. as against 41.05 lakh kg. last year. The overall price realization of your company was up by ₹ 6/- per Kg. Assam and Cachar prices were up by ₹ 19/- per kg, ₹ 5/- per kg respectively. Darjeeling was up by ₹ 288/- per kg. Dooars and Terai was up by ₹ 2/- per kg South India prices were down by ₹ 2/- 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

The unit has improved its performance with one of the record sale in last 5 years. Followed by reduction in subsidy of ₹ 830/-per M.T. last year, there was further reduction in subsidy by ₹ 177/- per MT in current year. The cost of raw materials & other inputs is increasing every year without any corresponding increase in sale prices which affects the profitability. The unit is continuously taking steps to improve on cost and productivity.

The figures of production and despatches are as under:

	Production (M.T.)		Despatch (M.T.)	
	2017-18	2016-17	**2017-18**	2016-17
Single Super Phosphate	**77834**	74126	**88635**	77715

With effect from April 2018 the Government has raised the subsidy amount by ₹ 568/- per M.T. which will partially meet the increased cost of production. The Government has introduced policy of direct benefit transfer of subsidy with effect from 1st February, 2018 whereby entire subsidy will be released to the Company only after acknowledged sales at retail point. This might further delay the realization of subsidy. The forecast of normal monsoon is encouraging for the industry.

The Jay Shree Chemicals & Fertilisers, Gurugram

The unit continued to perform well, however the improvement in margins for last year could not be sustained. The availability of smelter by product was higher causing depressed market conditions. The main raw material "Sulphur" prices were higher without any corresponding increase in sale price of sulphuric acid.

The figures of production and despatches are as under:

	Production (M.T.)		Despatch (M.T.)	
	2017-18	2016-17	**2017-18**	2016-17
Sulphuric Acid	**29703**	28464	**30058**	28535
Oleum	**1446**	1250	**1581**	1147

Export of Tea

India's tea export have touched a record high at 257 mn kg. surpassing the previous best recorded figure more than 36 years back. Export buoyancy was driven

REPORT of the Directors *(Contd.)*

by global market dynamics at production from Kenya was down. India sold more CTC teas to Pakistan, Egypt and UAE and more orthodox teas to Iran. In volume terms the export was higher by 13% from 228 mn kg. in 2016-17. Your Company registered a record sale of ₹ 92.64 crore as against ₹ 79.81 crore last year.

SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS

As per guidelines of the Ministry of Corporate Affairs (MCA), Government of India the Balance sheet, Statement of Profit & Loss and other documents of subsidiary companies Majhaulia 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.

Majhaulia Sugar Industries Pvt Ltd-in its sugar mill produced 54481 tonnes of white sugar compared to 45089 tonnes in season 2016-17. The sugarcane crushed was 605131 tonnes compared to 499330 tonnes in season 2016-17. The recovery this year was 9% compared to 9.03% in 2016-17

The Country's sugar production surpasses 31 million tonnes and likely to be at 31.5 to 32 M.T in current year. Unprecedented increase in production has severely hit sugar prices in the domestic market. The Government stepped in with a slew of measures such as restricting imports and relaxing the export norms. The centre approved a sugarcane production subsidy of ₹ 55/- per tonne to farmers, but it is very low compared to the mounting losses. Despite being a water intensive crop, an increasing number of farmers have been shifting to sugarcane every year. The area under cane cultivation is now close to 50 lakh hectares. While the support price given to cane farmers had been increasing every year- both under Statutory Minimum Price (SMP) and Fair and Remunerative Price (FRP), the hike in recent years has been significant. In 2013-14, the centre accepted the recommendations of the Rangarajan Committee and discontinued the levy obligation of sugar mills and put an end to the regulated release mechanism as open market sale of non-levy sugar. But the choice of implementing the committee's formula for cane pricing was left to the States. As per the formula, the sharing of revenue between farmers & millers was 70:30, if the value of sugar alone is considered without by-products, otherwise the ratio proposed was 75:25. The minimum price a farmer will receive at any point, though will be FRP declared by Central Government . Maharashtra and Karnataka have already implemented this. Tamil Nadu is implementing this in current season. However UP and Bihar is yet considering this proposal which is beneficial both for millers and farmers alike in the long run. Undoubtedly, scrapping SMP and moving to revenue share formula will be a relief to sugar industry.

Indian sugar consumption is pegged at 24/25 million tonnes, so export of sugar might not help much. The Government should use the ethanol-blended fuel programme to reduce the growing sugar surplus. Given the distillery capacity, the industry can cut back 5 lakh tonnes of sugar. Your subsidiary is also making substantial investment in setting up a distillery to produce ethanol from molasses, to take advantage of its increasing requirement. As of now with about 360 crore litres alcohol output from distilleries-mostly linked to sugar mills-over 155 crore litres are being supplied to meet the 5 percent ethanol blending in automobile fuel. About 110 crore litres go to potable alcohol and 60 crore litres for industrial use. The Government has asked for 10 percent fuel programme. So the supply is scarce against the demand and augurs well in the long term interest of the farmers & the industry.

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 stepdown subsidiaries of BHL. Kijura Tea Estate owned by these companies manufactured 26.49 lakh kg. of tea compared to 21.75 lakh kg. last year. The average sale price realized was USD 1.70 per kg. against USD 1.41 per kg. last year. During the year the company recorded operating profit of USD 784,984 (INR 511.57 lakh) on sales turnover of USD 4.41 mn. (INR 2874 lakh) as against last year operating profit of USD 718,300 (INR 465.85 lakh) on sales turnover of USD 2.933 mn. (INR 1901.84 lakh).

REPORT of the Directors *(Contd.)*

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 39.44 lakh kg. tea during 2017 against 36.39 lakh kg. in last year and the average price realization was USD 3.21 per kg. against USD 2.49 per kg. last year for Mata and USD 3.05 per kg. against USD 2.33 per kg. last year for Gisakura. Mata Tea Company Limited declared a dividend of RWF 1,251,028 thousand (equivalent to USD 1.472 mn) out of retained profit RWF 1,788,337 thousand and Gisakura Tea Company Limited declared a dividend of RWF 435,840 thousand (equivalent to USD 0.513 mn) out of retained profit RWF 852,080 thousand.

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 2018 is forming part of this Annual Report.

TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to applicable provisions of the Companies Act, 2013 ("the Act") read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules,2016 ("The Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government, after completion of seven years. Further, according to the Rules, the shares in respect of which dividend has not been paid or claimed by the Members for seven consecutive years or more shall also be transferred to the demat account created by the IEPF Authority. The Company had sent individual notices and also advertised in the newspapers seeking action from the Members who have not claimed their dividends for seven consecutive years or more. Accordingly, the Company has transferred such unpaid or unclaimed dividends and corresponding shares upto the financial year 2009-10.

Members/claimants whose shares, unclaimed dividend, have been transferred to the IEPF Demat Account or the Fund, as the case may be, may claim the shares or apply for refund by making an application to the IEPF Authority in Form IEPF-5 (available on http://www.iepf.gov.in) along with requisite fee as decided by the IEPF Authority from time to time. The Member/claimant can file only one consolidated claim in a Financial Year as per the IEPF Rules.

Members are requested to ensure that they claim the dividends and shares referred above, before they are transferred to the said Fund. Due dates for Transfer of Unclaimed Dividend to IEPF are provided in the Notes to the Notice.

Details of shares/shareholders in respect of which dividend has not been claimed, are provided on our website. The shareholders are therefore requested to verify their records and claim their dividends of all the last seven years, if not claimed.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The company has CSR policy for promotion of education, healthcare, sports, people empowerment, and employment enhancing vocational skills training. It has been helping various schools 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 ₹ (1736.21) lakhs and prescribed expenditure is Nil. However, the company has spent ₹ 11.96 lakhs under CSR activities during the year as per the Annexure forming part of this Report.

PROSPECTS

The overall outlook for 2018 looks healthy. Consistency of quality and offering is a key to better price realization.

REPORT of the Directors *(Contd.)*

Indian orthodox tea is a sought after product in importing Countries. Clean heavy teas with true to type sorting to find ready support in market. Tip should be an added bonus to garner premiums.

There is good projection of monsoon in the Country and weather condition of North India is normal. Fortunately adequate rains and sunshine in Darjeeling have resulted in better first flush production. Good weather in the hills and a jump in prices of premium first flush teas have raised hopes for a better year for Darjeeling.

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. Once duty drawback procedures for exports becomes more streamlined shipment should increase further in 2018.

The Government of India has recognized the importance of using SSP to improve soil fertility which augurs well for the industry in future. In the sulphuric acid plant at Haryana your unit is now a dominant player for battery grade acid and for all key battery manufacturers your unit has become the primary supplier.

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 2017-18 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.

REPORT of the Directors *(Contd.)*

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 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 2017-18 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 29th May, 2018 has recommended the reappointment of

REPORT of the Directors *(Contd.)*

D. Sabyasachi & Co., the Cost Auditor to conduct the cost audit of the company for the financial year 2018-19 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 2018-19 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 MR & Associates, Practicing Company Secretaries to undertake the Secretarial Audit of the company. The report of the Secretarial Audit is annexed herewith. Regarding observations: (a) 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,(b) The Chairman of the Nomination & Remuneration Committee Mr.S.K.Tapuriah could not attend the Annual general Meeting of the Company held on 31.07.2017 as he was indisposed.

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.B.K.Birla (DIN 00055856) retires by rotation and being eligible offers himself for reappointment. The Board recommends his re-appointment.

The tenure of Mrs.Jayashree Mohta, Vice-Chairperson and Whole-time Director is due to expire on 31st March, 2019. Looking to the valuable contributions being made by her for development of the Company the Board as per recommendation of the Nomination and Remuneration Committee has proposed to reappoint her as a Whole-time Director designated as Vice-Chairperson of the company for a further period of three years w.e.f April 1, 2019.

Approval of the members is sought for the above Resolution.

The tenure of Mr.D.P.Maheshwari, Managing Director is due to expire on 26th June, 2019. He has been looking after day to day affairs of the company and is helping in various ways to improve its performance. Keeping in view the qualification and vast experience of Mr.Maheshwari, the Board as recommended by the Nomination and Remuneration Committee he is proposed to be reappointed as a Managing Director of the Company for a further period of 3 years w.e.f 27.06.2019 to 26.06.2022

Approval of the members is sought for the above Resolution.

The board appointed Mr.Sumit Mazumder (DIN 00116654) as an Additional Director on 7th February, 2018 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.Sumit Mazumder is the Chairman of TIL Ltd and Balrampur Chini Mills Ltd. He is Master of Business Administration (MBA) from Sam Houston State University, Texas, USA and undertook Advanced Management Program at Harvard Business School, Massachusetts, USA. He is well experienced industrialist having business acumen in various fields. It would be prudent to appoint him as an Independent Director, to hold office for five consecutive years until the 77th 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.

Mr.S.K.Tapuriah and Mr.Subodh Kumar Agrawal, were appointed as Independent Directors of the Company in the Annual General Meeting held on 1st August, 2014 for a term of 5 years i.e till 31st March, 2019. As they are seeking re-appointment, the resume and other information as required by Regulation 36 of the Listing

REPORT of the Directors *(Contd.)*

Regulations have been given in the notice convening the ensuing Annual General Meeting.

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, 2018 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, 2018. 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	**S.K.Tapuriah**
	(Managing Director)	*(Director)*
Kolkata, 29th May 2018	(DIN:02203749)	(DIN:01065278)

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]

1. 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**
   - ₹ (1736.21) Lakhs

4. **Prescribed CSR Expenditure (Two percent of the amount as in item 3 above)**
   - ₹ (34.72) Lakhs

5. **Details of CSR spent during the Financial Year 2017-18**
   a) Amount to be spent for the Financial Year 2017-18 –
   b) Amount unspent, if any –
   c) Manner in which the amount spent during the financial year is detailed below :

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	-	5.50	5.50	Direct
(ii)	Education	Promoting education in nearby villages by aids to schools, free food distribution to the schools and the section of disadvantageous villagers	Cachar in the state of Assam	-	4.54	4.54	Direct

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

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
(iii)	Sports	Promotion of Rural Sports by organizing tournaments, awards and arranging participation in rural sports meet	Cachar in the state of Assam	-	1.92	1.92	Direct
					11.96	**11.96**	

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 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.

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

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

Kolkata, 29th May 2018

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 2017-18, ratio of the remuneration of each Director to the median remuneration of the emloyees of the Company for the financial year 2017-18 and the comparision 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 2017-18 (₹ In Lakhs)	% increase in remuneration in the Financial Year 2017-18	Ratio of remuneration of each director/to median remuneration of employees
1	Mr. B.K.Birla (Chairman)	0.20	–	0.22
2	Mrs. Jayashree Mohta (Whole-time Director)	90.00	–	100.00
3	Mr.B.M.Khaitan*	0.30	–	0.33
4	Mr.G.P.Goenka**	0.20	–	0.22
5	Mr.Prashant Jhawar	0.20	(33.33)	0.22
6	Mr.S.K.Tapuriah	1.60	–	1.78
7	Mr. Subodh Kumar Agrawal	0.80	(46.67)	0.89
8	Mr.Vikash Kandoi *(Whole-time Director)*	36.00	–	40.00
9	Mr.D.P.Maheshwari (Managing Director)	122.20	(0.82)	135.78
10	Mr.R.K.Ganeriwala (President,CFO & Secretary)	104.24	12.32	N.A.

* Ceased to be a Director w.e.f. 09.05.2017

** Ceased to be a Director w.e.f. 08.12.2017

(ii) The median remuneration of employees of the Company during the financial year was ₹ 0.90 Lakh.

(iii) In the financial year, there was a decrease of 3.23% in the median remuneration of employees.

(iv) There were 23039 permanent employees on the rolls of Company as on March 31, 2018

(v) Average percentage decrease made in the salaries of employees other than the key managerial personnel in the last financial year i.e. 2017-18 was 3.23 % whereas the increase in the key managerial remuneration for the same financial year was 3.08 %.

(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, 29th May 2018

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, 2018 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 Absorption

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 ₹ 51.98 lakhs being amount paid to TRA & UPASI as above.

C. Foreign Exchange Earnings And Outgo

During the year under review foreign exchange earnings were ₹ 90.21 crore and foreign exchange outgo ₹ 22.14 crore.

For and on behalf of the Board

	D.P.Maheshwari	**S.K.Tapuriah**
	(Managing Director)	*(Director)*
Kolkata, 29th May 2018	(DIN:02203749)	(DIN:01065278)

ANNEXURE 4 to the Directors' Report

Form No. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

[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 corporateconducts/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,2018 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, 2018 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:

ANNEXURE 4 to the Directors' Report *(Contd.)*

(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
(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 observations:

(i) 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.
(ii) In pursuance of Section 178(7) of the Companies Act 2013 and SS-2, the Chairman of Nomination and Remuneration Committee was not present at the Annual General Meeting of the Company held on 31st July 2017 and no noting of the same was recorded in the said minutes.

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.

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 Annual General Meeting held on 31.07.2017 for the following matters for,

(i) Re-appointment of Mr. Vikash Kandoi, as a Whole-time Director of the Company under the designation "Executive Director" of the Company.
(ii) Continuation of employment of Mr. D. P. Maheshwari, Who will attain the age of seventy years on November 5, 2017, as a Managing Director of the Company upto 27.06.2019

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: 29.05.2018

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: 29.05.2018

ANNEXURE 5 to the Directors' Report

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2018

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	83%
2	Chemical	2011	17%

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	Majhaulia 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 (01.04.2017)				No. of Shares held at the end of the year (31.03.2018)				% 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.	14907230	-	14907230	51.62	14519114	-	14519114	50.28	-1.34
e) Banks / FI	-	-	-	-					-
f)Any Other:(Specify) Trust	316788	-	316788	1.10	316788	-	316788	1.10	-
Sub-total (A) (1):-	**16276678**	-	**16276678**	**56.36**	**15888562**	-	**15888562**	**55.02**	**-1.34**
(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)	**16276678**	**-**	**16276678**	**56.36**	**15888562**	**-**	**15888562**	**55.02**	**-1.34**
B. Public Shareholding									
1. **Institutions**									
a) Mutual Funds	-	1200	1200	-	-	600	600	-	-
b) Banks / FI	579412	23794	603206	2.09	488894	22706	511600	1.77	-0.32
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	1400000	-	1400000	4.85	1480000	-	1480000	5.13	0.28
h)Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i)Others (specify) FPI Coporate	80000	-	80000	0.28	-	-	-	-	-0.28
Sub-total (B)(1):-	**2059412**	**24994**	**2084406**	**7.22**	**1968894**	**23306**	**1992200**	**6.90**	**-0.32**
2.**Non- Institutions**									
a) Bodies Corp.									
i) Indian	1820554	83718	1904272	6.59	2253920	6848	2260768	7.83	1.23
ii) Overseas	104944	-	104944	0.36	104944	-	104944	0.36	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	5892294	640636	6532930	22.62	5938117	429310	6367427	22.05	-0.57
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	1699997	-	1699997	5.89	1738513	-	1738513	6.02	0.13

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

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2017)				No. of Shares held at the end of the year (31.03.2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others (specify)									
(i)Non Resident Individual	268145	4976	273121	0.95	332833	2604	335437	1.16	0.22
(ii)Foreign National	1140	-	1140	0.01	1140	-	1140	0.01	-
(iii) Investor Education and Protection Fund	-	-	-	-	186847	-	186847	0.65	0.65
(iv) Corporate Body-NBFC	-	-	-	-	1650	-	1650	0.01	0.01
Subtotal (B)(2):-	**9787074**	**729330**	**10516404**	**36.42**	**10557964**	**438762**	**10996726**	**38.08**	**1.66**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**11846486**	**754324**	**12600810**	**43.64**	**12526858**	**462068**	**12988926**	**44.98**	**1.34**
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	**28123164**	**754324**	**28877488**	**100.00**	**28415420**	**462068**	**28877488**	**100.00**	**-**

ii) Shareholding of Promoters:

Sl No	Shareholder's Name	Share holding at the beginning of the year (01.04.2017)				Share holding at the end of the year (31.03.2018)				% 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	Kesoram Industries Limited	388116	1.34	–	–	–	–	–	–	–1.34
10	Pilani Investment And Industries Corpn. Ltd.	2844	0.01	–	–	2844	0.01	–	–	–
11	Prakash Educational Society	3000	0.01	–	–	3000	0.01	–	–	–
12	Birla Education Trust	313788	1.09	–	–	313788	1.09	–	–	–
13	Manav Investment & Trading Co. Ltd	1020924	3.54	1020924	3.54	1020924	3.54	1020924	3.54	–
14	Aditya Marketing and Manufacturing Ltd.	70000	0.24	–	–	70000	0.24	–	–	–
15	Jayantika Investment & Finance Ltd.	6528810	22.61	–	–	6528810	22.61	–	–	–
16	ECE Industries Ltd.	445600	1.55	–	–	445600	1.55	–	–	
	Total	**16276678**	**56.36**	**1020924**	**3.54**	**15888562**	**55.02**	**1020924**	**3.54**	**-**

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 (01.04.2017)		Cumulative Shareholding during the year (2017-18)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Kesoram Industries Limited				
	At the beginning of the year	388116	1.34	388116	1.34
	Market Sale on 28.03.2018	388116	1.34	388116	1.34
	At the end of the year	–	–	–	–

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 (01.04.2017)		Shareholding at the end of the year (31.03.2018)	
		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	The New India Assurance Co. Ltd.	497368	1.72	397368	1.38
3	Dalmia Securities Limited	-	-	379100	1.31
4	Ashok Kumar Jain	224701	0.78	289771	1.00
5	Monarch Comtrade Pvt Ltd.	-	-	151270	0.52
6	Ares Diversified	112000	0.39	112000	0.39
7	Bodepudi Jeevan Kishore	-	-	110053	0.38
8	Devi Investment and Development INC	104800	0.36	104800	0.36
9	Harikishan Jamandass Mundhra	66322	0.23	100408	0.35
10	Raviraj Developers Ltd	-	-	97613	0.34

v) Shareholding of Directors and Key Managerial Personnel:

Sl No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (01.04.2017)		Cumulative Shareholding during the year 2017-18	
		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. B.M.Khaitan*				
	At the beginning of the year	200	0.00	200	0.00
	At the end of the year	200	0.00	200	0.00
4	Mr.G.P.Goenka**				
	At the beginning of the year	600	0.00	600	0.00
	At the end of the year	600	0.00	600	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 (01.04.2017)		Cumulative Shareholding during the year 2017-18	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5	Mr.Prashant Jhawar				
	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.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
7	Mr.Sumit Mazumder#				
	Market Purchase on 5th February, 2018	200	0.00	200	0.00
	At the end of the year	200	0.00	200	0.00
8	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
9	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
10	Mr.D.P.Maheshwari				
	At the beginning of the year	3606	0.01	3606	0.01
	Market Sale on 6th April,2017	3000	0.01	3000	0.01
	At the end of the year	606	0.00	606	0.00

* Ceased to be a Director w.e.f 09.05.2017
** Ceased to be a Director w.e.f 08.12.2017
# Appointed w.e.f 07.02.2018

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	22344.83	16060.08	-	38404.91
ii) Interest due but not paid	-	-	-	-
iii)Interest accrued but not due	146.70	56.43	-	203.13
Total (i+ii+iii)	**22491.53**	**16116.51**	**-**	**38608.04**
Change in Indebtedness during the financial year				
• Addition	6955.70	-	-	6955.70
• Reduction	-	(2908.01)	-	(2908.01)
Net Change	**6955.70**	**(2908.01)**	**-**	**4047.69**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the end 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**

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/WTD/ 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	100.21	226.21
	(b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	–	–	9.75	9.75
	(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	109.96	235.96
	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)
1	Independent Directors	Mr.B.M. Khaitan	Mr.G.P. Goenka	Mr. Prashant Jhawar	Mr.S.K. Tapuriah	Mr. Subodh Kumar Agrawal	
	Fee for attending board / committee meetings	30	20	20	160	80	310
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total(1)	30	20	20	160	80	310

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

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)		**330**
	Overall Ceiling as per the Act	1% of the net profits of the Company calculated as per section 198 of the Companies Act, 2013	

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	90.35	90.35
	Value of perquisites u/s 17(2) of the Income Tax Act,1961	6.21	6.21
	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		96.56

VII. Penalties/Punishment/Compouding of offences: NONE

For and on behalf of the Board

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

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

Kolkata, 29th May 2018

MANAGEMENT'S Discussion and Analysis

OVERVIEW

Indian Tea production was all time high at 1322 million kg. compared to 1267 million kg. in 2016. The crop of Assam, Darjeeling, Cachar and Tamil Nadu was down. There was increase in crop of Terai & Doars. Your Company produced 209.10 lakh kg. of tea against 223.72 lakh kg. last year. Out of this your own crop was 170.33 lakh kg against 181.86 lakh kg. The bought leaf production decreased to 38.76 lakh kg from 41.05 lakh kg.

SEGMENT ANALYSIS AND REVIEW

The Company is engaged in the manufacture of tea, sugar and chemicals & fertilisers besides tea warehousing and investment activities. Tea accounts for 83 %, chemicals & fertilizers 17% of the gross turnover during 2017-18.

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)		
	2017-18**	2016-17**	Increase/ Decrease (%)	2017	2016	Increase/ Decrease (%)
Cachar	8.20	8.46	(-)3.07	47.19	51.18	(-)7.80
Assam Valley	6.54	7.45	(-)12.21	627.98	618.34	1.56
Total Assam	**14.74**	**15.91**	**(-)7.35**	**675.17**	**669.52**	**0.84**
Darjeeling	0.34	0.83	(-)59.04	3.21	8.13	(-)60.52
Dooars	0.94	0.93	1.08	219.58	204.47	7.39
Terai	3.24	2.94	10.20	161.72	143.70	12.54
Total West Bengal	**4.52**	**4.70**	**(-)3.83**	**384.51**	**356.30**	**7.92**
Others	-	-	-	**27.43**	**28.69**	(-)4.39
Total North India	**19.26**	**20.61**	**(-)6.55**	**1087.11**	**1054.51**	**3.09**
Tamilnadu	1.65	1.76	(-)6.25	166.90	146.04	14.28
Kerala	-	-	-	62.35	61.40	1.55
Karnataka	-	-	-	5.40	5.41	(-)0.18
Total South India	**1.65**	**1.76**	**(-)6.25**	**234.65**	**212.85**	**10.24**
Total Production	**20.91**	**22.37**	**(-)6.53**	**1321.76**	**1267.36**	**4.29**

* All India figures on calendar year basis and estimated for 2017.

**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		
	Qnty.	Rate (₹)	Dist. Average (₹)	Qnty.	Rate (₹)	Dist. Average (₹)
Cachar	8.14	140.16	122.96	8.69	134.67	116.60
Assam	5.51	205.64	149.90	5.65	186.17	148.47
Darjeeling	0.31	743.06	489.03	0.80	454.81	324.16
Dooars/Terai	3.98	148.05	127.08	3.77	145.58	128.45
South India	1.86	113.60	97.61	1.92	115.62	108.59
Total	19.81	166.94		20.84	161.22	

MANAGEMENT'S Discussion and Analysis *(Contd.)*

OUTLOOK

Darjeeling Teas opened on a buoyant note. Higher production is anticipated in India and overseas. Quantity therefore be the watchword .Demand in teas likely to be more consistent. Export demand should pick up further with more shipments. So the overall outlook for industry is quite positive.

RISKS AND CONCERNS

a) High Value teas unlikely to witness major spurt in prices

b) Consistent quality is an important factor for achieving good price.

c) Increase in employees cost with accrual liability for retirement benefits is a cause of concern.

CHEMICALS & FERTILISERS

REVIEW OF OPERATIONS

Your Company is continuously increasing its market share with better marketing. The requirement of SSP improving in West Bengal.

OUTLOOK

The Government of India has recognized the importance of the use of Superphosphate and encouraging it to maintain the nutrient balance in soil. The requirement for SSP is increasing every year. The subsidy has been increased by `568/- per M.T. w.e.f. April, 2018.

OPPORTUNITIES AND THREATS

Strengths

- Brand image of Annapurna SSP has good command in West Bengal
- Established distributors network in all districts of West Bengal.
- Anticipated good monsoon is the gangetic region of West Bengal

Threats

- Continuing price disparity between urea and phosphatic fertilizers.
- US Dollar strengthening against rupee increasing the cost of imported raw materials without any corresponding increase in sale price of SSP.

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, 2018 was 23039.

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"]

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, 2018, 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 2017-2018 i.e. on 8th May, 2017; 6th September, 2017; 8th December, 2017; 7th February, 2018 and 13th March, 2018:

Directors	Categories of Directors	No. of Board Meetings Attended	Attendance at the last AGM	No. of outside Directorship held*	No. of outside Committee Membership held	No. of outside Committee Chairmanship held	No. of shares held in the Company as on 31.03.2018
Mr.B.K.Birla (Chairman)	Promoter (Non-executive)	1	No	4	-	-	46000
Mrs.Jayashree Mohta (Vice Chairperson)	Promoter (Executive)	5	Yes	2	-	-	985770
Mr.B.M Khaitan (ceased w.e.f 09.05.2017)	Independent (Non-Executive)	1	No	NA	NA	NA	200
Mr.G.P.Goenka (ceased w.e.f 08.12.2017)	Independent (Non-Executive)	1	No	NA	NA	NA	600
Mr.Prashant Jhawar	Independent (Non-Executive)	1	No	8	-	-	200
Mr. S.K.Tapuriah	Independent (Non-Executive)	4	No	-	-	-	768
Mr.Sumit Mazumder (w.e.f 07.02.2018)	Independent (Non-Executive)	-	NA	4	2	-	200
Mr. Subodh Kumar Agrawal	Independent (Non-Executive)	3	No	1	2	-	200
Mr. Vikash Kandoi	Executive (Executive Director)	4	Yes	-	-	-	1126
Mr. D.P.Maheshwari	Executive (Managing Director)	5	Yes	-	-	-	606

*Directorship excludes Private, Foreign and Section 8 Companies.

CORPORATE Governance Report *(Contd.)*

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 Majhaulia 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.

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 5th February, 2018 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.

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 two Non-Executive Independent Directors and Mr. D. P. Maheshwari (Managing Director). Mr. R. K. Ganeriwala (President, 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.

CORPORATE Governance Report *(Contd.)*

10. Such other functions as may be prescribed under the applicable laws and regulations.

Four Meetings of the Audit Committee were held in 2017-2018 on 8th May, 2017; 6th September, 2017; 8th December, 2017; and 5th February, 2018.

Attendance record of the Audit Committee Meetings.

Name of Directors	No. of Meetings
Mr. S.K. Tapuriah *(Chairman)*	4
Mr. Subodh Kumar Agrawal *(Member)*	4
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 2017-18 on 8th May, 2017.

Attendance record of the Nomination and Remuneration Committee Meetings.

Name of Directors	No. of Meetings
Mr. B.M. Khaitan *(Chairman)* *(ceased w.e.f 09.05.2017)*	1
Mr. S.K. Tapuriah *(Chairman)*	1
Mr.B.K.Birla (Member) (w.e.f 06.09.2017)	-
Mr.Prashant Jhawar (Member)	-

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.

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.

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

CORPORATE Governance Report *(Contd.)*

be approved by the Board of Directors within the overall limits prescribed under the Companies Act,2013 and the Companies Managerial Remuneration Rule, 2014.

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.

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 2017-2018 are given below:-

(₹ in `000)

Name of Directors	Sitting Fees		Total
	Board Meeting	Committee Meeting	
Mr. B.K. Birla	20	–	20
Mr. B.M. Khaitan	20	10	30
Mr. G.P. Goenka	20	–	20
Mr.Prashant Jhawar	20	–	20
Mr. S.K. Tapuriah	80	80	160
Mr. Subodh Kumar Agrawal	40	40	80
	200	**130**	**330**

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, 2016	
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)	7500	2595	2025		12120
Service Contract				Re-appointed for 3 years from 27th June, 2016	
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 15 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, 2018.

POSITION OF THE SHAREHOLDERS' COMPLAINTS RECEIVED AND REDRESSED DURING THE FINANCIAL YEAR 2017-2018.

Types of Grievances	Total Complaints received during the year 2017-2018	Total redressed	No. of Complaints pending As on 31.03.2018
Non-receipt of Dividend Warrant	4	4	Nil
Non-receipt of ECS Intimation Letter	3	3	Nil
Non-receipt of Annual Report	8	8	Nil
Total	15	15	Nil

Two Meetings of the stakeholder relationship Committee were held in 2017-2018 on 8th May, 2017 and 8th December, 2017.

Attendance record of the Stakeholder Relationship Committee Meetings.

Name of Directors	No. of Meetings Attended
Mr. S.K. Tapuriah (Chairman)	2
Mr.Prashant Jhawar (Member)	-
Mr. Subodh Kumar Agrawal Member)	2
Mr. D.P.Maheshwari (Member)	2

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:

i) To protect the brand, reputation and assets of the Company from loss or damages resulting from suspected or confirmed incidents of fraud/misconduct.

ii) To provide healthy and fraud free culture

iii) 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.)*

9. GENERAL BODY MEETINGS

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

AGM	Year	Venue	Date	Time
Sixty Ninth	2014-2015	Kala Kunj 48,Shakespeare Sarani, Kolkata-700017	4th August,2015	10:30A.M.
Seventieth	2015-2016	-do-	5th August, 2016	1:00 P.M.
Seventy First	2016-2017	-do-	31st July, 2017	10:30A.M.

ii) SPECIAL RESOLUTIONS PASSED IN THE LAST THREE AGMS:

a) In the AGM 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

b) In the AGM on 5th August, 2016

No Special Resolution was proposed.

c) In the AGM on 4th August, 2015

Four Special Resolution were proposed and approved:

i) Re-appointment of Mrs.Jayashree Mohta Whole-time Director designated as Vice Chairperson for a term of three years w.e.f 01.04.2016.

ii) Re-appointment of Mr.D.P.Maheshwari Managing Director of the company for a term of three years w.e.f 27.06.2016.

iii) To increase Borrowing Power of the Company from Rs. 500 crore to Rs. 700 crore u/s 180(1)(c) of the Companies Act, 2013

iv) To authorize Board for Creation of Security upto a limited of Rs.700 crore u/s 180(1)(a) of the Companies Act, 2013

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 2017-2018.

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. 33 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.

The Company has adopted all the applicable Ind AS and the adoption was carried out in accordance with Ind AS 101 (First time adoption of Indian Accounting Standards).

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, 2018, the Company has one material unlisted subsidiary company as defined in Regulation 16 of the Listing Regulations. The Company has framed

CORPORATE Governance Report *(Contd.)*

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) The Company has complied with all the applicable mandatory requirements stipulated under Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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.

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)

CORPORATE Governance Report *(Contd.)*

SHAREHOLDERS' INFORMATION

1. **ANNUAL GENERAL MEETING**		
Date and time	:	1st August, 2018 at 10:30 A.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, 2018	:	By 14th August, 2018
September 30, 2018	:	By 14th November, 2018
December 31, 2018	:	By 14th February, 2019
Audited Yearly Results for the Year Ended 31st March, 2019	:	By 30th May, 2019
3. **DATE OF BOOK CLOSURE**	:	25th July, 2018 to 1st August, 2018 (both days inclusive)
4. **DIVIDEND PAYMENT DATE**	:	BY 2nd week of August, 2018 (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 2017-18.

6. **STOCK CODE**

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

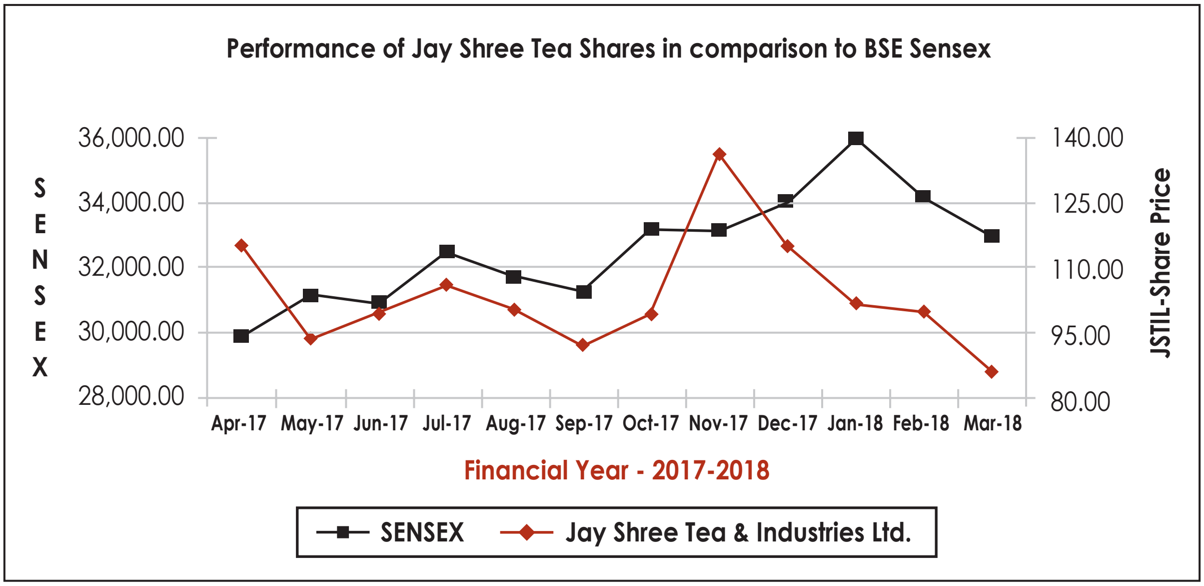
7. **STOCK MARKET DATA**

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.)*

	Bombay Stock Exchange (BSE)			National Stock Exchange (NSE)		
Month	High	Low	Close	High	Low	Close
April 2017	123.20	107.85	115.15	123.30	107.50	115.25
May 2017	119.20	91.30	93.75	119.40	93.00	94.05
June 2017	111.40	93.55	99.45	112.00	92.40	99.60
July 2017	108.85	96.70	106.20	108.80	98.00	106.35
Aug. 2017	108.00	93.50	100.65	108.00	93.50	100.70
Sept. 2017	103.65	90.20	92.15	103.25	90.50	92.35
Oct. 2017	101.00	92.20	99.25	101.00	92.00	99.10
Nov. 2017	143.90	95.50	136.40	143.80	95.60	136.50
Dec. 2017	141.25	108.00	114.90	141.25	108.10	114.65
Jan. 2018	117.45	99.45	101.85	119.50	100.00	101.45
Feb. 2018	114.10	94.00	100.00	113.00	94.00	100.45
March 2018	103.25	85.10	86.15	103.30	85.75	86.10

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, 2018 is given below :

No. of Shares held	No. of Shareholder	% Shareholders	No. of Shares	% of Shareholdings
1 to 500	17302	86.77	2119551	7.34
501 to 1000	1267	6.35	1030833	3.57
1001 to 2000	675	3.39	1040604	3.60
2001 to 3000	217	1.09	559851	1.94
3001 to 4000	112	0.56	400636	1.39
4001 to 5000	96	0.48	445960	1.54
5001 to 10000	131	0.66	937468	3.25
10001 & Above	139	0.70	22342585	77.37
	19939	**100.00**	**28877488**	**100.00**

12. SHARE HOLDING PATTERN AS ON 31st MARCH, 2018

Category	No. of Shareholders	% of Shareholders	No. of Shares held	% of Share holding
Promoters & Promoters Group	15	0.08	15888562	55.02
Financial Institutions,Banks & Mutual Funds	28	0.14	512200	1.77
Foreign Institutional Investors & FPI-Corporate	3	0.01	1480000	5.13
Private Body Corporates	572	2.86	2262418	7.83
NRI / OCB/Foreign National	308	1.55	441521	1.53
Investor Education & Protection Fund	1	0.01	186847	0.65
Individuals	19012	95.35	8105940	28.07
TOTAL	**19939**	**100**	**28877488**	**100**

13. DEMATERIALISATION OF SHARES AND LIQUIDITY

About 98.40% of the total equity share capital is held in demat form with NSDL & CDSL as on 31st March, 2018

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 & Industeis 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, 2018. 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, 29th May 2018

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 2018 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, 29th May 2018

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, 2018. 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 (Revised) 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 (Revised) 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 that the composition of the Board of Directors w.r.t executive and non-executive directors has been met throughout the reporting period;

   iii. Obtained and read the Directors Register as on 31st March 2018 and verified that at-least one women director was on the Board during the year;

CORPORATE Governance Report *(Contd.)*

iv. Obtained and read the minutes of the following committee meetings held 1st April 2017 to 31st March 2018:

(a) Board of Directors meeting;

(b) Audit committee;

(c) Annual General meeting;

(d) Nomination and remuneration committee;

(e) Stakeholders Relationship Committee; and

(f) Independent directors meeting.

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. Based on the procedures performed by us as referred in paragraph 7 above, and according to the information and explanations given to us, that 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, 2018, referred to in paragraph 1 above.

OTHER MATTERS AND RESTRICTION ON USE

9. 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.

10. 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

Place: Kolkata
Date: 29 May 2018

STATEMENT Pursuant to Section 129 of Companies Act, 2013

(₹ in Lakhs)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/joint ventures for the year ended 31.03.2018

PART "A": SUBSIDIARIES

Sl. No.	1	2	3	4
Name of the subsidiary	**Majhaulia Sugar Industries Private Limited**	**North Tukvar Tea Company Limited**	**Jayantika Investment & Finance Limited**	**Birla Holdings Limited**
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	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 subsidiaries.	N.A.	N.A.	N.A.	USD / INR=65.17 USH / INR=0.01771
Equity Share Capital	313.50	240.38	299.50	1.81
Other Equity	3582.28	(258.31)	9698.93	1149.31
Total Assets	**29788.81**	**440.24**	**12996.15**	**3551.89**
Total Liabilities	**25893.03**	**458.17**	**2997.72**	**2400.77**
Investments	311.63	145.20	10831.24	354.25
Turnover	17723.57	-	332.47	2854.14
Profit/(Loss) before taxation	**(734.12)**	**(8.13)**	**99.05**	**386.18**
Provision for taxation	(84.28)	1.91	(1.30)	(54.00)
Profit/(Loss) after taxation	**(649.84)**	**(10.04)**	**100.35**	**440.18**
Proposed Dividend	-	-	1.50	-
% of shareholding	100%	90.50%	100%	100%

PART "B": ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates / Joint Ventures	**Tea Group Investment Company Limited (Joint Venture)**
1. Latest Audited Balance Sheet Date	31.12.2017
2. Shares of Joint Venture held by the company at the year end	372300 Shares of AED 1 each
Amount of Investment in Joint Venture	51.95
Extent of Holding %	50%
3. Description of how there is significant influence	N.A.
4. Reason why the Associate / Joint Venture is not consolidated	N.A.
5. Net Worth attributable to Shareholding as per latest Audited Balance Sheet	3548.01
6. Profit / (Loss) for the year	
i) Considered in Consolidation	1105.95
ii) Not Considered in Consolidation	N.A.

Notes :

1.	Names of subsidiaries / associates / joint ventures which are yet to commence operations.	NIL
2.	Names of subsidiaries/associates/ joint ventures which have been liquidated or sold during the year.	NIL

For and on behalf of Board of Directors

Place: Kolkata
Date: 29 May 2018

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

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

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

FINANCIAL HIGHLIGHTS for the five years

(₹ in Lakhs)

	2017-18*	2016-17*	2015-16*	2014-15	2013-14
ASSETS					
Non-current assets					
Property plant and equipment	21,819.65	21,561.32	34,705.37	30,989.91	31,452.63
Capital work-in-progress	1,825.51	961.30	432.82	1,582.56	862.10
Investment Property	2.26	2.29	2.32	1,484.03	1,508.75
Financial assets					
(a) Investments	27,133.26	25,233.81	14,794.23	21,456.09	23,184.33
(b) Trade Receivables	-	-	-	-	-
(c) Loans	862.71	852.20	809.71	873.57	881.65
(d) Other financial assets	12.04	5.52	4.64	6.32	1,408.55
Deferred tax assets (net)	1,107.08	910.06	-	-	-
Current Tax Assets (net)	524.08	596.93	843.20	819.60	882.79
Other non-current assets	367.52	299.80	329.54	275.11	277.58
Total Non-current assets	**53,654.11**	**50,423.23**	**51,921.83**	**57,487.19**	**60,458.38**
Current assets					
Inventories	8,972.71	9,459.13	22,426.18	24,265.11	23,624.80
Biological assets other than bearer plants	88.77	62.19	93.37	-	-
Financial assets					
(a) Investments	1,613.07	1,644.72	2,197.31	937.35	25.00
(b) Trade receivables	6,537.17	7,726.40	5,995.26	6,747.23	6,513.68
(c) Cash and cash equivalents	706.61	624.36	1,099.02	8,259.62	11,401.44
(d) Other Bank Balances	983.67	2,031.05	2,032.55	624.34	721.52
(e) Loans	5,484.89	1,322.22	945.40	542.86	375.86
(f) Other financial assets	3,420.81	4,134.81	5,272.73	4,723.74	4,263.03
Current Tax Assets (Net)	-	-	-	-	-
Other current assets	1,121.58	846.29	1,079.41	1,246.68	2,198.47
Total Current assets	**28,929.28**	**27,851.17**	**41,141.23**	**47,346.93**	**49,123.80**
Total Assets	**82,583.39**	**78,274.40**	**93,063.06**	**1,04,834.12**	**1,09,582.18**
EQUITY AND LIABILITIES					
Equity					
Equity Share Capital	1,443.87	1,443.87	1,443.87	1,443.87	1,443.87
Other Equity	26,177.00	25,703.92	26,387.05	35,623.46	38,072.36
Total Equity	**27,620.87**	**27,147.79**	**27,830.92**	**37,067.33**	**39,516.23**
Liabilities					
Non-current liabilities					
Financial liabilities					
(a) Borrowings	15,426.59	12,622.88	13,836.74	13,029.11	15,683.92
(b) Other Financial liabilities	117.43	114.46	251.30	166.42	121.78
Provisions	2,262.72	2,152.62	1,889.53	546.85	507.87
Deferred tax liabilities (net)	-	-	181.89	123.71	662.80
Other non- current liabilities	319.46	323.13	284.56	-	-
Total Non-current liabilities	**18,126.20**	**15,213.09**	**16,444.02**	**13,866.09**	**16,976.37**
Current liabilities					
Financial liabilities					
(a) Borrowings	20,315.13	18,925.84	16,912.85	24,288.23	32,638.60
(b) Trade payables	3,480.37	3,890.61	17,041.75	17,360.63	13,153.92
(c) Other financial liabilities	8,252.27	8,263.11	9,543.22	8,101.64	3,395.10
Other current liabilities	657.86	697.19	1,519.42	1,233.61	1,055.80
Provisions	4,130.69	4,136.77	3,770.88	2,916.59	2,846.16
Total Current liabilities	**36,836.32**	**35,913.52**	**48,788.12**	**53,900.70**	**53,089.58**
Total liabilities	**54,962.52**	**51,126.61**	**65,232.14**	**67,766.79**	**70,065.95**
Total Equity and Liablities	**82,583.39**	**78,274.40**	**93,063.06**	**1,04,834.12**	**1,09,582.18**
Net Worth per Equity Share of ₹ 5/- each (in ₹)	95.65	94.01	96.38	128.36	136.84
Dividend per Equity Share of ₹ 5/- each (in ₹)	0.50	0.50	1.00	1.00	2.00

* Figures for 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)

	2017-18*	2016-17*	2015-16	2014-15	2013-14
A. Income					
1 Revenue from Operations	55191.93	54118.31	69601.99	68471.34	69951.41
2 Other Income	1749.30	1794.62	1841.76	1474.23	4003.02
Total Income	**56941.23**	**55912.93**	**71443.75**	**69945.57**	**73954.43**
B. Expenditure					
1 Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-trade	698.00	(41.14)	1535.32	(673.79)	920.71
2 Purchases of Stock-in-trade	7092.91	6843.98	7027.14	5937.31	8985.98
3 Cost of Materials Consumed	7939.61	7960.82	19873.11	24643.95	22176.75
4 Employee benefits expense	21091.32	21671.51	21485.51	18710.83	17299.06
5 Consumption of Stores & Spare Parts	3140.31	3448.77	4023.27	4457.01	4132.87
6 Power & Fuel	4274.39	4090.30	4086.24	4196.70	4075.44
7 Manufacturing & Other Miscellanous Exp.	3844.56	3304.36	5361.42	5843.02	7000.30
8 Selling & Distribution Expenses	4722.09	5024.58	3965.42	3657.63	3429.22
9 Depreciation and amortisation expenses	1453.77	1469.02	1638.26	1359.22	1517.63
10 Interest (Net)	2386.31	2670.22	4075.20	3929.41	4203.34
Total Expenditure	**56643.27**	**56442.42**	**73070.89**	**72061.29**	**73741.30**
C. Profit/(Loss) before Taxation (A-B)	297.96	(529.49)	(1627.14)	(2115.72)	213.13
D. Tax Expense					
Provision for Taxation-Current Tax	-	-	110.00	200.00	110.00
MAT Credit Entitlement	-	-	133.41	173.07	-
Tax Adjustment for earlier years	-	(7.43)	-	(16.82)	-
Provision for Taxation-Deferred Tax	(40.75)	464.94	45.81	(569.63)	(231.26)
Total Tax Expense	**(40.75)**	**457.51**	**289.22**	**(213.38)**	**(121.26)**
E. Profit/(Loss) after Taxation (C-D)	**338.71**	**(987.00)**	**(1916.36)**	**(1902.34)**	**334.39**
F. Other Comprehensive Income	(342.43)	(181.82)	-	-	-
G. Total Comprehensive Income (net of tax) (E-F)	**(3.72)**	**(1168.82)**	**-**	**-**	**-**

* Figures for 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

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, 2018, the Statement of Profit and Loss including other comprehensive income, Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY 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 Companies Act, 2013 ("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 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 control 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit of the standalone Ind AS financial statements 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. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Independent Auditor's Report *(Contd.)*

EMPHASIS OF MATTER

We draw attention to Note 29 to the standalone Ind AS financial statements regarding effect of scheme of arrangement to demerge the Sugar Division of the Company by transferring the same on a going concern basis to wholly owned subsidiary Majhaulia Sugar Industries Private Limited given in the standalone Ind AS financial statements prescribed in the Scheme as approved by the Hon'ble High Court at Calcutta vide order dated August 8, 2016 effective from September 26, 2016 more fully described therein. The accounting treatment has been given effect to from April 1, 2016 which is also the date of transition to Ind AS and the accounting is carried out in accordance with the Scheme as approved by Hon'ble High Court. Our opinion is not qualified in respect of this matter.

OTHER MATTER

The comparative Ind AS financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 01, 2016 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with accounting principles generally accepted in India, including the Companies (Accounting Standard) Rules, 2006 (as amended) specified under Section 133 of the Act, read with the Companies (Accounts) Rules, 2014, audited by the predecessor auditor whose report for the year ended March 31, 2017 and March 31, 2016 dated May 8, 2017 and May 3, 2016 respectively expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us.

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 purpose of our audit;

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

   (c) The Balance Sheet, Statement of Profit and Loss including 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 Indian Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, 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;

Independent Auditor's Report *(Contd.)*

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 32 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: 29 May 2018

"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, 2018

(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 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 ₹ 3,397.30 lakhs and ₹ 565.22 lakhs respectively (net carrying value of ₹ 3,233.72 lakhs and ₹ 410.23 lakhs respectively) is under renewal; (b) 3 (three) tea garden land and Plantation thereon having a gross carrying value of ₹ 43.95 lakhs and ₹ 62.47 lakhs (net carrying value of ₹ 43.95 lakhs and ₹ 59.93 lakhs respectively) and 2 (two) of Buildings with gross carrying value of ₹ 16.48 lakh (net carrying amount of ₹ 10.01 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, 2018 and no material discrepancies were noticed in respect of such confirmations.

(iii) (a) The Company has granted loans to two companies covered in the register maintained under section 189 of the Companies Act, 2013. 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 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. 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 and securities given have been complied with by the Company.

"ANNEXURE 1" to the Independent Auditor's Report *(Contd.)*

(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.

(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	67.40	2007-08	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	78.59	2004-05 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	35.87	2005-06 to 2007-08, 2009-10 to 2013-14	West Bengal Appellate & Revisional Board
WB Value Added Tax Act, 2003 Central Sales Tax Act, 1956	Sales Tax Central Sales Tax	411.48	2014-15	Appeal to be filed with 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.

"ANNEXURE 1" to the Independent Auditor's Report *(Contd.)*

(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 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 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.

(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.

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: 29 May 2018

"ANNEXURE 2" to the Independent Auditor's Report

"Annexure 2" to the Independent Auditors' 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, 2018 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.

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

"ANNEXURE 2" to the Independent Auditor's Report *(Contd.)*

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, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Sanjay Kumar Agarwal**
Partner
Membership Number: 060352

Place : Kolkata
Date: 29 May 2018

BALANCE SHEET as at 31st March, 2018

(₹ in Lakhs)

	Notes	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
ASSETS				
NON-CURRENT ASSETS				
Property plant and equipment	4	21,819.65	21,561.32	34,705.37
Capital work-in-progress	4	1,825.51	961.30	432.82
Investment Property	4	2.26	2.29	2.32
Financial assets				
(a) Investments	5a	27,133.26	25,233.81	14,794.23
(b) Trade Receivables	5c	-	-	-
(c) Loans	5d	862.71	852.20	809.71
(d) Other financial assets	5e	12.04	5.52	4.64
Deferred tax assets (net)	6	1,107.08	910.06	-
Current Tax Assets (net)		524.08	596.93	843.20
Other non-current assets	7	367.52	299.80	329.54
Total Non-current assets		**53,654.11**	**50,423.23**	**51,921.83**
Current assets				
Inventories	8	8,972.71	9,459.13	22,426.18
Biological assets other than bearer plants	8a	88.77	62.19	93.37
Financial assets				
(a) Investments	5b	1,613.07	1,644.72	2,197.31
(b) Trade receivables	5c	6,537.17	7,726.40	5,995.26
(c) Cash and cash equivalents	9a	706.61	624.36	1,099.02
(d) Other Bank Balances	9b	983.67	2,031.05	2,032.55
(e) Loans	5d	5,484.89	1,322.22	945.40
(f) Other financial assets	5e	3,420.81	4,134.81	5,272.73
Other current assets	7	1,121.58	846.29	1,079.41
Total Current assets		**28,929.28**	**27,851.17**	**41,141.23**
Total Assets		**82,583.39**	**78,274.40**	**93,063.06**
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	10	1,443.87	1,443.87	1,443.87
Other Equity	11	26,177.00	25,703.92	26,387.05
Total Equity		**27,620.87**	**27,147.79**	**27,830.92**
Liabilities				
Non-current liabilities				
Financial liabilities				
(a) Borrowings	12a	15,426.59	12,622.88	13,836.74
(b) Other Financial liabilities	12b	117.43	114.46	251.30
Provisions	13	2,262.72	2,152.62	1,889.53
Deferred tax liabilities (net)	6	-	-	181.89
Other non- current liabilities	15	319.46	323.13	284.56
Total Non-current Liabilities		**18,126.20**	**15,213.09**	**16,444.02**
Current Liabilities				
Financial liabilities				
(a) Borrowings	12c	20,315.13	18,925.84	16,912.85
(b) Trade payables	14	3,480.37	3,890.61	17,041.75
(c) Other financial liabilities	12b	8,252.27	8,263.11	9,543.22
Other current liabilities	15	657.86	697.19	1,519.42
Provisions	13	4,130.69	4,136.77	3,770.88
Total Current Liabilities		**36,836.32**	**35,913.52**	**48,788.12**
Total Liabilities		**54,962.52**	**51,126.61**	**65,232.14**
Total Equity and Liablities		**82,583.39**	**78,274.40**	**93,063.06**

Significant accounting policies 3

The accompanying notes are an integral part of the standalone 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: 29 May 2018

For and on behalf of Board of Directors

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

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

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

STATEMENT OF PROFIT & LOSS for the year ended 31st March, 2018

(₹ in Lakhs)

		Notes	Year Ended 31-Mar-2018	Year Ended 31-Mar-2017
I.	**Income**			
	Revenue from operations	18	55,191.93	54,118.31
	Other income	19	2,719.27	2,665.39
	Total income (I)		**57,911.20**	**56,783.70**
II.	**Expenses**			
	Cost of Materials Consumed	20	7,939.61	7,960.82
	Purchases of Stock-in-trade	21	7,092.91	6,843.98
	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-trade	22	698.00	(41.14)
	Employee benefits expense	23	21,091.32	21,671.51
	Finance costs	24	3,356.28	3,540.99
	Depreciation and amortisation expenses	25	1,453.77	1,469.02
	Other expenses	26	15,981.35	15,868.01
	Total expenses (II)		**57,613.24**	**57,313.19**
III.	**Profit / (Loss) before tax (I-II)**		**297.96**	**(529.49)**
IV.	**Tax expense**			
	Current Tax		-	(7.43)
	Deferred Tax - Charge/(Credit)	6	(40.75)	464.94
			(40.75)	**457.51**
V.	**Profit / (Loss) for the year (III – IV)**		**338.71**	**(987.00)**
VI.	**Other Comprehensive income:**			
	Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
	Re-measurement gains and (losses) on defined benefit obligations		(376.88)	(572.96)
	Fair Value of equity instruments through OCI		(121.82)	155.07
	Income tax effect thereof		156.27	236.07
	Other comprehensive income/(loss) for the year, net of tax (VI)		**(342.43)**	**(181.82)**
VII.	**Total comprehensive income for the year, net of tax (V + VI)**		**(3.72)**	**(1,168.82)**
	Earnings per Equity Share of ₹ 5/- each	27		
	Basic & Diluted		1.17	(3.49)

Significant accounting policies 3

The accompanying notes are an integral part of the standalone 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: 29 May 2018

For and on behalf of Board of Directors

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

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

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

STATEMENT OF CHANGES IN EQUITY for the year ended 31st March, 2018

(₹ in Lakhs)

a. Equity Share Capital:

	No. of shares	₹ in Lakhs
Equity shares of ₹ 5 each issued, subscribed and fully paid		
As at 1 April, 2016	2,88,77,488	1,443.87
Issue of share capital	–	–
As at 31 March, 2017	2,88,77,488	1,443.87
Issue of share capital	–	–
As at 31 March 2018	**2,88,77,488**	**1,443.87**

b. Other equity

For the year ended 31 March, 2018

Particulars	Reserves & Surplus					Treasury shares	Items of OCI	Total Equity
	Capital Reserve	Capital Redemption Reserve	Storage Reserve for Molasses	General reserve	Retained Earnings		Other Comprehensive Income	
As at 1 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/(Loss) 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 17)	–	–	–	–	(207.82)	–	–	(207.82)
As at 31 March 2018	**2,200.85**	**165.21**	–	**20,201.29**	**3,758.01**	–	**(148.36)**	**26,177.00**

For the year ended 31 March, 2017

Particulars	Reserves & Surplus					Treasury shares	Items of OCI	Total Equity
	Capital Reserve	Capital Redemption Reserve	Storage Reserve for Molasses	General reserve	Retained Earnings		Other Comprehensive Income	
As at 1 April 2016	10,858.86	165.21	188.10	20,201.29	4,245.14	(9,969.70)	698.15	**26,387.05**
Profit/(Loss) for the year	–	–	–	–	(987.00)	–	–	(987.00)
Other comprehensive income/ (loss) for the year	–	–	–	–	–	–	(181.82)	(181.82)
Profit on sale of equity shares measured at FVTOCI	–	–	–	–	322.26	–	(322.26)	–
Total Comprehensive Income for the year	–	–	–	–	**(664.74)**		**(504.08)**	**(1,168.82)**
Pursuant to Scheme of Demerger	(8,658.01)	–	(188.10)	–	–	9,637.40	–	791.29
Dividend and distribution tax thereon (Note 17)	–	–	–	–	(305.60)	–	–	(305.60)
As at 31 March 2017	**2,200.85**	**165.21**	–	**20,201.29**	**3,274.80**	**(332.30)**	**194.07**	**25,703.92**

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: 29 May 2018

For and on behalf of Board of Directors

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

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

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

CASH FLOW STATEMENT for the year ended 31st March, 2018

(₹ in Lakhs)

		Year Ended 31-Mar-2018	Year Ended 31-Mar-2017
A.	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Net profit/(loss) before tax	297.96	(529.49)
	Adjustment to reconcile profit before tax to net cash flow		
	Depreciation & Amortisation expense	1,453.77	1,469.02
	Interest Expenses	3,356.28	3,540.99
	Sundry Balances Written Off	20.73	0.77
	Provision for Receivables	0.98	20.60
	Dividend Received from Investments	(94.62)	(79.59)
	Profit on sale of Investments	(1,182.49)	(925.59)
	Fair value (gain)/loss on Investment	391.22	(148.65)
	Fair value (gain)/loss on Biological assets	(26.58)	31.17
	Profit on sale of Property, Plant & Equipment	(0.12)	(24.02)
	Liabilities written back	(27.17)	(34.93)
	Interest Income	(969.97)	(870.77)
	Operating profit before working capital changes	**3,219.99**	**2,449.51**
	Adjustments for-		
	Decrease in inventories	486.42	362.96
	(Increase)/decrease in trade receivables	1,167.52	(1,752.51)
	(Increase)/decrease in loans, deposits and other financial assets	264.22	(871.59)
	(Decrease) in Trade Payables	(410.20)	(503.16)
	Increase in other financial liabilities	55.49	1,508.86
	Increase/(decrease) in provisions	(272.85)	188.63
	Cash generated in operations	**4,510.59**	**1,382.70**
	Income Tax Paid (net of refund)	72.85	230.61
	Net cash flow from Operating Activities	**4,583.44**	**1,613.31**
B.	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Dividend Received	94.62	79.59
	Interest Received	918.43	881.31
	Sale of Property, Plant & Equipment	32.25	228.88
	(Investment/)Maturity of Bank Fixed Deposits (Net)	1,035.40	(1.95)
	(Purchase)/Sale of Non-current Investments (Net)	(513.73)	636.32
		1,566.97	**1,824.15**
	Less :		
	Purchase of Property, Plant & Equipment	(2,608.40)	(2,943.96)
	Investment in Subsidiaries	-	(150.00)
	Loans and Advances to Subsidiaries	(4,155.04)	(376.63)
	Net cash flow from Investing Activities	**(5,196.47)**	**(1,646.44)**

CASH FLOW STATEMENT for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

		Year Ended 31-Mar-2018	Year Ended 31-Mar-2017
C.	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Proceeds from non current borrowings	9,900.00	9,500.81
	Proceeds from current borrowings (net)	1,389.29	1,952.91
	Proceed from short term borrowings from subsidiary (net)	-	60.08
	Repayment of non current borrowings	(6,964.90)	(7,581.08)
	Dividend paid (including net dividend distribution tax)	(205.88)	(305.60)
	Interest paid	(3,423.23)	(4,068.65)
	Net cash flow from Financing Activities	**695.28**	**(441.53)**
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	82.25	(474.66)
	Cash and Cash Equivalents at the beginning of the year (Refer note-9a)	624.36	1,099.02
	Cash and Cash Equivalents at the end of the year (Refer note-9a)	706.61	624.36

Notes:

1. The figures in bracket indicates outflows.
2. The above cash flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS)7- Statement of Cash Flows.

   The above Standalone Statement of Cash Flow should be read in conjunction with the accompanying notes

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: 29 May 2018

For and on behalf of Board of Directors

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

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

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

NOTES to financial statements for the year ended 31st March, 2018

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 "Industry House", 10, Camac Street, Kolkata - 700 017, West Bengal, India.

The standalone financial statements were approved and authorised for issue in accordance with the resolution of the Company's Board of Directors on 29 May, 2018.

Note 2. Basis of Preparation

The financial statements of the Company for the year ended 31 March, 2018 have been prepared in accordance with accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

For all periods up to and including the year ended 31 March, 2017, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31 March, 2018 are the first the Company has prepared in accordance with Indian Accounting Standards ("Ind AS"). Refer to note 37 for information on how the Company adopted Ind AS.

The financial statements have been prepared on a historical cost basis, except for certain assets and liabilities which have been measured at fair value

- Certain financial assets and liabilities which are measured at fair value/amortised cost
- Certain biological assets (including unplucked green leaves) which are measured at fair value less cost to sell.

These financial statements are the first financial statements of the Company under Ind AS. Refer Note 38 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

Note 3. Summary of Significant Accounting Policies

3.1. Current and Non-Current classification

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

3.2. Foreign and Foreign Currencies

Functional and presentation currency

The standalone financial statements are presented in INR, the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency').

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 settlement or translation of monetary items are recognised in profit or loss.

NOTES to financial statements for the year ended 31st March, 2018 *(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).

3.3. Property, Plant and Equipment

The Company has elected to use the fair value of certain items of property, plant and equipment on the date of transition and designate the same as deemed cost on the date of transition. For the remaining assets, the Company has applied Ind AS retrospectively, from the date of their acquisition.

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.

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.

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.

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

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases.

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

For assets acquired under operating lease, rental payable are recognised as an expense in the statement of profit and loss. Assets acquired under finance lease are capitalized at lower of the fair value and the present value of minimum lease payment. Lease income from operating leases is recognised in the statement of profit and loss over the period of lease.

For arrangements entered into prior to 1 April, 2016, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

3.7. 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. Other borrowing costs are recognized as an expense in the period in which they are incurred

3.8. Inventories

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.

Raw materials (including purchased tea leaves), Stores & Spare parts, Finished Goods and Stock in trade 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 are 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

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.

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, associates and joint ventures

Investments representing equity interest in subsidiaries, associates and joint ventures 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.

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

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 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.

3.15. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of sales return, sales tax/ value added tax/GST, trade allowances and amount collected on behalf of third parties.

Excise duty is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to Company on its own account, revenue includes excise duty.

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

Sale of goods

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership of the goods have passed to the buyer, on delivery of the goods or as per buyer's instruction.

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.

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. 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

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

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

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.
- 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.

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

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.

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. 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.

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.

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

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 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

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

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.

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

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

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

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the following amendments to Ind AS's which the Company has not applied as they are effective for annual periods beginning on or after 1 April, 2018:

Ind AS 115 – Revenue from Contracts with Customers

The Company is currently evaluating the impact of implementation of Ind AS 115 " Revenue from Contracts with Customers" which is applicable to it w.e.f 01.04.2018. However, based on the evaluation done so far and based on the arrangement that the Company has with its customers for sale of its products, the implementation of Ind AS 115 will not have any significant recognition and measurement impact. However, there will be additional presentation and disclosure requirement, which will be provided in the next year's financial statements.

Ind AS 21 – The Effect of Changes in Foreign Exchange Rates

The amendment clarifies on the accounting of transactions that include the receipt or payment of advance consideration in a foreign currency. The appendix explains that the date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt. The Company is evaluating the impact of this amendment on its financial statements.

Ind AS 12 - Income Taxes

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount. Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact. These amendments are effective for annual periods beginning on or after 1 April, 2018. These amendments are not expected to have any impact on the Company as the Company has no deductible temporary differences or assets that are in the scope of the amendments.

Ind AS 40 - Investment Property

The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use.

Entities should apply the amendments prospectively to changes in use that occur on or after the beginning of the annual reporting period in which the entity first applies the amendments. An entity should reassess the classification of property held at that date and, if applicable, reclassify property to reflect the conditions that exist at that date. Retrospective application in accordance with Ind AS 8 is only permitted if it is possible without the use of hindsight.

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

Ind AS 28 - Investments in Associates and Joint ventures

Clarification that measuring investees at fair value through profit or loss is an investment—by investment choice:

- An entity that is a venture capital organisation, or other qualifying entity, may elect, at initial recognition on an investment-by-investment basis, to measure its investments in associates and joint ventures at fair value through profit or loss
- If an entity, that is not itself an investment entity, has an interest in an associate or joint venture that is an investment entity, the entity may, when applying the equity method, elect to retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries. This election is made separately for each investment entity associate or joint venture, at the later of the date on which: (a) the investment entity associate or joint venture is initially recognised; (b) the associate or joint venture becomes an investment entity; and (c) the investment entity associate or joint venture first becomes a parent.

3.24. Rounding off amounts

All amounts disclosed in the standalone Financial Statements and notes have been rounded off to the nearest Lakhs (with two places of decimal) as per the requirement of Schedule III, unless otherwise stated.

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Note 4(a) - Property plant and equipment

Particulars	Gross Block				Depreciation / Amortisation				Net Block	
	As at 1-Apr-2017	Additions	Deletions	As at 31-Mar-2018	As at 1-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(b) - Capital work in Progress

Particulars	As at 1-Apr-2017	Additions	Capitalisation	As at 31-Mar-2018
Bearer Plants	834.38	977.10	68.23	1,743.25
Building	29.65	7.22	24.73	12.14
Plant and Equipment	97.27	70.12	97.27	70.12
Total	**961.30**	**1,054.44**	**190.23**	**1,825.51**

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 ₹ 3,397.30 lakhs and ₹ 565.22 lakhs respectively (net carrying value of ₹ 3,233.72 lakhs and ₹ 410.23 lakhs respectively) is under renewal; (b) 3 (three) tea garden land and Plantation thereon having a gross carrying value of ₹ 43.95 lakhs and ₹ 62.47 lakhs (net carrying value of ₹ 43.95 lakhs and ₹ 59.93 lakhs respectively) and 2 (two) of Buildings with gross carrying value of ₹ 16.48 lakh (net carrying amount of ₹ 10.01 lakhs), titles for which registration in the name of the Company is pending.

Note 4(d) - Property plant and equipment

Particulars	Gross Block					Depreciation / Amortisation					Net Block	
	As at 01-Apr-2016 (refer note 4(f) below)	Additions	Transfer Pursuant to the Scheme of Demerger (refer note 29)	Deletions	As at 31-Mar-2017	As at 01-Apr-2016	For the Year	Transfer Pursuant to the Scheme of Demerger (refer note 29)	On Deletions (accumulated upto the date of sale)	As at 31-Mar-2017	As at 31-Mar-2017	As at 01-Apr-2016
Freehold Land	9,586.67	18.22	(6,811.62)	0.30	2,792.97	-	-	-	-	-	2,792.97	9,586.67
Plantation	5,413.54	43.01	-	115.34	5,341.21	-	130.76	-	-	130.76	5,210.45	5,413.54
Leasehold Land	122.54	-	-	-	122.54	43.45	8.11	-	-	51.56	70.98	79.09
Buildings	9,646.12	397.63	(816.50)	4.46	9,222.79	2,834.94	300.82	(101.40)	4.33	3,030.03	6,192.76	6,811.18
Plant and Equipment	21,677.75	1,409.10	(7,997.72)	363.30	14,725.83	10,018.40	776.12	(2,016.76)	298.50	8,479.26	6,246.57	11,659.35
Vehicles	2,327.90	214.43	(127.65)	92.45	2,322.23	1,490.47	189.53	(66.76)	71.58	1,541.66	780.57	837.43
Furniture and fixtures	588.79	18.58	(24.61)	30.51	552.25	340.70	34.81	(11.71)	27.60	336.20	216.05	248.09
Live Stock	0.19	-	(0.19)	-	-	-	-	-	-	-	-	0.19
Office Equipment	253.80	21.83	(49.45)	7.83	218.35	183.97	28.84	(38.11)	7.32	167.38	50.97	69.83
Total	**49,617.30**	**2,122.80**	**(15,827.74)**	**614.19**	**35,298.17**	**14,911.93**	**1,468.99**	**(2,234.74)**	**409.33**	**13,736.85**	**21,561.32**	**34,705.37**

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Note 4(e) - Capital work in Progress

Particulars	As at 01-Apr-2016	Additions	Transfer Pursuant to the Scheme of Demerger (refer note-29)	Capitalisation	As at 31-Mar-2017
Bearer Plants	17.88	823.44	-	6.94	834.38
Building	314.28	28.72	292.62	20.73	29.65
Plant and Equipment	100.66	96.83	-	100.22	97.27
Total	**432.82**	**948.99**	**292.62**	**127.89**	**961.30**

Note 4(f)

Ind AS 101 permits an entity to elect to measure an item of property, plant and equipment at the date of transition to Ind AS at its fair value and use that fair value as its deemed cost at that date. Accordingly, the Company has elected to use the fair value of certain assets on the date of transition and designate the same as deemed cost on the date of transition. Fair value has been determined, by obtaining an external third party valuation, a level 3 valuation technique. For the remaining assets, the Company has applied Ind AS retrospectively, from the date of their acquisition.

Note 4(g) - Investment Property

Particulars	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
Gross carrying amount			
Opening	**2.32**	**2.32**	**2.32**
Additions	-	-	-
Closing	**2.32**	**2.32**	**2.32**
Accumulated Depreciation			
Opening	**0.03**	**-**	**-**
Depreciation	0.03	0.03	-
Closing	**0.06**	**0.03**	**-**
Net carrying amount	**2.26**	**2.29**	**2.32**
Fair Value	699.00	699.00	699.00

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Note 5a. Financial assets - Investments

			Number of Shares/Units/Bonds			Non- Current		
	Nominal Value per unit	Currency	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
Investments (Fully Paid)								
Investment in Equity Shares - "At Cost"								
In Subsidiary Companies								
Unquoted								
North Tukvar Tea Company Ltd.	10	₹	21,75,450	21,75,450	21,75,450	356.20	356.20	356.20
Birla Holdings Ltd.	1	AED	10,000	10,000	10,000	1.25	1.25	1.25
Majhaulia Sugar Industries Pvt Ltd.	10	₹	31,35,000	31,35,000	10,000	3,782.38	3,782.38	1.00
Jayantika Investment & Finance Ltd.	10	₹	29,95,000	29,95,000	9,95,000	6,325.24	6,325.24	994.64
In Joint Venture								
Unquoted								
Tea Group Investment Company Ltd.	1	AED	3,72,300	3,72,300	3,72,300	51.95	51.95	51.95
In Others								
Unquoted								
Birla International Ltd.	100	CHF	2,500	2,500	2,500	52.25	52.25	52.25
The Coimbatore & Nilgiris Dist. Small Scale Service Ind. Co-Op. Society Ltd.	100	₹	10	10	10	0.01	0.01	0.01
The Tamilnadu Tea Manufacturers' Service Industrial Co-Op. Society Ltd.	5,000	₹	1	1	1	0.05	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	30,000	674.16	675.66	677.16
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	3	0.03	0.03	0.03
						11,284.37	**11,285.87**	**2,134.54**
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	30,000	1,287.49	1,181.45	1,084.13
						1,287.49	**1,181.45**	**1,084.13**

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Note 5a. Financial assets - Investments

	Nominal Value per unit	Currency	Number of Shares/Units/Bonds			Non- Current		
			As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
Investment in Equity Shares at Fair Value Through Other Comprehensive Income								
Unquoted								
Essel Mining & Industries Ltd.	10	₹	20	20	20	20.46	20.46	23.67
Padmavati Investment Ltd.	10	₹	-	-	68,560	-	-	444.27
JPM Merchandise Agencies Limited	10	₹	2,05,680	2,05,680	2,05,680	549.14	660.21	503.85
Kesoram Insurance Broking Services Ltd.	10	₹	25,000	25,000	25,000	16.57	23.77	23.58
Vasavadatta Services Ltd.	10	₹	4,600	4,600	4,600	17.96	21.49	19.74
Quoted								
McLeod Russel India Ltd.	5	₹	75	75	75	0.11	0.12	0.14
						604.24	**726.05**	**1,015.25**
Investments in Debentures "At Amortised Cost"								
Unquoted								
10.00% Rajesh Estate & Nirman Pvt Ltd.	1,00,00,000	₹	-	-	2	-	-	218.13
16.00% Puranik Builders Pvt Ltd.	10,00,000	₹	-	-	20	-	-	200.00
17.00% Reddy Housing Pvt Ltd.	10,00,000	₹	-	20	20	-	200.00	200.00
17.50% Vagad Builders & Developers Pvt. Ltd.	92,571.43	₹	-	26	-	-	23.76	-
16.00% Wondrous Buildmart Private Limited SR-I	1,00,000	₹	200	-	-	200.00	-	-
North Tukvar Tea Company Ltd.- 1% Redeemable Non Convertible Debentures	100	₹	1,50,000	1,50,000	-	99.15	91.83	-
						299.15	**315.59**	**618.13**
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	40,21,968	74,32,922	603.30	587.61	1,038.38
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	-	511.64	498.34	-
UTI Short Term Income Fund- Growth	10	₹	-	26,73,332	26,73,332	-	533.02	485.66
Aditya Birla Sunlife Short Term Opportunities Fund-Growth	10	₹	8,86,112	23,06,081	23,06,081	255.69	625.72	571.80
Templeton India Short Term Income Plan Fund- Growth	10	₹	-	-	18,159	-	-	553.36
Birla Sun Life Fixed Term Plan- Corporate Bond Series A(1170 Days)	10	₹	-	-	20,00,000	-	-	249.33
HDFC FMP 1184D-Series 33-Regular-Growth	10	₹	-	30,00,000	30,00,000	-	372.74	335.82
Edelweiss Corporate Debt Opportunities Regular-Growth (erstwhile JP Morgan India Corporate Debt Opportunities Fund- Regular- Growth)	10	₹	-	50,00,000	50,00,000	-	626.41	576.03
ICICI Prudential FMP Series 75 - 1246 Days Plan U - Regular	10	₹	-	20,00,000	20,00,000	-	251.92	221.41

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Note 5a. Financial assets - Investments

	Nominal Value per unit	Currency	Number of Shares/Units/Bonds			Non- Current		
			As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
Reliance Regular Savings Fund - Debt- Growth**	10	₹	21,43,669	16,96,497	16,96,497	518.93	384.37	350.34
Franklin India Corporate Bond Opportunities Fund	10	₹	21,49,798	21,49,798	21,49,798	387.89	359.11	324.28
Reliance Gilt Securities Fund-Growth plan-Growth Option(GL-RG)	10	₹	-	-	8,58,217	-	-	164.27
UTI-GILT Advantage Fund -LTP-Growth	10	₹	-	-	8,19,060	-	-	258.57
HDFC Gilt Fund Long Term-Growth	10	₹	-	-	8,78,176	-	-	265.69
Franklin India Monthly Income Plan-Plan A-Growth	10	₹	-	-	6,64,672	-	-	300.20
UTI Income Opportunities Fund**	10	₹	17,99,539	17,99,539	17,99,539	285.17	267.50	242.87
ICICI Prudential Corporate Bond Fund**	10	₹	10,46,439	10,46,439	10,46,439	282.99	265.46	241.49
UTI Fixed Term Income Fund Series XXII-VI (1098 days)-Growth	10	₹	-	30,00,000	30,00,000		358.86	321.04
Kotak FMP Series 183 -1204 days Growth(Regular Plan)*	10	₹	20,00,000	20,00,000	20,00,000	244.79	225.88	204.95
Reliance Short Term Fund-Growth Plan - Growth Option**	10	₹	10,26,125	10,26,125	-	335.06	316.22	-
Aditya Birla Sun Life Medium Term Plan-Growth-Regular Plan**	10	₹	15,53,197	15,53,197	-	341.36	317.00	-
DSP BlackRock Credit Risk Fund-Regular Plan-Growth *(Formerly-DSP BlackRock Income Opportunities Fund-Regular Plan-Growth)**	10	₹	23,09,399	23,09,399	-	660.75	620.72	-
SBI Corporate Bond Fund-Regular Plan-Growth**	10	₹	8,10,140	8,10,140	-	226.29	212.33	-
ICICI Prudential Short Term Plan-Growth Option**	10	₹	6,22,281	6,22,281	-	225.34	212.34	-
ICICI Prudential Income Opportunities Fund-Growth**	10	₹	9,21,370	9,21,370	-	223.70	211.99	-
BOI AXA Credit Risk Fund - Regular Plan *(Formerly - BOI AXA Corporate Credit Spectrum Fund- Regular Plan)***	10	₹	73,66,518	42,72,555	-	983.31	523.76	-
Kotak Income Opportunities Fund -Growth**	10	₹	13,84,850	-	-	264.86	-	-
Kotak Medium Term Fund-Growth**	10	₹	18,35,576	-	-	264.92	-	-
Reliance Corporate Bond Fund - Growth Plan **	10	₹	36,21,142	-	-	507.43	-	-
Total						**7,123.42**	**7,771.30**	**6,705.49**
Investments in Portfolio Management Services/ Alternative Investment Fund "At Fair Value Through Profit and Loss"								
Peninsula Brookfield India Real estate Fund		₹				116.70	191.04	184.37
IDFC Real Estate Yield Fund		₹				83.65	114.49	142.51
Reliance Capital Asset Management Company Ltd. (Yield Maximiser Fund)		₹				33.93	58.18	108.21
India Business Excellence Trust		₹				-	116.92	169.72
Reliance Yield Maximiser AIF Scheme II		₹				292.30	298.80	301.57
India Realty Excellence Fund III		₹				191.77	142.57	23.13
Indiabulls High Yield Fund		₹				200.00	200.00	-
IIFL Real Estate Fund (Domestic) - Series 4		₹				200.00	200.00	-
Reliance Yield Maximiser AIF Scheme III		₹				300.00	300.00	-

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Note 5a. Financial assets - Investments

	Nominal Value per unit	Currency	Number of Shares/Units/Bonds			Non- Current		
			As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
ASK Real Estate Special Situations Fund - I		₹				58.00	15.00	-
Edelweiss Real Estate Opportunities Fund		₹				95.00	64.00	-
KKR India Debt Opportunities Fund II**		₹				225.00	175.00	-
BPEA Credit - India Fund II		₹				30.00	-	-
BPEA Credit - India Fund II**		₹				580.00	-	-
Avendus Structured Credit Fund I**		₹				56.33	-	-
UTI Structure Debt Opportunities Fund I**		₹				50.15	-	-
Alteria Capital India Fund I		₹				84.37	-	-
Avendus Absolute Return Fund-Class A3 15**		₹				521.27	-	-
Edelweiss Alpha Fund**		₹				508.60	-	-
India Business Excellence Fund III		₹				143.75	-	-
Add: Mark to Market Gain on Above						201.40	549.47	355.78
Total						**3,972.22**	**2,425.47**	**1,285.29**
Investments in Bonds "At Fair Value Through Profit and Loss"								
Quoted								
20 years, 8.66% Tax Free Bonds of NTPC Ltd. Series 3 A	1000	₹	-	-	15,832	-	-	189.33
15 years, 8.48% Tax Free Bonds of IIFCL Ltd. Series 2 A	1000	₹	-	-	50,000	-	-	569.46
15 years, 8.63% Tax Free Bonds of REC Ltd. Tranche II Series II	1000	₹	-	-	50,000	-	-	582.53
15 years, 8.63% Tax Free Bonds of IRFC Ltd. Tranche II Series IIA	1000	₹	-	-	50,000	-	-	610.08
9% Bonds of Mahindra and Mahindra Financial Services Ltd*	1000	₹	50,000	50,000	-	513.87	508.74	-
9.50% Unsecured bonds of Union Bank of India SR-XX 9.5 BD Perpetual FVRS 10 Lac**	1000000	₹	50	50	-	507.86	516.40	-
9.25% Dewan Housing Finance Corporation Limited Series III Category III & IV*	1000	₹	50,000	50,000	-	506.72	502.94	-
8.60% Exim Perpetual Bonds SR-I BD*	1000000	₹	50	-	-	496.62	-	-
Zero Coupon NCD of Ecap Equities Limited	100000	₹	500	-	-	537.30	-	-
Total						**2,562.37**	**1,528.08**	**1,951.40**
Total Non Current Investments						**27,133.26**	**25,233.81**	**14,794.23**
Aggregate amount of Quoted Investments						**2,562.48**	**1,528.20**	**1,951.54**
Aggregate amount of Unquoted Investments						**24,570.78**	**23,705.61**	**12,842.69**

*Pledged partly as security for issuing SBLC used for availing credit facilities for a step down subsidiary company and partly to secure short term rupee loan to company.

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

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Note 5b. Financial assets - Investments

	Nominal Value per unit	Currency	Number of Shares/Units/Bonds			Current		
			As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
Investments (Fully Paid)								
Investments in Debentures "At Amortised Cost"								
Unquoted								
18.00% Paranjape Schemes (Constructions) Ltd.	10,00,000	₹	-	-	10	-	-	100.00
10.00% Rajesh Estate & Nirman Pvt Ltd.	1,00,00,000	₹	-	-	1	-	-	99.99
17.50% Vagad Builders & Developers Pvt. Ltd.	92,571	₹	-	51	-	-	47.52	-
						-	**47.52**	**199.99**
Investments in Mutual Fund "At Fair Value Through Profit and Loss"								
Unquoted								
ICICI Prudential FMP Series 72-823 Days - Plan H - Growth	10	₹	-	-	60,00,000	-	-	715.85
Reliance Fixed Horizon Fund - XXV-Series 23- 827 Days-Growth	10	₹	-	-	40,00,000	-	-	485.84
DHFL Pramerica Fixed Maturity Plan-Series 58- 2 Yrs Growth	10	₹	-	-	45,00,000	-	-	537.97
Reliance Fixed Horizon Fund - XXIV-Series2-1110 Days-Growth	10	₹	-	-	20,00,000	-	-	257.66
Birla Sun Life Fixed Term Plan- Corporate Bond Series A (1170 Days)	10	₹	-	20,00,000	-	-	269.87	-
ICICI Prudential FMP Series 72-823 Days - Plan H - Growth	10	₹	-	60,00,000	-	-	801.96	
Reliance Fixed Horizon Fund - XXV-Series 23- 827 Days-Growth	10	₹	-	40,00,000	-	-	525.37	
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		
						1,061.99	**1,597.20**	**1,997.32**
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						**1,613.07**	**1,644.72**	**2,197.31**
Aggregate amount of Quoted Investments						**-**	**-**	**-**
Aggregate amount of Unquoted Investments						**1,613.07**	**1,644.72**	**2,197.31**

*Pledged partly as security for issuing SBLC used for availing credit facilities for a step down subsidiary company and partly to secure short term rupee loan of the Company.

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

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Note 5c. Trade receivables

	Non current			Current		
	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
(Unsecured)						
Considered good	–	–	–	6,537.17	7,726.40	5,995.26
Considered doubtful	147.89	146.91	126.31	–	–	–
Less: Provision for doubtful receivables	(147.89)	(146.91)	(126.31)	–	–	–
Total trade receivables	**–**	**–**	**–**	**6,537.17**	**7,726.40**	**5,995.26**

Note 5d. Financial assets - Loans (Unsecured considered good unless otherwise stated)

Security deposits						
Subsidiary Companies	251.00	230.28	211.26	–	–	–
Others	464.84	476.20	447.99	8.99	14.73	14.63
Loans to related party (Refer Note 33)	–	–	–	5,230.72	1,075.68	699.05
Other Loans						
Loans/ Advances to employees	124.15	123.00	127.11	78.07	114.62	103.92
Others						
Considered good	22.72	22.72	23.35	167.11	117.19	127.80
Considered doubtful	3.73	3.73	3.73	-	-	-
Less: Provision	(3.73)	(3.73)	(3.73)	-	-	-
Total loans	**862.71**	**852.20**	**809.71**	**5,484.89**	**1,322.22**	**945.40**

Note 5e. Other financial assets

Bank Deposits	12.02	5.14	4.33	-	-	-
Interest accrued on Deposits	0.02	0.38	0.31	66.40	135.56	161.32
Interest accrued on Investments	-	-	-	124.89	97.28	88.31
Interest accrued on loans / Inter corporate Deposits	-	-	-	-	5.72	5.72
Rent Receivable						
Considered Good	-	-	-	2.51	1.80	1.09
Considered Doubtful	11.24	11.24	11.24	-	-	-
Less: Provision for doubtful receivables	(11.24)	(11.24)	(11.24)	-	-	-
Interest Refundable	-	-	-	-	-	156.32
Subsidy Receivable	-	-	-	1,753.18	2,339.82	2,234.90
Incentive and Subsidy Receivable	-	-	-	1,473.79	1,525.19	2,619.12
Deposits with NABARD	-	-	-	0.04	0.04	0.04
Others	-	-	-	-	29.40	5.91
Total other financial assets	**12.04**	**5.52**	**4.64**	**3,420.81**	**4,134.81**	**5,272.73**

NOTES to financial statements for the year ended 31st March, 2018 *(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 and liabilities	**As at 31-Mar-2018**	**As at 31-Mar-2017**	**As at 01-Apr-2016**	**Year Ended 31-Mar-2018**	**Year Ended 31-Mar-2017**
Deferred tax liabilities					
Property, plant and equipment	2,080.11	1,935.90	3,230.18	(144.21)	1,294.28
Fair valuation of other asset and liability	208.85	273.05	351.13	64.21	78.07
Total	**2,288.96**	**2,208.95**	**3,581.31**	**(80.00)**	**1,372.35**
Deferred tax assets					
Unabsorbed Depreciation	1,415.19	1,220.94	1,211.76	194.25	9.18
Minimum Alternate Tax Credit	113.41	113.41	111.94	-	-
Fair valuation of other asset and liability	194.58	234.20	247.75	(39.62)	(35.17)
Employee benefits	986.09	851.44	717.71	134.65	133.73
Transferred Pursuant to the Scheme of Demerger (Refer Note 29) (C)					(1297.73)
Other temporary differences	686.77	699.02	1,110.26	(12.25)	(411.24)
Total	**3,396.04**	**3,119.01**	**3,399.42**	**277.03**	**(1,601.23)**
Net deferred tax (liabilities)/assets	**1,107.08**	**910.06**	**(181.89)**	**197.03**	**(228.88)**

	As at 31-Mar-2018	**As at 31-Mar-2017**
Reconciliation of deferred tax Assets(net)		
Opening balance	910.06	(181.89)
Tax income/(expense) during the period recognised in Statement of Profit and Loss	40.75	(464.94)
Tax income/(expense) during the period recognised in OCI	156.27	236.07
Other items of deferred tax not routed through PL	-	23.09
Transferred Pursuant to the Scheme of Demerger (Refer Note 29)	-	1,297.73
Closing balance	**1,107.08**	**910.06**

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2017 and 31 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 (34.608%) as follows:

	Year Ended 31-Mar-2018	Year Ended 31-Mar-2017
Accounting Profit/(Loss) before tax	**297.96**	**(529.49)**
Profit before income tax multiplied by standard rate of corporate tax in India of 34.608%	103.12	(183.25)
Effects of:		
Non- deductible Expenses for tax purposes	322.94	97.48
Expenses allowed on payment basis	(113.24)	146.81
Income Exempted from tax	(316.35)	(316.75)
Weighted deduction	(8.51)	(11.82)
Unrecognised deferred tax credit on business/agricultual losses	126.88	948.74
Utilisation of previously unrecognised tax losses (Capital loss)	(155.59)	-
Other Items	-	(223.70)
Net effective income tax	**(40.75)**	**457.51**

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.

Note 7. Other assets

	Non current			Current		
	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
Capital Advances	140.10	61.65	68.34	-	-	-
Leasehold Land Prepayments	203.76	203.76	203.76			
Advance against supply of Goods and Services	-	-	-	253.97	429.61	677.64
Others						
Balance with Government Authorities	-	-	-	738.25	171.84	228.76
Prepaid Expenses	23.66	15.33	19.32	117.69	125.76	137.11
Advance Rent to Subsidiaries	-	19.06	38.12			
Insurance	-	-	-	11.67	119.08	35.90
Total other assets	**367.52**	**299.80**	**329.54**	**1,121.58**	**846.29**	**1,079.41**

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Note 8. Inventories (Lower of cost or net realisable value)	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
Raw Materials	577.17	419.72	637.88
Work in Progress	80.09	46.47	82.86
Finished Goods	2,855.21	3,977.48	17,216.02
Traded Goods	3,543.00	3,140.36	2,095.86
Stores and Spares	1,917.24	1,875.10	2,393.56
Total inventories	**8,972.71**	**9,459.13**	**22,426.18**

Note 8a. Biological Asset			
Opening Balance	**62.19**	**93.37**	**-**
Green Leaf Recognised at Fair Value	88.77	62.19	93.37
Transfer of harvested leaves for production	(62.19)	(93.37)	-
Closing Balance	**88.77**	**62.19**	**93.37**

Note 9a. Cash and Cash Equivalents			
Balances with banks:			
On current account	528.65	317.15	878.28
Cheques/drafts on hand	129.96	219.22	145.21
Cash on hand	48.00	87.99	75.53
Total Cash and Cash Equivalents	**706.61**	**624.36**	**1,099.02**

Note 9b. Other Bank balances			
Earmarked balances with banks (Unpaid Dividend Account)	66.46	78.44	81.08
Term Deposits with maturity of more than three months but upto twelve months (Including ₹ 17.47 lakhs (PY ₹ 16.39 lakhs) pledged as margin money)	917.21	1,952.61	1,951.47
Total Other Bank balances	**983.67**	**2,031.05**	**2,032.55**

Note 10. Equity Share Capital			
Authorised Capital			
5,80,00,000 Equity Shares of ₹ 5/- each	2,900.00	2,900.00	2,900.00
Issued Capital			
2,89,02,786 Equity Shares of ₹ 5/- each	1,445.14	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	1,443.87
Total Equity Share Capital	**1,443.87**	**1,443.87**	**1,443.87**

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

a) The Reconciliation of shares capital is given below:

	As at 31-Mar-2018		As at 31-Mar-2017	
	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-2018		As at 31-Mar-2017		As at 01-Apr-2016	
	No. of Shares	% holding	No. of Shares	% holding	No. of Shares	% holding
JPM Merchandise Agencies Limited	61,14,108	21.17%	61,14,108	21.17%	61,14,108	21.17%
Jay Shree Beneficiary Trust	-	-	-	-	65,28,810	22.61%
Jayantika Investment & Finance Ltd.	65,28,810	22.61%	65,28,810	22.61%	-	-

Note 11. Other equity

	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
Reserves & Surplus			
Capital Reserve	2,200.85	2,200.85	10,858.86
Capital Redemption Reserve	165.21	165.21	165.21
Storage Reserve for Molasses	-	-	188.10
General reserve	20,201.29	20,201.29	20,201.29
Retained Earnings	3,758.01	3,274.80	4,245.14
Other Comprehensive Income	(148.36)	194.07	698.15
Treasury Shares	-	(332.30)	(9,969.70)
Total other equity	**26,177.00**	**25,703.92**	**26,387.05**

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.

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

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-2018	As at 31-Mar-2017	As at 01-Apr-2016
Secured			
Rupee Term Loans from Banks	15,975.87	11,239.05	10,633.33
Rupee Term Loan from Bank (Sugar Division)	-	-	4,197.00
External Commercial Borrowings from Banks	-	344.06	1,032.19
Foreign Currency Term Loan from Banks	1,718.75	3,010.42	3,833.34
Sugar Development Fund Loan	-	-	430.27
Total Secured Borrowings (A)	**17,694.62**	**14,593.53**	**20,126.13**
Unsecured			
Foreign Currency Term Loan from Banks	4,684.62	4,994.25	-
Long Term Working Capital Loan	-	-	1,250.00
Total Unsecured Borrowings (B)	**4,684.62**	**4,994.25**	**1,250.00**
Total Borrowings (A)+(B)	**22,379.24**	**19,587.78**	**21,376.13**
Less: Current maturities of long-term debt	**6,952.65**	**6,964.90**	**7,539.39**
Non Current Borrowings	**15,426.59**	**12,622.88**	**13,836.74**

Facility Category	Security Details	As at March 31, 2018	As at March 31, 2017	As at 01-Apr-2016
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.	1,997.83	3,494.94	2,000.00
Foreign Currency Term Loan		-	666.66	1,333.33
Rupee Term Loan		5,387.80	1,000.00	1,500.00
Rupee Term Loan		1,250.01	2,750.00	3,833.34
External Commercial Borrowings		-	344.06	1,032.19
Foreign Currency Term Loan		1,718.75	2,343.76	2,500.00
Rupee Term Loan		1,815.52	1,969.11	-
Rupee Term Loan	Secured by pledge of certain investments in Mutual Fund and AIF	4,849.71	-	-
Rupee Term Loan		675.00	2,025.00	3,300.00
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	-	-	430.27

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Facility Category	Security Details	As at March 31, 2018	As at March 31, 2017	As at 01-Apr-2016
Rupee Term Loan (Sugar Division)	Secured by first charge by hypothecatyion of stocks, book debts/receivable and other current assets of sugar division ranking pari passu with other working capital consortium bank.	-	-	4,197.00
Total		**17,694.62**	**14,593.53**	**20,126.13**

Note: Term Loans amounting to ₹ 1,941.15 outstanding as on 31.03.2018 (₹ 2,762.16 as on 31.03.2017) (₹ 4,627.27 as on 01.04.2016) related to erstwhile sugar division of the Company were transferred to subsidiary company last year vide scheme of Demerger. The Company is in the process of issuing Corporate Guarantee for securing the above term loan taken from bank.

Repayment Schedule as at 31 March, 2018

Borrowings	Total Carrying Value	< 1 year	1 to 3 years	3 to 5 years	>5 years	Terms and conditions of Term loan from Banks
Secured						
Rupee Term Loan	1,997.83	1,000.00	997.83	–	–	Payable in four equal half yearly installments
Rupee Term Loan	500.00	500.00	–	–	–	Payable in one (last) installment
Rupee Term Loan	1,250.01	833.34	416.67	–	–	Payable in three equal half yearly installments
Rupee Term Loan	675.00	450.00	225.00	–	–	Payable in three equal half yearly installments
Foreign Currency Term Loan	1,718.75	625.00	1,093.75	–	–	Payable in eleven equal quarterly installments
Rupee Term Loan	1,815.52	666.68	1,148.84	–	–	Payable in eleven equal quarterly installments
Rupee Term Loan	4,887.80	894.60	3,693.76	299.44	–	Repayment in 16 quarterly installments after a moratorium of one year from disbursement.
Rupee Term Loan	4,849.71	733.03	1,976.41	2,140.27	–	Payable 15% in Feb 2019, 7 half yearly instalments of 10% and last instalment of 15%.
Unsecured						
Foreign Currency Term Loan	4,684.62	1,250.00	2,497.12	937.50	–	Payable in fifteen equal quarterly installments
Total	**22,379.24**	**6,952.65**	**12,049.38**	**3,377.21**	**-**	

The rate of interest on the above loans are in the range of 7.8% to 9.8% p.a.

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Note 12b. Other financial liabilities

	Non current			Current		
	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
Trade and Security Deposits	117.43	114.46	143.70	9.15	19.82	17.37
Current maturities of long-term debt	-	-	-	6,952.65	6,964.90	7,539.39
Interest accrued but not due on Borrowings	-	-	107.60	162.27	203.31	519.15
Interest accrued and due on Borrowings	-	-	-	1.05	1.05	44.29
Employee Benefit Payable	-	-	-	651.28	695.97	813.43
Unpaid and unclaimed dividends	-	-	-	66.46	78.44	81.08
Amount payable for Capital Goods	-	-	-	218.38	191.09	141.78
Fair value derivative liability	-	-	-	25.05	-	-
Others	-	-	-	165.98	108.53	386.73
Total other financial liabilities	**117.43**	**114.46**	**251.30**	**8,252.27**	**8,263.11**	**9,543.22**

Note 12c. Current Borrowings

	Current		
	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
Secured			
Working Capital Loans	7,050.83	5,215.59	7,313.43
Packing Credit Loan	3,000.00	2,500.00	2,500.00
Short Term Rupee Loans	1,380.00	-	-
Buyers Credit	384.30	150.17	99.42
	11,815.13	**7,865.76**	**9,912.85**
Unsecured			
Packing Credit Loan	500.00	1,000.00	-
Short Term Rupee Loans	8,000.00	8,000.00	7,000.00
Foreign Currency	-	2,000.00	-
Other Loans & Advances - From a Subsidiary (Refer Note 33)	-	60.08	-
	8,500.00	**11,060.08**	**7,000.00**
Total Current Borrowings	**20,315.13**	**18,925.84**	**16,912.85**

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Facility Category	Security Details	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
Working Capital Loans	i) Secured by first charge by way of hypothecation over entire current assets of the Company ranking pari-passu with other consortium banks as primary security & second charge by way of hypothecation of entire movable plant & machinery of the Company ranking pari-passu 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 pari-passu with term lenders for tea division.	7,050.83	5,215.59	7,313.43
Packing Credit Loan		3,000.00	2,500.00	2,500.00
Buyers Credit		384.30	150.17	99.42
Short Term Rupee Loans	Secured by pledge of certain investments in Mutual Fund and AIF	1,380.00	–	–
Total		**11,815.13**	**7,865.76**	**9,912.85**

Note 13. Provisions

	Non current			Current		
	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
Provision for employee benefits						
Provision for gratuity (Refer Note 30)	1,575.64	1,511.37	1,307.23	1,837.21	1,716.16	1,477.47
Provision for leave encashment	610.70	553.69	568.04	286.04	305.34	232.86
Provision for bonus				1,965.53	2,106.73	2,024.89
Others						
Provision for tax (net)	76.38	87.56	14.26	-	-	-
Provisions Others				41.91	8.54	35.66
	2,262.72	**2,152.62**	**1,889.53**	**4,130.69**	**4,136.77**	**3,770.88**

Note 14. Trade Payables

	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
Trade Payables			
- Total outstanding dues of Micro, Small & Medium Enterprises (refer Note below)	-	-	-
- Total outstanding dues of creditors other than Micro, Small & Medium Enterprises	3,480.37	3,890.61	17,041.75
	3,480.37	**3,890.61**	**17,041.75**

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

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-2018	As at 31-Mar-2017	As at 01-Apr-2016	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
Advances from Customers	-	-	-	241.00	266.99	186.92
Others:						
Statutory dues	-	-	-	416.86	430.20	1,332.50
Deferred Government Grant	319.46	323.13	284.56			
Total Other Liabilities	**319.46**	**323.13**	**284.56**	**657.86**	**697.19**	**1,519.42**

Note 16. Fair Value Measurements

Financial Assets	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
Financial Assets - Non Current			
At Fair Value through profit or loss			
Investments	**14,945.50**	**12,906.30**	**11,026.31**
At Fair Value through Other comprehensive income			
Investments	**604.24**	**726.05**	**1,015.25**
At Amortised Cost			
(a) Investment	299.15	315.59	618.13
(b) Trade Receivable	-	-	-
(c) Loans	862.71	852.20	809.71
(d) Other financial assets	12.04	5.52	4.64
	1,173.90	**1,173.31**	**1,432.48**
At Cost			
Investments *	**11,284.37**	**11,285.87**	**2,134.54**
Total Non Current financial assets (a)	**28,008.01**	**26,091.53**	**15,608.58**
Financial Assets - Current			
At Fair Value through profit or loss			
Investments	**1,613.07**	**1,597.20**	**1,997.32**
At Amortised cost			
(a) Investment	-	47.52	199.99
(b) Trade receivables	6,537.17	7,726.40	5,995.26
(c) Cash and cash equivalents	706.61	624.36	1,099.02
(d) Bank balances other than (c) above	983.67	2,031.05	2,032.55
(e) Loans	5,484.89	1,322.22	945.40
(f) Other financial assets	3,420.81	4,134.81	5,272.73
	17,133.15	**15,886.36**	**15,544.95**
Total Current financial assets (b)	**18,746.22**	**17,483.56**	**17,542.27**
Total financial assets (a + b)	**46,754.23**	**43,575.09**	**33,150.85**

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Note 16. Fair Value Measurements

Financial liabilities	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
Financial liabilities - Non current			
At Amortised Cost			
(a) Borrowings	15,426.59	12,622.88	13,836.74
(b) Other Financial liabilities	117.43	114.46	251.30
Total Non Current Financial Liabilities	**15,544.02**	**12,737.34**	**14,088.04**
Financial Liabilities - Current			
At Fair Value through profit or loss			
(a) Other financial liabilities	25.05	-	-
At Amortised Cost			
(a) Borrowings (including current maturities of long term debt)	27,267.78	25,890.74	24,452.24
(b) Trade payables	3,480.37	3,890.61	17,041.75
(c) Other financial liabilities	1,274.57	1,298.21	2,003.83
Total Current Financial Liabilities	**32,047.77**	**31,079.56**	**43,497.82**
Total Financial Liabilities	**47,591.79**	**43,816.90**	**57,585.86**

*Carried at cost as the Company has availed Ind AS 101 exemption (Previous GAAP carrying amount as deemed cost)

Note 17. Distribution made and proposed

	As at 31-Mar-2018	As at 31-Mar-2017
Dividends on equity shares declared and paid:		
Final dividend paid	144.39	282.71
DDT on final dividend (including earlier years)*	63.43	22.89
	207.82	**305.60**

*Tax on dividend is net off ₹ Nil (P.Y. ₹ 0.13) being DDT on final dividend paid by a subsidiary company.

	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
Proposed dividends on equity shares:			
Final cash dividend for 31 March 2016	–	–	282.71
DDT on proposed dividend	–	–	23.02
	–	**–**	**305.73**

Note 18. Revenue from Operations

	Year Ended 31-Mar-2018	Year Ended 31-Mar-2017
Sales of Finished Goods & Other Products	52,667.26	51,611.47
Fertilizer Subsidy	1,919.36	1,820.19
Sale of Services (Warehousing Charges)	215.07	200.88
Other operating revenue		
Incentives & Subsidies	64.40	116.33
Export Benefits	311.87	331.73
Insurance and Other Claims (Net)	9.79	35.53
Miscellaneous Income	4.18	2.18
Total	**55,191.93**	**54,118.31**

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Note 19. Other income

	Year Ended 31-Mar-2018	Year Ended 31-Mar-2017
Interest Income		
On Investments	560.07	323.03
On Bank Deposits	92.53	163.11
On Loans & Other Deposits	35.33	113.11
On Subsidiaries	258.26	271.52
Others	23.79	-
Dividend Income		
On Long term Investments	93.12	78.09
On Subsidiaries	1.50	1.50
Net gain on sale of Investments	818.08	1,184.76
Other Non Operating Income		
Profit on sale of Fixed Assets	0.12	24.02
Rental Income	80.14	83.84
Net Gain on foreign currency translation	445.16	210.04
Excess Liabilities and Unclaimed Balances written back	23.98	38.24
Miscellaneous Income	260.61	174.13
Changes in Fair Value of Biological Assets	26.58	-
Total	**2,719.27**	**2,665.39**

Note 20. Cost of Materials Consumed

Opening Inventories	419.72	637.88
Add : Purchase	8,097.06	7,742.66
Less: Closing Inventories	(577.17)	(419.72)
	7,939.61	**7,960.82**
Details of Raw Material Consumed		
Green Tea Leave	3288.77	3,483.13
Chemicals/Minerals	4650.84	4,477.69
Total	**7939.61**	**7960.82**

Note 21. Purchases of Stock-in-trade

Stock-in-trade		
Tea	7,026.49	6,789.71
Chemicals	66.42	54.27
Total	**7,092.91**	**6,843.98**

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Note 22. Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-trade

	Year Ended 31-Mar-2018	Year Ended 31-Mar-2017
Inventories at the beginning of the year		
Finished Goods	3,977.48	17,216.02
Work-in-Progress	46.47	82.86
Traded Goods	3,140.36	2,095.86
	7,164.31	**19,394.74**
Less: Pursuant to the Scheme of Demerger (Refer Note. 29)	-	(12,270.53)
	7,164.31	**7,124.21**
Inventories at the end 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**
Increase/(Decrease) in Excise Duty & Cess on Finished Goods	11.99	(1.04)
Total	**698.00**	**(41.14)**

Note 23. Employee benefit expense

Salaries and wages	17,434.25	17,957.24
Contribution to provident and other funds (Refer Note 30)	1,402.69	1,470.62
Contribution to Gratuity Fund (Refer Note 30)	608.44	554.33
Contribution to Superannuation Fund	94.67	94.24
Staff welfare expenses	1,551.27	1,595.08
Total	**21,091.32**	**21,671.51**

Note 24. Finance Costs

Interest Expense		
On Fixed Loans & Deposits	1,214.32	1,380.82
Bank & Others	1,988.98	2,074.54
On Loan from Subsidiary	178.89	-
Other Borrowing cost		
Other Financial Charges	67.74	117.84
Borrowing cost Capitalized	(93.65)	(32.21)
Total	**3,356.28**	**3,540.99**

Note 25. Depreciation and amortisation expense

Depreciation		
On Property plant and equipment (Refer Note 4)	1,453.74	1,468.99
On Investment Property (Refer Note 4)	0.03	0.03
Total	**1,453.77**	**1,469.02**

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Note 26. Other expenses

	Year Ended 31-Mar-2018	Year Ended 31-Mar-2017
Consumption of Stores, Spare Parts & Packing Materials	1,673.51	1,703.51
Power & Fuel	4,274.39	4,090.30
Consumption of Manures/ Pesticides	1,466.80	1,745.26
Repairs to Buildings	393.79	308.07
Repairs to Machinery	818.78	792.65
Repairs to Other Assets	477.67	406.87
Freight & Cartage	1,741.35	1,733.50
Insurance	84.85	73.67
Brokerage & Commission	685.11	554.19
Warehousing Charges	138.58	130.11
Other Selling Expenses (including packing material ₹ 370.83,(P.Y. ₹ 384.75))	1,225.35	1,414.53
Rent	307.60	322.68
Rates & Taxes (Duty & Cess)	284.71	386.42
Insurance excluding on sales	176.34	133.69
Auditors' Remuneration (Refer Note 26.1)	77.60	63.55
Cost Audit Fees	2.08	1.76
Corporate Social Responsibility Expenses (Refer Note 26.2)	11.96	9.54
Bad Debts & Irrecoverable Loans, Advances & Claims written off	20.73	0.77
Reserve for Doubtful Debts & Advances further created	0.98	20.60
Forward Contract Charges	0.47	8.38
Excise Duty on Sale of goods	78.19	275.79
Changes in Fair Value of Biological Assets		31.17
Donation and Charity	1.87	-
Other Miscellaneous Expenses	2,038.64	1,661.00
Total	**15,981.35**	**15,868.01**

Note 26.1. Auditor's Remuneration*

As Auditor:		
Audit fees	30.25	30.25
Tax audit fee	7.50	7.50
Other Services	34.95	16.40
Reimbursement of expenses	2.36	1.34
Reimbursement of Service Tax	2.54	8.06
Total	**77.60**	**63.55**

*Auditor's Remuneration includes ₹ 27.13 lakhs paid to predecessor auditor.

Note 26.2. Details of CSR expenditure:

a) Gross amount required to be spent by the company during the year	-	-
b) Amount spent during the year	11.96	9.54

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Note 27. 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-2018	31-Mar-2017
Net Profit for calculation of Basic and Diluted Earnings Per Share (₹ in Lakhs)	338.71	(987.00)
Weighted average number of shares (Nos.)	2,88,77,488	2,88,77,488
Adjustment for Treasury Shares(Nos.)	-	6,06,920
Earning per equity share 5/- each		
Basic & Diluted earning per share (₹)	1.17	(3.49)

Note 28. 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:

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. For further details refer Note 30.

Fair value measurement of financial instruments and guarantees

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 35 for further disclosures.

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Depreciation on 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.

Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the Ind AS 37. A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company involved, it is not expected that such contingencies will have a material effect on its financial position or profitability (Refer Note 32).

Note 29. Scheme of Arrangement

Pursuant to a Scheme of Arrangement ("the scheme") between the Company and Majhaulia Sugar Industries Private Limited (MSIPL) and Jayantika Investment & Finance Limited (JIFL) sanctioned by the Hon'ble High Court at Calcutta on 8th August 2016 under the provisions of the Companies Act 2013, Sugar Division and Jay Shree Beneficiary Trust Unit of the Company was demerged into MSIPL and JIFL respectively.

As per the scheme, the appointed date by the Hon'ble High Court at Calcutta was 1st April, 2016 and the effective date is 26th September, 2016. Following the scheme the balances had been transferred as per the Court Scheme without applying Ind AS adjustment therein.

The salient features of the Scheme were as under:

A. Demerger of Sugar Division:

i. All the assets and liabilities pertaining to the Sugar Division of the Company as on 1st April, 2016 got demerged to MSIPL (a Subsidiary).

ii. MSIPL issued and allotted 31,25,000 equity shares of ₹ 10/- each at a premium of ₹ 111/- per share to the Company in consideration of transfer of the Company's Sugar Division.

iii. The value of the net assets of the Sugar Division as reduced by the shares as issued by MSIPL of ₹ 4,539.31 lakhs and Storage Reserve for Molasses amounting to ₹ 188.10 lakhs had been adjusted from the Capital Reserve of the Company.

B. Demerger of Jay Shree Beneficiary Trust Unit:

i. All the assets and liabilities pertaining to Jay Shree Beneficiary Trust Unit of the Company as on 1st April, 2016 got demerged to JIFL (a Subsidiary).

ii. JIFL shall issue and allot 20,00,000 equity shares of ₹ 10/- each at a premium of ₹ 256.53 per share to the Company in consideration of transfer of the Company's Jay Shree Beneficiary Trust Unit.

iii. The value of the net assets of Jay Shree Beneficiary Trust Unit as reduced by the shares as issued by JIFL of ₹ 4,306.80 lakhs had been adjusted from the Capital Reserve of the Company.

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

C. The details of assets and liabilities transferred to the Resulting Company are as under:

Majhaulia Sugar Industries Private Limited (MSIPL)

ASSETS	
Non- Current Assets	
Property plant and equipment*	13,593.00
Capital work in Progress	292.62
	13,885.62
Current assets	
Inventories	12,270.53
Stores and Spares	333.56
Cash and cash equivalents	573.30
Loans	329.32
Other current assets	1,286.34
	14,793.05
Total assets (A)	**28,678.67**
Non-current liabilities	
Financial liabilities	
Borrowings	3,707.27
Other non- current liabilities	172.48
	3,879.75
Deferred tax liability	**1,297.73**
Current liabilities	
Financial liabilities	
Trade payables	12,647.98
Other current liabilities	2,399.92
Provisions	132.60
	15,180.50
Total Liabilities (B)	**20,357.98**
Value of Net Assets transferred (C)	**8,320.69**
Value of Shares of Majhaulia Sugar Industries Private Limited received as consideration (D)	**3,781.38**
Net amount adjusted from Capital Reserves (Including Molasses Reserve of ₹188.10 lakhs) E = (C-D)	**4,539.31**
The details of the Contingent liabilities transferred to the Resulting Company is as under:	
-Electricity duty demanded by Government of Bihar appealed in Hon'ble Supreme Court	103.10

* The Jayshree Sugar division of the Company is holding 1070.57 acre of land which is in dispute under "Bihar Land Reforms (Fixation of Ceiling Area and Acquisition of Surplus Land) Act,1961 & Rules 1963. Vide order dated 29/12/2012, the Additional collector, Bettiah had declared 970.57 acre of land as surplus and ordered for surrender of such land. The company has filed an appeal against the order of the collector and matter is subjudice. 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 in the year of receipt.

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Jayantika Investment & Finance Limited (JIFL)	
ASSETS	
Non- Current Assets	
Financial assets	
Investments	9,637.40
Total assets (A)	**9,637.40**
Value of Shares of Jayantika Investment & Finance Limited received as consideration (B)	**5,330.60**
Net amount adjusted from Capital Reserves C = (A-B)	**4,306.80**

Note 30. 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 employement, 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:

	31-Mar-18	31-Mar-17	1-Apr-16
Significant Actuarial Assumptions			
Discount Rate	7.7%	7.5%	8%
Employee turnover	1% to 8%	1% to 8%	1% to 8%
Salary Escalation Rate	4%	4%	4%
Mortality Rate	IALM (2006-08) Table	IALM (2006-08) Table	IALM (2006-08) Table

Amounts Recognised in the Balance Sheet consists of:			
Present value of defined benefit obligation at the year end	7,963.85	7,464.06	6,764.80
Fair Value of the Plan Assets at the year end	4,551.00	4,236.53	3,980.11
Liability Recognised in the Balance Sheet	**3,412.85**	**3,227.53**	**2,784.69**

Movement in present value of defined benefit obligation:			
Changes in the present value of defined benefit obligation			
Present value of defined benefit obligation as at year beginning	7,464.06	6,764.80	4,384.11
Current Service Cost	385.00	365.49	344.88
Past Service Cost	4.52	-	-
Interest Cost	545.12	487.36	329.09
Remeasurements (gains)/losses			
Actuarial (gains)/losses arising from changes in financial assumptions	(649.20)	(521.28)	503.67
Actuarial (gains)/losses arising from changes in experience adjustments	983.28	1,199.52	1,743.75
Increase/Decrease due to effect of any business combination	-	(298.40)	-
Benefits Paid	(768.93)	(533.43)	(540.70)
Present value of defined benefit obligation as at year end	**7,963.85**	**7,464.06**	**6,764.80**

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

	31-Mar-18	31-Mar-17	1-Apr-16
Amount recognised in Statement of Profit or Loss in respect of defined benefit plan are as follows :			
Current Service Cost	385.00	365.49	344.88
Past Service Cost	4.52	-	-
Net Interest Cost/(Income)	545.13	487.36	329.10
Expected return on plan assets	(326.21)	(298.52)	(296.34)
Components of defined benefit costs recognised in profit or loss	**608.44**	**554.33**	**377.65**
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	(649.20)	(521.28)	503.67
Actuarial (gains)/losses arising from changes in experience adjustments	983.28	1199.52	1743.75
(Gain)/Loss on plan assets (excluding amounts included in net interest cost)	42.80	(105.28)	79.60
Components of defined benefit costs recognised in Other comprehensive income	**376.88**	**572.96**	**2,327.02**
Movement during in the fair value of plan assets is as follow:			
Opening Balance	**4,236.53**	**3,980.10**	**3,704.07**
Expected return	326.21	298.52	296.33
Benefits paid	(768.93)	(533.43)	(540.70)
Contributions by the Employer	800.00	600.00	600.00
Increase/Decrease due to effect of any business combination	-	(213.94)	-
Actuarial gains / (losses)	(42.81)	105.28	(79.60)
Closing Balance	**4,551.00**	**4,236.53**	**3,980.10**
Percentage allocation of plan assets by category	**JSTI Gratuity Fund**		
Government Securities	2.27%	2.27%	7.77%
Debentures / bonds	95.89%	96.05%	90.58%
Fixed deposits	1.82%	1.67%	1.63%
Cash and Cash Equivalents	0.02%	0.01%	0.02%

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 fiscal year 2018-19.

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-18		31-Mar-17	
Assumptions	Discount rate		Discount rate	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(254.42)	227.22	(163.67)	157.45

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

	31-Mar-18		31-Mar-17	
Assumptions	Future Salary increase		Future Salary increase	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	251.04	(278.31)	176.37	(184.70)

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.

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

	31-Mar-2018	31-Mar-2017
Particulars		
Contribution to provident fund during the year	1,402.69	1,470.62

Note 31. 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 26 of Statement of Profit and Loss. There are no restrictions placed upon the Company by such leases.

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Note 32. Commitment and Contingencies

		As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
a.	**Commitments**			
i.	Capital Commitments outstanding (Net of Advances)	116.34	66.13	103.22
ii.	Investments pledged with a bank amounting to ₹ 1394.71 (March 31, 2017 ₹ 6158.86, April 1, 2016 ₹ 5520.19) towards banking facilities availed by a step down subsidiary from the Bank.	1,138.28	2,799.99	4,280.40
iii.	Letter of credit issued against purchase of fuel	24.77	18.40	18.40
iii.	Commitments outstanding against Alternate Investment Fund (AIF)	2,116.25	920.25	393.75
b.	**Bank Guarantee**	281.81	277.64	310.12
c.	**Contingent Liabilities**			
	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	818.99	228.85
ii.	Income Tax demand under appeal	617.72	739.31	561.08
iii.	Entry Tax Liability in the state of West Bengal, stay has been granted by Hon'ble High Court at Calcutta *	116.14	110.78	88.78
iv.	Demand from a lessor for interest on differential rent	70.14	70.14	70.14
v.	Demand of Provident Fund Damages and Interest by the Provident Fund Authorities, West Bengal	117.88	117.88	90.69
vi.	Electricity duty demanded by Government of Bihar appealed in Hon'ble Supreme Court **	-	-	103.10
vii.	Demand of additional electricity charges for connected load by Assam State Electricity Board pending before Hon'ble High Court, Guwahati	-	12.09	12.09
viii.	Demand of wages of a closed unit for earlier years pending before Labour Court (Estimated)	61.50	61.50	61.50
ix.	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	50.05
	Total	**1,727.00**	**1,980.74**	**1,266.28**

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.

*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"

**Transfer to Majhaulia Sugar Industries Private Limited pursuant to the scheme of arrangement (Refer Note 29)

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

Note 33. Disclosure in respect of Related Parties pursuant to Ind AS 24

A Names of related parties and description of relation :

(i) Subsidiaries

Majhaulia Sugar Industries Private Limited (Wholly owned subsidiary)

Jayantika Investment & Finance Limited (Wholly owned subsidiary)

Birla Holdings Limited (Wholly owned subsidiary)

North Tukvar Tea Company Limited

(ii) Joint Ventures

Tea Group Investment Company Limited

(iii) Key management personnel

(a)	Chairman	Mr. B. K. Birla
(b)	Vice Chairperson	Mrs. Jayashree Mohta
(c)	Executive Director	Mr. Vikash Kandoi
(d)	Managing Director	Mr. D. P. Maheshwari
(e)	Non Executive Director	Mr. B. M. Khaitan (Ceased w.e.f. 09.05.2017) Mr. G. P. Goenka (Ceased w.e.f. 08.12.2017) Mr. Prashant Jhawar Mr. S. K. Tapuriah Mr. Sumit Mazumder Mr Subodh Kumar Agrawal
(f)	Chief Financial Officer and Company Secretary	Mr. R. K. Ganeriwala

(iv)

Others	**Nature of Relationship**
Kijura Tea Company Limited	Subsidiary of Birla Holdings Limited
Bondo Tea Estate Limited	Step down subsidiary of Birla Holdings Limited
Gisakura Tea Company Limited	Subsidiary of Tea Group Investment Company Limited
Mata Tea Company Limited	Subsidiary of Tea Group Investment Company Limited
ECE Industries Ltd	Associate of Jayantika Investment & Finance Limited
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
Padmavati Investment Limited	Entity over which KMP has significant influence upto March 31, 2017

(v) Post-employment Benefit Plans (PEBP)

Birla Industries Provident Fund

B K Birla Group of Companies Provident Fund Institution

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Note 33. Disclosure in respect of Related Parties pursuant to Ind AS 24 *(Contd.)*

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

	Year Ended	
	31-Mar-18	**31-Mar-17**
Purchases of Goods and Services		
Century Textiles & Industries Limited	–	1.35
Total	**–**	**1.35**
Other expenses		
North Tukvar Tea Company Limited	28.06	19.06
Total	**28.06**	**19.06**
Interest Paid/Payable		
Majhaulia Sugar Industries Private Limited	178.89	-
Total	**178.89**	**-**
Interest Received/Receivable		
North Tukvar Tea Company Limited	29.55	27.66
Jayantika Investment & Finance Limited	228.71	159.92
Majhaulia Sugar Industries Private Limited	-	73.71
Birla Holdings Limited	-	1.05
Kijura Tea Company Limited	-	9.17
Total	**258.26**	**271.51**
Dividend Paid		
JPM Merchandise Agencies Limited	30.57	61.14
ECE Industries Limited	2.23	4.46
Jayantika Investment & Finance Limited	32.64	65.29
Century Textiles & Industries Limited	1.50	3.00
Kesoram Industries Limited	1.94	3.88
Mr. B.K.Birla	0.23	0.46
Mrs. Jayashree Mohta	4.93	9.86
Mr. B.M.Khaitan	-	-
Mr. G.P.Goenka	-	0.01
Mr. Prashant Jhawar	-	-
Mr. S.K.Tapuriah	-	0.01
Mr. Subodh Kumar Agrawal	-	-
Mr. Vikash Kandoi	0.01	0.01
Mr. D.P.Maheshwari	-	0.06
Total	**74.05**	**148.18**
Dividend Received		
Jayantika Investment & Finance Limited	1.50	1.50
Padmavati Investment Limited	-	3.43
Total	**1.50**	**4.93**

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

	Year Ended	
	31-Mar-18	**31-Mar-17**
Loan given/ (received)		
Majhaulia Sugar Industries Private Limited	3,487.90	(59.08)
Jayantika Investment & Finance Limited	705.94	551.53
Kijura Tea Company Limited	21.26	9.17
North Tukvar Tea Company Limited	-	(137.35)
Birla Holdings Limited	-	(45.72)
Total	**4,215.10**	**318.55**
Investment in Non Convertible Debentures		
North Tukvar Tea Company Limited	-	150.00
Total	**–**	**150.00**

ii. Remuneration of key management personnel

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.

	Year Ended	
	31-Mar-18	**31-Mar-17**
Salaries and wages	317.31	307.04
Contribution to provident and other funds #	34.13	33.89
Directors' Sitting fees	3.30	4.20
Total	**354.74**	**345.13**

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

	Year Ended	
	31-Mar-18	**31-Mar-17**
Birla Industries Provident Fund	174.89	164.31
B K Birla Group of Companies Provident Fund Institution	73.66	71.87
Total	**248.55**	**236.18**

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

C Balances as at year end are set out below:

	As at		
	31-Mar-18	31-Mar-17	01-Apr-16
Loans Receivable:			
Majhaulia Sugar Industries Private Limited	3,427.83	-	1.00
Jayantika Investment & Finance Limited	1,680.76	974.82	423.29
Kijura Tea Company Limited	122.13	100.86	91.69
North Tukvar Tea Company Limited	-	-	137.35
Birla Holdings Limited	-	-	45.72
Total	**5,230.72**	**1,075.68**	**699.05**
Loans Payable:			
Majhaulia Sugar Industries Private Limited	-	60.08	-
Total	**-**	**60.08**	**-**
Security Deposits:			
North Tukvar Tea Company Limited	251.00	230.28	211.26
Total	**251.00**	**230.28**	**211.26**
Advance Rent:			
North Tukvar Tea Company Limited	-	19.06	38.12
Total	**-**	**19.06**	**38.12**
Assets pledged against loan availed by subsidiary & step down subsidiary			
Birla Holdings Limited	-	1,579.22	3,027.54
Kijura Tea Company Limited	1,138.28	1,220.77	1,252.86
Total	**1,138.28**	**2,799.99**	**4,280.40**
Payable to post employment benefit plan			
Birla Industries Provident Fund	5.64	5.00	5.00
B K Birla Group of Companies Provident Fund Institution	-	-	-
Total	**5.64**	**5.00**	**5.00**

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

Note 34. 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 financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

(a) Financial assets and liabilities measured at fair value at 31 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 AIF	-	4,523.30	-	4,523.30
In Bonds	2,562.37	-	-	2,562.37
Investment at OCI				
In Equity Shares	0.11	604.13	-	604.24
Financial Liabilities				
Derivatives not designated as hedges	-	25.05	-	25.05

Financial assets and liabilities measured at fair value at 31 March 2017

	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment at FVTPL				
In Preference Shares of Subsidiary company	–	1,181.45	–	1,181.45
In Mutual funds	–	9,368.51	–	9,368.50
In AIF	–	2,425.47	–	2,425.47
In Bonds	1,528.08	–	–	1,528.08
Investment at OCI				
In Equity Shares	0.12	725.93	–	726.05
Financial Liabilities				
Derivatives not designated as hedges	–	–	–	–

Financial assets and liabilities measured at fair value at 1 April 2016

	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment at FVTPL				
In Preference Shares of Subsidiary company	–	1,084.13	–	1,084.13
In Debentures of Subsidiary company	–	–	–	–
In Mutual funds	–	8,702.81	–	8,702.81
In AIF	–	1,285.29	–	1,285.29
In Bonds	1,951.40	–	–	1,951.40
Investment at OCI				
In Equity Shares	0.14	1,015.11	–	1,015.25
Financial Liabilities				
Derivatives not designated as hedges	–	–	–	–

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

(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.

	As at 31-Mar-2018		As at 31-Mar-2017		As at 01-Apr-2016	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets						
Investment in Unquoted Bonds	299.15	299.15	363.11	363.11	818.12	818.12

(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.

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

	Level 1	Level 2	Level 3	Total
Biological assets other than Bearer Plants for which fair value (less cost to sell) are disclosed at 31st March 2017				
Unharvested Tea Leaves		62.19		62.19
Total	**-**	**62.19**	**-**	**62.19**

	Level 1	Level 2	Level 3	Total
Biological assets other than Bearer Plants for which fair value (less cost to sell) are disclosed at 31st March 2016				
Unharvested Tea Leaves		93.37		93.37
Total	**-**	**93.37**	**-**	**93.37**

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

Note 35. 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-

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

(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).

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 and any shipments to major customers are generally covered by letters of credit.

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, 2018, 31st March, 2017, and 1st April, 2016 is the carrying amounts as disclosed in Note 16.

(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.

	Less than 1 year	1 to 3 years	More than 3 years	Total
Contractual Maturities of Financial Liabilities				
31 March, 2018				
Borrowings*	27,267.78	12,049.38	3,377.21	42,694.37
Contractual Interest on Long Term Debt	1,710.61	1,531.17	232.25	3,474.03
Trade Payables	3,480.37	-	-	3,480.37
Other Financial Liabilities	1,299.62	117.43	-	1,417.05
Total	**33,758.38**	**13,697.98**	**3,609.46**	**51,065.82**
31 March, 2017				
Borrowings*	25,890.74	9,468.56	3,154.32	38,513.62
Trade Payables	3,890.60	-	-	3,890.60
Other Financial Liabilities	1,298.22	114.46	-	1,412.68
Total	**31,079.56**	**9,583.02**	**3,154.32**	**43,816.90**
1 April, 2016				
Borrowings*	24,452.24	10,606.15	3,230.59	38,288.98
Trade Payables	17,041.75	-	-	17,041.75
Other Financial Liabilities	2,003.83	251.30	-	2,255.13
Total	**43,497.82**	**10,857.45**	**3,230.59**	**57,585.86**

*Includes Non-current borrowings, current borrowings and current maturities of non-current borrowings.

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

(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- 2018	31-Mar- 2017
USD Sensitivity		
INR/USD -Increase by 10%*	(117.59)	(84.96)
INR/USD -Decrease by 10%*	117.59	84.96
Euro Sensitivity		
INR/EUR-Increase by 10%*	(2.26)	64.99
INR/EUR-Decrease by 10%*	2.26	(64.99)
GBP Sensitivity		
INR/GBP-Increase by 10%*	0.01	0.11
INR/GBP-Decrease by 10%*	(0.01)	(0.11)

* 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 2018, 31st March 2017 and 1st April 2016, the Company's borrowings at variable rate were mainly denominated in INR.

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.

NOTES to financial statements for the year ended 31st March, 2018 *(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- 2018	31-Mar- 2017
Interest Rates — Increase by 50 basis points	(177.07)	(140.13)
Interest Rates — Decrease by 50 basis points	177.07	140.13

* 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) Securities Price Risk Exposure

The Company's exposure to securities price risk arises primarily from investments in mutual funds and alternative investment fund held by the Company and classified in the Balance Sheet as fair value through profit or loss.

	31-Mar- 2018	31-Mar- 2017	01-Apr-2016
Fair Value of Mutual Funds	8,185.41	9,368.50	8,702.81
Fair Value of AIF	4,523.30	2,425.47	1,285.29
Fair Value of Bonds	2,562.37	1,528.08	1,951.40
Fair Value of Preference Shares	1,287.49	1,181.45	1,084.13
Total	**16,558.57**	**14,503.50**	**13,023.63**

(b) 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- 2018	31-Mar- 2017
NAV - Increase by 1%*	165.59	145.04
NAV - Decrease by 1%*	(165.59)	(145.04)

* 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.

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

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.

Note 36. 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 longterm 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:

	31-Mar- 2018	31-Mar- 2017	01-Apr-2016
Borrowings	42,694.37	38,513.62	38,288.98
Less: Cash and cash equivalents	(706.61)	(624.36)	(1,099.02)
Net debt	**41,987.76**	**37,889.26**	**37,189.96**
Total Equity	**27,769.22**	**26,953.71**	**27,132.77**
Net debt to equity ratio	**1.51**	**1.41**	**1.37**

Note 37. First-time adoption of Ind AS

These financial statements, for the year ended 31 March 2018, are the first the Company has prepared in accordance with Ind AS.

The Company's financial statements for the year ended 31 March 2018 have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 as described in the summary of significant accounting policies. The adoption of Ind AS has been carried out in accordance with Ind AS 101, with April 1, 2016 as the transition date. In accordance with Ind AS 101, the resulting difference between the carrying amounts of the assets and liabilities in the financial statements under both Ind AS and Previous GAAP as at the transition date have been recognized directly in equity at the transition date. An explanation of how the transition from previous GAAP to Ind AS has affected the financial position, financial performance and cash flows is set out in the following notes:

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Exemptions and exceptions applied

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from Previous GAAP to Ind AS.

A. Ind AS Optional Exemptions

A.1 Fair valuation as deemed cost for certain items of Property, Plant and Equipment

Ind AS 101 permits an entity to elect to measure an item of property, plant and equipment at the date of transition to Ind AS at its fair value and use that fair value as its deemed cost at that date. Accordingly, the Company has elected to use the fair value of certain assets on the date of transition and designate the same as deemed cost on the date of transition. Fair value has been determined, by obtaining an external third party valuation, a level 3 valuation technique. For the remaining assets, the Company has applied Ind AS retrospectively, from the date of their acquisition.

A.2 Investments in subsidiaries, joint ventures and associates

Ind AS 101 permits a first-time adopter to measure its investments in subsidiaries, joint ventures and associates at deemed cost. The deemed cost of such an investment could be either (a) its fair value at the date of transition; or (b) previous GAAP carrying amount at that date. The option may be exercised individually and separately for each item of investment.

Accordingly, the Company has opted to measure its investments in subsidiaries and joint ventures at deemed cost, i.e. previous GAAP carrying amount, except for its investment in North Tukvar Tea Company Ltd. and Jayantika Investment & Finance Ltd. which has been measured at fair value at the date of transition.

B. Ind AS Mandatory Exemptions

B.1 Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at April 1, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in equity instruments carried at FVTOCI.

- Investment in debt instruments carried at amortised cost.

- Other investments carried at FVTPL.

B.2 Classification and measurement of financial assets

Ind AS 101 allows an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS. The classification of financial assets is thus based on the facts and circumstances that exist as at 1 April 2016.

Note 38. Notes to first-time Adoption

1. Inventories

(a) **Work in Progress :** Under previous GAAP, no valuation was done for period end harvested tea-leaf. Under Ind AS, harvested leaf is measured at its fair value less cost to sell and is classified as Work in Progress. Consequent to this change, work in progress has increased by ₹ 56.61 lakhs and ₹ 35.15 lakhs as at 1 April 2016 and 31 March 2017 respectively with corresponding increase in equity.

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

(b) **Finished Goods :** Under previous GAAP, tea stock has been valued at the lower of cost and net realizable value. Cost of inventories comprise all costs of purchase/production of green leaf, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Under Ind AS, cost of inventories comprise cost of purchase of green leaf, fair value of green leaf at the time of harvest less cost to sell, conversion cost and other costs incurred in bringing the inventories to their present location and condition. Consequent to this change, inventory of finished goods has decreased by ₹ 147.27 lakhs and ₹ 41.27 as on 1 April 2016 and 31 March 2017 with corresponding decrease in equity.

2. Biological Assets (i.e. unplucked leaf on tea bushes)

Under previous GAAP, biological assets i.e. unplucked leaf on tea bushes has neither been valued nor recognised in the accounts. Under Ind AS, unplucked leaf on tea bushes has been measured at its fair value less cost to sell.

Consequent to this change, inventory of biological assets as on 1 April 2016 has increased by ₹ 93.37 lakhs with correponding increase in equity. However, inventory of biological assets as on 31 March, 2017 has increased by ₹ 62.19 lakhs with corresponding increase in equity.

3. Fair valuation of Investments

A. Mutual Funds, Alternative Investment Fund and Bonds: Under the previous GAAP, investments were classifed as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition and subsequently in the proft or loss for the year ended 31st March, 2017. This has resulted in increase in investments by ₹ 1855.22 Lakhs as at 31st March, 2017 (1st April, 2016 - ₹ 1297.31 Lakhs) with corresponding increase in equity.

B. Equity shares(other than investments in subsidiaries, associates and joint venture): Under the previous GAAP, investments in equity instruments were carried at cost less provision for other than temporary decline in the value of such investments. Under Ind AS, such investments (in companies other than subsidiaries, joint ventures and associates) are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition and subsequently in other comprehensive income for the year ended 31st March, 2017. This has resulted in increase in investments by ₹ 707.12 Lakhs as at 31st March, 2017 (1st April, 2016 - ₹ 874.32 Lakhs) with corresponding increase in equity .

4. Investments in subsidiaries, joint ventures and associates

The Carrying value of investments in subsidiaries, associates and joint venture as on transition date have been considered as deemed cost. The company has designated investments in preference share of subsidiary (Jayantika Investment & Finance Ltd.) and debenture of subsidiary (North Tukvar Tea Company Ltd.) as FVTPL investments. At the date of transition to Ind AS, difference between the instruments fair value and Indian GAAP carrying amount has been recognised as equity contribution in Investment. Consequent to this change, equity has been increased by ₹ 209.04 lakhs and ₹ 309.16 lakhs as on 1 April 2016 and 31 March 2017.

5. Borrowings

Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method. Under previous GAAP, these transaction costs were charged to profit or loss as and when incurred. Accordingly, borrowings as at 31 March 2017 have been reduced by ₹ 41.70 lakhs with a corresponding increase in profit for the year.

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

6. Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. acturial gains and losses and the return on plan assets, are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. As result of this change and also due to revaluation of the gratuity liability, the equity for the year ended 1 April, 2016 decreased by ₹ 2073.83 lakhs. The profit for the year ended 31 March, 2017 for the same matter decreased by ₹ 386.42 lakhs.

7. Effect of fair valuation of land

The Company has elected to fair value land on the date of transition and designate the same as deemed cost. Consequent to this change, property plant and equipment has increased by ₹ 2,466.42 lakhs as at 1 April 2016 with corresponding increase in equity.

8. Proposed Dividend and Tax on Proposed Dividend

Under the Previous GAAP, dividend proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend including dividend distribution tax thereon was recognised as a provision. Under Ind AS, such dividend is recognised when the same is approved by the shareholders in the general meeting. Accordingly, the provision for proposed dividend including dividend distribution tax thereon of ₹ 305.73 Lakhs as at 1st April, 2016 included under provisions has been reversed with corresponding adjustment to retained earnings. Consequently, the total equity increased by an equivalent amount.

9. Treasury shares

Under Ind AS, if an entity re-acquires its own equity instruments, those instruments (‘treasury shares’) shall be deducted from equity. No gain or loss shall be recognised in profit or loss on the purchase, sale, issue or cancellation of an entity’s own equity instruments. Consideration paid or received shall be recognised directly in equity. Consequent to this, equity has been decreased by ₹ 9969.70 lakhs and ₹ 332.30 lakhs as on 1 April 2016 and 31 March 2017.

10. Deferred Tax

Under the previous GAAP, deferred tax was accounted using the income statement approach, on timing differences between the taxable profit and accounting profit for the year. Under Ind AS, deferred tax is recognised following balance sheet approach on the temporary differences between the carrying amount of asset or liability in the balance sheet and its tax base. In addition, various transitional adjustments have also led to recognition of deferred taxes on new temporary differences. Accordingly, deferred tax liabilities (net) as at 1 April 2016 have been increased by ₹ 126.70 Lakhs with a corresponding adjustment to retained earnings. and deferred tax asset (net) as at 31 March 2017 have increased by ₹ 49.94 Lakhs with a corresponding adjustment to Profit and Loss/ Other Comprehensive Income.

11. Retained Earnings

Retained earnings as at April 1, 2016 has been adjusted consequent to the above Ind AS transition adjustments.

12. Other Comprehensive Income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as ‘other comprehensive income’ includes remeasurements of defined benefit plans and fair value gains or (losses) on FVOCI equity instruments. The concept of other comprehensive income did not exist under previous GAAP.

NOTES to financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

38.1. Effect of the Transition to Ind AS

Reconciliations of Equity as per erstwhile Indian GAAP as previously reported and Ind AS is as follows:

Particulars	Notes to First time adoption	Total Other Equity	
		31-Mar-17	31-Mar-16
Equity as per previous GAAP		24,454.71	34,845.62
Adjustments:			
Effect of changes in value of Finished Goods (Tea)	1	(6.12)	(90.66)
Effect of change in fair value of Biological Assets	2	62.19	93.37
Effect of classification of Actuarial Loss/Gain on defined benefit plan	6	(2,460.25)	(2,073.83)
Effect of measuring Financial Instruments at fair value	3,4 & 5	2,913.20	2,380.67
Effect of revaluation of land on fair valuation	7	2,466.42	2,466.42
Effect of Treasury shares netted off with Equity	9	(332.30)	(9,969.70)
Dividend and tax on dividend (refer note 17)	8	–	305.73
Tax adjustments on above	10	49.94	(126.70)
Equity as per Ind AS		**27,147.79**	**27,830.92**

Reconciliations of net profit as per erstwhile Indian GAAP as previously reported and Ind AS is as follows:

Particulars	Notes to First time adoption	Total Comprehensive Income
		31-Mar-17
Profit/(Loss) as per Indian GAAP		**(1,544.93)**
Adjustments:		
Effect of changes in value of Finished Goods (Tea)	1	84.54
Effect of change in fair value of Biological Assets	2	(31.18)
Effect of Actuarial Loss/Gain on defined benefit plan	6	(386.42)
Effect of measuring Financial Instruments at fair value	3,4 & 5	532.53
Tax Adjustments on above	10	176.64
Profit/(Loss) as per Ind AS		**(1,168.82)**

38.2. Reconciliation of cash flows for the year ended March 31, 2017

The transition from erstwhile Indian GAAP to Ind AS has not made a material impact on the statement of cash flows.

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: 29 May 2018

For and on behalf of Board of Directors

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

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

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

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, 2018, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirement of the Companies Act, 2013 ("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 of the Group including its Associate and Joint Venture in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) 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 ventures and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit 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. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, associate and joint venture, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the

Independent Auditors Report on Consolidated Financial Statements *(Contd.)*

accounting principles generally accepted in India of the consolidated state of affairs of the Group, its associate and joint venture as at March 31, 2018, their consolidated profit including other comprehensive income, their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Emphasis of Matter

We draw attention to Note 29 to the consolidated Ind AS financial statements regarding effect of scheme of arrangement to demerge the Sugar Division of the Company by transferring the same on a going concern basis to wholly owned subsidiary Majhaulia Sugar Industries Private Limited given in the consolidated Ind AS financial statements prescribed in the Scheme as approved by the Hon'ble High Court at Calcutta vide order dated August 8, 2016 effective from September 26, 2016 more fully described therein. The accounting treatment has been given effect to from April 1, 2016 which is also the date of transition to Ind AS and the accounting is carried out in accordance with the Scheme as approved by Hon'ble High Court.

Our opinion is not qualified in respect of this matter.

Other Matter

(a) 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) whose financial statements, together include total assets of Rs 46,777.09 lakhs and net assets of Rs 15,027.38 lakhs as at March 31, 2018, and total revenues of Rs 20,577.69 lakhs and net cash inflows of Rs 156.37 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, which financial statements, other financial information and auditor's reports thereon have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net profit of Rs. 3,198.54 lakhs for the year ended March 31, 2018, as considered in the consolidated Ind AS financial statements, in respect of the associate whose Ind AS financial statements and the joint venture including its two subsidiaries, 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, joint venture and associate, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the affairs of aforesaid subsidiaries, joint venture and associate, is based solely on the report of such other auditors.

Two subsidiaries of BHL 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.

(b) The comparative Ind AS financial information of the Group including its Associate and Joint Venture for the year ended March 31, 2017 and the transition date opening balance sheet as at April 01, 2016 included in these consolidated Ind AS financial statements, are based on the previously issued consolidated financial statements prepared in accordance with accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under Section 133 of the Act, read with the Companies (Accounts) Rules, 2014, audited by the predecessor auditor whose report for the year ended March 31, 2017 and March 31, 2016 dated May 8, 2017 and May 3, 2016 respectively expressed modified opinion on those consolidated financial statements, as adjusted for the differences in the accounting principles adopted by the Group on transition to the Ind AS. Such adjustments pursuant to adoption of Ind AS for the above subsidiaries / associate / joint venture, except for two subsidiaries of BHL and two subsidiaries of joint venture, have been audited by the respective auditors which have been entirely relied upon by us. The Ind AS adjustments for two subsidiaries of BHL and two subsidiaries of joint venture and Ind AS adjustments for the Company have been prepared by the management of the Company and have been audited by us.

Our opinion 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.

Independent Auditors Report on Consolidated Financial Statements *(Contd.)*

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) We / the other auditors whose reports 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 purpose of our audit of the aforesaid consolidated Ind AS financial statements;

(b) 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, 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;

(d) In our Indian opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 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, associate company and joint venture incorporated in India, none of the directors of the Group's companies, its associate and joint venture incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

   (a) 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, associate company and joint venture incorporated in India, refer to our separate report in "Annexure 1" to this report;

(f) 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, associate and joint venture, as noted in the 'Other matter' paragraph:

i. 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 – Refer Note 32 to the consolidated Ind AS financial statements.

ii. 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, 2018.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, associate and joint venture incorporated in India during the year ended March 31, 2018.

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: 29 May 2018

Annexure 1 to the Independent Auditors Report on Consolidated Financial Statements

"Annexure 1" to the Independent Auditor's Report 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, 2018, we have audited the internal financial controls over financial reporting of Jay Shree Tea & Industries Limited (hereinafter referred to as the "Holding Company") and 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 other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the 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

Annexure 1 to the Independent Auditors Report on Consolidated Financial Statements *(Contd.)*

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 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.

Opinion

In our opinion, the Holding Company, its subsidiary companies and its associate company, which are companies 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 31,2018, 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 these three subsidiary companies and one associate company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary and associate incorporated in India.

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 29, 2018

CONSOLIDATED BALANCE SHEET as at 31st March, 2018

(₹ in Lakhs)

	Notes	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
ASSETS				
Non-current assets				
Property plant and equipment	4	30,978.23	30,339.17	35,393.90
Capital work-in-progress	4	2,208.09	1,555.05	432.82
Investment Property	4	2.25	2.28	2.32
Goodwill	4	1,315.74	1,338.99	1,476.82
Financial assets				
(a) Investments	5a	27,664.37	22,407.59	19,425.75
(b) Trade Receivables	5c	-	-	-
(c) Loans	5d	611.71	621.92	925.74
(d) Other financial assets	5e	12.04	5.53	4.64
Deferred tax assets (net)	6	1,127.79	738.82	68.48
Current Tax Assets (net)		576.15	623.81	857.36
Other non-current assets	7	575.85	492.29	419.75
Total Non-current assets		**65,072.22**	**58,125.45**	**59,007.58**
Current assets				
Inventories	8	26,359.65	25,774.83	22,618.93
Biological assets other than bearer plants	8a	176.75	132.19	93.37
Financial assets				
(a) Investments	5b	1,967.32	2,690.15	3,311.59
(b) Trade receivables	5c	7,409.43	8,080.31	6,120.54
(c) Cash and cash equivalents	9a	1,634.14	1,395.52	1,267.64
(d) Bank balances other than (c) above	9b	993.67	2,041.05	2,032.55
(e) Loans	5d	2,095.28	1,321.62	736.72
(f) Other financial assets	5e	5,908.49	5,445.06	5,415.28
Other current assets	7	1,507.53	1,175.08	1,707.65
Total Current assets		**48,052.26**	**48,055.81**	**43,304.27**
Total Assets		**1,13,124.48**	**1,06,181.26**	**1,02,311.85**
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	10	1,117.43	1,117.43	1,443.87
Other Equity	11	32,168.56	28,615.72	30,802.32
Total Equity		**33,285.99**	**29,733.15**	**32,246.19**
Liabilities				
Non-current liabilities				
Financial liabilities				
(a) Borrowings	12a	16,356.69	14,373.99	13,836.73
(b) Other financial liabilities	12b	249.87	292.05	251.30
Provisions	13	2,362.97	2,252.87	1,983.37
Deferred tax liabilities (net)	6	-	228.82	572.21
Other non- current liabilities	15	319.46	323.13	284.56
Total Non-current liabilities		**19,288.99**	**17,470.86**	**16,928.17**
Current liabilities				
Financial liabilities				
(a) Borrowings	12c	22,492.81	21,665.27	21,192.78
(b) Trade payables	14	23,250.21	21,459.52	17,087.03
(c) Other financial liabilities	12b	9,678.67	9,646.70	9,543.23
Other current liabilities	15	772.14	1,707.79	1,537.72
Provisions	13	4,355.67	4,246.97	3,776.73
Current Tax Liabilities (net)		-	251.00	-
Total Current liabilities		**60,549.50**	**58,977.25**	**53,137.49**
Total liabilities		**79,838.49**	**76,448.11**	**70,065.66**
Total Equity and Liablities		**1,13,124.48**	**1,06,181.26**	**1,02,311.85**

Significant accounting policies 3

The accompanying notes are an integral part of the consolidated 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: 29 May 2018

For and on behalf of Board of Directors

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

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

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

CONSOLIDATED STATEMENT OF PROFIT & LOSS for the year ended 31st March, 2018

(₹ in Lakhs)

		Notes	Year Ended 31-Mar-2018	Year Ended 31-Mar-2017
I.	**INCOME**			
	Revenue from operations	18	75,769.62	73,510.16
	Other income	19	4,821.64	2,609.01
	Total income (I)		**80,591.26**	**76,119.17**
II.	**Expenses**			
	Cost of Materials Consumed	20	27,189.21	22,947.86
	Purchases of Stock-in-trade	21	7,092.91	6,843.98
	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-trade	22	(1,187.77)	(3,494.30)
	Employee benefits expense	23	22,551.01	23,204.01
	Finance costs	24	4,258.35	4,243.87
	Depreciation and amortisation expenses	25	1,779.65	1,761.71
	Other expenses	26	18,899.67	19,301.84
	Total expenses (II)		**80,583.03**	**74,808.97**
III.	**Profit before tax (I-II)**		**8.23**	**1,310.20**
IV.	**Tax expense**			
	Current Tax		76.87	233.99
	Deferred Tax - Charge / (Credit)	6	(292.35)	511.93
			(215.48)	**745.92**
V.	**Profit for the year (III-IV)**		**223.71**	**564.28**
VI.	**Share of Profit of Associate and Joint Venture**	41 & 42	3,198.53	1,134.56
VII.	**Profit after Tax, share of profit of Associate and Joint Venture (V+VI)**		**3,422.24**	**1,698.84**
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		(474.37)	(494.43)
	b) Fair Value of equity instruments through OCI		(185.71)	389.48
	Income tax effect thereof		328.09	215.55
	c) Exchange differences on translation of foreign operations		(18.58)	(108.13)
	d) Share of other comprehensive income in Associate and Joint Venture		(27.96)	565.58
	Other comprehensive income/(loss) for the year, net of tax (VIII)		**(378.53)**	**568.05**
IX.	**Total comprehensive income for the year, net of tax (VII + VIII)**		**3,043.71**	**2,266.89**
	Earnings per Equity Share of ₹ 5/- each			
	Basic & Diluted	27	15.31	7.81

Significant accounting policies 3

The accompanying notes are an integral part of the consolidated 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: 29 May 2018

For and on behalf of Board of Directors

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

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

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended 31st March, 2018

a. Equity Share Capital:

	No. of shares	₹ in Lakhs
Equity shares of ₹ 5 each issued, subscribed and fully paid		
As at 1 April 2016	2,88,77,488	1,443.87
Cancellation on account of consolidation due to Cross Holding	(65,28,810)	(326.44)
At 31 March 2017	**2,23,48,678**	**1,117.43**
Changes in Equity Share Capital	-	-
At 31 March 2018	**2,23,48,678**	**1,117.43**

b. Other equity

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	Storage Reserve for Molasses	RBI Reserve Fund	General reserve	Retained Earnings		Foreign Currency Translation Reserve	Other Comprehensive Income	
As at 1 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 17)	-	-	-	-	-	(175.49)	-	-	-	(175.49)
As at 31 March 2018	**-**	**165.20**	**-**	**48.96**	**17,529.41**	**13,537.32**	**-**	**(126.71)**	**1,014.38**	**32,168.56**

For the year ended 31 March, 2017

Particulars	Reserves & Surplus						Treasury Shares	Items of Other Comprehensive Income		Total Other Equity
	Capital Reserve	Capital Redemption Reserve	Storage Reserve for Molasses	RBI Reserve Fund	General reserve	Retained Earnings		Foreign Currency Translation Reserve	Other Comprehensive Income	
As at 1st April 2016	10,865.30	165.20	188.10	7.96	20,326.29	8,521.02	(9,969.70)	-	698.15	30,802.32
Profit/(Loss) for the year	-	-	-	-	-	1,698.84	-	-	-	1,698.84
Other comprehensive income (loss) for the year	-	-	-	-	-	-	-	(108.13)	676.18	568.05
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**1,698.84**	**-**	**(108.13)**	**676.18**	**2,266.89**
Pursuant to Scheme of Demerger (Note 29)	(8,658.02)	-	(188.10)	-	-	-	9,637.40	-	-	791.28
Transfer to reserve under section 45-IC of the RBI Act, 1934	-	-	-	16.73	-	(16.73)	-	-	-	-
Effect of cross holding	(2,207.28)	-	-	-	(2,796.88)	-	-	-	-	(5,004.16)
Dividend and distribution tax thereon (Note 17)	-	-	-	-	-	(240.61)	-	-	-	(240.61)
As at 31 March 2017	**-**	**165.20**	**-**	**24.69**	**17,529.41**	**9,962.52**	**(332.30)**	**(108.13)**	**1,374.33**	**28,615.72**

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: 29 May 2018

For and on behalf of Board of Directors

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

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

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

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March, 2018

(₹ in Lakhs)

		Year Ended 31-Mar-2018	Year Ended 31-Mar-2017
A.	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Net profit before tax	8.23	1,310.20
	Adjustment to reconcile profit before tax to net cash flow		
	Depreciation & Amortisation expense	1,779.65	1,761.71
	Interest Expenses	4,258.35	4,243.87
	Sundry Balances Written Off	20.73	46.80
	Provision for Receivables	0.98	20.60
	Dividend Received from Investments	(173.59)	(89.80)
	(Profit)/Loss on sale and fair value of Investments	(770.64)	(1,185.20)
	Profit on sale of Property, Plant & Equipment	(1,736.49)	(23.62)
	Fair value gain on Biological assets	(44.62)	(38.82)
	Liabilities written back	(25.32)	(64.64)
	Interest Income	(1,010.34)	(829.73)
	Operating profit before working capital changes	**2,306.94**	**5,151.37**
	Adjustments for-		
	(Increase) in inventories	(584.76)	(3,155.90)
	(Increase)/decrease in trade receivables	649.17	(2,027.17)
	(Increase)/decrease in loans, deposits and other financial assets	(1,640.64)	139.32
	Increase in Trade Payables	1,790.69	4,372.49
	Increase/(decrease) in other financial liabilities	(940.79)	115.47
	Increase/(decrease) in provisions	(255.57)	245.31
	Cash generated in operations	**1,325.04**	**4,840.89**
	Income Tax Paid (net of refund)	(277.56)	238.17
	Net Cash flow from Operating Activities	**1,047.48**	**5,079.06**
B.	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Dividend Received	173.59	89.80
	Interest Received	1,013.56	832.14
	(Investment)/Maturity of Bank Fixed Deposits (Net)	1,035.40	(1.95)
	Sale of Property, Plant & Equipment	1,832.53	243.03
		4,055.08	**1,163.02**
	Less : Purchase of Property, Plant & Equipment	(3,167.76)	(3,885.62)
	(Purchase)/Sale of Investments	(89.15)	944.12
	Net cash flow from Investing Activities	**798.17**	**(1,778.48)**

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

		Year Ended 31-Mar-2018	Year Ended 31-Mar-2017
C.	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Proceeds from non current borrowings	10,090.05	9,500.00
	Proceeds from current borrowings	827.52	472.49
	Repayment of non current borrowings	(8,119.60)	(8,526.19)
	Dividend paid (including net dividend distribution tax)	(175.49)	(240.61)
	Interest paid	(4,229.51)	(4,378.39)
	Net cash flow from Financing Activities	**(1,607.03)**	**(3,172.70)**
	Net decrease in cash and cash equivalents (A+B+C)	238.62	127.88
	Cash and Cash Equivalents at the beginning of the year (Refer note-9a)	1,395.52	1,267.64
	Cash and Cash Equivalents at the end of the year (Refer note-9a)	1,634.14	1,395.52

Notes:

1. The figures in bracket indicates outflows.
2. The above consolidated cash flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS)7- Statement of Cash Flows.

The above Statement of Consolidated Cash Flow should be read in conjunction with the accompanying notes

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: 29 May 2018

For and on behalf of Board of Directors

R. K. Ganeriwala	**D. P. Maheshwari**	**S.K.Tapuriah**
(President, CFO & Secretary)	*(Managing Director)* (DIN: 02203749)	*(Director)* (DIN: 01065278)

NOTES to consolidated financial statements for the year ended 31st March, 2018

Note 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, 2018. 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 - 700 017, 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 40.

The consolidated financial statements were approved and authorised for issue in accordance with the resolution of the Company's Board of Directors on 29th May, 2018.

1.2 Basis of Preparation

The consolidated financial statements of the Group have been prepared in accordance with accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

For all periods up to and including the year ended 31 March 2017, the Group prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31st March 2018 are the first the Group has prepared in accordance with Indian Accounting Standards ("Ind AS"). Refer to note 37 for information on how the Group adopted Ind AS.

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 financial statements have been prepared on a historical cost basis, except for certain assets and liabilities which have been measured at fair values or revalued amount:

- 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.

These financial statements are the first financial statements of the Group under Ind AS. Refer Note 38 for an explanation of how the transition from previous GAAP to Ind AS has affected the Group's financial position, financial performance and cash flows.

Note 2. Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March 2018. 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

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

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.

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. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

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

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

- 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. Summary of 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.

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

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

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.

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

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

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.

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 on or after 1 April 2016 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.

Any goodwill or fair value adjustments arising in business combinations/ acquisitions, which occurred before the date of transition to Ind AS (1 April 2016), are treated as assets and liabilities of the entity rather than as assets and liabilities of the foreign operation. Therefore, those assets and liabilities are non-monetary items already expressed in the functional currency of the parent and no further translation differences occur.

Cumulative currency translation differences for all foreign operations are deemed to be zero at the date of transition, viz., 1 April 2016. Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date.

3.5. Property, Plant and Equipment

The Group has elected to use the fair value of certain items of property, plant and equipment on the date of transition and designate the same as deemed cost on the date of transition. For the remaining assets, the Group has applied Ind AS retrospectively, from the date of their acquisition.

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

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.

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.

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.

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

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases.

For assets acquired under operating lease, rental payable are recognised as an expense in the statement of profit and loss. Assets acquired under finance lease are capitalized at lower of the fair value and the present value of minimum lease payment. Lease income from operating leases is recognised in the statement of profit and loss over the period of lease.

For arrangements entered into prior to 1 April 2016, the group has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

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.

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

- 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

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 are 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.

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

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.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

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.

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.

3.16. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of sales return, sales tax/ value added tax/GST, trade allowances and amount collected on behalf of third parties.

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

The Group recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specific of each arrangement.

Excise duty is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to Group on its own account, revenue includes excise duty.

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

- **Sale of goods**

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership of the goods have passed to the buyer, on delivery of the goods or as per buyer's instruction.

- **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.

- **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.

- **Export Benefits**

Export benefits, incentive and subsidies are recognised when there is a reasonable assurance that the Group will comply with the conditions and the incentive will be received.

- **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.
- 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.

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

- 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

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.

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

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

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.

3.19. 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. Refer Note 39 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 treasury 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 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.

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

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.

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)

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

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.

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:

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

- 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

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the following amendments to Ind AS's which the Group has not applied as they are effective for annual periods beginning on or after April 1, 2018:

Ind AS 115 – Revenue from Contracts with Customers

The Group is currently evaluating the impact of implementation of Ind AS 115 "Revenue from Contracts with Customers" which is applicable to it w.e.f 01.04.2018. However, based on the evaluation done so far and based on the arrangement that the Group has with its customers for sale of its products, the implementation of Ind AS 115 will not have any significant recognition and measurement impact. However, there will be additional presentation and disclosure requirement, which will be provided in the next year's financial statements.

Ind AS 21 – The Effect of Changes in Foreign Exchange Rates

The amendment clarifies on the accounting of transactions that include the receipt or payment of advance consideration in a foreign currency. The appendix explains that the date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt. The Group is evaluating the impact of this amendment on its financial statements.

Ind AS 12 - Income Taxes

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount. Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact.

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

These amendments are effective for annual periods beginning on or after 1 April 2018. These amendments are not expected to have any impact on the Group as the Group has no deductible temporary differences or assets that are in the scope of the amendments.

Ind AS 40 - Investment Property

The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use.

Entities should apply the amendments prospectively to changes in use that occur on or after the beginning of the annual reporting period in which the entity first applies the amendments. An entity should reassess the classification of property held at that date and, if applicable, reclassify property to reflect the conditions that exist at that date. Retrospective application in accordance with Ind AS 8 is only permitted if it is possible without the use of hindsight.

Ind AS 28 - Investments in Associates and Joint ventures

Clarification that measuring investees at fair value through profit or loss is an investment—by investment choice:

- An entity that is a venture capital organisation, or other qualifying entity, may elect, at initial recognition on an investment-by-investment basis, to measure its investments in associates and joint ventures at fair value through profit or loss
- If an entity, that is not itself an investment entity, has an interest in an associate or joint venture that is an investment entity, the entity may, when applying the equity method, elect to retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries. This election is made separately for each investment entity associate or joint venture, at the later of the date on which: (a) the investment entity associate or joint venture is initially recognised; (b) the associate or joint venture becomes an investment entity; and (c) the investment entity associate or joint venture first becomes a parent.

3.25. Rounding off amounts

All amounts disclosed in the Consolidated Financial Statements and notes have been rounded off to the nearest Lakhs (with two places of decimal) as per the requirement of Schedule III, unless otherwise stated.

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Note 4(a) - Property plant and equipment

Particulars	Gross Block				Depreciation / Amortisation				Net Block	
	As at 1.04.2017	Additions	Deletions	As at 31.03.2018	As at 1.04.2017	For the Year	On Deletions (accumulated upto the date of sale)	As at 31.03.2018	As at 31.03.2018	As at 31.03.2017
Freehold Land	6,778.31	2.97	(63.72)	6,717.56	-	-	-	-	6,717.56	6,778.31
Plantation	5,646.92	142.41	-	5,789.33	140.55	145.87	-	286.42	5,502.91	5,506.37
Leasehold Land	122.79	-	-	122.79	51.56	8.11	-	59.67	63.12	71.23
Buildings	10,381.15	770.48	(17.30)	11,134.33	3,125.63	330.80	(11.65)	3,444.78	7,689.55	7,255.52
Plant and Equipment	18,852.62	1,343.41	(205.35)	19,990.68	9,269.46	1,021.17	(180.60)	10,110.03	9,880.65	9,583.16
Vehicles	2,477.94	159.18	(36.34)	2,600.78	1,620.71	200.77	(34.45)	1,787.03	813.75	857.23
Furniture and fixtures	567.92	41.92	(6.20)	603.64	340.87	39.80	(5.60)	375.07	228.57	227.05
Live Stock	0.19	-	(0.19)	-	-	-	-	-	-	0.19
Office Equipment	232.18	54.35	(14.13)	272.40	172.07	33.10	(14.89)	190.28	82.12	60.11
TOTAL	**45,060.02**	**2,514.72**	**(343.23)**	**47,231.51**	**14,720.85**	**1,779.62**	**(247.19)**	**16,253.28**	**30,978.23**	**30,339.17**

Note 4(b) - Capital work in Progress

Particulars	As at 01.04.2017	Additions	Capitalisation	As at 31.03.2018
Bearer Plants	834.38	977.10	(68.23)	1,743.25
Building	613.93	77.75	(316.39)	375.29
Plant and Equipment	106.74	80.08	(97.27)	89.55
TOTAL	**1,555.05**	**1,134.93**	**(481.89)**	**2,208.09**

Note 4(c)

The title deeds of immovable properties are held in the name of the Group 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 ₹ 3,397.30 lakhs and ₹ 565.22 lakhs respectively (net carrying value of ₹ 3,233.72 lakhs and ₹ 410.23 lakhs respectively) is under renewal; (b) 3 (three) tea garden land and Plantation thereon having a gross carrying value of ₹ 43.95 lakhs and ₹ 62.47 lakhs (net carrying value of ₹ 43.95 lakhs and ₹ 59.93 lakhs respectively) and 2 (two) of Buildings with gross carrying value of ₹ 16.48 lakh (net carrying amount of ₹ 10.01 lakhs), titles for which registration in the name of the Group is pending.

Note 4(d) - Property plant and equipment

Particulars	Gross Block					Depreciation / Amortisation					Net Block	
	As at 01-Apr-2016 (refer note 4(f) below)	Additions	Transfer Pursuant to the Scheme of Demerger (refer note 29)	Deletions	As at 31-Mar-2017	As at 01-Apr-2016	For the Year	Transfer Pursuant to the Scheme of Demerger (refer note 29)	On Deletions (accumulated upto the date of sale)	As at 31-Mar-2017	As at 31-Mar-2017	As at 01-Apr-2016
Freehold Land	9,590.75	17.88	(2,830.02)	(0.30)	6,778.31	-	-	-	-	-	6,778.31	9,590.75
Plantation	5,685.75	76.51	-	(115.34)	5,646.92	-	140.55	-	-	140.55	5,506.37	5,685.75
Leasehold Land	122.79	-	-	-	122.79	43.45	8.11	-	-	51.56	71.23	79.34
Buildings	9,858.98	628.03	(101.40)	(4.46)	10,381.15	2,903.00	328.36	(101.40)	(4.33)	3,125.63	7,255.52	6,955.98
Plant and Equipment	22,468.15	1,761.86	(4,999.54)	(377.85)	18,852.62	10,573.18	1,011.54	(2,016.76)	(298.50)	9,269.46	9,583.16	11,894.97
Vehicles	2,414.65	222.50	(66.76)	(92.45)	2,477.94	1,551.35	207.70	(66.76)	(71.58)	1,620.71	857.23	863.30
Furniture and fixtures	595.15	27.89	(24.61)	(30.51)	567.92	345.08	35.10	(11.71)	(27.60)	340.87	227.05	250.07
Live Stock	0.19	-	-	-	0.19	-	-	-	-	-	0.19	0.19
Office Equipment	260.74	28.72	(49.45)	(7.83)	232.18	187.19	30.31	(38.11)	(7.32)	172.07	60.11	73.55
Total	**50,997.15**	**2,763.39**	**(8,071.78)**	**(628.74)**	**45,060.02**	**15,603.25**	**1,761.67**	**(2,234.74)**	**(409.33)**	**14,720.85**	**30,339.17**	**35,393.90**

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Note 4(e) - Capital work in Progress

Particulars	As at 01.04.2016	Additions	Capitalisation	As at 31.03.2017
Bearer Plants	17.88	823.44	(6.94)	834.38
Building	314.28	320.38	(20.73)	613.93
Plant and Equipment	100.66	106.30	(100.22)	106.74
Total	**432.82**	**1,250.12**	**(127.89)**	**1,555.05**

Note 4(f)

Ind AS 101 permits an entity to elect to measure an item of property, plant and equipment at the date of transition to Ind AS at its fair value and use that fair value as its deemed cost at that date. Accordingly, the Company has elected to use the fair value of certain assets on the date of transition and designate the same as deemed cost on the date of transition. Fair value has been determined, by obtaining an external third party valuation, a level 3 valuation technique. For the remaining assets, the Company has applied Ind AS retrospectively, from the date of their acquisition.

Note 4(g) - Investment Property

Particulars	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
Gross carrying amount			
Opening	**2.32**	**2.32**	**2.32**
Additions	-	-	-
Closing	2.32	2.32	2.32
Accumulated Depreciation			
Opening	**0.04**	**-**	**-**
Depreciation	0.03	0.04	-
Closing	0.07	0.04	-
Net carrying amount	**2.25**	**2.28**	**2.32**
Fair Value	699.00	699.00	699.00

Note 4(h) - Goodwill

Particulars	Gross Carrying Amount					Amortisation / Impairment					Net Carrying Amount	
	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-2018	As at 31-Mar-2017
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**

Particulars	Gross Carrying Amount					Amortisation / Impairment					Net Carrying Amount	
	As at 01-Apr-2016	Additions / adjustment during the year	Deletions	Foreign Exchange Translation Difference	As at 31-Mar-2017	As at 01-Apr-2016	For the Year	On Deletions (accumulated upto the date of sale)	Foreign Exchange Translation Difference	As at 31-Mar-2017	As at 31-Mar-2017	As at 01-Apr-2016
Goodwill	1,476.82	-	-	(137.83)	1,338.99	-	-	-	-	-	1,338.99	1,476.82
Total	**1,476.82**	**-**	**-**	**(137.83)**	1,338.99	**-**	**-**	**-**	**-**	**-**	**1,338.99**	**1,476.82**

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(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-2018	As at 31-Mar-2017	As at 01-Apr-2016	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
Investments (Fully Paid)								
Investment in Equity Shares - "At Cost"								
In Joint Ventures (carrying amount determined using the equity method of accounting)								
Unquoted								
Tea Group Investment Company Limited	1	AED	3,72,300	3,72,300	3,72,300	51.95	51.95	51.95
Add : Accumulated Group's Share of Profits						3,695.66	2,589.71	2,455.69
Add/(Less) : Accumulated Group's Share of Other Comprehensive Income						(199.60)	64.11	-
						3,548.01	**2,705.77**	**2,507.64**
In Associate (carrying amount determined using the equity method of accounting)								
Quoted								
ECE Industries Limited	10	₹	27,09,997	27,09,997	27,09,997	3,818.43	3,818.43	3,818.43
Add : Accumulated Group's Share of Profits						3,197.79	1,105.21	104.67
Add : Accumulated Group's Share of Other Comprehensive Income						737.21	501.46	-
						7,753.43	**5,425.10**	**3,923.10**
In Others								
Unquoted								
The Coimbatore & Nilgiris Dist. Small Scale Service Ind. Co-Op. Society Ltd.	100	₹	10	10	10	0.01	0.01	0.01
The Tamilnadu Tea Manufacturers' Service Industrial Co-Op. Society Ltd.	5000	₹	1	1	1	0.05	0.05	0.05
Birla International Limited	100	CHF	2,500	2,500	2,500	52.25	52.25	52.25
						52.31	52.31	52.31
Total						**11,353.75**	**8,183.18**	**6,483.05**
Investment in Government or Trust securities at Cost								
Unquoted								
National Savings Certificates	1000	₹	3	3	3	0.03	0.03	0.03
Total						**0.03**	**0.03**	**0.03**
Investment in Equity Shares at Fair Value Through Other Comprehensive Income								
Unquoted								
Essel Mining & Industries Ltd.	10	₹	20	20	20	20.46	20.46	23.67
Padmavati Investment Ltd.	10	₹	-	-	68,560	-	-	444.27
JPM Merchandise Agencies Limited	10	₹	2,05,680	2,05,680	2,05,680	549.14	660.21	503.84
Kesoram Insurance Broking Services Ltd.	10	₹	25,000	25,000	25,000	16.57	23.77	23.59
Vasavadatta Services Ltd.	10	₹	4,600	4,600	4,600	17.96	21.49	19.74
Quoted								
McLeod Russel India Ltd.	5	₹	75	75	75	0.11	0.12	0.14
Total						**604.24**	**726.05**	**1,015.25**

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(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-2018	As at 31-Mar-2017	As at 01-Apr-2016	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
Investment in Equity Shares at "Fair Value Through Profit and Loss"								
Quoted								
Century Enka Limited	10	₹	1,00,000	1,00,000	1,00,000	301.35	427.70	173.10
Kesoram Textile Mills Limited	2	₹	5,69,089	5,69,089	5,69,089	11.38	11.38	11.38
International Paper APPM Limited	10	₹	-	-	80,759	-	-	236.02
Pilani Investment and Industries Limited	10	₹	6,700	6,700	6,700	172.15	143.95	81.84
HGI Industries Limited	10	₹	86,200	86,200	86,200	21.98	21.98	21.98
Kiran Vyapar Limited	10	₹	1,01,500	1,01,500	1,01,500	145.20	110.94	93.48
Total						**652.06**	**715.95**	**617.80**
Investments in Debentures "At Amortised Cost"								
Unquoted								
10.00% Rajesh Estate & Nirman Pvt Ltd.	10000000	₹	-	-	2	-	-	218.13
16.00% Puranik Builders Pvt Ltd.	1000000	₹	-	-	20	-	-	200.00
17.00% Reddy Housing Pvt Ltd.	1000000	₹	-	20	20	-	200.00	200.00
17.50% Vagad Builders & Developers Pvt. Ltd.	92571	₹	-	26	-	-	23.76	-
16.00% NCDs of Wondrous Buildmart Private Limited SR-I	100000	₹	200	-	-	200.00	-	-
1.00% Kushagra Properties Private Limited	100	₹	10,00,000	10,00,000	10,00,000	884.64	813.76	749.31
Total						**1,084.64**	**1,037.52**	**1,367.44**
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	40,21,968	74,32,922	603.30	587.61	1,038.38
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	-	511.64	498.34	-
UTI Short Term Income Fund- Growth	10	₹	-	26,73,332	26,73,332	-	533.02	485.66
Aditya Birla Sunlife Short Term Opportunities Fund-Growth	10	₹	8,86,112	23,06,081	23,06,081	255.69	625.72	571.80
Templeton India Short Term Income Plan Fund- Growth	10	₹	-	-	18,159	-	-	553.36
Birla Sun Life Fixed Term Plan- Corporate Bond Series A (1170 Days)	10	₹	-	-	20,00,000	-	-	249.33
HDFC FMP 1184D-Series 33-Regular-Growth	10	₹	-	30,00,000	30,00,000	-	372.74	335.83
Edelweiss Corporate Debt Opportunities Regular-Growth (erstwhile JP Morgan India Corporate Debt Opportunities Fund- Regular- Growth)	10	₹	-	50,00,000	50,00,000	-	626.41	576.03
ICICI Prudential FMP Series 75 - 1246 Days Plan U - Regular	10	`	-	20,00,000	20,00,000	-	251.92	221.40

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(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-2018	As at 31-Mar-2017	As at 01-Apr-2016	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
Reliance Regular Savings Fund - Debt- Growth**	10	₹	21,43,669	16,96,497	16,96,497	518.93	384.37	350.34
Franklin India Corporate Bond Opportunities Fund	10	₹	21,49,798	21,49,798	21,49,798	387.89	359.11	324.27
Reliance Gilt Securities Fund-Growth plan-Growth Option(GL-RG)	10	₹	-	-	8,58,217	-	-	164.26
UTI-GILT Advantage Fund -LTP-Growth	10	₹	-	-	8,19,060	-	-	258.58
HDFC Gilt Fund Long Term-Growth	10	₹	-	-	8,78,176	-	-	265.69
Franklin India Monthly Income Plan-Plan A-Growth	10	`	-	-	6,64,672	-	-	300.20
UTI Income Opportunities Fund**	10	₹	17,99,539	17,99,539	17,99,539	285.17	267.50	242.87
ICICI Prudential Corporate Bond Fund**	10	₹	10,46,439	10,46,439	10,46,439	282.99	265.46	241.50
UTI Fixed Term Income Fund Series XXII-VI (1098 days) - Growth	10	₹	-	30,00,000	30,00,000		358.86	321.04
Kotak FMP Series 183 -1204 days Growth(Regular Plan)*	10	₹	20,00,000	20,00,000	20,00,000	244.79	225.88	204.95
Reliance Short Term Fund-Growth Plan - Growth Option**	10	₹	10,26,125	10,26,125	-	335.06	316.22	-
Aditya Birla Sun Life Medium Term Plan-Growth-Regular Plan**	10	₹	15,53,197	15,53,197	-	341.36	317.00	-
DSP BlackRock Credit Risk Fund-Regular Plan-Growth (Formerly-DSP BlackRock Income Opportunities Fund-Regular Plan-Growth)*	10	₹	23,09,399	23,09,399	-	660.75	620.72	-
SBI Corporate Bond Fund-Regular Plan-Growth**	10	₹	8,10,140	8,10,140	-	226.29	212.33	-
ICICI Prudential Short Term Plan-Growth Option**	10	₹	6,22,281	6,22,281	-	225.34	212.34	-
ICICI Prudential Income Opportunities Fund-Growth**	10	₹	9,21,370	9,21,370	-	223.70	211.99	-
BOI AXA Credit Risk Fund - Regular Plan (Formerly - BOI AXA Corporate Credit Spectrum Fund- Regular Plan)**	10	₹	73,66,518	42,72,555	-	983.31	523.76	-
Kotak Income Opportunities Fund -Growth**	10	₹	13,84,850	-	-	264.86	-	-
Kotak Medium Term Fund-Growth**	10	₹	18,35,576	-	-	264.92	-	-
Reliance Corporate Bond Fund - Growth Plan **	10	₹	36,21,142	-	-	507.43	-	-
Total						**7,123.42**	**7,771.30**	**6,705.49**
Investments in Portfolio Management Services/ Alternative Investment Fund "At Fair Value Through Profit and Loss"								
Peninsula Brookfield India Real estate Fund		₹				116.70	191.04	184.37
IDFC Real Estate Yield Fund		₹				83.65	114.49	142.51
Reliance Capital Asset Management Company Ltd. (Yield Maximiser Fund)		₹				33.93	58.19	108.21
India Business Excellence Trust		₹				-	116.92	169.72
Reliance Yield Maximiser AIF Scheme II		₹				292.30	298.80	301.57
India Realty Excellence Fund III		₹				191.77	142.57	23.13
Indiabulls High Yield Fund		₹				401.79	220.00	-

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(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-2018	As at 31-Mar-2017	As at 01-Apr-2016	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
IIFL Real Estate Fund (Domestic) - Series 4		₹				200.00	200.00	-
Reliance Yield Maximiser AIF Scheme III		₹				300.00	300.00	-
ASK Real Estate Special Situations Fund - I		₹				58.00	15.00	-
Edelweiss Real Estate Opportunities Fund		₹				95.00	64.00	-
KKR India Debt Opportunities Fund II**		₹				225.00	175.00	-
BPEA Credit - India Fund II		₹				30.00	-	-
BPEA Credit - India Fund II**		₹				580.00	-	-
Avendus Structured Credit Fund I		₹				58.58	-	
Avendus Structured Credit Fund I**		₹				56.33	-	-
*UTI Structure Debt Opportunities Fund I***		₹				50.15	-	-
Alteria Capital India Fund I		₹				135.63	-	-
Avendus Absolute Return Fund-Class A3 15**		₹				521.27	-	-
Edelweiss Alpha Fund**		₹				508.60	-	-
India Business Excellence Fund III		₹				143.75	-	-
Add: Mark to Market Gain on Above		₹				201.40	549.46	355.78
Total						**4,283.85**	**2,445.47**	**1,285.29**
Investments in Bonds "At Fair Value Through Profit and Loss"								
Quoted								
20 years, 8.66% Tax Free Bonds of NTPC Ltd. Series 3 A	1000	₹	-	-	15,832	-	-	189.33
15 years, 8.48% Tax Free Bonds of IIFCL Ltd. Series 2 A	1000	₹	-	-	50,000	-	-	569.46
15 years, 8.63% Tax Free Bonds of REC Ltd. Tranche II Series II	1000	₹	-	-	50,000	-	-	582.53
15 years, 8.63% Tax Free Bonds of IRFC Ltd. Tranche II Series IIA	1000	₹	-	-	50,000	-	-	610.08
9% Bonds of Mahindra and Mahindra Financial Services Ltd*	1000	₹	50,000	50,000	-	513.87	508.74	-
9.50% Unsecured bonds of Union Bank of India SR-XX 9.5 BD Perpetual FVRS 10 Lac**	1000000	₹	50	50	-	507.86	516.40	-
9.25% Dewan Housing Finance Corporation Limited Series III Category III & IV*	1000	₹	50,000	50,000	-	506.72	502.94	-
8.60% Exim Perpetual Bonds SR-I BD*	1000000	₹	50	-	-	496.62	-	-
Zero Coupon NCD of Ecap Equities Limited	100000	₹	500	-	-	537.30	-	-
Total						**2,562.37**	**1,528.08**	**1,951.40**
Total Non Current Investments						**27,664.36**	**22,407.58**	**19,425.75**
Aggregate amount of Quoted Investments						**10,967.97**	**7,669.25**	**6,492.44**
Aggregate amount of Unquoted Investments						**16,696.39**	**14,738.33**	**12,933.31**

*Pledged partly as security for issuing SBLC used for availing credit facilities for a step down subsidiary company and partly to secure short term rupee loan extended by a bank to the Parent Company.

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

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Note 5b. Financial assets - Investments

	Number of Shares/Units/Bonds					Current		
	Nominal Value per unit	Currency (₹ unless otherwise stated)	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
Investments (Fully Paid)								
Investments in Debentures "At Amortised Cost"								
Unquoted								
18.00% Paranjape Schemes (Constructions) Ltd.	1000000	`	-	-	10	-	-	100.00
10.00% Rajesh Estate & Nirman Pvt Ltd.	10000000	`	-	-	1	-	-	99.99
17.50% Vagad Builders & Developers Pvt. Ltd.	92571	`	-	51	-	-	47.52	-
Total						**-**	**47.52**	**199.99**
Investments in Mutual Fund "At Fair Value Through Profit and Loss"								
Unquoted								
ICICI Prudential FMP Series 72-823 Days - Plan H - Growth	10	`	-	-	60,00,000	-	-	715.85
Reliance Fixed Horizon Fund - XXV-Series 23- 827 Days-Growth	10	`	-	-	40,00,000	-	-	485.84
DHFL Pramerica Fixed Maturity Plan-Series 58- 2 Yrs Growth	10	`	-	-	45,00,000	-	-	537.97
(Erstwhile DWS Fixed Maturity Plan-Series 58- 2 Yrs Growth)	10	`	-	-				
Reliance Fixed Horizon Fund - XXIV-Series2-1110 Days-Growth	10	`	-	-	20,00,000	-	-	257.66
Birla Sun Life Fixed Term Plan- Corporate Bond Series A(1170 Days)	10	`	-	20,00,000	-	-	269.87	-
ICICI Prudential FMP Series 72-823 Days - Plan H - Growth	10	`	-	60,00,000	-	-	801.96	
Reliance Fixed Horizon Fund - XXV-Series 23- 827 Days-Growth	10	`	-	40,00,000	-	-	525.37	
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						**1,061.99**	**1,597.20**	**1,997.32**
Investments in Bonds "At Fair Value Through Profit and Loss"								
7% ICICI Bank UK PLC	100	USD	2000	2000	2000	141.70	148.49	150.01
7% ICICI Bank UK PLC	100	USD	1300	1300	1300	92.11	96.52	97.51
7% ICICI Bank UK PLC	100	USD	1700	1700	1700	120.44	126.22	127.51
5% Indian Overseas Bank	100	USD	-	-	5000	-	-	335.91
4.75% Syndicate Bank Ltd.	100	USD	-	-	3000	-	-	201.95
5% Bank of Baroda	100	USD	-	-	3000	-	-	201.39
4.125% IDBI Bank Ltd.	100	USD	-	2000	-	-	134.71	-
4.125% IDBI Bank Ltd.	100	USD	-	3000	-	-	202.06	-
4.85% Abja Investment Co Pte Ltd	100	USD	-	3000	-	-	201.00	-
4.625% Tata Motors Ltd	100	USD	-	2000	-	-	136.43	-
Total						**354.25**	**1,045.43**	**1,114.28**
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						**1,967.32**	**2,690.15**	**3,311.59**
Aggregate amount of Quoted Investments						**-**	**-**	**-**
Aggregate amount of Unquoted Investments						**1,967.32**	**2,690.15**	**3,311.59**

*Pledged partly as security for issuing SBLC used for availing credit facilities for a step down subsidiary company and partly to secure short term rupee loan extended by a bank to the Parent Company.

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

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Note 5c. Trade receivables

	Non current			Current		
	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
(Unsecured)						
Considered good	-	-	-	7,409.43	8,080.31	6,120.54
Considered doubtful	147.89	146.91	126.31	-	-	-
Less: Provision for doubtful receivables	(147.89)	(146.91)	(126.31)	-	-	-
Total trade receivables	**-**	**-**	**-**	**7,409.43**	**8,080.31**	**6,120.54**

Note 5d. Financial assets - Loans (Unsecured considered good unless otherwise stated)

Security deposits						
- Others	464.84	476.20	447.99	21.47	27.21	14.63
Loans to related party (Refer Note 33)	-	-	327.29	-	-	-
Other Loans						
Loans/ Advances to employees	124.15	123.00	127.11	79.47	117.89	103.92
Others	22.72	22.72	23.35	1,994.34	1,176.52	618.17
Others- considered doubtful	3.73	3.73	3.73	-	-	-
Less: Provision	(3.73)	(3.73)	(3.73)	-	-	-
Total loans	**611.71**	**621.92**	**925.74**	**2,095.28**	**1,321.62**	**736.72**

Note 5e. Other financial assets

Bank Deposits	12.02	5.14	4.33	-	-	-
Interest accrued on Deposits	0.02	0.39	0.31	66.40	135.56	161.32
Interest accrued on Investments	-	-	-	132.88	115.19	108.67
Interest accrued on loans / Inter corporate Deposits	-	-	-	172.14	123.52	106.77
Insurance Claim Receivable	-	-	-	-	113.00	-
Rent Receivable						
Considered Goods	-	-	-	2.87	1.80	1.09
Considered Doubtful	11.24	11.24	11.24	-	-	-
Less: Provision for doubtful receivables	(11.24)	(11.24)	(11.24)	-	-	-
Interest Refundable	-	-	-	-	-	156.32
Subsidy Receivable	-	-	-	1,753.18	2,339.82	2,234.90
Incentive and Subsidy Receivable	-	-	-	1,768.87	2,414.67	2,631.83
Deposits with NABARD	-	-	-	0.04	0.04	0.04
Others	-	-	-	2,012.11	201.46	14.34
Total other financial assets	**12.04**	**5.53**	**4.64**	**5,908.49**	**5,445.06**	**5,415.28**

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(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 and Liabilities	**31-Mar-18**	**31-Mar-17**	**01-Apr-16**	**31-Mar-18**	**31-Mar-17**
Deferred tax liabilities					
Property, plant and equipment	2,088.02	2,062.39	3,240.53	(25.63)	1,178.14
Fair valuation of other asset and liability	216.17	440.51	576.75	224.34	136.24
Total	**2,304.19**	**2,502.90**	**3,817.28**	**198.71**	**1,314.38**
Deferred tax assets					
Unabsorbed Depreciation and Unabsorbed Business Losses	1,425.85	1,232.05	1,236.48	193.80	(4.43)
Property, plant and equipment	138.65	18.56	10.97	120.09	7.58
Minimum Alternate Tax Credit	113.41	114.00	116.78	-	-
Fair valuation of other asset and liability	55.53	72.93	91.18	(17.39)	(39.87)
Employee benefits	1,010.49	875.61	746.71	134.88	128.90
Transferred Pursuant to the Scheme of Demerger (Refer Note 29)	-	-	-	-	(1,297.73)
Other temporary differences	688.05	699.75	1,111.43	(9.65)	(405.21)
Total	**3,431.98**	**3,012.90**	**3,313.55**	**421.73**	**(1,610.76)**
Net deferred tax (liabilities)/assets	**1,127.79**	**510.00**	**(503.73)**	**620.44**	**(296.38)**

	31-Mar-18	**31-Mar-17**
Reconciliation of deferred tax Assets(net)		
Opening balance	510.00	(503.73)
Tax income/(expense) during the period recognised in Statement of Profit and Loss	292.35	(511.93)
Tax income/(expense) during the period recognised in OCI	328.09	215.55
Other items of deferred tax not routed through PL	(2.65)	12.38
Transferred Pursuant to the Scheme of Demerger (Refer Note 29)	-	1,297.73
Closing balance	**1,127.79**	**510.00**

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2017 and 31 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 (34.608%) as follows:

	Year Ended 31-Mar-2018	Year Ended 31-Mar-2017
Accounting Profit before tax	**8.23**	**1,310.20**
Profit before income tax multiplied by standard rate of corporate tax in India of 34.608%	2.85	453.43
Effects of:		
Non- deductible Expenses for tax purposes	460.58	97.66
Expenses allowed on payment basis	(113.24)	146.81
Income Exempted from tax	(367.15)	(319.29)
Weighted deduction	(8.51)	(11.82)
Unrecognised deferred tax credit on business/agricultual losses	34.71	915.06
Effect of tax rate differences of subsidiaries operating in other jurisdiction and other tax bracket	(38.25)	(241.97)
Utilisation of previously unrecognised tax losses (Capital loss)	(155.59)	-
Other Items	(30.88)	(293.96)
Net effective income tax	**(215.48)**	**745.92**

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.

Note 7. Other assets

	Non current			Current		
	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
Capital Advances	312.60	233.44	239.45	-	-	-
Less: Provision for capital advances	(43.12)	(42.95)	(42.78)	-	-	-
Leasehold land Prepayments	203.76	203.76	203.76	-	-	-
Advances other than capital advances						
Security Deposits	-	-	-	1.50	0.50	1.00
Advances to related parties (Refer Note 33)	-	-	-	-	49.83	12.91
Advance against supply of Goods and Services	-	-	-	377.21	504.98	677.64
Other Advances	-	-	-	40.25	40.07	504.62
Others						
Balance with Government Authorities	-	-	-	854.76	281.70	228.76
Prepaid Expenses	102.61	98.04	19.32	222.14	178.92	246.82
Insurance	-	-	-	11.67	119.08	35.90
Total other assets	**575.85**	**492.29**	**419.75**	**1,507.53**	**1,175.08**	**1,707.65**

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Note 8. Inventories (Lower of cost or net realisable value)	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
Raw Materials	578.74	419.72	637.87
Work in Progress	94.60	61.89	82.87
Finished Goods	19,754.42	19,892.64	17,345.78
Traded Goods	3,543.00	3,140.36	2,095.86
Stores and Spares	2,388.89	2,260.22	2,456.55
Total inventories	**26,359.65**	**25,774.83**	**22,618.93**

Note 8a. Biological Asset			
Opening Balance	**132.19**	**93.37**	**-**
Green Leaf Recognised at Fair Value	92.82	62.19	93.37
Sugarcane Recognised at Fair Value	83.93	70.00	-
Transfer of harvested leaves for production	(62.19)	(93.37)	-
Transfer of standing crop of sugarcane for production	(70.00)	-	-
Closing Balance	**176.75**	**132.19**	**93.37**

Note 9a. Cash and Cash Equivalents			
Balances with banks:			
On current account	1,437.94	1,074.54	1,044.48
Cheques/drafts on hand	139.68	219.22	145.21
Cash on hand	56.52	101.76	77.95
Total Cash and Cash Equivalents	**1,634.14**	**1,395.52**	**1,267.64**

Note 9b. Other Bank balances			
Earmarked balances with banks (Unpaid Dividend Account)	66.46	78.44	81.08
Term Deposits with maturity of more than three months but upto twelve months (Including ₹ 17.47 lakhs (PY ₹ 16.39 lakhs) pledged as margin money)	927.21	1,962.61	1,951.47
Total Other Bank balances	**993.67**	**2,041.05**	**2,032.55**

Note 10. Equity Share Capital			
Authorised Capital			
5,80,00,000 Equity Shares of ₹ 5/- each	2,900.00	2,900.00	2,900.00
Issued Capital			
2,89,02,786 Equity Shares of ₹ 5/- each	1,445.14	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	1,443.87
Less:Cancellation on account of consolidation due to cross holding	(326.44)	(326.44)	-
Total Equity Share Capital	**1,117.43**	**1,117.43**	**1,443.87**

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

a) The Reconciliation of shares capital is given below:

	As at 31-Mar-2018		As at 31-Mar-2017	
	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: Cancellation on account of consolidation due to cross holding	(65,28,810)	(326.44)	(65,28,810)	(326.44)
At the end of the year	**2,23,48,678**	**1,117.43**	**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-2018		As at 31-Mar-2017		As at 01-April-2016	
	No. of Shares	% holding	No. of Shares	% holding	No. of Shares	% holding
JPM Merchandise Agencies Limited	61,14,108	21.17%	61,14,108	21.17%	61,14,108	21.17%
Jay Shree Beneficiary Trust	-	-	-	-	65,28,810	22.61%
Jayantika Investment & Finance Ltd.	65,28,810	22.61%	65,28,810	22.61%	-	-

Note 11. Other equity

	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
Reserves & Surplus			
Capital Reserve	-	-	10,865.30
Capital Redemption Reserve	165.20	165.20	165.20
Storage Reserve for Molasses	-	-	188.10
RBI Reserve Fund	48.96	24.69	7.96
General reserve	17,529.41	17,529.41	20,326.29
Retained Earnings	13,537.32	9,962.52	8,521.02
Treasury Shares	-	(332.30)	(9,969.70)
Foreign Currency Translation Reserve	(126.71)	(108.13)	-
Other Comprehensive Income	1,014.38	1,374.33	698.15
Total other equity	**32,168.56**	**28,615.72**	**30,802.32**

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.

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

B. Capital Redemption Reserve

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

C. RBI Reserve Fund

Pertains to reserve created in subdidiary 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.

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 Company 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 Company's net investment in a foreign operation whose functional currency is other than Indian Rupees.

G. 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-2018	As at 31-Mar-2017	As at 01-Apr-2016
Secured			
Rupee Term Loans from Banks	15,975.87	11,239.05	10,633.32
Rupee Term Loan from Bank (Sugar Division)	1,596.94	2,331.89	4,197.00
External Commercial Borrowings from Banks	-	344.06	1,032.19
Foreign Currency Term Loan from Banks	1,718.75	3,010.42	3,833.34
Sugar Development Fund	344.21	430.27	430.27
Total Secured Borrowings (A)	**19,635.77**	**17,355.69**	**20,126.12**
Unsecured			
Foreign Currency Term Loan from Banks	4,684.62	4,994.25	-
Long Term Working Capital Loan	-	-	1,250.00
Total Unsecured Borrowings (B)	**4,684.62**	**4,994.25**	**1,250.00**
Total Borrowings (A+B)	**24,320.39**	**22,349.94**	**21,376.12**
Less: Current maturities of long-term debt	7,963.70	7,975.95	7,539.39
Non Current Borrowings	**16,356.69**	**14,373.99**	**13,836.73**

Note: Term Loans amounting to ₹ 1,941.15 outstanding as on 31.03.2018 (₹ 2,762.16 as on 31.03.2017) (₹ 4,627.27 as on 01.04.2016) relates to Majhaulia Sugar Induatries Private Limited (a subsidiary company). The parent company is in the process of issuing Corporate Guarantee for securing the above term loan taken from bank.

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Facility Category	Security Details	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
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.	1,997.83	3,494.94	2,000.00
Foreign Currency Term Loan		-	666.66	1,333.33
Rupee Term Loan		5,387.80	1,000.00	1,500.00
Rupee Term Loan		1,250.01	2,750.00	3,833.34
External Commercial Borrowings		-	344.06	1,032.18
Foreign Currency Term Loan		1,718.75	2,343.76	2,500.00
Rupee Term Loan		1,815.51	1,969.11	-
Rupee Term Loan	Secured by pledge of certain investments in Mutual Fund and AIF	4,849.71	-	-
Rupee Term Loan		675.00	2,025.00	3,300.00
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	344.22	430.27	430.27
Rupee Term Loan (Sugar Division)	Secured by first charge by hypothecatyion of stocks, book debts/receivable and other current assets of sugar division ranking pari passu with other working capital consortium bank.	1,596.94	2,331.89	4,197.00
Total		**19,635.77**	**17,355.69**	**20,126.12**

Repayment Schedule as at 31 March, 2018

Borrowings	Total Carrying Value	<1 year	1 to 3 years	3 to 5 years	>5 years	Terms and conditions of Term loan from Banks
Secured						
Rupee Term Loan	1,997.83	1,000.00	997.83	-	-	Payable in four equal half yearly installments
Rupee Term Loan	500.00	500.00	-	-	-	Payable in one (last) installment
Rupee Term Loan	1,250.01	833.34	416.67	-	-	Payable in three equal half yearly installments
Rupee Term Loan	675.00	450.00	225.00	-	-	Payable in three equal half yearly installments
Foreign Currency Term Loan	1,718.75	625.00	1,093.75	-	-	Payable in eleven equal quarterly installments
Rupee Term Loan	1,815.52	666.68	1,148.84	-	-	Payable in twelve equal quarterly installments
Rupee Term Loan	4,887.80	894.60	3,693.76	299.44	-	Repayment in 16 quarterly installments after a moratorium of one year from disbursement.
Rupee Term Loan	4,849.71	733.03	1,976.41	2,140.27	-	Payable 15% in Feb 2019, 7 half yearly instalments of 10% and last instalment of 15%.
Sugar Development Fund Loan	344.21	86.05	172.10	86.06	-	Payable in eight equal half yearly installments
Sugar Term Loan	1,596.94	925.00	671.94	-	-	Payable in five equal quarterly installments/ Payable in thirteen equal quarterly installments
Unsecured						
Foreign Currency Term Loan	4,684.62	1,250.00	2,497.12	937.50	-	Payable in fifteen equal quarterly installments
Total	**24,320.39**	**7,963.70**	**12,893.42**	**3,463.27**	**-**	

The rate of interest on the above loans are in the range of 7.8% to 12.0% p.a.

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Note 12b. Other financial liabilities

	Non current			Current		
	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
Trade and Security Deposits	172.42	184.46	143.70	9.15	19.82	17.37
Current maturities of long-term debt	-	-	-	7,963.70	7,975.95	7,539.39
Interest accrued but not due on Borrowings	77.45	107.59	107.60	486.86	427.88	519.15
Interest accrued and due on Borrowings	-	-	-	1.05	1.05	44.29
Employee Benefits Payable	-	-	-	742.04	843.93	813.43
Unpaid and unclaimed dividends	-	-	-	66.46	78.44	81.08
Amount payable for Capital Goods	-	-	-	218.38	191.09	141.78
Fair value derivative liability	-	-	-	25.05	-	-
Others	-	-	-	165.98	108.54	386.74
Total other financial liabilities	**249.87**	**292.05**	**251.30**	**9,678.67**	**9,646.70**	**9,543.23**

Note 12c. Current Borrowings

	Current		
	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
Secured			
Working Capital Loans	8,189.10	8,015.10	11,593.36
Packing Credit Loan	3,000.00	2,500.00	2,500.00
Short Term Rupee Loans	1,380.00	-	-
Buyers Credit	384.30	150.17	99.42
	12,953.40	**10,665.27**	**14,192.78**
Unsecured			
Packing Credit Loan	500.00	1,000.00	-
Short Term Rupee Loan	8,000.00	8,000.00	7,000.00
Foreign Currency Loan	-	2,000.00	-
Other Loans & Advances - From related parties (Refer Note 33)	1,039.41	-	-
	9,539.41	**11,000.00**	**7,000.00**
Total Current Borrowings	**22,492.81**	**21,665.27**	**21,192.78**

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Facility Category	Security Details	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
Working Capital Loans	i) Secured by first charge by way of hypothecation over entire current assets of the Company ranking pari-passu with other consortium banks as primary security & second charge by way of hypothecation of entire movable plant & machinery of the Company ranking pari-passu 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 pari-passu with term lenders for tea division. iii) Secured working capitial loan in the books of subsidiary and a step down subsidiary company are secured by pledge of certain investments in Mutual Fund and AIF.	8,189.10	8,015.10	11,593.36
Packing Credit Loan		3,000.00	2,500.00	2,500.00
Buyers Credit		384.30	150.17	99.42
Short Term Rupee Loans	Secured by pledge of certain investments in Mutual Fund	1,380.00	-	-
Total		**12,953.40**	**10,665.27**	**14,192.78**

Note 13. Provisions

	Non current			Current		
	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
Provision for employee benefits						
Provision for gratuity (Refer Note 30)	1,668.02	1,603.75	1,399.61	1,995.13	1,776.13	1,477.47
Provision for leave encashment	618.57	561.56	569.50	289.22	308.86	232.86
Provision for bonus	-	-	-	1,991.35	2,132.80	2,025.13
Others						
Provision for tax (net)	76.38	87.56	14.26	12.00	-	-
Provisions for Others	-	-	-	66.16	27.37	39.46
Proposed Dividend	-	-	-	1.50	1.50	1.50
Corporate Dividend Tax	-	-	-	0.31	0.31	0.31
	2,362.97	**2,252.87**	**1,983.37**	**4,355.67**	**4,246.97**	**3,776.73**

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Note 14. Trade Payables

	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
Trade Payables			
- Total outstanding dues of Micro, Small & Medium Enterprises (refer Note below)	-	-	-
- Total outstanding dues of creditors other than Micro, Small & Medium Enterprises	23,250.21	21,459.52	17,087.03
	23,250.21	**21,459.52**	**17,087.03**

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 Current Liabilities

	Non current			Current		
	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
Advances from Customers	-	-	-	251.25	272.39	186.92
Others:						
Statutory dues	-	-	-	520.89	1,435.40	1,350.80
Deferred Government Grant	319.46	323.13	284.56	-	-	-
Total Other Current Liabilities	**319.46**	**323.13**	**284.56**	**772.14**	**1,707.79**	**1,537.72**

Note 16. Fair Value Measurements

Financial Assets	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
Financial Assets - Non Current			
At Fair Value through profit or loss			
Investments	14,621.70	12,460.80	10,559.98
At Fair Value through Other comprehensive income			
Investments	604.24	726.05	1,015.25
At Amortised Cost			
(a) Investment	1,084.64	1,037.52	1,367.44
(b) Trade Receivable	-	-	-
(c) Loans	611.71	621.92	925.74
(d) Other financial assets	12.04	5.53	4.64
	1,708.39	**1,664.97**	**2,297.82**
At Deemed Cost/Subsequent additions at cost			
Investments	11,353.79	8,183.22	6,483.08
Total Non current financial assets (a)	**28,288.12**	**23,035.04**	**20,356.13**

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Note 16. Fair Value Measurements

Financial Assets	**As at 31-Mar-2018**	**As at 31-Mar-2017**	**As at 01-Apr-2016**
Financial Assets - Current			
At Fair Value through profit or loss			
Investments	1,967.32	2,642.63	3,111.60
At Amortised cost			
(a) Investment	-	47.52	199.99
(b) Trade receivables	7,409.43	8,080.31	6,120.54
(c) Cash and cash equivalents	1,634.14	1,395.52	1,267.64
(d) Bank balances other than (c) above	993.67	2,041.05	2,032.55
(e) Loans	2,095.28	1,321.62	736.72
(f) Other financial assets	5,908.49	5,445.06	5,415.28
	18,041.01	**18,331.08**	**15,772.72**
Total Current financial assets (b)	**20,008.33**	**20,973.71**	**18,884.32**
Total financial assets (a + b)	**48,296.45**	**44,008.75**	**39,240.45**
Financial liabilities			
Financial liabilities - non current			
At Amortised Cost			
(a) Borrowings	16,356.69	14,373.99	13,836.73
(b) Other Financial liabilities	249.87	292.05	251.30
Total Non Current Financial Liabilities (a)	**16,606.56**	**14,666.04**	**14,088.03**
Financial Liabilities - Current			
At Fair Value through profit or loss			
(a) Other financial liabilities	25.05	-	-
At Amortised Cost			
(a) Borrowings (including current maturities of long term debt)	30,456.51	29,641.22	28,732.17
(b) Trade payables	23,250.21	21,459.52	17,087.03
(c) Other financial liabilities	1,689.92	1,670.75	2,003.84
Total Current Financial Liabilities (b)	**55,421.69**	**52,771.49**	**47,823.04**
Total Financial Liabilities (a + b)	**72,028.25**	**67,437.53**	**61,911.07**

*Carried at cost as the Company has availed Ind AS 101 exemption (Previous GAAP carrying amount as deemed cost)

Note 17. Distribution made and proposed

	As at 31-Mar-2018	**As at 31-Mar-2017**
Dividends on equity shares declared and paid:		
Final dividend paid	111.75	217.42
DDT on final dividend (including earlier years)*	63.74	23.19
	175.49	**240.61**

*Tax on dividend is net off ₹ Nil (P.Y. ₹ 0.13) being DDT on final dividend paid by a subsidiary company.

	As at 31-Mar-2018	**As at 31-Mar-2017**	**As at 01-Apr-2016**
Proposed dividends on equity shares:			
Final cash dividend for 31 March 2016	-	-	217.42
DDT on proposed dividend	-	-	23.33
	-	**-**	**240.75**

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Note 18. Revenue from Operations

	Year Ended 31-Mar-2018	Year Ended 31-Mar-2017
Sales of Finished Goods & Other Products	73,216.56	70,116.66
Fertilizer Subsidy	1,919.36	1,820.20
Sale of Services (Warehousing Charges)	215.07	200.88
Other operating revenue		
Incentives & Subsidies	64.39	387.83
Export Benefits	311.87	331.73
Insurance and Other Claims (Net)	9.79	35.53
Income from Farm Product (details as below)	1.99	61.90
Management Fees	-	548.11
Miscellaneous Income	30.59	7.32
Total	**75,769.62**	**73,510.16**
Income from Farm Product		
Sales of Agricultural Produce	79.74	194.07
Subsidy on Sugar Cane	61.74	10.38
Lease Rent	8.70	2.40
Closing Stock of Grain	1.57	-
Sub-Total	**151.75**	**206.85**
Less:		
Agricultural Farming Expenses (towards cultivation & other expenses)	149.26	144.79
Other Repairs	0.21	0.06
Rent, Rates & Taxes	0.10	0.10
Dead Bullock	0.19	-
Sub-Total	**149.76**	**144.95**
Grand Total	**1.99**	**61.90**

Note 19. Other income

Interest Income		
On Investments	706.43	460.59
On Bank Deposits	93.65	165.37
On Loans & Other Deposits	187.98	203.77
Others	22.28	-
Dividend Income		
On Long term Investments	173.59	89.80
Net gain on sale of Investments	770.64	1,185.20
Other Non Operating Income		
Profit on sale of Fixed Assets	1,736.49	23.62
Rental Income	83.74	85.57
Net Gain on foreign currency translation	420.38	89.69
Excess Liabilities and Unclaimed Balances written back	25.32	64.64
Miscellaneous Income	556.52	201.94
Changes in Fair Value of Biological Assets	44.62	38.82
Total	**4,821.64**	**2,609.01**

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Note 20. Cost of Materials Consumed	Year Ended 31-Mar-2018	Year Ended 31-Mar-2017
Opening Inventories	419.72	637.87
Add : Purchase	27,346.66	22,729.71
Less: Closing Inventories	(577.17)	(419.72)
	27,189.21	**22,947.86**
Details of Raw Material Consumed		
Green Tea Leave	4,409.59	4,101.28
Chemicals/Minerals	4,650.84	4,477.69
Sugarcane	18,128.78	14,368.89
Total	**27,189.21**	**22,947.86**

Note 21. Purchases of Stock-in-trade		
Stock-in-trade		
Tea	7,026.49	6,789.71
Chemicals	66.42	54.27
Total	**7,092.91**	**6,843.98**

Note 22. Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-trade		
Inventories at the beginning of the year		
Finished Goods	19,892.64	17,345.78
Work-in-Progress	61.89	82.87
Traded Goods	3,140.36	2,095.86
	23,094.89	**19,524.51**
Inventories at the end 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**
Increase/(Decrease) in Excise Duty & Cess on Finished Goods	(886.49)	92.04
Fluctuation in Exchange Rate carried to Foreign Currency Translation Reserve	(4.15)	(15.96)
Total	**(1,187.77)**	**(3,494.30)**

Note 23. Employee benefit expense		
Salaries and wages	18,673.92	19,210.56
Contribution to provident and other funds (Refer Note 30)	1,516.02	1,625.92
Contribution to Gratuity Fund (Refer Note 30)	641.25	608.38
Contribution to Superannuation Fund	94.67	94.24
Staff welfare expenses	1,625.15	1,664.91
Total	**22,551.01**	**23,204.01**

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Note 24. Finance Costs

	Year Ended 31-Mar-2018	Year Ended 31-Mar-2017
Interest Expense		
On Fixed Loans & Deposits	1,214.32	1,380.82
Bank & Others	3,047.04	2,777.42
Other Borrowing cost		
Other Financial Charges	90.64	117.84
Borrowing cost Capitalized	(93.65)	(32.21)
Total	**4,258.35**	**4,243.87**

Note 25. Depreciation and amortisation expense

Depreciation		
On Property plant and equipment (Refer Note 4)	1,779.62	1,761.67
On Investment Property (Refer Note 4)	0.03	0.04
Total	**1,779.65**	**1,761.71**

Note 26. Other expenses

Consumption of Stores, Spare Parts & Packing Materials	2,358.22	2,276.81
Power & Fuel	4,703.33	4,494.97
Consumption of Manures/ Pesticides	1,532.97	1,747.49
Repairs to Buildings	460.43	392.05
Repairs to Machinery	1,401.33	1,333.53
Repairs to Other Assets	703.44	577.70
Freight & Cartage	1,926.19	1,887.88
Insurance	124.81	113.60
Brokerage & Commission	751.44	620.06
Warehousing Charges	187.30	170.41
Other Selling Expenses (including packing material ₹ 370.83 (P.Y. ₹ 384.75)	1,225.35	1,433.63
Rent	283.08	312.91
Rates & Taxes (Duty & Cess)	296.76	409.80
Insurance excluding on sales	187.01	194.97
Charity & Donation	2.99	1.50
Auditors' Remuneration (Refer Note 26.1)	88.04	74.04
Cost Audit Fees	2.08	1.76
Corporate Social Responsibility Expenses (Refer Note 26.2)	11.96	9.54
Bad Debts & Irrecoverable Loans, Advances & Claims written off	20.73	46.80
Reserve for Doubtful Debts & Advances further created	0.98	20.60
Forward Contract Charges	0.47	8.38
Excise Duty on Sale of goods	254.43	1,243.01
Other Miscellaneous Expenses	2,376.33	1,930.40
Total	**18,899.67**	**19,301.84**

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Note 26.1. Auditor's Remuneration *	Year Ended 31-Mar-2018	Year Ended 31-Mar-2017
As Auditor:		
Audit fees	38.65	38.59
Tax audit fee	8.50	8.50
Other Services	35.70	17.33
Reimbursement of expenses	2.65	1.56
Reimbursement of Service Tax	2.54	8.06
Total	**88.04**	**74.04**

*Auditor's Remuneration includes ₹ 27.13 lakhs paid to predecessor auditor.

Note 26.2. Details of CSR expenditure:		
a) Gross amount required to be spent by the company during the year	-	-
b) Amount spent during the year:	11.96	9.54

Note 27. 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:

	31-Mar-2018	31-Mar-2017
Net Profit for calculation of Basic and Diluted Earnings Per Share (₹ in Lakhs)	3,422.24	1,698.84
Weighted average number of shares (Nos.)	2,23,48,678	2,23,48,678
Adjustment for Treasury Shares(Nos.)	-	6,06,920
Earning per equity share		
Basic & Diluted earning per share (₹)	15.31	7.81

Note 28. 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.

Judgements, Estimates and assumptions

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 for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Defined Employer 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. For further details refer Note 30.

Fair value measurement of financial instruments and guarantees

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 35 for further disclosures.

Depreciation on 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.

Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the Ind AS 37. A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Group involved, it is not expected that such contingencies will have a material effect on its financial position or profitability (Refer Note 32).

Note 29. Scheme of Arrangement

Pursuant to a Scheme of Arrangement ("the Scheme") between the Parent Company and Majhaulia Sugar Industries Private Limited (MSIPL) and Jayantika Investment & Finance Limited (JIFL) sanctioned by the Hon'ble High Court at Calcutta on 8th August 2016 under the provisions of the Companies Act 2013, Sugar Division and Jay Shree Beneficiary Trust Unit of the Parent Company was demerged into MSIPL and JIFL respectively. As per the Scheme, the appointed date by the Hon'ble High Court at Calcutta was 1st April, 2016 and the effective date was 26th September, 2016. Following the Scheme the balances had been transferred as per the Court Scheme without applying Ind AS adjustment therein.

The salient features of the Scheme were as under:

A. Demerger of Sugar Division:

i. All the assets and liabilities pertaining to the Sugar Division of the Parent Company as on 1st April, 2016 got demerged to MSIPL (a Subsidiary).

ii. MSIPL issued and allotted 31,25,000 equity shares of ₹ 10/- each at a premium of ₹ 111/- per share to the Parent Company in consideration of transfer of the Company's Sugar Division.

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

iii. The value of the net assets of the Sugar Division as reduced by the shares as issued by MSIPL of ₹ 4,539.31 lakhs and Storage Reserve for Molasses amounting to ₹ 188.10 lakhs had been adjusted from the Capital Reserve of the Parent Company.

B. Demerger of Jay Shree Beneficiary Trust Unit:

i. All the assets and liabilities pertaining to Jay Shree Beneficiary Trust Unit of the Parent Company as on 1st April, 2016 got demerged to JIFL (a Subsidiary).

ii. JIFL shall issue and allot 20,00,000 equity shares of ₹ 10/- each at a premium of ₹ 256.53 per share to the Parent Company in consideration of transfer of the Company's Jay Shree Beneficiary Trust Unit.

iii. The value of the net assets of Jay Shree Beneficiary Trust Unit as reduced by the shares as issued by JIFL of ₹ 4,306.80 lakhs had been adjusted from the Capital Reserve of the Parent Company.

C. The details of assets and liabilities transferred to the Resulting Company are as under:

Majhaulia Sugar Industries Private Limited (MSIPL)

ASSETS	
Non- Current Assets	
Property plant and equipment*	13,593.00
Capital work in Progress	292.62
	13,885.62
Current assets	
Inventories	12,270.53
Stores and Spares	333.56
Cash and cash equivalents	573.30
Loans	329.32
Other current assets	**1,286.34**
	14,793.05
Total assets (A)	**28,678.67**
Non-current liabilities	
Financial liabilities	
Borrowings	3,707.27
Other non- current liabilities	172.48
	3,879.75
Deferred tax liability	**1,297.73**
Current liabilities	
Financial liabilities	
Trade payables	12,647.98
Other current liabilities	2,399.91
Provisions	132.60
	15,180.49
Total Liabilities (B)	**20,357.97**
Value of Net Assets transferred (C)	**8,320.70**
Value of Shares of Majhaulia Sugar Industries Private Limited received as consideration (D)	**3,781.38**
Net amount adjusted from Capital Reserves (Including Molasses Reserve of ₹ 188.10 lakhs) E = (C-D)	**4,539.32**
The details of the Contingent liabilities transferred to the Resulting Company is as under:	
-Electricity duty demanded by Government of Bihar appealed in Hon'ble Supreme Court	103.10

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

* The Jayshree Sugar division of the Company is holding 1070.57 acre of land which is in dispute under "Bihar Land Reforms (Fixation of Ceiling Area and Acquisition of Surplus Land) Act,1961 & Rules 1963. Vide order dated 29/12/2012, the Additional collector, Bettiah had declared 970.57 acre of land as surplus and ordered for surrender of such land. The company has filed an appeal against the order of the collector and matter is subjudice. 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 in the year of receipt.

Jayantika Investment & Finance Limited (JIFL)	
ASSETS	
Non- Current Assets	
Financial assets	
Investments	9,637.40
Total assets (A)	**9,637.40**
Value of Net Assets transferred (A)	**9,637.40**
Value of Shares of Jayantika Investment & Finance Limited received as consideration (B)	**5,330.60**
Net amount adjusted from Capital Reserves C = (A-B)	**4,306.80**

Note 30. 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 employement, 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 Group's plans are as follows:

	31-Mar-18	31-Mar-17	01-Apr-16
Significant Actuarial Assumptions			
Discount Rate	7.7%	7.5%	8%
Employee turnover	1% to 8%	1% to 8%	1% to 8%
Salary Escalation Rate	4%	4%	4%
Mortality Rate	IALM (2006-08) Table	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	8,467.50	7,832.43	6,857.19
Fair Value of the Plan Assets at the year end	4,804.35	4,452.55	3,980.11
Liability Recognised in the Balance Sheet	**3,663.15**	**3,379.88**	**2,877.08**

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

	31-Mar-18	31-Mar-17	01-Apr-16
Movement in present value of defined benefit obligation is as follows:			
Changes in the present value of defined benefit obligation			
Present value of defined benefit obligation as at year beginning	7,832.43	6,857.19	4,476.49
Current Service Cost	414.44	398.02	344.88
Past Service Cost	4.50	-	-
Interest Cost	565.13	509.40	329.10
Remeasurements (gains)/losses			
-Actuarial (gains)/losses arising from changes in financial assumptions	(699.14)	(513.03)	503.67
-Actuarial (gains)/losses arising from changes in experience	1,151.41	1,107.94	1,743.75
Benefits Paid	(801.27)	(542.61)	(540.70)
Settlement Cost	-	15.52	-
Present value of defined benefit obligation as at year end	**8,467.50**	**7,832.43**	**6,857.19**

Amount recognised in Statement of Profit or Loss in respect of defined benefit plan are as follows :			
Current Service Cost	414.44	398.02	344.88
Past Service Cost	4.52	-	-
Net Interest Cost	565.13	509.40	329.10
Expected return on plan assets	(342.84)	(314.56)	(296.33)
Settlement Cost	-	15.52	-
Components of defined benefit costs recognised in profit or loss	**641.25**	**608.38**	**337.65**

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	(699.14)	(513.03)	503.67
Actuarial losses arising from changes in experience adjustments	1,151.41	1,107.94	1,743.75
(Gain)/Loss on plan assets (excluding amounts included in net interest cost)	42.81	(105.28)	79.60
Return on Plan Assets (greater)/ less than discount rates	(20.70)	4.80	-
Components of defined benefit costs recognised in Other comprehensive income	**474.38**	**494.43**	**2,327.02**

Movement during in the fair value of plan assets is as follow:			
Opening Balance	4,452.55	3,980.11	3,704.08
Interest income	342.84	314.56	296.33
Return on Plan Assets greater/(less) than discount rates	20.70	(4.80)	-
Benefits paid	(801.27)	(542.60)	(540.70)
Contributions by the Employer	832.34	600.00	600.00
Actuarial gains / (losses)	(42.81)	105.28	(79.60)
Closing Balance	**4,804.35**	**4,452.55**	**3,980.11**

Percentage allocation of plan assets by category			
Government Securities	2.27%	2.27%	7.77%
Debentures / bonds	95.89%	96.05%	90.58%
Fixed deposits	1.82%	1.67%	1.63%
Cash and Cash Equivalents	0.02%	0.01%	0.02%

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(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 Group expects to contribute ₹ 919.37 Lakhs to the funded defined benefit plans in fiscal year 2018-19.

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-18		31-Mar-17	
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	(264.27)	237.61	(171.63)	165.94

	31-Mar-18		31-Mar-17	
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	261.70	(288.49)	184.90	(192.77)

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.

(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

	31-Mar-2018	31-Mar-2017
Particulars		
Contribution to provident fund during the year	1,516.02	1,625.92

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Note 31. 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 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 26 of Consolidated Statement of Profit and Loss. There are no restrictions placed upon the Group by such leases.

Note 32. Commitment and Contingencies

			As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
a.	**Commitments**				
	i.	Capital Commitments outstanding (Net of Advances)	148.71	99.20	136.97
	ii.	Investments pledged with a bank amounting to ₹ 1394.71 (March 31, 2017 ₹ 6158.86, April 1, 2016 ₹ 5520.19) towards banking facilities availed by a step down subsidiary from the Bank.	1,138.28	2,799.99	4,280.40
	iii.	Letter of credit issued against purchase of fuel	24.77	18.40	18.40
	iii.	Commitments outstanding against Alternate Investment Fund (AIF)	2,116.25	920.25	393.75
b.	**Bank Guarantee**		281.81	277.64	310.12
c.	**Contingent Liabilities**				
	Claims against the Company not acknowledged as debts:				
	i.	Demand from Sales Tax authority : Certain disallowances of Sales Tax were demanded against the group 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	832.15	242.01
	ii.	Income Tax demand under appeal	617.72	739.31	561.08
	iii.	Entry Tax Liability in the state of West Bengal, stay has been granted by Hon'ble High Court at Calcutta *	116.14	110.78	88.78
	iv.	Demand from a lessor for interest on differential rent	70.14	70.14	70.14
	v.	Demand of Provident Fund Damages and Interest by the Provident Fund Authorities, West Bengal	117.88	117.88	90.69
	vi.	Electricity duty demanded by Government of Bihar appealed in Hon'ble Supreme Court *	103.10	103.10	103.10
	vii.	Demand of additional electricity charges for connected load by Assam State Electricity Board pending before Hon'ble High Court, Guwahati	-	12.09	12.09
	viii.	Demand of wages of a closed unit for earlier years pending before Labour Court (Estimated)	61.50	61.50	61.50
	ix.	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	50.05
		Total	**1,843.26**	**2,097.00**	**1,279.44**

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.

*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 consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

Note 33. Disclosure in respect of Related Parties pursuant to Ind AS 24

A Names of related parties and description of relation :

(i) Joint Ventures

Tea Group Investment Company Limited (TGICL)

(iI) Associate

ECE Industries Limited (Associate of Jayantika Investment & Finance Limited, a subsidiary company)

(ii) Key management personnel

(a)	Chairman	Mr. B. K. Birla
(b)	Vice Chairperson	Mrs. Jayashree Mohta
(c)	Executive Director	Mr. Vikash Kandoi
(d)	Managing Director	Mr D. P. Maheshwari
(e)	Non Executive Director	Mr. B.M.Khaitan (Ceased w.e.f. 09.05.2017) Mr. G.P.Goenka (Ceased w.e.f. 08.12.2017) Mr. Prashant Jhawar Mr. S.K.Tapuriah Mr. Sumit Mazumder Mr. Subodh Kumar Agrawal Mr. Rajesh Sarda (Director in Majhaulia Sugar Industries Pvt. Ltd.) Mr. C. L. Shukla (Director in Majhaulia Sugar Industries Pvt. Ltd.) Mr. P. K. Agrawal (Director in Jayantika Investment & Finance Ltd.) Mr. H. P. Maheshwari (Director in Jayantika Investment & Finance Ltd.) Mr. D. M. Jain (Direrctor in North Tukvar Tea Co. Ltd.) Mr. B.K. Dalan (Direrctor in North Tukvar Tea Co. Ltd.) Mr. S. Patodia (Direrctor in North Tukvar Tea Co. Ltd.) Mr. S. K. Jajodia (Direrctor in North Tukvar Tea Co. Ltd.)
(f)	Chief Financial Officer and Company Secretary	Mr. R. K. Ganeriwala
(g)	Chief Financial & Executive Officer	Mr. Ashok Nenawati in Kijura Tea Co. Ltd.

(iv) Others

Others	Nature of Relationship
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
Padmavati Investment Limited	Entity over which KMP has significant influence upto 31 March, 2017

(v) Post-employment Benefit Plans (PEBP)

Birla Industries Provident Fund

B K Birla Group of Companies Provident Fund Institution

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

Note 33. Disclosure in respect of Related Parties pursuant to Ind AS 24 *(Contd.)*

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

	Year Ended	
	31-Mar-18	**31-Mar-17**
Purchases of Goods and Services		
Century Textiles & Industries Limited	–	1.35
Total	**–**	**1.35**
Purchases of Property, plant and equipment		
Mr. Rajesh Sarda	9.85	-
Total	**9.85**	**-**
Income from Management Fees		
Tea Group Investment Company Limited	-	548.11
Total	**-**	**548.11**
Dividend Paid		
JPM Merchandise Agencies Limited	30.57	61.14
ECE Industries Limited	2.23	4.46
Century Textiles & Industries Limited	1.50	3.00
Kesoram Industries Limited	1.94	3.88
Mr. B.K.Birla	0.23	0.46
Mrs. Jayashree Mohta	4.93	9.86
Mr. B.M.Khaitan	-	-
Mr. G.P.Goenka	-	0.01
Mr. Prashant Jhawar	-	*
Mr. S.K.Tapuriah	-	0.01
Mr. Subodh Kumar Agrawal	-	-
Mr. Vikash Kandoi	0.01	0.01
Mr. D.P.Maheshwari	-	0.06
Total	**41.41**	**82.89**
Dividend Received		
Padmavati Investment Limited	-	3.43
Total	**-**	**3.43**
Loan given / (received)		
Tea Group Investment Company Limited	-	(327.29)
Total	**-**	**(327.29)**
Advance given / (received)		
Tea Group Investment Company Limited	(49.83)	(511.18)
Total	**(49.83)**	**(511.18)**
Loan Taken / (repaid)		
Tea Group Investment Company Limited	1,039.41	-
Total	**1,039.41**	**-**

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

ii. Remuneration of key management personnel

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.

	Year Ended	
	31-Mar-18	31-Mar-17
Salaries and wages	346.60	324.78
Contribution to provident and other funds #	34.13	33.89
Directors' Sitting fees	3.30	4.20
Total	**384.03**	**362.87**

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

	Year Ended	
	31-Mar-18	31-Mar-17
Birla Industries Provident Fund	174.89	164.31
B K Birla Group of Companies Provident Fund Institution	73.66	71.87
Total	**248.55**	**236.18**

C Balances as at year end are set out below:

	As at		
	31-Mar-18	31-Mar-17	01-Apr-16
Loans Receivable:			
Tea Group Investment Company Limited	-	-	327.29
Total	**-**	**-**	**327.29**
Advances Receivable:			
Tea Group Investment Company Limited	-	49.83	12.91
Total	**-**	**49.83**	**12.91**
Loans Taken:			
Tea Group Investment Company Limited	1,039.41	-	-
Total	**1,039.41**	**-**	**-**
Assets pledged against loan availed by step down subsidiary			
Birla Holdings Limited	-	1,579.22	3,027.54
Kijura Tea Company Limited	1,138.28	1,220.77	1,252.86
Total	**1,138.28**	**2,799.99**	**4,280.40**
Payable to post employment benefit plan			
Birla Industries Provident Fund	9.33	8.67	8.85
B K Birla Group of Companies Provident Fund Institution	-	-	-
Total	**9.33**	**8.67**	**8.85**

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

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Note 34. 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)

(a) Financial assets and liabilities measured at fair value at 31 March 2018

	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment at FVTPL				
In Mutual funds	-	8,185.41	-	8,185.41
In AIF	-	4,834.93	-	4,834.93
In Bonds	2,916.62	-	-	2,916.62
In Equity Shares	652.06	-	-	652.06
Investment at OCI				
In Equity Shares	0.11	604.13	-	604.24
Financial Liabilities				
Derivatives not designated as hedges	-	25.05	-	25.05

Financial assets and liabilities measured at fair value at 31 March 2017

	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment at FVTPL				
In Mutual funds	-	9,368.51	-	9,368.51
In AIF	-	2,445.47	-	2,445.47
In Bonds	2,573.51	-	-	2,573.51
In Equity Shares	715.95	-	-	715.95
Investment at OCI				
In Equity Shares	0.12	725.93	-	726.05
Financial Liabilities				
Derivatives not designated as hedges	-	-	-	-

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Financial assets and liabilities measured at fair value at 1 April 2016

	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment at FVTPL				
In Mutual funds	-	8,702.81	-	8,702.81
In AIF	-	1,285.29	-	1,285.29
In Bonds	3,065.68	-	-	3,065.68
In equity shares	617.80	-	-	617.80
Investment at OCI				
In equity shares	0.14	1,015.11	-	1,015.25
Financial Liabilities				
Derivatives not designated as hedges	-	-	-	-

(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.

	As at 31-Mar-2018		As at 31-Mar-2017		As at 01-Apr-2016	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets						
Investment in Unquoted Bonds	1,084.64	1,084.64	1,085.04	1,085.04	1,567.43	1,567.43

(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.

	Level 1	Level 2	Level 3	Total
Biological assets other than Bearer Plants for which fair value (less cost to sell) are disclosed at 31st March 2018				
Unharvested Tea Leaves	-	92.82	-	92.82
Standing Sugarcane Crop	-	83.93	-	83.93
Total	**-**	**176.75**	**-**	**176.75**

	Level 1	Level 2	Level 3	Total
Biological assets other than Bearer Plants for which fair value (less cost to sell) are disclosed at 31st March 2017				
Unharvested Tea Leaves	-	62.19	-	62.19
Standing Sugarcane Crop	-	70.00	-	70.00
Total	**-**	**132.19**	**-**	**132.19**

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

	Level 1	Level 2	Level 3	Total
Biological assets other than Bearer Plants for which fair value (less cost to sell) are disclosed at 31st March 2016				
Unharvested Tea Leaves	-	93.37	-	93.37
Standing Sugarcane Crop	-	-	-	-
Total	**-**	**93.37**	**-**	**93.37**

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

Note 35. 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).

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.

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 31 March, 2018, 31 March, 2017 and 1 April, 2016 is the carrying amounts as disclosed in Note 16.

(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.

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

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

	Less than 1 year	1 to 3 years	More than 3 years	Total
Contractual Maturities of Financial Liabilities				
31 March, 2018				
Borrowings*	30,456.51	12,893.42	3,463.27	46,813.20
Contractual Interest on Long-Term Debt	1,751.73	1,582.08	238.88	3,572.69
Trade Payables	23,250.21	-	-	23,250.21
Other Financial Liabilities	1,714.97	249.87	-	1,964.84
Total	**57,173.42**	**14,725.37**	**3,702.15**	**75,600.94**
31 March, 2017				
Borrowings*	29,641.22	10,882.68	3,491.32	44,015.22
Trade Payables	21,459.52	-	-	21,459.52
Other Financial Liabilities	1,670.75	292.05	-	1,962.80
Total	**52,771.49**	**11,174.73**	**3,491.32**	**67,437.54**
1 April, 2016				
Borrowings*	28,732.17	10,606.15	3,230.59	42,568.91
Trade Payables	17,087.03	-	-	17,087.03
Other Financial Liabilities	2,003.84	251.30	-	2,255.14
Total	**47,823.04**	**10,857.45**	**3,230.59**	**61,911.08**

*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.

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

(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- 2018	31-Mar- 2017
USD Sensitivity		
INR/USD -Increase by 10%*	(227.15)	(201.88)
INR/USD -Decrease by 10%*	227.15	201.88
Euro Sensitivity		
INR/EUR-Increase by 10%*	(2.26)	64.99
INR/EUR-Decrease by 10%*	2.26	(64.99)
GBP Sensitivity		
INR/GBP-Increase by 10%*	0.01	0.11
INR/GBP-Decrease by 10%*	(0.01)	(0.11)

* 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 2018, 31st March 2017 and 1st April 2016, 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.

(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- 2018	31-Mar- 2017
Interest Rates — Increase by 50 basis points	(190.75)	(165.79)
Interest Rates — Decrease by 50 basis points	190.75	165.79

* 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.

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

(a) Securities Price Risk Exposure

The Group's exposure to securities price risk arises primarily from investments in mutual funds and alternative investment fund held by the Group and classified in the Balance Sheet as fair value through profit or loss.

	31-Mar- 2018	31-Mar- 2017	01-Apr-2016
Fair Value of Mutual Funds	8,185.41	9,368.51	8,702.81
Fair Value of AIF	4,834.93	2,445.47	1,285.29
Fair Value of Bonds	2,916.62	2,573.51	3,065.68
Fair Value of Equity Shares	652.06	715.95	617.80
Total	**16,589.02**	**15,103.44**	**13,671.58**

(b) 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- 2018	31-Mar- 2017
NAV - Increase by 1%*	165.89	151.03
NAV - Decrease by 1%*	(165.89)	(151.03)

* 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 Group 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."

Note 36. 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 longterm borrowings to meet anticipated funding requirements. The Group monitors capital on the basis of the net debt

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

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:

	31-Mar- 2018	31-Mar- 2017	01-Apr-2016
Borrowings	46,813.20	44,015.22	42,568.91
Less: Cash and cash equivalents	(1,634.14)	(1,395.52)	(1,267.64)
Net debt	**45,179.06**	**42,619.70**	**41,301.27**
Total Equity	**32,271.61**	**28,358.82**	**31,548.04**
Net debt to equity ratio	**1.40**	**1.50**	**1.31**

Note 37. First-time adoption of Ind AS

These financial statements, for the year ended 31 March 2018, are the first the Group has prepared in accordance with Ind AS.

The Group's financial statements for the year ended 31 March 2018 have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 as described in the summary of significant accounting policies. The adoption of Ind AS has been carried out in accordance with Ind AS 101, with April 1, 2016 as the transition date. In accordance with Ind AS 101, the resulting difference between the carrying amounts of the assets and liabilities in the financial statements under both Ind AS and Previous GAAP as at the transition date have been recognized directly in equity at the transition date. An explanation of how the transition from previous GAAP to Ind AS has affected the financial position, financial performance and cash flows is set out in the following notes:

Exemptions and exceptions applied

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from Previous GAAP to Ind AS.

A. Ind AS Optional Exemptions

A.1 Business Combinations

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The Group elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated.

A.2 Prospective Application of Ind AS 21 to Business Combinations

Ind AS 101 allows a first-time adopter not to apply Ind AS 21 'The Effects of Changes in Foreign Exchange Rates' retrospectively for business combinations that occurred before the date of transition to Ind AS. The Group has elected to apply this exemption.

A.3 Fair valuation as deemed cost for certain items of Property, Plant and Equipment

Ind AS 101 permits an entity to elect to measure an item of property, plant and equipment at the date of transition to Ind AS at its fair value and use that fair value as its deemed cost at that date.

Accordingly, the Group has elected to use the fair value of land on the date of transition and designate the same as deemed cost on the date of transition. Fair value has been determined, by obtaining an external third party valuation, a level 3 valuation technique. For the remaining assets, the Group has applied Ind AS retrospectively, from the date of their acquisition.

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

A.4 Joint ventures – transition from proportionate consolidation to the equity method

When changing from proportionate consolidation to the equity method, the group has recognised its investment in the joint venture at transition date to Ind ASs. The initial investment has been measured as the aggregate of the carrying amounts of the assets and liabilities that the group had previously proportionately consolidated under the Indian GAAP, including any goodwill arising from acquisition. The balance of the investment in joint venture at the date of transition to Ind ASs, determined in accordance with above has regarded as the deemed cost of the investment at initial recognition in accordance with Ind AS 101- First-time adoption of Indian Accounting Standards."

A.5 Cumulative translation differences

The Group has elected to measure the balance lying under Foreign Currency translation reserve as zero on the date of transition to Ind AS.

B. Ind AS Mandatory Exemptions

B.1 Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 1, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:-

Investment in equity instruments carried at FVTOCI.

- Investment in debt instruments carried at amortised cost.

- Other investments carried at FVTPL.

B.2 Classification and measurement of financial assets

Ind AS 101 allows an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS. The classification of financial assets is thus based on the facts and circumstances that exist as at 1 April 2016.

Note 38. Notes to first-time Adoption

1. Inventories

(a) **Work in Progress :** Under previous GAAP, no valuation was done for period end harvested tea-leaf. Under Ind AS, harvested leaf is measured at its fair value less cost to sell and is classified as Work in Progress. Consequent to this change, work in progress has increased by ₹ 56.61 lakhs and ₹ 35.15 lakhs as at 1 April 2016 and 31 March 2017 respectively with corresponding increase in equity.

(b) **Finished Goods :** Under previous GAAP, tea stock has been valued at the lower of cost and net realizable value. Cost of inventories comprise all costs of purchase/production of green leaf, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Under Ind AS, cost of inventories comprise cost of purchase of green leaf, fair value of green leaf at the time of harvest less cost to sell, conversion cost and other costs incurred in bringing the inventories to their present location and condition.

Consequent to this change, inventory of finished goods has decreased by ₹ 147.27 lakhs and ₹ 41.27 as on 1 April 2016 and 31 March 2017 with corresponding decrease in equity.

2. Biological Assets (i.e. unplucked leaf on tea bushes)

Under previous GAAP, biological assets i.e. unplucked leaf on tea bushes has neither been valued nor recognised in the accounts. Under Ind AS, unplucked leaf on tea bushes has been measured at its fair value less cost to sell.

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

Consequent to this change, inventory of biological assets as on 1 April 2016 has increased by ₹ 93.37 lakhs with correponding increase in equity. However, inventory of biological assets as on 31 March, 2017 has increased by ₹ 132.18 lakhs with corresponding increase in equity.

3. Fair valuation of Investments

A. **Mutual Funds, Alternative Investment Fund and Bonds:** Under the previous GAAP, investments were classifed as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition and subsequently in the proft or loss for the year ended 31st March, 2017. This has resulted in increase in investments by ₹ 1813.17 Lakhs as at 31st March, 2017 (1st April, 2016 - ₹ 1195.75 Lakhs) with corresponding increase in equity.

B. **Equity shares:** Under the previous GAAP, investments in equity instruments were carried at cost less provision for other than temporary decline in the value of such investments. Under Ind AS, such investments (in companies other than subsidiaries, joint ventures and associates) are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition and subsequently in other comprehensive income for the year ended 31st March, 2017. This has resulted in increase in investments by ₹ 1109.2 Lakhs as at 31st March, 2017 (1st April, 2016 - ₹ 628.90 Lakhs) with corresponding increase in equity .

C. **Discounting of Non Convertible Debenture :** The discounting of NCD has resulted in decrease in equity by ₹ 397.75 Lakhs as at 31st March, 2017 and 1st April, 2016

D. **Share of profit of Associate:** Consequent to recognisition of share of profit in Ind AS of joint venture and associate, equity as at 31st March, 2017 has increased by ₹ 1426.76 lakhs.

4. Borrowings

Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method. Under previous GAAP, these transaction costs were charged to profit or loss as and when incurred. Accordingly, borrowings as at 31 March 2017 have been reduced by ₹ 51.81 lakhs with a corresponding increase in profit for the year.

5. Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. acturial gains and losses and the return on plan assets, are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. As result of this change, and also due to revaluation of the gratuity liability, the equity for the year ended 1 April 2016 decreased by ₹ 1445.69 lakhs (net of tax). The profit for the year ended 31 March 2017 for the same matter decreased by ₹ 1698.38 lakhs (net of tax).

6. Effect of fair valuation of land

The Group has elected to fair value land on the date of transition and designate the same as deemed cost. Consequent to this change, property plant and equipment has increased by ₹ 1973.13 lakhs (net of tax) as at 1 April 2016 with corresponding increase in equity.

7. Proposed Dividend and Tax on Proposed Dividend

Under the Previous GAAP, dividend proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend including dividend distribution tax thereon was recognised as a provision. Under Ind AS, such dividend is recognised when the same is approved by the shareholders in the general meeting. Accordingly, the provision for proposed dividend including dividend distribution tax thereon of ₹ 305.73 Lakhs

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

as at 1st April, 2016 included under provisions has been reversed with corresponding adjustment to retained earnings. Consequently, the total equity increased by an equivalent amount.

8. Treasury shares

Under Ind AS, if an entity re-acquires its own equity instruments, those instruments ('treasury shares') shall be deducted from equity. No gain or loss shall be recognised in profit or loss on the purchase, sale, issue or cancellation of an entity's own equity instruments. Consideration paid or received shall be recognised directly in equity.

Consequent to this, equity has been decresed by ₹ 9969.70 lakhs and ₹ 332.30 lakhs as on 1 April 2016 and 31 March 2017.

9. of Expected Credit Loss

As per Ind AS 109, the Group is required to apply expected credit loss model for recognising the allowance on advances. As a result, the allowance for expected credit losses was recognised amounting to ₹ 42.78 Lakhs as at 1 April 2016 and ₹ 42.78 lakhs as at 31 March 2017. Consequently, the total equity decreased by ₹ 42.78 lakhs and ₹ 42.78 lakhs as on 1 April 2016 and 31 March 2017.

10. Retained Earnings

Retained earnings as at April 1, 2016 has been adjusted consequent to the above Ind AS transition adjustments.

11. Other Comprehensive Income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans and fair value gains or (losses) on FVOCI equity instruments. The concept of other comprehensive income did not exist under previous GAAP.

38.1. Effect of the Transition to Ind AS

Reconciliations of Equity as per erstwhile Indian GAAP as previously reported and Ind AS is as follows:

Particulars	Notes to First time adoption	Total Other Equity	
		31-Mar-17	31-Mar-16
Equity as per previous GAAP		25,703.61	39,995.54
Adjustments (net of tax) :			
Effect of changes in value of Finished Goods (Tea)	1	(6.12)	(90.66)
Effect of change in fair value of Biological Assets	2	132.18	93.37
Effect of classification of Actuarial Loss/Gain on defined benefit plan	5	(1,698.38)	(1,445.69)
Effect of measuring Financial Instruments at fair value	3 & 4	4,003.80	1,427.25
Effect of revaluation of land and building on fair valuation	6	1,973.13	1,973.13
Dividend and tax on dividend (refer note 17)	7	-	305.73
Effect of Treasury shares netted off with equity	8	(332.30)	(9,969.70)
Effect on account of Expected Credit Loss on Capital Advances	9	(42.78)	(42.78)
Equity as per Ind AS		**29,733.14**	**32,246.19**

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Reconciliations of net profit as per erstwhile Indian GAAP as previously reported and Ind AS is as follows:

Particulars	Notes to First time adoption	Total Comprehensive Income
		31-Mar-17
Profit as per Indian GAAP		**92.58**
Adjustments (net of tax) :		
Effect of changes in value of Finished Goods (Tea)	1	84.49
Effect of change in fair value of Biological Assets	2	38.82
Effect Actuarial Loss/Gain on defined benefit plan	5	(437.82)
Effect of measuring Financial Instruments at fair value	3 & 4	1,062.40
Share of profit of Associate and Joint Venture	3 & 4	1,426.40
Profit as per Ind AS		**2,266.87**

38.2. Reconciliation of cash flows for the year ended March 31, 2017

The transition from erstwhile Indian GAAP to Ind AS has not made a material impact on the statement of cash flows.

Note 39. Segment Information

1. The Company has disclosed business segment as the primary segment. The Company is collectively organised into following business segments namely:

   (a) Tea ; (b) Chemical & Fertiliser ; (c) Sugar

   Segments have been identified as reportable segments by the Company'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 Company's accounting policies described in Note 3. Segment profit (Earnings before interest, depreciation and amortization, 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 Company'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 for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

The folowing table presents revenue and profit information for the Group's operating segment for the year ended March 31, 2018 and March 31, 2017.

Particulars	Tea		Chemical & Fertiliser		Sugar		Total	
	2017–18	2016–17	2017–18	2016–17	2017–18	2016–17	2017–18	2016–17
Revenue								
Total External Revenue	48,698.57	47,961.72	9,347.56	8,655.09	17,723.49	16,893.35	75,769.62	73,510.16
Inter Segment Revenue	-	-	-	-			-	-
Total Revenue	**48,698.57**	**47,961.72**	**9,347.56**	**8,655.09**	**17,723.49**	**16,893.35**	**75,769.62**	**73,510.16**
Segment Results	2,902.19	2,416.96	581.44	406.99	76.51	1,837.47	3,560.14	4,661.42
Reconciliation to Profit before Tax:								
Interest Income							986.60	792.94
Finance Costs (Note 24)							(4,258.35)	(4,243.87)
Unallocable Income net off unallocable expenditure							(280.16)	99.71
Profit /(Loss) Before Tax							**8.23**	**1,310.20**
Depreciation and Amortisation expense	1,374.01	1,378.22	54.59	53.29	225.24	210.13	1,653.84	1,641.64
Unallocable							125.81	120.07
Total							**1,779.65**	**1,761.71**
Non-cash Expenses other than Depreciation and Amortisation	21.71	67.40	-	-	-	-	**21.71**	**67.40**
Capital Expenditure	2,546.51	2,978.16	59.53	70.27	518.18	726.88	3,124.22	3,775.31
Unallocable							43.54	110.31
Total							**3,167.76**	**3,885.62**
Share of Profit of Associate and Joint Venture								
Unallocable							3,198.53	1,134.56
Total							**3,198.53**	**1,134.56**

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

The folowing table presents assets and liabilities information for the Group's operating segment as at March 31, 2018, March 31, 2017 and April 01, 2016.

Particulars	Tea			Chemical & Fertiliser			Sugar			Total		
	31-Mar-18	31-Mar-17	01-Apr-16	31-Mar-18	31-Mar-17	01-Apr-16	31-Mar-18	31-Mar-17	01-Apr-16	31-Mar-18	31-Mar-17	01-Apr-16
Segment Assets	39,214.27	38,484.29	36,350.97	6,691.84	7,737.15	8,585.86	29,477.17	26,861.04	28,524.63	75,383.28	73,082.48	73,461.46
Reconciliation to Total Assets												
Investments										29,631.69	25,097.74	22,737.34
Deferred tax assets (net)										1,127.79	738.82	68.48
Current Tax Assets (net)										576.15	623.81	857.36
Other Unallocable Assets										6,405.57	6,638.41	5,187.21
Total Assets										**1,13,124.48**	**1,06,181.26**	**1,02,311.85**
Segment Liabilities	9,314.53	8,842.16	8,689.19	2,279.40	2,612.54	3,337.88	20,200.32	18,914.49	13,954.08	31,794.25	30,369.19	25,981.15
Reconciliation to Total Liabilities												
Borrowings										46,813.20	44,015.21	42,568.90
Deferred tax liabilities (net)										-	228.82	572.21
Current Tax Liabilities (Net)										-	251.00	-
Other Unallocable Liabilities										1,231.05	1,583.89	943.40
Total Liabilities										**79,838.49**	**76,448.11**	**70,065.66**
Investments in an associate and a joint venture												
Unallocated										11,301.44	8,130.88	6,430.74
Total										**11,301.44**	**8,130.88**	**6,430.74**

Geographical segment analysis

Revenue by geographical segment	31-Mar-18	31-Mar-17
India	63,652.30	62,922.83
Rest of the world	12,117.32	10,587.33
	75,769.62	**73,510.16**

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:

	31-Mar-18	31-Mar-17	01-Apr-16
Non-current operating assets			
India	33,193.44	31,757.48	35,835.34
Rest of the world	1,886.72	1,970.30	1,890.27
	35,080.16	**33,727.78**	**37,725.61**

Segment Capital Expenditure	31-Mar-18	31-Mar-17
India	3,083.04	3,560.47
Rest of the world	41.18	214.84
	3,124.22	**3,775.31**

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

Note 40. 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-2018	As at 31-Mar-2017	As at 01-Apr-2016	
Indian Subsidiaries					
North Tukvar Tea Company Limited	India	90.50%	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%	100.00%	Non-Banking Financial Company
Majhaulia Sugar Industries Private Limited	India	100.00%	100.00%	100.00%	Manufacturing and Selling of Sugar
Foreign Subsidiaries					
Birla Holdings Limited including its two subsidiaries:	Dubai	100.00%	100.00%	100.00%	Manufacturing and Selling of Tea
a) Kijura Tea Company Limited	Uganda	100.00%	100.00%	100.00%	
b) Bondo Tea Estates Limited	Uganda	100.00%	100.00%	100.00%	

Associate

The Group has a 37.18% interest in ECE Industries Limited (associate of JIFL) (31-Mar-17: 37.18%, 01-Apr-16: 35.08%). (Refer Note 41)

Joint arrangement in which the Group is a joint venture

The Group has a 50% interest in Tea Group Investment Company Limited (31-Mar-17: 50%, 01-Apr-16: 50%). (Refer Note 42)

Entity with significant influence over the Group

JPM Merchandise Agencies Limited owns 21.17% of the Equity shares in Jay Shree Tea & Industries Limited (31-Mar-17: 21.17%, 01-Apr-16: 21.17%).

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

b) Disclosure of additional information pertaining to the Parent Company, Subsidiaries, Associate and Joint Venture in respect of Net Assets:

Entity Name	As at 31-Mar-2018		As at 31-Mar-2017		As at 01-Apr-2016	
	% of consolidated assets	Amount (₹ in Lakhs)	% of consolidated assets	Amount (₹ in Lakhs)	% of consolidated assets	Amount (₹ in Lakhs)
Parent Company						
Jay Shree Tea & Industries Limited	28.62%	9,526.89	44.88%	13,345.43	73.41%	23,673.48
Indian Subsidiaries						
North Tukvar Tea Company Limited	0.99%	328.48	0.95%	281.92	0.80%	257.80
Jayantika Investment and Finance Limited (JIFL) (formerly Parvati Tea Company Limited)	10.61%	3,530.70	8.72%	2,592.38	5.13%	1,653.31
Majhaulia Sugar Industries Private Limited	22.00%	7,323.58	15.30%	4,550.51	0.01%	1.88
Foreign Subsidiaries						
Birla Holdings Limited including its two subsidiaries: a) Kijura Tea Company Limited b) Bondo Tea Estates Limited	3.83%	1,274.90	2.80%	832.04	0.71%	228.98
Joint Venture						
Tea Group Investment Company Limited its two subsidiaries: a) Mata Tea Company Limited b) Gisakura Tea Company Limited	10.66%	3,548.01	9.10%	2,705.77	7.78%	2,507.64
Associate						
ECE Industries Limited (associate of JIFL)	23.29%	7,753.43	18.25%	5,425.10	12.17%	3,923.10
		33,285.99		**29,733.15**		**32,246.19**

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(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-18		31-Mar-17		31-Mar-18		31-Mar-17		31-Mar-18		31-Mar-17	
	% 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	12.54%	428.99	-71.01%	(1,206.35)	90.46%	(342.43)	-32.01%	(181.82)	2.84%	86.56	-61.24%	(1,388.17)
Indian Subsidiaries												
North Tukvar Tea Company Limited	-0.25%	(8.55)	-0.55%	(9.30)	-12.58%	47.60	2.41%	13.70	1.28%	39.05	0.19%	4.40
Jayantika Investment and Finance Limited (JIFL) (formerly Parvati Tea Company Limited)	5.61%	191.87	10.75%	182.63	-7.34%	27.78	38.19%	216.95	7.22%	219.65	17.63%	399.59
Majhaulia Sugar Industries Private Limited	-24.22%	(828.77)	49.46%	840.26	17.16%	(64.94)	10.87%	61.77	-29.36%	(893.71)	39.79%	902.03
Foreign Subsidiaries												
Birla Holdings Limited including its two subsidiaries: a) Kijura Tea Company Limited b) Bondo Tea Estates Limited	12.86%	440.18	44.56%	757.04	0.00%	-	0.00%	-	14.46%	440.18	33.40%	757.04
Joint Venture												
Tea Group Investment Company Limited including its two subsidiaries: a) Mata Tea Company Limited b) Gisakura Tea Company Limited	32.32%	1,105.95	7.89%	134.02	69.67%	(263.71)	11.29%	64.11	27.67%	842.24	8.74%	198.13
Associate												
ECE Industries Limited (associate of JIFL)	61.15%	2,092.57	58.90%	1,000.54	-62.28%	235.75	88.28%	501.46	76.50%	2,328.32	66.26%	1,502.00
Foreign Currency Translation Reserve	0.00%	-	0.00%	-	4.91%	(18.58)	-19.04%	(108.13)	-0.61%	(18.58)	-4.77%	(108.13)
		3,422.24		**1,698.84**		**(378.53)**		**568.04**		**3,043.71**		**2,266.89**

Note 41. Investment in Associate

The Group has a 37.18% interest in ECE Industries Limited (associate of JIFL) (31-Mar-17: 37.18%, 01-Apr-16: 35.08%) 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 Associate is listed on National Stock Exchange (NSE) in India. 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-2018	As at 31-Mar-2017	As at 01-Apr-2016
Carrying amount of interest in Associate	7,753.43	5,425.10	3,923.10

	31-Mar-18	31-Mar-17
Group's Share of Profit from Associate	2,092.58	1,000.54
Group's share of Other Comprehensive Income (OCI) for the year from Associate	235.75	501.46
Group's share of total comprehensive income for the year from Associate	2,328.33	1,502.00

NOTES to consolidated financial statements for the year ended 31st March, 2018 *(Contd.)*

(₹ in Lakhs)

Note 42. Investment in Joint Venture

The Group has a 50% interest in Tea Group Investment Company Limited (TGICL) (31-Mar-17: 50%, 01-Apr-16: 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.

	Place of Business / Country of Incorporation	As at 31-Mar-2018	As at 31-Mar-2017	As at 01-Apr-2016
Mata Tea Company Limited	Rwanda	30.00%	30.00%	30.00%
Gisakura Tea Company Limited	Rwanda	30.00%	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-2018	As at 31-Mar-2017	As at 01-Apr-2016
Carrying amount of interest in Joint Venture	3,548.01	2,705.77	2,507.64

	31-Mar-18	31-Mar-17
Group's Share of Profit from Joint Venture	1,105.95	134.02
Group's share of Other Comprehensive Income (OCI) for the year from Joint Venture	(263.71)	64.11
Group's share of total comprehensive income for the year from Joint Venture	**842.24**	**198.13**

Significant accounting policies 3

The accompanying notes are an integral part of the consolidated 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: 29 May 2018

For and on behalf of Board of Directors

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

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

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

NOTES

JAY SHREE TEA & INDUSTRIES LTD.

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 :

FolioNo /Client ID No. & DP ID

No. of Share(s) held

I/We hereby record my/our presence at the **72nd Annual General Meeting of Jay Shree Tea & Industries Ltd. held on Wednesday, the 1st August, 2018 at 10:30 a.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.

.

JAY SHREE TEA & INDUSTRIES LTD.

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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]

72nd Annual General Meeting to be held on Wednesday, the 1st August, 2018 at 10:30 a.m. at "Kala Kunj", 48, Shakespeare Sarani, Kolkata 700 017

Name of the Member(s) :

Registered Address :

E-mail ID :

FolioNo /Client ID No. & DP ID

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

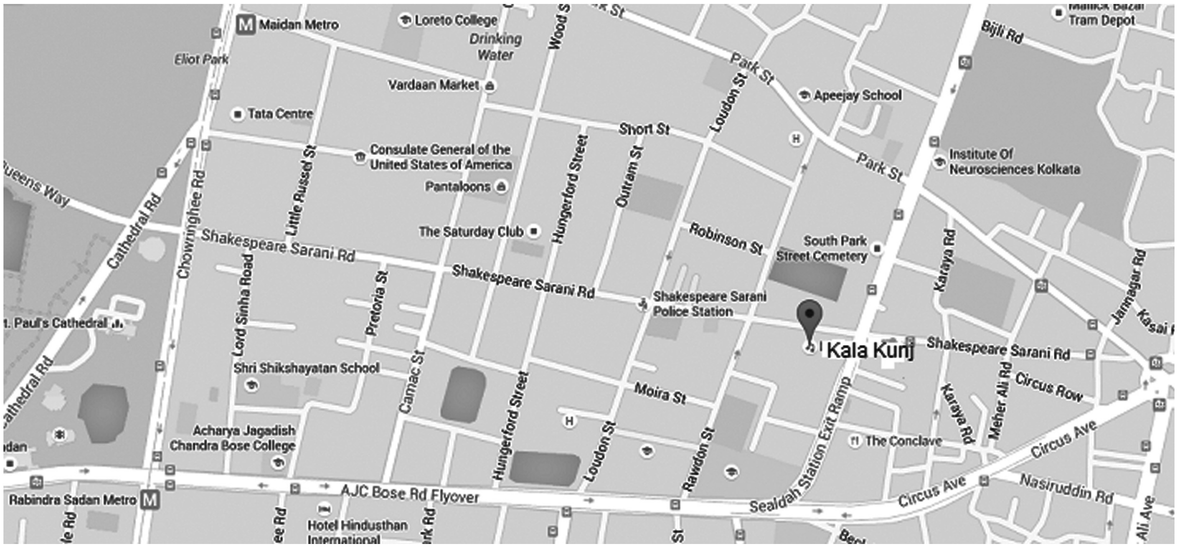
1. Name : ....
   Address : ....
   E-mail Id : .... Signature: ...., or failing him
2. Name : ....
   Address : ....
   E-mail Id : .... Signature: ...., or failing him
3. Name : ....
   Address : ....
   E-mail Id : .... Signature: ...., or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 72nd Annual General Meeting of the Company, to be held on Wednesday, the 1st August, 2018 at 10:30 a.m. at "Kala Kunj" 48, Shakespeare Sarani, Kolkata 700 017 and at any adjournment thereof in respect of such resolutions as are indicated below:

P.T.O.

Venue of the Meeting

"Kala Kunj", 48 Shakespeare Sarani, Kolkata-700 017



Resolution No.	Particulars	Optional	
Ordinary Business		**For**	**Against**
1	Adoption of Annual Financial Statements for the year ended March 31, 2018		
2	Approval of Dividend		
3	Re-appointment of Mr.B.K.Birla who retires by rotation.		
Special Business			
4	Appointment of Mr.Sumit Mazumder as an Independent Director		
5	To approve continuation of directorship of Non Executive Director-Mr.B.K.Birla,Chairman		
6	Re-appointment of Mrs.Jayashree Mohta as Whole-time Director for a term of three years w.e.f 01.04.2019		
7	Re-appointment of Mr.D.P.Maheshwari as Managing Director for a term of three years w.e.f 27.06.2019		
8	Re-appointment of Mr.S.K.Tapuriah as Independent Director for a term of five years w.e.f. 01.04.2019		
9	Re-appointment of Mr.Subodh Kumar Agrawal as Independent Director for a term of five years w.e.f 01.04.2019		
10	Approval of payment of remuneration to Non-Executive Directors.		
11	Approval of the remuneration of the Cost Auditor for the year 2018-19		

Signed this .... day of .... 2018.

Signature of Shareholder :

Signature of Proxy holder(s):

Affix Revenue Stamp

Note :

1. **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.**
2. **A Proxy need not be a member of the Company.**
3. For the resolutions, Explanatory Statement and Notes, please refer to the Notice of the 72nd Annual General Meeting.
4. 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, Jellalpore
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

TEA FACTORY

Vinayak Tea Factory
Ledo, Margharita, Assam

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
(Erstwhile Parvati Tea Company Limited)
Majhaulia 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

91-033-22827531-34 91-033-22827535/22825830

webmaster@jayshreetea.com www.jayshreetea.com

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