





FORM A

Cover letter of the Annual Audit Report to be filed with the Stock Exchanges

1. Name of the Company : JAY SHREE TEA & INDUSTRIES LIMITED
2. Annual financial statements for the year ended: 31st March, 2014
3. Type of Audit observation: **Appeared as Emphasis of Matter :**
- i. The auditors' in their audit report have referred note no. 2.28.E.iii regarding carry forward of minimum alternate tax (MAT) credit entitlement of Rs. 418.43 lacs based on the future taxable income projected by the Company.
- ii. Further note no. 2.28.I.ii have been referred regarding non-provision for diminution in value of investment of a Subsidiary Company amounting to Rs. 356.20 lacs and non-provision for advances & security deposits given to such subsidiary amounting to Rs. 277.45 lacs.
4. Frequency of observation: i. Audit observation no. 3(i) as above in relation to MAT credit entitlement is being referred since 2009-10.
- ii. Audit observation no. 3(ii) as above regarding non-provision for diminution in value of investment of a Subsidiary Company is being referred since 2008-2009 and reference of non-provision for advances & securities has been made since 2009-10.


ADITYA SINGHI
(Statutory Auditor)


S.K. TAPURIAH
(Audit Committee
Chairman)


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


D.P. MAHESHWARI
(Managing Director)





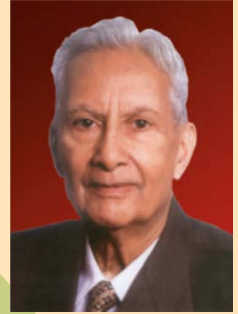
JAY SHREE TEA & INDUSTRIES LIMITED

68TH ANNUAL REPORT 2013 - 2014

Buy garden fresh tea online at www.jayshreetea.com



B K BIRLA GROUP OF COMPANIES



Our Chairman Syt. B. K. Birla

*STRONG FOUNDATION, SUSTAINED GROWTH,
PROVEN LEADERSHIP*

The Group Logo

As represented by the 21st Century Atlas

Atlas, the Titan

Collective Strength

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

The Sun

Enlightenment and Growth

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

The Earth Segments

Diversified Activities

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

The Globe

Global Vision

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

The Base

Solid Foundations

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

The Symmetry

The Resilience, Versatility and Stability

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



JAY SHREE TEA & INDUSTRIES LIMITED
68TH ANNUAL REPORT FOR THE YEAR ENDED 31ST MARCH 2014

Corporate Information

BOARD OF DIRECTORS

Mr. B. K. Birla (*Chairman*)
Mrs. Jayashree Mohta
(*Vice-Chairperson*)
Mr. B. M. Khaitan
Mr. G. P. Goenka
Mr. S. S. Kothari
Mr. S. K. Tapuriah
Mr. Vikash Kandoi
(*Executive Director*)
Mr. D. P. Maheshwari
(*Managing Director*)

EXECUTIVES

Mr. R. K. Ganeriwala
(*President, CFO & Secretary*)
Mr. S. Basu
President (Tea Marketing & Exports)
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., L.L.P.,
1-B, Old Post Office Street,
Kolkata - 700 001

AUDITORS

M/s Singhi & Co.,
1-B, Old Post Office Street,
Kolkata - 700 001

REGISTRARS

Maheshwari Datamatics Pvt.Ltd.
6, Mangoe Lane,
Kolkata - 700 001
Ph : (033) 22435029/5809
Fax : (033) 22484787
E-mail : mdpl@cal.vsnl.net.in

BANKERS

Axis Bank Ltd.
DBS Bank Ltd.
Development Credit Bank Ltd.
HDFC Bank Ltd.
ICICI Bank Ltd.
IndusInd Bank Ltd.
ING Vysya Bank Ltd.
Kotak Mahindra Bank Ltd.
Punjab National Bank
Rabobank International
State Bank of India
UCO Bank
Yes Bank Ltd.

SHARE DEPTT.

"Industry House" (15th Floor)
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. S. S. Kothari
Mr. D. P. Maheshwari

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. S. K. Tapuriah (*Chairman*)
Mr. S. S. Kothari
Mr. D. P. Maheshwari

NOMINATION AND REMUNERATION COMMITTEE

Mr. B. M. Khaitan (*Chairman*)
Mr. S. S. Kothari
Mr. S. K. Tapuriah

REGISTERED & HEAD OFFICE

"Industry House" (15th Floor)
10, Camac Street, Kolkata 700 017
Ph : (033) 22827531-34, Fax : (033) 22827535
E-mail : webmaster@jayshreetea.com
Website : www.jayshreetea.com
CIN : L15491WB1945PLC012771

MUMBAI OFFICE

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

AHMEDABAD OFFICE

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

NEW DELHI OFFICE

620-A, Faiz Road, 2nd Floor
Karol Bagh, New Delhi 110 055
Phone : (011) 23633717/23522149
Fax : (011)236337/47

INSIDE THIS REPORT :

Notice	2
Management Discussion & Analysis	16
Corporate Governance Report	20
Shareholders' Information	26
Report of the Directors	29
Statement relating to Subsidiary Company	39
Financial Highlights for 5 years	40
Independent Auditors' Report	42
Balance Sheet	46
Statement of Profit & Loss	47
Cash Flow Statement	48
Notes to Financial Statements	50
Consolidated Independent Auditors' Report	82
Consolidated Balance Sheet	84
Consolidated Statement of Profit & Loss	85
Consolidated Cash Flow Statement	86
Consolidated Notes to Financial Statements	88
Consolidated Segmental Information	117

Notice

To the Shareholders

NOTICE is hereby given that the Sixty Eighth Annual General Meeting of the Company will be held on Friday, the 1st August, 2014 at 10.30 A.M. at "Kala Kunj" 48, Shakespeare Sarani, Kolkata 700 017 to transact the following businesses :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2014, Statement of Profit and Loss for the Financial Year ended on that date 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, 2014.
3. To appoint a Director in place of Mrs. Jayashree Mohta, who retires by rotation and is eligible for re-appointment.
4. To appoint M/s. Singhi & Co., Chartered Accountants, Statutory Auditors of the Company who shall hold office from the conclusion of this Annual General Meeting until the conclusion of 71st Annual General Meeting of the Company and to fix their remuneration.

SPECIAL BUSINESS :

5. Appointment of Mr B. M. Khaitan as an Independent Director for a term 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. B.M.Khaitan, (holding DIN-00023771) be appointed and designated 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 Non-Executive Independent Director of the Company to hold office for five consecutive years for a term upto March 31, 2019."

"**RESOLVED FURTHER THAT** Mr. B.M.Khaitan is not liable to retire by rotation upto March 31, 2019"

6. Appointment of Mr. G. P. Goenka as an Independent Director for a term 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. G. P. Goenka (holding DIN-00030302), be appointed and designated 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 Non-Executive Independent Director of the Company to hold office for five consecutive years for a term upto March 31, 2019."

"**RESOLVED FURTHER THAT** Mr. G. P. Goenka is not liable to retire by rotation upto March 31, 2019"

7. Appointment of Mr. S. S. Kothari as an Independent Director for a term 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. S.S.Kothari, (holding DIN-00084920) be appointed and designated 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 Non-Executive Independent Director of the Company to hold office for five consecutive years for a term upto March 31, 2019."

"**RESOLVED FURTHER THAT** Mr. S. S. Kothari is not liable to retire by rotation upto March 31, 2019"

Notice *(Contd.)*

8. **Appointment of Mr. S. K. Tapuriah as an Independent Director for a term 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. S. K. Tapuriah (holding DIN-01065278), be appointed and designated 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 Non-Executive Independent Director of the Company to hold office for five consecutive years for a term upto March 31, 2019."

"RESOLVED FURTHER THAT Mr. S.K.Tapuriah is not liable to retire by rotation upto March 31, 2019"

9. **Appointment of Mr.Subodh Kumar Agrawal 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. Subodh Kumar Agrawal, (holding DIN - 00553916) be appointed and designated 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 to hold office for five consecutive years for a term upto March 31, 2019."

"RESOLVED FURTHER THAT Mr. Subodh Kumar Agrawal is not liable to retire by rotation upto March 31, 2019"

10. **Payment of overall and minimum remuneration to Mrs. Jayashree Mohta, Vice Chairperson in case of absence or inadequacy of profits in any financial year for the remaining tenure from 1.4.2014 to 31.3.2016**

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) and subject to the approval of the Central Government (if required) and 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 payment of remuneration, as stated in the statement annexed hereto as overall and minimum remuneration to Mrs Jayashree Mohta, (holding DIN - 01034912), a Whole-time Director, designated as Vice-Chairperson of the Company for her remaining tenure of two years w.e.f. 01.04.2014 to 31.03.2016."

"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."

11. **Re-appointment of Mr.Vikash Kandoi, Whole-time Director under the designation "Executive Director" for a term of three years w.e.f. 1.4.2015**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a 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 the re-appointment of Mr. Vikash Kandoi, (holding DIN - 00589438), as a Whole-time Director under the designation "Executive Director" of the Company for a period of three years w.e.f. 01.04.2015, liable to retire by

Notice *(Contd.)*

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 from time to time and as may be acceptable to Mr. Vikash Kandoi."

"RESOLVED FURTHER THAT, notwithstanding anything herein above stated where in any financial year closing on or after March 31, 2014 during the tenure of Mr. Vikash Kandoi as Whole-time Director of the Company, the Company incurs loss or its profits are inadequate, the company shall pay Mr. Vikash Kandoi 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. Vikash Kandoi 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."

12. Re-appointment of Cost Auditor of the Company for the year 2014-15

To consider and if thought fit, to pass with or without modifications, the following Resolution as a 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 2014-15 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

Dated, the 26th May, 2014

By Order of the Board
For **Jay Shree Tea & Industries Limited**

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

Notice *(Contd.)*

NOTES :

- a) EVERY MEMBER ENTITLED TO ATTEND AND VOTE AT THE 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 24.07.2014 to 01.08.2014 (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, 2014 to those members whose names appear on the Register of Members of the Company as on 1st August, 2014 or to their mandatees. In respect of dematerialised shares, the dividend will be payable on the basis of beneficial ownership details to be furnished by NSDL and CDSL for the purpose.
- d) 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.
- e) Pursuant to Section 205A (5) of the Companies Act, 1956 (as amended) any money transferred to the unpaid dividend account of a Company remaining unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred to Investor Education and Protection Fund and thereafter no claims shall lie against the fund or the Company. So, you are advised to claim the same from the Company immediately. The due dates of transfer of the following dividend to the Fund are as under :

Dividends for the year	Date of declaration of dividend	Due date of transfer to the Fund
2006-2007	28.06.2007	2nd August, 2014
2007-2008	27.06.2008	2nd August, 2015
2008-2009	29.06.2009	2nd August, 2016
2009-2010	25.06.2010	2nd August, 2017
2010-2011	22.09.2011	26th October, 2018
2011-2012	25.07.2012	28th August, 2019
2012-2013	29.07.2013	2nd September, 2020

- f) 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.INE 364A01020.
- g) 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.
- h) 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.
- i) Information about the Directors retiring by rotation as required under clause 49 of the Listing Agreement with the Stock Exchanges.

Mrs. Jayashree Mohta

Mrs. Jayashree Mohta, aged about 63 years, holding 967770 shares is the Whole time Director designated as "Vice

Notice *(Contd.)*

Chairperson" of the Company w.e.f. 1st April 2011. Mrs. Mohta holds a Bachelors degree in Arts. She has more than 20 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. She is the Honorary Consul of Belgium of Kolkata.

Directorships held in other companies :

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

- (J) In compliance of provisions of Section 108 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the company is pleased to provide facility to members to exercise their right to vote at the 68th 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 instruction for members for voting electronically are as under :

In case of members receiving e-mail:

- (i) Log on to the e-voting [website www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the JAY SHREE TEA & INDUSTRIES LTD. from the drop down menu and click on "SUBMIT"
- (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 & in 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)
	<ul style="list-style-type: none"> ▪ Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. ▪ In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1, then enter RA00000001 in the PAN field - Sequence number is communicated in the Covering Letter.

Notice *(Contd.)*

DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.
	<ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly 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 can be 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 "RESOLUTION 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 changed password, then Enter the User ID and the image verification code and Click on "FORGOT PASSWORD" & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as **Corporates**.
 - They should upload a scanned (pdf) copy of the Registrtration Form bearing the stamp and sign of entity to helpdesk. evoting@cdslindia.com
 - After receiving the login details they have to create a user who would be able to link the account(s) 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.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy :

- (a) Please follow all steps from Sl.No.(i) to Sl.no.(xvii) above to cast vote.
- (b) The voting period begins on Wednesday, the 23rd July 2014 from 10.00 a.m.(IST) and ends on Friday, the 25th July 2014 at 6.00 p.m.(IST). During this period shareholders of the company, holding shares either in physical form or

8	Notice	Management's Discussion and Analysis	Corporate Governance Report	Shareholders' Information
---	--------	--------------------------------------	-----------------------------	---------------------------

Notice *(Contd.)*

in dematerialised form, as on the cut-off date (record date) of 20th June 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (c) 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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com
- (k) The voting rights of shareholders shall be in proportion to their share of the paid up equity share capital of the Company.
- (l) The Board of Directors of the Company at their meeting held on 26th May 2014 has appointed Mr. A. K. Labh, Practicing Company Secretary as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner, whose e-mail address is: aklabhcs@gmail.com
- (m) The result of voting will be announced at the Annual General Meeting of the company to be held at 'Kala Kunj', 48, Shakespeare Sarani, Kolkata 700 017 on Friday, the 1st August 2014 at 10.30 A.M. The result of the voting will be communicated to the stock exchanges and will also be hosted on the website of the company www.jayshreetea.com

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

ITEM NO. 5

Mr. B. M. Khaitan, 86 years, is an Independent Non- Executive Director of our Company. Mr. Khaitan holds a Bachelors degree in Commerce from Calcutta University. He has been associated with our Company as a Director since 1970. He has more than 50 years of experience in tea industry, batteries and engineering. He is a renowned Industrialist having interest in tea, batteries and engineering.

Mr. Khaitan holds 200 Shares in the Company.

Mr. Khaitan holds directorship of the under stated other companies in India:

Williamson Magor & Co. Ltd., McLeod Russel India Ltd., Eveready Industries India Ltd., Babcock Borsig Ltd., CESC Ltd.

He also holds Chairmanship of the Remuneration Committee of the company and membership in Audit Committee of CESC Ltd.

Mr. Khaitan is a director whose period of office is liable to determination by retirement of directors by rotation under erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Khaitan being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto March 31, 2019. A notice has been received from a member proposing Mr. Khaitan as a candidate for the office of the director of the Company.

In opinion of the Board, Mr. Khaitan 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. Khaitan as an Independent Director setting out terms and conditions would be available for inspection without any fee by 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 continued association would be of immense benefit to the Company and is desirable to continue to avail services of Mr. Khaitan as an Independent Director.

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

Except Mr. Khaitan, 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. 5. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

Notice *(Contd.)*

ITEM NO. 6

Mr. G. P. Goenka, 73 years, is an Independent Non- Executive Director of our Company. Mr. Goenka holds Bachelors degree in Science (Hons). He has been associated with our Company as a Director since 1984. He has more than 40 years of experience in tea and other industries. He has been associated with a number of Trade & Industry Organizations. He is the past President of the Federation of Indian Chambers of Commerce and Industry. He has also served as the Member on the Prime Ministers Council on Trade and Industry.

Mr. Goenka holds 600 Shares in the Company.

Mr. Goenka holds directorship of the under stated other companies in India :

Duncans Industries Ltd., Energy Development Company Ltd., NRC Limited, Stone India Ltd., Star Paper Mills Ltd.,

He also holds Membership in Remuneration Committee of Stone India Ltd.

Mr. Goenka is a director whose period of office is liable to determination by retirement of directors by rotation under erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Goenka being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto March 31, 2019. A notice has been received from a member proposing Mr. Goenka as a candidate for the office of the director of the Company.

In opinion of the Board, Mr. Goenka 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. Goenka as an Independent Director setting out terms and conditions would be available for inspection without any fee by 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 continued association would be of immense benefit to the Company and is desirable to continue to avail services of Mr. Goenka as an Independent Director.

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

Except Mr. Goenka, 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. 6. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

ITEM NO. 7

Mr. S. S. Kothari, 83 years, is an Independent Non- Executive Director of our Company. Mr. Kothari holds a Masters degree in Commerce and is an eminent Chartered Accountant. He has been associated with our Company as a Director since 1986. He has more than 50 years of experience in auditing, accountancy, finance and legal matters. He is a former Member of the Parliament.

Mr. Kothari holds 4600 Shares in the Company.

Mr. Kothari holds directorship of the under stated other companies in India:

Maharaja Shree Umaid Mills Ltd., Kriti Industries (India) Ltd, Kothari Management & Industrial Consultants Pvt. Ltd.

He also holds Chairmanship in Share Transfer & Investor Grievances Committee of Maharaja Shree Umaid Mills Ltd. and Membership in the Audit Committee, Grievances Committee and Remuneration Committee of the Company.

Mr. Kothari is a Director whose period of office is liable to determination by retirement of directors by rotation under erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Kothari being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto March 31, 2019. A notice has been received from a member proposing Mr. Kothari as a candidate for the office of the director of the Company.

Notice *(Contd.)*

In opinion of the Board, Mr. Kothari 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. Kothari as an Independent Director setting out terms and conditions would be available for inspection without any fee by 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 continued association would be of immense benefit to the Company and is desirable to continue to avail services of Mr. Kothari as an Independent Director.

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

Except Mr. Kothari, 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.7. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

ITEM NO. 8

Mr. S. K. Tapuriah, 75 years, is an Independent Non- Executive Director of our Company. Mr. S. K. Tapuriah holds a Bachelors degree in Commerce. He has been associated with our Company as a Director since 1990. He has more than 40 years of experience in Business management and Finance. He is an ex-member of Parliament and contributed effectively to the development of trade and industry in India.

Mr. Tapuriah holds 768 Shares in the Company.

Mr. Tapuriah holds directorship in Krishna Bihari Tea Co. Ltd. He also holds Chairmanship in the Shareholders/Investor Grievances Committee and in Audit Committee of the Company and membership in Remuneration Committee of the company.

Mr. Tapuriah is a Director whose period of office is liable to determination by retirement of directors by rotation under erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013.

Mr. Tapuriah being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto March 31, 2019. A notice has been received from a member proposing Mr. Tapuriah as a candidate for the office of the director of the Company.

In opinion of the Board, Mr. Tapuriah 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. Tapuriah as an Independent Director setting out terms and conditions would be available for inspection without any fee by 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 continued association would be of immense benefit to the Company and is desirable to continue to avail services of Mr. Tapuriah as an Independent Director.

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

Except Mr. Tapuriah, 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. 8. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

ITEM NO. 9

Mr. Subodh Kumar Agrawal, 52 years, for whom the company has received a notice in writing alongwith the required deposit, is to be appointed as an Independent Director of the company for an initial period of five consecutive years. Mr. Agrawal 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.

Notice *(Contd.)*

In opinion of the Board, Mr. Subodh Kumar Agrawal 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. Agrawal as an Independent Director setting out terms and conditions would be available for inspection without any fee by 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. Subodh Kumar Agrawal as an Independent Director.

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

Except Mr. Subodh Kumar Agrawal, 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.9. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

ITEM NO.10

With the introduction of Schedule V of the Companies Act, 2013, the company having profits in a financial year may pay remuneration to a managerial person not exceeding the limits specified in Section 197 of the said Act and in cases where there is no profits or its profits are inadequate, the company can pay remuneration to its Whole time Director(s) in accordance with the provisions of Schedule V to the Companies Act, 2013. Hence, it has been thought prudent to obtain the approval of the shareholders by way of a Special Resolution to continue the payment of remuneration to Mrs. Jayashree Mohta, a Whole-time Director designated as Vice Chairperson of the company in the absence or inadequacy of profits in any financial year as per limits and the terms and conditions approved earlier as under:-

- | | | |
|--|---|--|
| A) Remuneration
(Salary, Perquisites & Allowances) | : | Not exceeding ₹ 96 lacs (Rupees ninety six lac 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, notwithstanding the five years tenure fixed w.e.f. April 1, 2011, 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. |

The above payment shall be governed by the provisions of Schedule V to the Companies Act, 2013 or any amendment thereof.

Accordingly, the Board recommends the resolution for the approval by the shareholders of the Company.

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

ITEM NO.11

Mr. Vikash Kandoi, is one of the Directors of the Company since 29th July 2008. He has been looking after day to day affairs of the Company and is helping in various ways to improve its performance. Mr. Vikash Kandoi, aged about 37 years, holding 1126 shares, is a Chartered Accountant. He has experience in the overall business management and contribute effectively in guiding the company towards the path of success.

He holds directorship in Armstrong Packaging Pvt.Ltd.

Mr. Vikash Kandoi, Whole-time Director designated as Executive Director was appointed in Board meeting held on 30th May 2012 for three years w.e.f. April 1, 2012. So, his terms will cease on 31.03.2015. In view of the valuable contribution being made by Mr. Vikash Kandoi towards the growth of the Company, the Board in its meeting held on 26th May, 2014, as recommended by Nomination and Remuneration Committee, subject to the approval of the members of the Company in the Annual General

Notice *(Contd.)*

Meeting, has decided to re-appoint him as the Whole- time Director designated as Executive Director of the Company for a further period of three years w.e.f. April 01, 2015 on the remuneration and terms and conditions set out herein. Accordingly, this resolution is being proposed for the approval of the members.

- (A) **Remuneration** (Salary, Perquisites & Allowances) : Not exceeding ₹ 60 Lacs (Rupees Sixty Lac 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, notwithstanding the three years tenure fixed w.e.f. April 1, 2015 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 Mr. Vikash Kandoi 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 Mr. Vikash Kandoi himself and Mrs. Jayashree Mohta, being the relative of Mr. Vikash Kandoi are 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 here below :

I. GENERAL INFORMATION

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

(₹ In Lacs)

	31.3.2014	31.3.2013	31.3.2012
Revenue from operations (Net)	69852	66947	61695
Profit before interest, depreciation & tax (PBITDA)	5934	9124	5556
Interest (Net)	4203	2510	2327
Profit before Depreciation & Tax (PBDT)	1731	6614	3229
Profit before Tax (PBT)	213	5304	1731
Provision for Tax	(121)	1297	299
Profit after Tax (PAT)	334	4007	1432

Notice *(Contd.)*

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

II. INFORMATION ABOUT THE APPOINTEES :

a) Mrs. Jayashree Mohta

1. Background details :

Mrs. Jayashree Mohta, aged about 63 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.

She has more than 20 years of experience in several industries. She is actively involved in running various educational institutions on pan India basis and development of art and culture in India. She is the Honorary Consul of Belgium of Kolkata.

2. Past remuneration :

Remuneration paid during last 3 years

2011-12	₹	72 Lacs
2012-13	₹	84 Lacs
2013-14	₹	90 Lacs

3. Recognition or Awards :

A closely held company in India under her stewardship, developed international market for its products and got awards for excellence in exports.

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 helped the company to improve its export performance significantly from ₹ 76.57 crore in 2009-10 to ₹ 117.02 crore now. 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's 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. Vikash Kandoi

1. Background details :

Mr. Vikash Kandoi is a Commerce Graduate and Chartered Accountant with Post Graduate Programme in

Notice (Contd.)

Management from ISB, Hyderabad. He is on Board of the company since 29th July 2008. The Board in its meeting held on 30.5.2012 appointed Mr. Vikash Kandoi as Whole-time Director designated as Executive Director of the company for a period of 3 years effective from 1st April 2012. In view of his valuable contribution towards the growth of the company the Board in its meeting held on 26.5.2014 re-appointed Mr. Vikash Kandoi as Whole-time Director designated as Executive Director of the company for a further period of 3 years effective from 1st April 2015.

2. Past remuneration :

Remuneration paid during last 2 years

2012-13	₹	30 Lacs
2013-14	₹	36 Lacs

3. Recognition or Awards :

A closely held company in India under his stewardship, developed international market for its packaging products and got awards for excellence in exports. He is member, Board of Governors of the Birla Institute of Management and Technology, Noida, a premier Management Institute in the country.

4. Job profile and suitability :

Mr. Vikash Kandoi has been entrusted with the responsibilities to manage the affairs of the company on a day to day basis subject to the superintendence, direction and control of the Board of Directors. With his experience in diverse field, he has gained considerable expertise in corporate management.

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's tea, chemicals & fertilizers and sugar segments. The remuneration to Mr. Vikash Kandoi is purely based on merits.

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

Mr. Vikash Kandoi has no pecuniary relationship with the Company other than his remuneration as Whole-time Director. He is related to Mrs. Jayashree Mohta, within the meaning of Section 2 of the Companies Act, 2013.

III. OTHER INFORMATION :

1. Reasons of loss or inadequate profits :

The year 2013-2014 was a difficult year for the nation. India's growth rate continued its downward journey to a ten year low of 4.7%. Every industry except few had to bear the brunt. Besides tea, the company is having sugar mill and chemicals & fertilizer units. In sugarcane price fixed by State Government increased year after year with no corresponding increase in sale price of sugar. This resulted in a loss from the said unit. High volatility in forex raised cost of borrowings. Similarly, raw material cost for fertilizers was high due to weakening of rupee. All these factors reduced profitability to ₹ 3.34 crore in 2013-14.

Notice (Contd.)

The profitability over the last 5 years is given below :

Year	Profit after Tax (₹ In Lacs)	Dividend Percentage (%)
2009-10	6170	60%
2010-11	4631	60%
2011-12	1432	60%
2012-13	4007	80%
2013-14	334	40%

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 and sugar units. These measures should help in better price realisation of tea and improvement in efficiency of fertilizer and sugar 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

Disclosure under Corporate Governance in the Board of Directors' Report

The remuneration package alongwith relevant details payable to Mrs. Jayashree Mohta and Mr. Vikash Kandoi has been mentioned hereinabove in the Report of Corporate Governance attached to the Director's Report. The Corporate Governance Report also indicate payment of commission and sitting fee to all Directors of the Company. 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 other three months notice.

ITEM NO. 12

The Board on the recommendation of the Audit Committee has approved the appointment and remuneration of M/s. D. Sabyasachi & Co., Cost Auditor to audit cost records of the company for the financial year ending 31st March 2015 at a remuneration of ₹ 85,000/- (Rupees eighty 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.12.

The Board recommends the resolution for your approval.

Registered & Head Office :

"Industry House"
10, Camac Street, Kolkata 700 017

Dated, the 26th May, 2014

By Order of the Board
For **Jay Shree Tea & Industries Limited**

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

Management's Discussion and Analysis

OVERVIEW

Indian Tea production in 2013 was higher at 1200 million kg. compared to 1126 million kg. in 2012 i.e., an increase of 74 million kg. The methodology adopted for computation of all India crop has been revised by Tea Board of India from the year 2012 based on payment of Cess on made Tea by all manufacturers. This has resulted in the revision of last year crop from 1111 million kg. to 1126 million kg. i.e. an increase of 15 million kg. The combined output of Assam and West Bengal was 957 million kg. compared to 887 million kg. last year. The world crop was higher by 150 million kg. out of which India's share was approx 50%. Your Company produced 223.24 lac kg. of tea against 206.60 lac kg. last year. Out of this your own crop was 170.53 lac kg against 171.47 lac kg. The bought leaf production was increased from 35.16 lac kg to 52.71 lac kg. Upper Assam crop was higher by 29%, Dooars higher by 10%. and Cachar lower by 5%. Darjeeling crop was a little short of last year's level. Apart from wage increase, the higher cost of power, fertilisers and other inputs are also affecting the industry.

SEGMENT ANALYSIS AND REVIEW

The Company is engaged in the manufacture of tea, chemicals & fertilisers, sugar besides tea warehousing and investment activities. Tea accounts for 66%, chemicals & fertilisers 11%, sugar 22% and others 1% of the gross turnover during 2013-14.

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)		
	2013-14**	2012-13**	Increase/ Decrease (%)	2013	2012	Increase/ Decrease (%)
Cachar	7.55	7.97	(-) 5.27	48.28	52.87	(-) 8.68
Assam Valley	8.48	6.56	(+) 29.27	569.86	537.25	(+) 6.07
Total Assam	16.03	14.53	(+) 10.32	618.14	590.12	(+) 4.75
Darjeeling	0.93	0.96	(-) 3.12	10.15	8.93	(+) 13.66
Dooars	0.69	0.63	(+) 9.52	179.45	156.71	(+) 14.51
Terai	2.79	2.68	(+) 4.10	125.66	113.66	(+) 10.56
Total West Bengal	4.41	4.27	(+) 3.28	315.26	279.30	(+) 12.88
Others	-	-	-	24.04	17.52	(+) 37.21
Total North India	20.44	18.80	(+) 8.72	957.44	886.94	(+) 7.95
Tamilnadu	1.88	1.86	(+) 1.08	174.46	170.56	(+) 2.29
Kerala	-	-	-	62.55	63.10	(-) 0.87
Karnataka	-	-	-	5.59	5.72	(-) 2.27
Total South India	1.88	1.86	(+) 1.08	242.60	239.38	(+) 1.35
Total Production	22.32	20.66	(+) 8.03	1200.04	1126.32	(+) 6.55

*All India figures on calendar year basis and estimated for 2013.

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

Management's Discussion and Analysis (Contd.)

District wise price realised by the Company for own produce compared to previous year is as under :
(Quantity in million kgs)

Tea Areas	This year			Previous year		
	Qty.	Rate (₹)	Dist. Average (₹)	Qty.	Rate (₹)	Dist. Average (₹)
Cachar	7.42	118.43	104.84	7.85	125.70	115.76
Assam	8.17	173.47	149.67	6.46	181.14	150.16
Darjeeling	0.84	473.56	309.84	0.90	498.62	372.92
Dooars/ Terai	3.39	132.97	121.09	3.11	134.74	126.24
South India	1.99	133.60	116.85	2.21	112.10	99.78
	21.81	156.37		20.53	159.49	

OUTLOOK

Dry weather conditions in Assam, Dooars & Darjeeling in early part of the season have affected the crop. The market has started as a strong note. The 2014 season augurs well for tea prices, both Orthodox and CTC with better quality teas likely to perform better. The cost of production is going up with increase in wages and cost of others inputs. So the quality needs to be improved continuously to fetch better prices which will more than compensate the cost.

The performance of Uganda and Rwanda was not upto the mark as the market was down and cost gone up. The management has taken steps to improve working.

CHEMICALS & FERTILISERS

REVIEW OF OPERATIONS

There is no reduction in Nutrient Based Subsidy (NBS) rate this year. We envisage a turnaround due to easing of raw materials prices globally and a more stable rupee.

RISKS AND CONCERNS

- Substantial crop loss due to bad weather.
- Increased wages and sharp inflation in coal, fertilisers and chemicals.
- Availability of good quality leaf to be outsourced.
- Foreign exchange fluctuations for import/export/loan transaction.

SUGAR

India's annual sugar production has dropped by around 4% in 2013-14 season to around 24 million tonnes compared to 25.1 million tones in 2012-13. Cane yields fell in key producing states due to bad weather and dispute over cane pricing and delayed cane crushing. A drop in output might trim exportable surplus from the world's second biggest producer and support global prices. Lower production should harden local prices of the Sweetener India started the year with carry forward stock of around 9 million tones which led to local prices falling in the subsequent months to their lowest levels in 2½ years. At least the Government provided incentives for production of raw sugar for exports, which is continuing but with reduction in quantum.

India usually produces white sugar, but its ample supplies have depressed local prices below the cost of production. The Government of India wants the mill to produce raw sugar for export. Now, it is incumbent as the new Government to raise the subsidy for exports and to provide full support to this bleeding industry for long term sustainability. The cane prices should be linked to productivity and recovery in all sugar growing states.

Management's Discussion and Analysis *(Contd.)*

Your company produced 44249 tonnes of White sugar in 2013-14 compared to 42460 tonnes in 2012-13. The sugarcane crushed was 498117 tonnes compared to 491678 tonnes last year. The recovery percentage was 8.89% as compared to 8.64% last year. This percentage could have been higher but for the impact of phailin cyclone, which passed through allocated area of sugarcane just before the crushing season.

OPPORTUNITIES AND THREATS

Strengths

- High value of by-product for downstream industries.
- Government's effort to make ethanol blending mandatory.
- Growing population and rapid socio economic development particularly in rural area with no major increase in acreage is going to create mismatch in demand and supply situation of every agricultural produce.
- Strong Government at the centre should push reforms in the sugar industry.

Threats

- State Government policies regarding cane pricing.
- Industry cycle.

Indian sugar industry is passing through a difficult phase with increased production and higher cost with stagnant sale price. However the long term prospects are bright with steady increase in consumption every year and opportunities from by-products.

RISK MITIGATION

Your Company has proven expertise in managing agro-based industry. Soon after takeover, the Company initiated cane development programme on large scale basis with improved varieties of cane. It has taken several steps to obtain better quality cane leading to improved recovery. Our agriculture team is carefully monitoring cane planting and harvesting schedule and its development. Good quality seeds, fertilisers and manure are provided to the farmers well in time in our command area.

FINANCIAL REVIEW AND ANALYSIS

Your Company has switched over to risk free deployment of its surpluses. The day to day treasury operation is being regularly monitored to save on interest.

INTERNAL CONTROL

The company has laid down policies, guidelines and procedures which form part of its internal control system. The company's internal control systems are periodically tested and supplemented by an extensive program of internal audit by independent firms of Chartered Accountants. Audits are finalised and conducted based on internal risk assessment. Significant findings are brought to the notice of the Audit Committee of the Board and corrective measures recommended for implementation.

BUSINESS RESPONSIBILITY STATEMENT (BR)

HEALTH, SAFETY, SECURITY AND ENVIRONMENT

Health, safety, security and environment (HSSE) is a key priority for your Company. Simply stated, our goals are: no accidents, no harm to people and no damage to environment. The health, safety and security of everyone who works for your Company is critical to the success of business.

The Khardah plant has completed 51 years without any lost time, injury case (Days Away From Work case). 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.

Management's Discussion and Analysis *(Contd.)*

DEVELOPMENT IN HUMAN RESOURCES MANAGEMENT

The industrial relation in all tea estates and other units continued to be cordial. The Company carries out various programme for development of its executives at all levels. During the year the company carried out restructuring exercise at key level for improvement in plantation activities and overall corporate performance.

During the year under review, the focus continued to be on the development of leadership capability and talent management with a view to ensure alignment to the overall business strategy. The focus this year was on engaging employees for improvement in quality. Using interactive sessions, your Company engaged all its employees on Safety, Respect, Excellence, Courage and One Team and is now actively seeking to embed these values. Your Company's updated performance and reward system now creates an explicit link between its values and behaviours and the way individuals are judged and rewarded within your Company.

Continuing its journey of building a diverse and inclusive workforce, your Company's key initiatives in this area included training programme to equip workers to succeed in the workplace.

Workshops were also conducted for Managers by senior management team to enable them to effectively manage and interact with each other. In addition, there is a continuous endeavour to ensure that your Company is hiring and retaining diverse talent.

Your Company continued to maintain high standards of employee relations and 2013-14 saw many achievements on this front. All the employees were motivated with their grievances sorted out by the top management to give their 100% to the Company.

The total number of people employed in your Company as on 31st March, 2014 was 25817.

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, sugar and chemicals industries depend upon the vagaries of nature and any adverse/ favourable situation can change the whole situation.

Corporate Governance Report

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 basic principle is to achieve business excellence keeping in view the needs and interest of all its stakeholders.

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company's philosophy of Corporate Governance is to ensure transparency in all dealings and the functioning of the Board and people working with it at all levels. The Company has worked with a philosophy and mission of good governance in every field. The company being a labour intensive industry places great emphasis on values such as empowerment and integrity of its employees, safety of the workers, optimum utilization of natural resources and fair & ethical dealings with all.

2. BOARD OF DIRECTORS

Composition :

The Board strength 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 Non-Executive Directors are industrialist of repute and eminent professionals drawn from amongst persons with experience in business and industry, finance and management. The composition is as under :

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

Four Board Meetings were held in 2013-2014 i.e. on 6th May, 2013 ; 29th July, 2013; 13th November, 2013; and 31st January, 2014.

Directors	Categories of Directors	No. of Board Meetings Attended	Attendance of 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 31.03.2014
Mr. B. K. Birla (Chairman)	Promoter-Non Executive	4	Yes	4	-	-	46000
Mrs. Jayashree Mohta	Promoter-Executive (Vice Chairperson)	1	Yes	2	-	-	96770
Mr. B. M. Khaitan	Independent-Non-Executive	2	No	5	1	-	200
Mr. G. P. Goenka	Independent-Non-Executive	-	No	5	-	-	600
Mr. S. S. Kothari	Independent-Non-Executive	4	No	2	-	1	4600
Mr. S. K. Tapuriah	Independent-Non-Executive	4	Yes	1	-	-	768
Mr. Vikash Kandoi	Executive (Executive Director)	4	Yes	-	-	-	1126
Mr. D. P. Maheshwari	Executive (Managing Director)	4	Yes	-	-	-	55500

Corporate Governance Report *(Contd.)*

No director is related to any other director on the Board in terms of the provisions of the Companies Act, 1956 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/commission 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 North Tukvar Tea Co. Ltd., Birla Holdings Ltd., Parvati Tea Company Ltd., joint venture and associates (as defined in AS 23) 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. It has received necessary declarations affirming compliance with it from all of them and a declaration to this effect duly signed by the Managing Director is attached to this report.

3. AUDIT COMMITTEE

The constitution of Audit Committee is as per requirement of Clause 49 of the Listing Agreement.

The Audit Committee comprises of two Non-Executive Independent Directors and Mr. D.P.Maheshwari, Managing Director of the Company. 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 Audit Committee covers the areas mentioned under clause 49 of the Listing Agreement and Section 292A of the Companies Act 1956.

Four Meetings of the Audit Committee were held in 2013-2014 on 6th May, 2013; 29th July, 2013; 13th November, 2013; and 31st January 2014.

Attendance record of the Audit Committee Meetings.

Name of Directors	No. of Meetings
Mr. S. S. Kothari (Chairman)	4
Mr. S. K. Tapuriah (Member)	4
Mr. D. P. Maheshwari (Member)	4

The committee was reconstituted with Mr. S. K. Tapuriah as Chairman and Mr. S. S. Kothari as its member.

4. DIRECTORS' REMUNERATION COMMITTEE

The Remuneration Committee comprises of three Non-Executive Directors and Mr. R. K. Ganeriwala, President, CFO & Secretary acts as Secretary to this Committee. Terms of reference of this committee include determination of the Company's policy regarding remuneration packages, commission payable to Directors/Executives and Managing Director of the Company and sitting fees and other expenses payable to the Directors for attending meeting of the Board/ or Committee thereof within the limits approved by the shareholders from time to time. The committee had met once in the year 2013-2014 on 6th May, 2013.

Attendance record of the Directors' Remuneration Committee Meetings.

Name of Directors	No. of Meetings
Mr. B. M. Khaitan (Chairman)	1
Mr. S. S. Kothari (Member)	1
Mr. S. K. Tapuriah (Member)	1

Corporate Governance Report *(Contd.)*

5. REMUNERATION OF DIRECTORS

The details of sitting fees/commission paid to the Directors and salary and perks paid to the Executive Directors and Managing Director of the Company during the year 2013-2014 are given below :

(₹ in 000)

Name of Directors	Sitting Fees		Total	* Commission for the Financial Year 2012-2013 paid in Financial Year 2013-2014
	Board Meeting	Committee Meeting		
Mr. B. K. Birla	80	–	80	400
Mrs. Jayashree Mohta	–	–	–	–
Mr. B.M. Khaitan	40	10	50	400
Mr. G.P. Goenka	–	–	–	400
Mr. S.S. Kothari	80	70	150	400
Mr. S.K. Tapuriah	80	70	150	400
Mr. Vikash Kandoi	–	–	–	–
	280	150	430	2000
	Salary	Value of perquisites	Retirement Benefits	Total
Mrs. Jayashree Mohta (Vice-Chairperson)	9000			9000
Service Contract			5 years from 1st April, 2011	
Notice Period			3 months	
Mr. Vikash Kandoi (Executive Director)	3600			3600
Service Contract			3 years from 1st April, 2012	
Notice Period			3 months	
Mr. D.P. Maheshwari (Managing Director)	6300	2357	1701	10358
Service Contract			Re-appointment for 3 years from 27th June 2013.	
Notice Period			3 months	

* In addition to the sitting fees and with the approval of the shareholders in its meeting held on 29th June, 2009 enables the company to pay commission to its Non-Executive Directors not exceeding 1% of the net profits of the company calculated in accordance with the provisions of section 198 & 349 of the Act, for a period of 5 years w.e.f. 1st April, 2009.

Corporate Governance Report *(Contd.)*

6. INVESTORS/SHAREHOLDERS GRIEVANCE COMMITTEE

The Investors/Shareholders Grievance Committee comprises of two Non-Executive Independent Director and Mr. D. P. Maheshwari, Managing Director of the company, Mr. R. K. Ganeriwala, President, CFO & Secretary is the Compliance Officer of the Company. The Company had received 36 complaints from the shareholders and all of them have been resolved. The shares are traded on the Stock Exchanges in compulsory dematerialised form. There are no pending complaints as on 31st March, 2014.

POSITION OF THE SHAREHOLDERS' COMPLAINTS RECEIVED AND REDRESSED DURING THE FINANCIAL YEAR 2013-2014.

Types of Grievances	Total Complaints received during the year 2013-2014	Total redressed	No. of Complaints pending As on 31.03.2014
Non-receipt of Dividend Warrant	15	15	NIL
Non-receipt of ECS Intimation Letter	17	17	NIL
Non-receipt of Annual Report	4	4	NIL
Total	36	36	NIL

Two Meetings of the Investors/Shareholders Grievance Committee were held in 2013-2014 on 6th May 2013 and 13th November 2013.

Attendance record of the Investors/ Shareholders Grievance Committee Meetings.

Name of Directors	No. of Meetings
Mr. S. K. Tapuriah (Chairman)	2
Mr. S. S. Kothari (Member)	2
Mr. D. P. Maheshwari (Member)	2

7. GENERAL BODY MEETINGS

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

AGM	Year	Venue	Date	Time
Sixty Fifth	2010-2011	Kala Kunj 48, Shakespeare Sarani, Kolkata- 700017	22nd September, 2011	10:30 A.M.
Sixty Sixth	2011-2012	-do-	25th July, 2012	10:30 A.M.
Sixty Seventh	2012-2013	-do-	29th July, 2013	10:30 A.M.

ii) SPECIAL RESOLUTIONS PASSED IN THE LAST THREE AGMS :

a) In the AGM on 29th July, 2013:

One Special Resolution was proposed and approved:

i) To pay commission to the Directors of the Company not exceeding 1% of the net profits of the Company calculated in accordance with the provision of Section 198 & 349 of the Act. The remuneration will be distributed amongst the Directors as may be determined by the Board of Directors for a period of 5 years w.e.f. 1st April, 2014.

Corporate Governance Report *(Contd.)*

- b) In the AGM on 25th July, 2012 : Two Special Resolutions were proposed and approved :
- i) Appointment of Mr. Vikash Kandoi as whole-time Director designated as Executive Director for a period of three years w.e.f. 01.04.2012 and fixing his remuneration.
 - ii) Re-appointment of Mr. D. P. Maheshwari as Managing Director of the Company for a period of three years w.e.f. 27.06.2013 to 26.06.2016 and fixing his remuneration.
- c) In the AGM on 22nd September, 2011 : No Special Resolutions were transacted.
- 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 2013-2014.

8. DISCLOSURES

- i) There were no materially significant transactions with related parties as defined in Accounting Standard 18, "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. (P) of the Standalone Financial Statements, forming part of the Annual Report.
- ii) The Company has followed all Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 while preparing Financial Statements.
- iii) No money was raised by the Company through any public issue, right issue, preferential issue etc. in the last financial year.
- iv) There were no strictures or penalties imposed on the Company by Stock Exchanges or SEBI, or an statutory authority for non-compliance of any matter related to capital markets, during the last three years.
- v) There is no Whistle Blower mechanism in the Company.
- vi) The investor complaints are processed electronically on SCORES, and the resultant action is uploaded in Action Taken Report (ATRs) for as live viewing by investors of actions taken as the complaint and its current status.
- vii) The Company has complied with all the applicable mandatory requirements and adopted some Non-mandatory requirements stipulated under Clause 49, such as requirements with regard to Remuneration Committee.
- viii) The Auditors have stated in their Corporate Governance Certificate that Chairman of Audit Committee was not present in Annual General Meeting held on 29th July, 2013 to answer the Shareholders queries. This was due to the reason that Mr. S. S. Kothari was indisposed and so in his place the other member of the Committee Mr. S. K. Tapuriah responded to the queries.

9. MEANS OF COMMUNICATIONS

Half-yearly/Quarterly report sent to each household of shareholders	No, as the results of the Company are published in Newspapers.
Any website, where displayed	Yes, at www.jayshreetea.com
Whether, it also displays official news releases ; and	Yes
The presentations made to institutional investors or the analysts	No
Newspapers in which results are normally published in	Business Standard (all India edition) Kalantar (Bengali - local edition)
Whether Management Discussion & Analysis Report is a part of Annual Report or not	Yes

Corporate Governance Report *(Contd.)*

DECLARATION REGARDING CODE OF CONDUCT

The Board of Directors of Jay Shree Tea & Industries Ltd. at their meeting held on 29.10.2005 laid down a "Code of Conduct" (Code) to be followed by all the members of the Board and Senior Management Personnel of the company in compliance with the revised Clause 49 of the Listing Agreement with Stock Exchange(s) where the shares of the Company are listed.

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, 2014. The said "Code" is also 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)

Kolkata, the 26th Day of May, 2014

AUDITORS' CERTIFICATE OF COMPLIANCES WITH THE CORPORATE GOVERNANCE REQUIREMENT UNDER CLAUSE 49 OF THE LISTING AGREEMENT TO THE MEMBERS OF JAY SHREE TEA & INDUSTRIES LIMITED

We have examined the compliance of Corporate Governance by **Jay Shree Tea & Industries Limited** for the year ended on 31st March, 2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of the Corporate Governance as stipulated in the above mentioned Listing Agreement subject to the non compliance of requirement in respect of presence of Chairman of the Audit Committee in the Annual General Meeting held on 29th July, 2013 as per the provisions of Listing Agreement.

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

For **SINGHI & CO.**
Chartered Accountants
(Firm Registration No.302049E)

Aditya Singhi
Partner
(Membership No.305161)

Kolkata, the 26th Day of May, 2014.

Shareholders' Information

1. ANNUAL GENERAL MEETING

- Date and time : 1st August, 2014 at 10.30 A.M.
 Venue : Kala Kunj
 48, Shakespeare Sarani, Kolkata-700017

2. FINANCIAL CALENDER (Tentative)

Financial Reporting for the Quarter Ending :

- June 30, 2014 : By 14th August, 2014
 September 30, 2014 : By 14th November, 2014
 December 31, 2014 : By 14th February, 2015

Audited Yearly Results for the
 Year Ended 31st March, 2015

- : By 30th May, 2015.

3. DATE OF BOOK CLOSURE

- : 24th July, 2014 to 1st August, 2014.
 (both days inclusive)

4. DIVIDEND PAYMENT DATE

- : By 1st week of August, 2014.
 (after declaration at AGM)

5. LISTING ON STOCK EXCHANGES

- : CSE, BSE & NSE. The Company has paid listing fee for 2013-14

6. STOCK CODE

Name of the Stock Exchange	Stock Code
The Calcutta Stock Exchange Ltd.	10000036
Bombay Stock Exchange Ltd.	509715
The National Stock Exchange of India Ltd.	JAYSREETEA
ISIN Number for NSDL & CDSL	INE364A01020

7. STOCK MARKET DATA

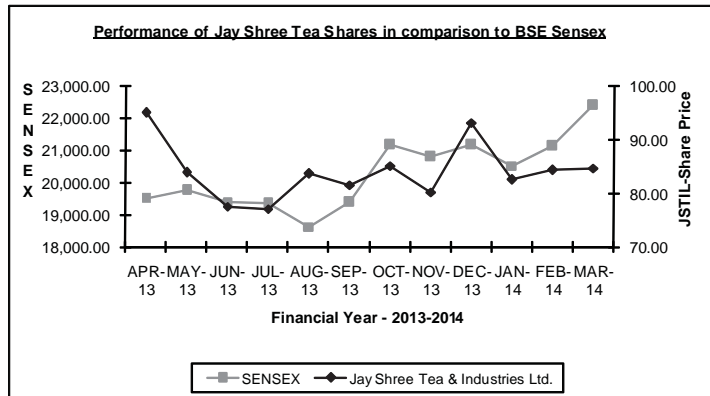
- : The details of monthly high, low and close price of the shares on Bombay Stock Exchange Ltd. and The National Stock Exchange of India Ltd., where the Company's shares are most frequently traded throughout the last financial year are as under :

(In ₹ 5/- Per Share)

Month	Bombay Stock Exchange (BSE)			National Stock Exchange (NSE)		
	High	Low	Close	High	Low	Close
April 2013	103.90	85.10	94.90	103.85	85.10	95.05
May 2013	98.00	83.55	83.80	98.40	81.80	83.85
June 2013	88.00	76.10	77.55	87.50	76.30	77.35
July 2013	86.80	73.30	77.05	86.85	73.10	77.30
Aug. 2013	90.65	74.10	83.60	90.65	74.10	84.10
Sept. 2013	88.00	80.05	81.50	89.30	80.25	81.60
Oct. 2013	90.80	80.70	85.05	90.80	80.20	84.85
Nov. 2013	94.30	77.40	80.20	94.35	77.10	80.15
Dec. 2013	95.30	79.70	93.05	95.40	80.00	92.95
Jan. 2014	103.85	82.10	82.55	103.90	82.10	82.85
Feb. 2014	87.70	77.30	84.30	88.00	78.05	84.65
March 2014	89.55	80.40	84.65	89.45	80.50	84.35

Shareholders' Information (Contd.)

8. STOCK PERFORMANCE



9. REGISTRAR & TRANSFER AGENTS

Maheshwari Datamatics Pvt. Ltd.
6, Mangoe Lane, Kolkata - 700 001
Telephone No. : (033)2243-5029, Fax (033) 2248-4787
E-mail : mdpl@cal.vsnl.net.in

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.

11. DISTRIBUTION OF SHAREHOLDING

The shareholding distribution of equity shares of face value of ₹ 5/- per share as on 31st March, 2014 is given below :

No. of Shares held	No. of Shareholder	% Shareholders	No. of Shares	% of Shareholdings
1 to 500	21388	88.10	2578520	8.93
501 to 1000	1413	5.82	1113118	3.85
1001 to 2000	759	3.12	1144648	3.96
2001 to 3000	228	0.94	570761	1.98
3001 to 4000	130	0.53	463619	1.61
4001 to 5000	106	0.44	489673	1.69
5001 to 10000	143	0.59	995702	3.45
10001 & Above	111	0.46	21521447	74.53
	24278	100.00	28877488	100.00

Shareholders' Information *(Contd.)*

12. SHARE HOLDING PATTERN AS ON 31st MARCH, 2014

Category	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shares holding
Promoters & Promoters Group	17	0.07	16274678	56.36
Financial Institutions, Banks & Mutual Funds	34	0.14	683426	2.36
Foreign Institutional Investors	4	0.02	1497000	5.19
Private Body Corporates	768	3.16	2212605	7.66
NRI / OCB	365	1.50	420744	1.46
Individuals	23090	95.11	7789035	26.97
TOTAL	24278	100.00	28877488	100.00

13. **DEMATERIALISATION OF SHARES AND LIQUIDITY** About 96.96% of the total equity share capital is held in demat form with NSDL & CDSL as on 31st March, 2014.
14. **OUTSTANDING GDRs/ADRs/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY** None
15. **INSIDER TRADING REGULATIONS** The code of Internal Procedure & Conduct and code of Corporate Disclosure Practices as suggested under SEBI (Prohibition of Insider Trading) Regulation, 1992 are in force.
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", 15th Floor
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

Report of the Directors for the year ended 31st March, 2014

Dear Shareholders,

We present the 68th Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March 2014.

FINANCIAL RESULTS

	31st March 2014	31st March 2013
	[₹]	[₹]
Gross Profit for the year	22,18,73,050	71,94,66,363
Add :		
i. Balance brought forward from previous year	65,27,46,446	59,49,51,185
ii MAT credit entitlement (Net)	–	45,65,083
	87,46,19,496	1,31,89,82,631
Deduct :		
i. Gratuity	4,87,96,770	5,80,34,153
ii. Depreciation	15,17,62,732	13,10,10,973
iii. Provision for taxation - Current Tax	1,10,00,000	9,60,00,000
- Earlier year (Net)	–	4,06,507
iv. Deferred Tax	(2,31,26,027)	3,79,05,501
	18,84,33,475	32,33,57,134
Profit available for appropriation	68,61,86,021	99,56,25,497
We recommend that the above amount be dealt with as under :		
A) i) Proposed Dividend on Equity shares	4,34,83,516	8,69,67,032
ii) Tax (including surcharge & education cess) @ 16.9950% on proposed dividend	29,56,009	59,12,019
B) Transfer to General Reserve	50,00,000	25,00,00,000
C) Balance carried forward to next year	63,47,46,496	65,27,46,446
	68,61,86,021	99,56,25,497

EQUITY DIVIDEND

The Board is pleased to recommend the distribution of dividend of ₹ 2/- on face value of ₹ 5/- each per share compared to ₹ 4/- each per share paid last year. The dividend tax including surcharge and education cess amounting to ₹ 29.56 lac shall be payable by the company on the said dividend.

REVIEW OF PERFORMANCE

The year was a difficult year for the nation again. India's economic growth rate continued its declining trend and its GDP growth rate was pegged at 4.7% in 2013-14. The impact of global crisis, high inflations and interest rates and a slowdown in investment and industrial growth was felt everywhere.

Tea industry started the year on a positive note. The production was on an increase in India and overseas. Quality teas were absorbed at high price, with very good demand. However, prices were lower compared to last year for common and medium varieties of tea.

Report of the Directors (Contd.)

Your company's policy to concentrate on quality paid rich dividend. The quality of Assam tea was appreciated by both internal and overseas consumers and some of your invoices fetched record prices. Orthodox prices were also higher compared to last year.

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

- i. Reduced crop in Cachar and lower tea prices particularly for common and medium varieties of tea.
- ii. High sugarcane prices fixed by state government with dull market conditions for sale of sugar adversely affecting the working of the unit.
- iii. Lowering of subsidy on P&K fertilizers by the government resulting in poor sale of phosphatic fertilizer.
- iv. Volatility in rupee/dollar exchange rate.

Tea Estates

India's tea production in 2013 increased by about 7% to 1200.04 million kg. on account of higher output in Assam and West Bengal. This was compared to the revised figure of 1126.32 million kg. in 2012. The combined output of Assam and West Bengal was 957 million kg. compared to 887 million kg. last year. Global crops from major countries were higher by approx. 150 million kg. in which India's contribution was around 50%.

Contrary to the expectation of the industry for strong tea market, the opening was with reduction in demand and prices of common varieties were lower compared to previous year.

Your company continued to lay emphasis on quality, the market for which remained buoyant and buyers were ready to pay premium. The own crop was slightly lower from 171.47 lac kg. to 170.53 lac kg. The bought leaf production was increased from 35.16 lac kg. to 52.71 lac kg.

The overall price realization of your company was lower by ₹ 3/- per kg. with South India up by ₹ 11/- per kg., Cachar and Assam down by ₹ 7/- to ₹ 8/- per kg. and Darjeeling down by ₹ 25/- per kg.

Your tea estates continue to follow the up-to-date field practices, to improve upon the quality standards. The age profile of bushes of tea has improved as a result of ongoing uprooting & replanting / rejuvenation of old bushes. The tea factories are renovated with latest machines to save on cost of production

The Jay Shree Chemicals & Fertilisers, Khardah

The Government of India has kept urea outside the purview of Nutrient Based Subsidy (NBS) and the price gap with other fertilizers has increased. So, the consumption of non-urea fertilizers like Phosphatic Fertilisers has declined. Volatility in rupee/dollar rate affected the profitability of the unit adversely. The company has reduced the production of sulphuric acid to improve the viability of the unit.

The figures of production and despatches are as under :

	Production (M.T.)		Despatch (M.T.)	
	2013-14	2012-13	2013-14	2012-13
Single Super Phosphate	60527	62959	58913	58342
Sulphuric Acid	22704	46705	14142 *	31976*
(*10806 [Previous year 15564] Captive Consumption)				

Report of the Directors *(Contd.)*

The Jay Shree Chemicals & Fertilisers, Gurgaon

There was slight improvement in the production and dispatch of sulphuric acid and oleum during the year. With increase in the raw material prices and other costs, the margin was lower compared to last year.

The figures of production and despatches are as under :

	Production (M.T.)		Despatch (M.T.)	
	2013-14	2012-13	2013-14	2012-13
Sulphuric Acid	27333	26238	27600	25974
Oleum	3746	3042	3714	3015

Sugar

During the year your company produced 44249 tonnes of white sugar compared to 42460 tonnes in 2012-13. The sugar cane crushed was 498117 tonnes compared to 491678 tonnes in 2012-13. The recovery this year was 8.89% as compared to 8.64% in 2012-13. The reason for poor recovery in your mill was the effect of Phailin cyclone which passed through the region of its allocated area of sugarcane. The intense velocity of the cyclone harmed the sugarcane in the fields before the crushing season, which reduced the juice contents of the cane.

Your company has done significant cane development in the reserved area and this has ensured increased availability and supply of cane year after year. During the cane season 2013-14 the mill crushed 607533 tons as compared to 516774 tons in the season 2012-13. Hopefully this trend will continue in years to come.

This year again your company has distributed good quality seeds extensively in the region and this should help in increasing early maturing varieties of cane which should improve sugar recovery percentage in future.

Export of Tea

All India net export was at 212 million kg. in 2013 as against 208 million kg. in 2012 as the payment settlement system was in place for exports to Iran. There is a strong demand of tea from Russia, UAE and China. However long summer in Europe last year has reduced Darjeeling Tea exports. Your company exported tea worth ₹ 117.02 crore as against ₹ 94.43 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 North Tukvar Tea Company Limited, Parvati Tea Company Limited and offshore investment arm Birla Holdings Limited UAE, 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. The consolidated financial statements presented by the company include the financial results of its subsidiary companies as per the requirement of listing agreement with Stock Exchanges.

Birla Holdings Limited (BHL), as a wholly owned subsidiary of the company in Dubai (UAE), Kijura Tea Company Limited and Bondo Tea Estates Limited, Uganda are subsidiaries of BHL. Kijura Tea Estate owned by these companies manufactured 14.93 lac kg. of made tea same as last year. The average sale price realized was US\$ 1.70 per kg. against US\$ 1.80 per kg. last year. During the year the company recorded operating loss of US\$ 39 thousand (INR 23.58 lac) on sales turnover of US\$ 2.56 mn. (INR 1547.82 lac) as against last year operating profit of US\$ 375 thousand (INR 203.44 lac) on sales turnover of US\$ 2.58 mn. (INR 1403.72 lac).

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 35.38 lac kg. tea during 2013 against 37.44 lac kg. in last year and the average price realization was US\$ 2.27 per kg. against US\$ 2.88 per kg. last year for Mata and US\$ 2.17 per kg. against US\$ 2.42 per kg. last year for Gisakura.

Report of the Directors *(Contd.)*

Mata Tea Company Limited declared dividend of 40% of its retained profit of 2013 against 60% paid in 2012 and Gisakura Tea Company Limited did not declare any dividend for 2013 due to insufficient profit against 40% in 2012.

CORPORATE GOVERNANCE

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 with Corporate Governance norms stipulated in clause 49 of the Listing Agreement 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 2014 is forming part in this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Companies Act, 2013 stipulates expenditure of 2% of the average profit of past 3 years on CSR activities. The Act requires the Board to constitute the Corporate Social Responsibility Committee of the Board. BIRLA GROUP is well known for its contribution to the Society in the sphere of promotion of education, employment enhancing vocational skills, social business projects etc. A Committee of the Board has been constituted with Mrs. Jayashree Mohta, as its Chairperson and Mr. S. K. Tapuriah, Mr. Vikash Kandoi and Mr. D. P. Maheshwari as its members. The company has formulated CSR policy for promotion of education, healthcare, sports, people empowerment, and employment enhancing vocational skills training and ensuring environmental sustainability.

The company has set up a school at Guwahati catering to the needs of North Eastern region. It is also providing assistance for setting up schools in adjoining areas of its operation. It has fully equipped hospital at various places to provide best health care to 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.

PROSPECTS

The production of India should be somewhat lower compared to last year as there is deficit rainfall in many tea growing areas of India. There was no carry forward of old season stock into the new season and so market started with a strong note. Good quality CTC teas are fetching premium with prices for medium and common varieties is depending upon supply and demand. Good quality tea should be well absorbed by market at higher levels. Exports market should remain buoyant.

In fertilizers, the measures taken by your company to control cost has improved the situation from last quarter of the year. Cost of imported raw materials should go down with strengthening of rupee. This should substantially improve the working of the unit.

The cost of producing sugar is increasing every year and the market has not yet stabilized. The company is taking measures to reduce cost to fit in market dynamics.

With all these factors, we can take an 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 2013-14 are in conformity with the requirements of the Companies Act 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, Messrs Singhi & Co., 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 are consistently followed and applied to give a true and fair view of the state of affairs of the Company;

Report of the Directors *(Contd.)*

- iii. proper and sufficient care has been taken for the maintenance of 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 internal financial controls and such 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.

The Company's Internal Auditors have conducted periodical audits to provide reasonable assurance that the company's established policies and procedures have been followed.

The Audit Committee has been re-constituted by the Board and shall act in accordance with the terms of reference as specified in Section 177 of the Companies Act, 2013.

BUSINESS RESPONSIBILITY REPORT (BR)

In terms of clause 55 of the Listing Agreement, listed entities shall submit as part of their Annual Reports, Business Responsibility Reports, describing the initiatives taken by them from an environmental, social and Governance perspective. Accordingly, BR Report on environment, human resources and principle wise performance form part of the management discussion and analysis report.

APPRECIATION

The Board wishes to place on record its sincere appreciation of the efforts put in by your company's workers, staff and executives for achieving good results under difficult conditions.

PARTICULARS OF EMPLOYEES

Information as per Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) rules, 1975 forms part of this report. However, as per Section 219(i)(b)(iv) of the Companies Act, 1956, this report together with the accounts are being sent to all the shareholders of the Company excluding the Section 217(2A) statement. Any shareholder interested in obtaining the copy of the said statement may write to the Secretary at the Registered Office of the Company.

DISCLOSURE OF PARTICULARS WITH REGARD TO CONSERVATION OF ENERGY ETC.

Necessary information as required by the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, for conservation of energy, technology absorption and foreign exchange earnings and outgoings is presented in Annexure to this Report.

COST AUDIT

The Audit Committee in its meeting held on 26th May 2014 has recommended the re-appointment of M/s. D. Sabyasachi & Co., the Cost Auditor to conduct the cost audit of the company for the financial year 2014-15 in terms of Section 148(3) of the Companies Act, 2013. Accordingly, the Board appointed the said firm of Cost Accountant to carry out the cost audit for the year 2014-15 on the remuneration as recommended by the Board to be fixed by members in the ensuing Annual General Meeting of the Company.

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

As per provisions of Section 156 of the Companies Act, 2013, Mrs. Jayashree Mohta, a Director retire by rotation at the ensuing Annual General Meeting and is eligible for re-appointment. Approval of the members is sought for her re-appointment. She being a whole-time Director, a Special Resolution is required to be passed for continuing payment of managerial remuneration to her

Report of the Directors *(Contd.)*

in case of absence or inadequacy of profits in any financial year for her existing tenure upto 31.3.2016 in accordance with the provisions of Schedule V to the Companies Act, 2013.

The term of Mr. Vikash Kandoi, Executive Director of the company shall expire on 31st March 2015. Looking to the valuable contribution being made by him for development of the company and based upon a recommendation from its Nomination and Remuneration Committee, he is proposed to be reappointed as Executive Director of the company for a further period of three years with effect from 1.4.2015 at a revised remuneration.

Approval of the members is sought for the above resolution.

Based on the recommendation of Nomination and Remuneration Committee, the Board desired that Mr. Subodh Kumar Agrawal, former President of The Institute of Chartered Accountants of India and President of South Asian Federation of Accountant (SAFA) for 2014 having more than 22 years of all round experience in various fields be appointed as an independent director in the ensuing Annual general Meeting of the company. The company has received requisite notice in writing from a member proposing Mr. Subodh Kumar Agrawal for appointment as an independent Director. Necessary agenda for the same has been included in the notice of the Annual General Meeting

Approval of the members is sought for the said appointment.

As per section 149 of the said Act, an independent Director shall hold office for a term upto 5 consecutive years, but shall be eligible for re-appointment on passing of a Special Resolution by the company. Further, no independent director shall hold office for more than two consecutive terms. But such independent director shall be eligible for re-appointment after the expiration of three years of his ceasing to be a director of the company.

In view of the above, all independent directors of the company i.e., Mr. B. M. Khaitan, Mr. G. P. Goenka, Mr. S. S. Kothari and Mr. S. K. Tapuriah, needs to be appointed for a term upto 5 consecutive years. Further, since all of them have served as an independent director for more than 5 years in the company, they shall be eligible to act as such for 5 years i.e., upto 31st March 2019.

Approval of the members is sought for the appointment of independent directors for a term of 5 years, necessary agenda for which has been included in the Notice of the Annual General Meeting.

Approval of the members is sought for the above appointments.

AUDITOR'S REPORT & ACCOUNTS

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

Regarding auditors emphasis in their report, it is clarified that the carry forward of MAT credit entitlement of ₹ 418.43 Lacs is based on the estimate of future taxable income of the company which is to be realized based on profit available in future years. Further, non-provision of diminution in value of investment, advances and security deposit given to a subsidiary is because of the reason that the investment is of long term and strategic in nature.

AUDITORS

The auditors M/s Singhi & Co., Chartered Accountants, Statutory Auditors of the company retire at the conclusion of the ensuing Annual General Meeting. They have offered themselves for re-appointment as Statutory Auditors for next three years and confirmed that their appointment, if made, will be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013.

For and on behalf of the Board

Kolkata, dated the 26th May, 2014

B. K. Birla
(Chairman)

Annexure to the Directors' Report

Statement of particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo forming part of the Directors' Report for the year ended 31st March, 2014 .

Conservation of Energy :

We continue to strengthen our energy-conservation efforts with high priority in the working of the Tea Estates with indepth monitoring of various workstations. Upgradation of machinery is carried out and as such new machinery installed are judged on fuel or power efficiency. Maintenance and overhauls of generators are strictly followed so as to enable a high unit per ltr. delivery.

Monitoring the maximum demand and power load factor on daily basis is controlling power consumption. For efficient utilisation of available power, adequate power capacitors have been installed and optimum power factor is being maintained to avoid surcharge on power factor as well as to get maximum rebate on electricity consumption bills.

Form – A

Form for disclosure of particulars with respect to conservation of energy:

(A) Power and Fuel Consumption

		Tea		Chemicals & Fertilisers		Sugar	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
1.	Electricity						
	a) Purchased						
	Units(KWH)	18257567	16552465	3231114	2953030	–	–
	Total Amount (in ₹)	146394091	132383896	27719341	23416407	–	–
	Rate/Unit (in ₹)	8.02	8.00	8.58	7.93	–	–
	b) Own Generation						
	i) Through diesel generator						
	Units(KWH)	3818923	4159555	37236	105370	979785	815268
	Unit per Ltr.Diesel	2.97	3.07	0.70	1.97	3.17	3.29
	Cost/Unit (in ₹)	18.28	15.18	57.81	20.43	18.50	15.55
	ii) Through steam turbine/generator						
	Unit (KWH)	737219	511969	2750308	4504548	9739828	9435994
	Unit per Ltr. Oil/Gas	–	–	–	–	–	–
	Cost/Unit (in ₹)	–	–	–	–	–	–
2.	Coal (specify quality and where used)						
	Quantity (MT)	15687	14397	–	–	–	–
	Total cost (in ₹)	103718632	93134704	–	–	–	–
	Average rate (in ₹)	6612	6469	–	–	–	–
	Quality – Dust, Khasi, B. Grade,						
	Margherita, Leco & Agni, used in						
	Tea Drying Machines.						

Annexure to the Directors' Report (Contd.)

		Tea		Chemicals & Fertilisers		Sugar	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
3.	Furnace Oil						
	Quantity (K.Ltrs.)	32	51	-	-	-	-
	Total Amount (in ₹)	1406542	2252693	-	-	-	-
	Average Rate (in ₹)	43358	44412	-	-	-	-
4.	Other/Internal Generation						
	a) Gas						
	Quantity (SCM)	3329097	3023094	-	-	-	-
	Total Cost (in ₹)	38013196	31079886	-	-	-	-
	Rate/Unit (in ₹)	11.42	10.28	-	-	-	-
	b) Firewood						
	Quantity (MT)	435	819	-	-	-	-
	Total cost (in ₹)	1271974	1726778	-	-	-	-
	Rate/Unit (in ₹)	2924	2108	-	-	-	-
	c) Bagasse						
	Quantity (MT)	-	-	-	-	55	53
	Total cost (in ₹)	-	-	-	-	60426	58552
	Rate/Unit (in ₹)	-	-	-	-	1100	1100

(B) Consumption per unit of production

		Standards (if any) There is no Prescribed Standard	Current Year	Previous Year
i)	For Black Tea (per Kg.)			
	Electricity (in KWH)		0.99	1.00
	Furnace Oil (in Ltr.)		0.001	0.002
	Coal (Quality as above (in kg.))		0.70	0.70
	Others : Gas (SCM)		0.15	0.15
	Firewood (kg.)		0.23	0.39
ii)	For Superphosphate (per MT)			
	Electricity (in KWH)		21	22
iii)	For Sulphuric Acid (per MT)			
	Electricity (in KWH)		59	56

Annexure to the Directors' Report (Contd.)

		Standards (if any) There is no Prescribed Standard	Current Year	Previous Year
iv)	For Oleum (per MT)			
	Electricity (in KWH)		29	34
v)	For White Sugar (per QTL)			
	Electricity(in KWH)		24.21	24.14

The variation in consumption of power and fuel as compared to last year are well within the range of fluctuations during normal operations.

Form - B

Form for disclosure of particulars with respect to Technology Absorption, Research and Development (R&D)

Research and Development (R & D)

- | | | |
|----|---|--|
| 1 | Specific Area in which R&D carried out by the Company | Comprehensive R & D programme continues to provide strong scientific support to all the tea estates. Clonal trials, tea processing methods, development of high yielding quality plants, mechanised plucking of green leaves and pruning of tea bushes and mechanisation of factory practices are the thrust areas of research affecting productivity as well as quality. |
| 2 | Benefits derived as a result of the above R & D | a) Improving yields and productivity

b) Pruning cycle optimised. |
| 3 | Future plan of action | a) Trials especially concerning nutrients are long term and hence will continue.

b) Better agronomy practices to be developed for field particularly where the yield is low and optimise manufacturing methods for improvement in quality.

c) Your company is complying with the stringent requirements of minimum residual limits for chemicals in teas and producing teas in conformity with the requirements of rising Consumer safety requirement norms. |
| 4. | Expenditure on R & D | The aforesaid 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 |
| a) | Capital | NIL (Previous year NIL) |
| b) | Recurring | ₹ 27,25,682/- (Previous year ₹ 26,04,592/-) being amount paid to TRA and UPASI as above. |
| c) | Total R & D Expenditure as a percentage of total turnover | 0.04% (Previous year 0.04%) |

Annexure to the Directors' Report *(Contd.)*

Technology absorption, adaptation and innovation :

- | | | |
|----|---|--|
| 1. | Efforts in brief, made towards technology absorption, adaptation and innovation | Managerial staff are encouraged to attend seminars and training programmes for agricultural practices in the field and manufacturing process in the factories. |
| 2. | Benefit derived as a result of the above e.g. product, improvement, cost reduction. Product development, import substitution etc. | Increase in productivity and cost reductions were achieved in some tea estates. |
| 3. | In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished :
a) Technology imported
b) Year of import
c) Has technology been fully absorbed?
d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action. | None |
| 4. | Foreign exchange earnings and outgoings :
Total Foreign Exchange used
Total Foreign Exchange earned | The Company used and earned the foreign exchange as under :
₹ 39,10,86,899/-
₹ 1,02,91,88,996/- |

For and on behalf of the Board

B. K. Birla
(Chairman)

Kolkata, dated the 26th May, 2014

Information related to the Subsidiary Companies Consolidated for the year ended 31st March, 2014

(₹ in Lacs)

Name of the subsidiary	North Tukvar Tea Co. Ltd.	Parvati Tea Co. Ltd.	Birla Holdings Ltd.
Capital	240.38	129.50	1.66
Reserve	(293.84)	6277.61	1003.69
Total Assets	258.45	6928.88	6784.95
Total Liabilities	311.91	521.77	5779.60
Details of Investment (except in case of investment in subsidiaries)	-	6752.85	1439.64
Revenue from Operations	-	37.03	2135.24
Profit/(Loss) before taxation	(6.36)	31.95	(133.40)
Provision for taxation	(0.58)	(3.33)	(0.84)
Profit/(Loss) after taxation	(6.94)	28.62	(134.24)
Proposed Dividend	-	-	-

Statement pursuant to Section 212 of the Companies Act, 1956 relating to Subsidiary Companies

1.	Name of Subsidiary Company	North Tukvar Tea Co. Ltd.	Parvati Tea Co. Ltd.	Birla Holdings Ltd.
2.	The financial year of the Subsidiary Company Ended on	31.03.2014	31.03.2014	31.03.2014
3.	a) No. of Equity Shares held by Jay Shree Tea & Industries Limited and its nominees in the Subsidiary on 31st March, 2014.	2175450 Equity Shares of ₹ 10/- each	995000 Equity Shares of ₹ 10/- each	10000 Shares of AED 1 each
	b) Extent of interest of Jay Shree Tea & Industries Ltd. in the Capital of the Subsidiary	90.50%	100%	100%
4.	Net aggregate amount of Profits/(Losses) of the Subsidiary so far as it concerns the members of Jay Shree Tea & Industries Ltd. and is not dealt with in the Company's Accounts			
	a) Profit/(Loss) for the financial year ended on 31st March, 2014 of the Subsidiary	(6.94)	28.62	(134.24)
	b) Profits/(Losses) (after tax) for the previous financial years of the Subsidiary of Jay Shree Tea & Industries Ltd.	(213.50)	(201.62)	584.31
5.	Net aggregate amount of Profits/(Losses) of the Subsidiary so far as dealt with or provision is made for those Profits/(Losses) in Jay Shree Tea & Industries Ltd.'s Accounts :			
	a) For the Subsidiary's Financial year ended on 31st March, 2014.	NIL	NIL	NIL
	b) For its previous financial years since it became the Subsidiary of Jay Shree Tea & Industries Ltd.	NIL	NIL	NIL

For and on behalf of Board of Directors

R. K. Ganeriwala **D. P. Maheshwari** **B. K. Birla**
(President, CFO & Secretary) *(Managing Director)* *(Chairman)*

Financial Highlights for five years

(₹ in Lacs)

	2013-14	2012-13	2011-12	2010-11	2009-10
A. Assets Owned by the Company					
1. Fixed Assets :					
Gross Block	45706.19	41807.04	40513.81	38214.20	25728.66
(Incl. Capital Work in Progress)					
Less: Accumulated Depreciation /Amortization	13391.46	12158.50	11140.37	9884.54	9014.76
Net Block	32314.73	29648.54	29373.44	28329.66	16713.90
2. Non-Current & Current Investments	24718.08	24278.45	21929.59	20453.82	8484.60
3. Non-Current & Current Assets	52964.76	47521.08	44131.47	42955.27	33472.27
Total Assets	109997.57	101448.07	95434.50	91738.75	58670.77
B. Dues to be paid by the Company					
1. Long Term & Short Borrowings	50427.43	42450.07	42327.46	43972.41	25964.41
2. Long & Short Term Liabilities & Provision	18972.68	18550.67	15835.53	11101.81	9894.15
3. Deferred Tax Liability	1081.23	1312.49	933.44	1049.40	1027.50
Total Liabilities	70481.34	62313.23	59096.43	56123.62	36886.06
C. Company's Net Worth	39516.23	39134.84	36338.07	35615.13	21784.71
D. Equity Shareholders' Fund					
Represented By :					
a) Share Capital	1443.87	1443.87	1443.87	1117.43	1117.43
b) Share Suspense	-	-	-	326.44	-
c) Reserves & Surplus	38072.36	37690.97	34894.20	34171.26	20667.28
	39516.23	39134.84	36338.07	35615.13	21784.71
Net Worth per Equity Share of ₹ 5/- each (in ₹)	136.84	135.52	125.84	123.33	97.48
Dividend per Equity Share of ₹ 5/- each (in ₹)	2.00	4.00	3.00	3.00	3.00

Figures for Previous years have been regrouped/rearranged.

Financial Highlights for five years (Contd.)

(₹ in Lacs)

	2013-14	2012-13	2011-12	2010-11	2009-10
A. INCOME					
1. Revenue from Operation (Net)	69851.91	66947.34	61695.12	48843.95	40412.34
Other Income	3980.88	1481.05	1034.29	700.78	1313.96
Total Income	73832.79	68428.39	62729.41	49544.73	41726.30
B. EXPENDITURE					
1. Increase/Decrease in stock	920.71	(3804.39)	(1722.31)	(7565.41)	(2560.56)
2. Purchases	8985.98	7865.60	8011.80	4973.69	8079.44
3. Raw Materials Consumed	22139.63	22549.27	20612.25	18588.59	6490.50
4. Employees Cost	17299.06	16484.00	14634.03	12417.41	10944.32
5. Consumption of Stores & Spare Parts	4169.99	3816.75	3594.72	3389.94	2596.99
6. Power & Fuel	4075.44	3680.29	3526.13	3199.69	2708.64
7. Manufacturing & Other Miscellaneous Exp.	6878.66	5579.95	4964.59	3917.74	3019.63
8. Selling & Distribution Expenses	3429.22	3132.78	3552.09	2691.13	2241.31
9. Depreciation/Amortization	1517.63	1310.11	1497.18	1152.07	780.68
10. Interest (Net)	4203.34	2509.82	2327.61	1612.13	556.01
Total Expenditure	73619.66	63124.18	60998.09	44376.98	34856.96
Profit before Taxation	213.13	5304.21	1731.32	5167.75	6869.34
Provision for Taxation - Current Tax	110.00	960.00	385.00	940.00	900.00
MAT Credit Entitlement	-	(45.65)	34.23	(350.12)	(354.11)
Tax Adjustment for earlier years	-	4.07	(4.05)	-	-
Provision for Taxation - Deferred Tax	(231.26)	379.05	(115.96)	(52.91)	153.10
Profit after Taxation	334.39	4006.74	1432.10	4630.78	6170.35
Balance B/F from previous year	6527.47	5949.52	5496.36	4623.64	2197.72
Balance available for appropriation	6861.86	9956.26	6928.46	9254.42	8368.07
C. APPROPRIATION					
1. General Reserve	50.00	2500.00	500.00	3000.00	3000.00
2. Proposed Equity Dividend	434.84	869.67	652.25	652.25	652.25
3. Tax on Dividend (incl. surcharge on dividend)	29.56	59.12	42.32	105.81	108.34
4. Dividend Tax related to earlier years	-	-	(215.63)	-	-
5. Dividend & Dividend Tax waived by Beneficiary Trust	-	-	-	-	(16.16)
6. Balance carried to Balance Sheet	6347.46	6527.47	5949.52	5496.36	4623.64
	6861.86	9956.26	6928.46	9254.42	8368.07

Figures for Previous years have been regrouped/rearranged.

Independent Auditors' Report

To the Members of

Jay Shree Tea & Industries Limited

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **JAY SHREE TEA & INDUSTRIES LTD** ("the Company"), which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with general circular 15/2013 dated 13th September 2013 by Ministry of Company Affairs in respect of section 133 of the Companies Act 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

OPINION

In our opinion and to the best of our information and according to the explanations given to us the aforesaid 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 :

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- b) In the case of the Statement of Profit & Loss, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

EMPHASIS OF MATTER

- A. Refer note no. 2.28.E.iii regarding carry forward of minimum alternate tax (MAT) credit entitlement of ₹ 418.43 Lacs based on the future taxable income projected by the Company.
- B. Refer note no. 2.28.I.ii regarding non-provision for diminution in value of investment of a Subsidiary Company amounting to ₹ 356.20 Lacs and non-provision for advances and security deposits given to such subsidiary amounting to ₹ 277.45 Lacs.

Our opinion is not qualified in respect of above matters.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

Independent Auditors' Report *(Contd.)*

2. As required by section 227(3) of the Act, we report that :
- I. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - II. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - III. The Balance Sheet, the Statement of Profit & Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - IV. In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 read with general circular 15/2013 dated 13th September 2013 by Ministry of Company Affairs in respect of section 133 of the Companies Act 2013;
 - V. On the basis of written representations received from the directors as on 31st March 2014, and taken on record by the board of directors, we report that none of the directors are disqualified as on 31st March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

For **SINGHI & Co.**
Chartered Accountants
(Firm Registration No.302049E)

Aditya Singhi
Partner
(Membership No. 305161)

Kolkata : the 26th day of May, 2014

Annexure to the Independent Auditors' Report

The Annexure referred to in paragraph 1 with the heading "Report on other legal and regulatory requirement" of the Our Report of even date to the members of Jay Shree Tea & Industries Limited on the accounts of the Company for the year ended 31st March, 2014.

- (i) In respect of its fixed assets :
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) The fixed assets were physically verified during the year by the management which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) The Company has not disposed off substantial part of fixed assets during the year.
- (ii) In respect of its inventories :
 - (a) As explained to us, inventories were physically verified during the year by the management at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iii)
 - (a) According to the information and explanations given to us, the Company has granted unsecured loans /advances to 2 (two) Subsidiary Companies and 1 (one) step down subsidiary Company amounting to ₹ 80.93 Lacs (balance at the year-end) (maximum amount outstanding during the year was ₹ 324.27 Lacs) which is repayable on demand. The terms and conditions of the loans/advances are prima-facie not prejudicial to the interest of the Company.
 - (b) Since there is no overdue amount of principal and interest, hence clause 4 (iii) (d) of this Order is not applicable.

Annexure to the Independent Auditors' Report (Contd.)

- (c) The company has taken unsecured loans/advances from two subsidiaries company amounting to ₹ 131.96 Lacs (balance at the year end) (maximum amount outstanding during the year was ₹ 229.83 Lacs) which is repayable on demand. The terms and conditions of the loans are prima-facie not prejudicial to the interest of the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system.
- (v) In respect of transactions entered in the register maintained in pursuance of Section 301 of the Companies Act, 1956 :
- (a) To the best of our knowledge and belief and according to the information and explanations given to us, transactions that needed to be entered into the register have been so entered.
- (b) According to the information and explanations given to us, certain transactions for purchase and sale of goods and materials with the subsidiary Companies for which alternate quotations were not available, have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 58A, 58AA or any other relevant provisions of the Act, and the rules framed there under and the directives issued by the Company Law Board, National Company Law Tribunal or the Reserve Bank of India, or any Court or any other Tribunal where applicable, with regard to the deposits accepted from the public.
- (vii) In our opinion, the internal audit functions carried out during the year by firms of Chartered Accountants appointed by the management have been commensurate with the size of the Company and the nature of its business.
- (viii) We have broadly reviewed the books of account and records maintained by the Company relating to plantation and the manufacture of Sulphuric Acid & Sugar pursuant to the order made by the Central Government for the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete. To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records for any other product of the Company.
- (ix) According to the information and explanations given to us in respect of statutory and other dues :
- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax and other material statutory dues have generally regularly been deposited during the year by the Company with the appropriate authorities.
- According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Income Tax, Sales Tax, Wealth Tax and other material statutory dues for a period of more than six months from the date they become payable.
- (b) The following disputed statutory liabilities have not been deposited in view of pending Appeals :

Statute	Nature of dues	Forum where dispute is pending	Amount involved (₹ in Lacs)	Period to which relates
The Income Tax Act 1961	Income Tax	Commissioner of Income Tax (Appeals)	610.99	Assessment Year 2007-08 to 2011-12
The W.B Value Added Tax Act 2003/ The Central Sales Tax Act 1956	Sales Tax/ C.S.T.	First Appellate Authorities / Revisional Board.	188.56	1996-97, 1997-98, 1999-00, 2001-02, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10 & 2010-11

Annexure to the Independent Auditors' Report (Contd.)

Statute	Nature of dues	Forum where dispute is pending	Amount involved (₹ in Lacs)	Period to which relates
The W.B Value Added Tax Act 2003	Sales Tax	W.B. Taxation Tribunal	28.73	1996-97,2003-04 & 2006-07

- (x) The Company does not have accumulated losses as at the end of the year and the Company has not incurred cash losses during the current and the immediately preceding financial year.
- (xi) Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institutions and banks.
- (xii) According to the information and explanations given to us, the Company has not granted loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the nature of activities of the company is such that the provisions of any special statute including chit fund/nidhi/mutual benefit fund/societies are not applicable to it.
- (xiv) In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in securities. The Company has invested surplus funds in marketable securities and mutual funds. According to the information and explanations given to us, proper records have been maintained of the transactions and contracts relating to purchase of investments and timely entries have been made therein. All the investments have been held by the Company in its own name.
- (xv) According to the information and explanations given to us, the Company has given corporate guarantee to banks amounting to ₹ 5470.70 Lacs and pledged its own investment amounting to ₹ 3930.50 Lacs for banking facilities taken by a wholly owned subsidiary Company and a step-down subsidiary Company from the banks and the terms & conditions whereof are prima facie not prejudicial to the interest of the Company.
- (xvi) To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the Company were, prima facie, applied by the Company during the year for the purposes for which the loans were obtained.
- (xvii) According to the information and explanations given to us, on an overall basis, no funds raised on short-term basis been used during the year for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956, during the year and hence the question of whether the price at which shares have been issued is prejudicial to the interest of the Company does not arise.
- (xix) The Company did not have any outstanding debenture during the year.
- (xx) The Company has not raised monies by public issue during the year and hence the question of disclosure and verification of end use of such monies does not arise.
- (xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For **SINGHI & Co.**
Chartered Accountants
(Firm Registration No.302049E)

Aditya Singhi
Partner
(Membership No. 305161)

Balance Sheet as at 31st March, 2014

(₹ in Lacs)

	Note No.	As at 31st March, 2014		As at 31st March, 2013	
EQUITY AND LIABILITIES					
SHAREHOLDERS' FUNDS					
Share Capital	2.1	1443.87		1443.87	
Reserves and Surplus	2.2	38072.36	39516.23	37690.97	39134.84
NON-CURRENT LIABILITIES					
Long-Term Borrowings	2.3	15683.92		7272.89	
Deferred Tax Liabilities (Net)	2.4	1081.23		1312.49	
Other Long-Term Liabilities	2.5	121.78		123.27	
Long-Term Provisions	2.6	507.87	17394.80	495.73	9204.38
CURRENT LIABILITIES					
Short-Term Borrowings	2.7	32638.60		27424.97	
Trade Payables	2.8	13150.88		12224.35	
Other Current Liabilities	2.9	4450.90		10140.94	
Short-Term Provisions	2.6	2846.16	53086.54	3318.59	53108.85
TOTAL			109997.57		101448.07
ASSETS					
NON-CURRENT ASSETS					
Fixed Assets					
Tangible Assets	2.10	31452.63		29405.97	
Capital Work-In-Progress	2.10	862.10	32314.73	242.57	29648.54
Non-Current Investments	2.11	24693.08		22483.61	
Long-Term Loans and Advances	2.12	2434.95		2369.84	
Other Non-Current Assets	2.13	1408.55	28536.58	8.30	24861.75
CURRENT ASSETS					
Current Investments	2.14	25.00		1794.84	
Inventories	2.15	23624.80		24788.02	
Trade Receivables	2.16	7446.60		8086.04	
Cash and Bank Balances	2.17	12122.96		6339.60	
Short-Term Loans and Advances	2.12	2596.83		3825.04	
Other Current Assets	2.13	3330.07	49146.26	2104.24	46937.78
TOTAL			109997.57		101448.07

Significant Accounting Policies

1

The Notes are an integral part of the Financial Statements

As per our report of even date annexed

For and on behalf of the Board of Directors

For **SINGHI & CO.**

Chartered Accountants

(Firm Registration No.302049E)

Aditya Singhi

Partner

(Membership No. 305161)

Kolkata, the 26th day of May, 2014

R. K. Ganeriwala
(President, CFO & Secretary)**D. P. Maheshwari**
(Managing Director)**B. K. Birla**
(Chairman)

Statement of Profit & Loss for the year ended 31st March, 2014

(₹ in Lacs)

	Note No.	For the year ended 31st March, 2014	For the year ended 31st March, 2013
INCOME			
Revenue from Operations (Gross)	2.18	71004.31	68052.83
Less : Excise Duty		1152.40	1105.49
Revenue from Operations (Net)		69851.91	66947.34
Other Income	2.19	4503.89	2792.53
Total Revenue		74355.80	69739.87
EXPENSES			
Cost of Materials Consumed	2.20	22139.63	22549.27
Purchases of Traded Goods	2.21	8985.98	7865.60
(Increase)/ Decrease in Inventories of Finished Goods, Work-in-Progress and Traded Goods	2.22	920.71	(3804.39)
Employee Benefits Expense	2.23	17299.06	16484.00
Finance Costs	2.24	4726.35	3821.30
Other Expenses	2.25	18553.31	16209.77
		72625.04	63125.55
Profit before Tax, Depreciation and Amortization		1730.76	6614.32
Depreciation and Amortization Expense	2.26	1517.63	1310.11
Profit before Tax		213.13	5304.21
Tax Expense	2.27		
Current Tax		110.00	918.42
Deferred Tax		(231.26)	379.05
Profit for the year		334.39	4006.74
Basic & Diluted Earnings Per Share ₹ [nominal value ₹ 5/-] (Refer Note. 2.28.S)		1.16	13.87

Significant Accounting Policies

1

The Notes are an integral part of the Financial Statements

As per our report of even date annexed

For and on behalf of the Board of Directors

For **SINGHI & CO.**

Chartered Accountants

(Firm Registration No.302049E)

Aditya Singhi

Partner

(Membership No. 305161)

Kolkata, the 26th day of May, 2014

R. K. Ganeriwala
(President, CFO & Secretary)**D. P. Maheshwari**
(Managing Director)**B. K. Birla**
(Chairman)

Cash Flow Statement for the year ended 31st March, 2014

(₹ in Lacs)

	2013-14	2012-13
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before tax and extraordinary items	213.13	5304.21
Adjustments for :		
Depreciation/Amortization Expenses	1518.90	1310.54
Dividend income	(121.31)	(153.23)
Finance Costs	4726.35	3821.30
Interest Income	(523.01)	(1311.47)
Profit on sale of Fixed Assets (net)	(2676.05)	(357.50)
Excess Liabilities & Unclaimed Balances written back	(143.21)	(249.33)
Excess / Short Provisions related to earlier year (net)	(69.72)	(5.47)
Loans, Advances & Claims written off (net)	126.07	1.28
(Profit) / Loss on Sale of Investment (net)	(529.58)	(229.61)
Amortization of Foreign Currency monetary translation difference	1491.90	748.66
Net Loss / (Gain) on foreign currency transactions and translations	(22.14)	307.02
Operating profit before working capital changes	3991.33	9186.40
Adjustments for :		
Trade Receivables and Loans & Advances	732.79	(1017.14)
Inventories	1163.22	(3443.51)
Trade Payables, Other Liabilities & Provisions	1090.61	2528.25
Cash generated from / (used in) operations	6977.95	7254.00
Direct Taxes (paid) / refund ^	(531.71)	(887.28)
Exchange difference realised (net)	(142.11)	(289.82)
Net cash from / (used in) operating activities	6304.13	6076.90
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of/advance for Fixed Assets/Capital Work in Progress	(4090.45)	(2151.63)
Sale of Fixed Assets	2833.45	791.15
Receipt of capital subsidy	11.47	380.53
Investment in Subsidiaries & Joint Venture	(500.00)	-
Loans & Advances to Subsidiaries and Joint Venture (net)	149.33	1602.26
(Purchase) / sale of long term investments (net)	(945.38)	(2557.81)
(Purchase) / sale of current investments (net)	307.33	411.14
Investment in Bank Fixed Deposits	(1931.91)	(5.11)
Loans and Advances to companies (net)	800.00	4700.00
Interest received	568.29	1199.48
Dividend Income	121.31	153.23
Net cash from / (used in) investing activities	(2676.56)	4523.24

Cash Flow Statement for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

	2013-14	2012-13
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds of long term borrowings	13200.00	3146.27
Repayments of long term borrowings	(11336.65)	(4251.90)
Proceeds from short term borrowings (net)	5116.89	198.40
Proceeds from short term borrowings from a Subsidiary (net)	96.74	-
Dividend including dividend tax paid	(928.79)	(694.57)
Interest paid	(4535.90)	(3783.55)
Net cash from / (used in) financing activities	1612.29	(5385.35)
Net increase / (decrease) in cash and cash equivalent (A+B+C)	5239.86	5214.79
Cash and cash equivalents as at 01.04.2013	6161.58	946.79
Cash and cash equivalents as at 31.03.2014 \$	11401.44	6161.58
	5239.86	5214.79

*Although investing activities attract tax on income arising out of these activities, for the purpose of the Cash Flow entire tax refund and tax payment has been considered as part of operating activities only.

\$ Cash and cash equivalent consist of :-

Cash & Cash Equivalents *

	As at 31.03.2014	As at 31.03.2013
Cash, cheques, drafts in hand etc.	223.06	1290.63
Balance and Fixed Deposits with Banks	11178.38	4870.95
Total	11401.44	6161.58

The aforesaid statement is prepared on indirect method.

* Does not include any amount of significant cash & cash equivalent which are not available for use.

The figures of the previous year have been reclassified to conform to current year classification.

As per our report of even date annexed

For **SINGHI & CO.**

Chartered Accountants

(Firm Registration No.302049E)

Aditya Singhi

Partner

(Membership No. 305161)

Kolkata, the 26th day of May, 2014

For and on behalf of the Board of Directors

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

D. P. Maheshwari
(Managing Director)

B. K. Birla
(Chairman)

Notes to the Financial Statements for the year ended 31st March, 2014

1. STATEMENT OF ACCOUNTING POLICIES

i. Convention

The financial statements have been prepared in accordance with applicable Accounting Standards in India and in accordance with the relevant provisions of the Companies Act, 1956. A summary of important accounting policies which have been applied consistently is set out below.

ii. Use of Estimates

The preparation of financial statements require judgments, 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 in which the results are known / materialized.

iii. Basis of Accounting

The financial statements have been prepared in accordance with historical cost convention. All income and expenses, unless specifically stated otherwise, have been accounted for on accrual basis.

iv. Recognition of Revenue & Expenses

- a) All revenue and expenses are accounted for on accrual basis except as otherwise stated.
- b) Sales are net of returns, Sales Tax/VAT and trade discount.

v. Government Grants

- a) Government Grants related to specific assets are adjusted with value of fixed assets.
- b) Government Grants in the nature of Promoter's Contribution towards fixed assets are credited to Capital Reserve.
- c) Government Grant related to revenue items are adjusted with the related expenditure/taken in income.

vi. Fixed Assets & Depreciation / Amortization

A. Tangible Fixed Assets :

- a) Fixed assets are stated at cost less accumulated depreciation and accumulated impairment loss, if any.
- b) Depreciation on all assets, other than vehicles, is provided on the "Straight Line Method", and on vehicles on the "Written Down Value Method" in the manner and at the rates specified in Schedule XIV to the Companies Act, 1956.
- c) Items of machinery spares to be used in connection with an item of fixed asset are amortized over the useful life of the asset.
- d) Leasehold Land (Others) is amortized over the period of lease.

B. Intangible Fixed Assets : Intangible Assets are stated at cost on initial recognition after which the same are stated at cost less accumulated amortization and accumulated impairment loss, if any.

C. 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.

D. Intangible assets under development : Intangible assets under development is stated at cost which includes expenses incurred during development period and all other expenses incurred in connection with development of Intangible Assets in so far as such expenses relate to the period prior to the getting the assets ready for use.

Notes to the Financial Statements for the year ended 31st March, 2014 (Contd.)

vii. Impairment of Assets

Impairment of Assets are assessed at each Balance Sheet date for each cash generating unit if any indicators of impairment exists and the same is assessed and provided for in accordance with the Accounting Standard 28. A previously recognized impairment loss is periodically assessed.

viii. Leases

For assets acquired under operating lease, rental payable are recognised as an expense in the statement of profit & 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.

ix. Investments

- a) Investments which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. The portion of long-term investments expected to be realized within twelve months after the reporting date are disclosed under current investments.
- b) On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees & duties.
- c) Long-Term Investments are stated at cost. Provision for diminution is made if the decline in value, in the opinion of the management, is other than temporary.
- d) Current Investments, other than the portion of long term investments disclosed under current investments, are stated at lower of cost or fair value.

x. Inventories

Inventories are valued at cost or net realizable value whichever is lower. Cost is determined on weighted average/ FIFO basis. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to their present location and condition and includes appropriate overheads. Provision is made for obsolete and slow moving stocks, wherever necessary.

Net realizable value is the estimated selling prices in the ordinary course of business less estimated cost necessary to make the sale. Materials and other items held for use in production of inventories are not written down below the cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

xi. Employment Benefits

a) 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 render the service. This benefit includes salary, wages, short term compensatory absences and bonus.

b) Long Term Employee Benefits

- i) 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.
- ii) 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 during the period in which they occur.

Notes to the Financial Statements for the year ended 31st March, 2014 (Contd.)

- iii) 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.

xii. 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. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use. Other borrowing costs are recognized as an expense in the period in which they are incurred.

xiii. Foreign Currency Transactions

Transactions in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Monetary items denominated in foreign currency are restated at the exchange rate prevailing on the Balance Sheet date. Foreign currency non-monetary items carried in terms of historical cost are reported using the exchange rate at the date of the transactions. Exchange differences arising on settlement of transactions and/or restatements are dealt with in the statement of profit & loss.

Exchange difference arising on reporting /settlement of long-term foreign currency monetary items (other than related to acquisition of depreciable Fixed Assets) at rates different from those at which they were initially recorded during the period or reported in previous financial statement which were until now being recognized in the Statement of Profit & Loss are now being accumulated in "Foreign Currency Monetary Items Translation Difference Account" and amortized in the Statement of Profit & Loss over the remaining life of the long-term foreign currency monetary items.

xiv. Derivative Transactions

The Company uses derivative financial instruments such as forward exchange contracts, currency swap etc. to hedge its risks associated with foreign currency fluctuations relating to the underlying transactions, highly probable forecast transactions and firm commitments. In respect of Forwards Exchange Contracts with underlying transactions, the premium or discount arising at the inception of such contract is amortized as expense or income over the life of contract.

Other derivative contracts outstanding at the Balance Sheet date are marked to market and resulting loss, if any, is provided for in the financial statement. Any profit or losses arising on cancellation of derivative instruments are recognized as income or expense for the period.

xv. Taxes on Income

Current tax is determined on the basis of the amount of tax payable for the year under Income Tax Act and Agriculture Income Tax of the respective states. Deferred tax is calculated at the applicable tax rate and is recognized on timing differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period. Deferred tax assets subject to consideration of prudence, are recognized and carried forward only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Tax Credit for Minimum Alternate Tax (MAT) is recognized when there is a convincing evidence of its realisability against future tax liability.

xvi. Provisions, Contingent Liabilities & Contingent Assets

Provisions are recognized in respect of present obligations arising out of past events where there are reliable estimates of the probable outflow of resources. Contingent liabilities are the possible obligation of the past events, the existence of which will be confirmed only by the occurrence or non-occurrence of a future event. These are not provided for but are disclosed by way of Notes on Accounts. Contingent Assets are not provided for or disclosed.

Notes to the Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

		As at 31st March, 2014	As at 31st March, 2013
2.1	SHARE CAPITAL		
Authorized :			
58000000 Shares of ₹ 5/- each		2900.00	2900.00
Issued :			
28902786 Equity Shares of ₹ 5/- each (Previous year 28902786 Equity Shares of ₹ 5/- each)		1445.14	1445.14
Subscribed and Paid up :			
28877488 Equity Shares of ₹ 5/- each (Previous year 28877488 Equity Shares of ₹ 5/- each)		1443.87	1443.87

- a) Reconciliation of Shares outstanding at the beginning and at the end of year :

	No. of Shares	No. of Shares
Shares outstanding at the beginning of the year	28877488	28877488
Shares outstanding at the end of the year	28877488	28877488

- b) The Company has only one class of issued shares i.e. Equity Shares having par value of ₹ 5/- per share. Each holder of Ordinary Shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the ordinary shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.
- c) The Company does not have any Holding Company/ultimate Holding Company.
- d) Details of shareholders holding more than 5% shares in the Company :

	As at 31st March, 2014		As at 31st March, 2013	
	No. of Shares	%	No. of Shares	%
Ordinary Equity Shares of ₹ 5/- each fully paid				
JPM Merchandise Agencies Limited	6114108	21.17	6114108	21.17
Jay Shree Beneficiary Trust	6528810	22.61	6528810	22.61

- e) No Equity Shares have been reserved for issue under options and contracts/commitments for the sale of shares/disinvestment as at the Balance Sheet date.
- f) No shares have been bought back by the Company during the period of 5 years preceding the date as at which the Balance Sheet is prepared.
- g) 7518810 (Previous year 7518810) Equity shares of ₹ 5/- each fully paid up have been issued pursuant to scheme of amalgamation and arrangement for consideration other than cash in preceding five years.
- h) No securities convertible into Equity/Preference shares issued by the Company during the year.
- i) No calls are unpaid by any director or officer of the Company during the year.

Notes to the Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

	As at 31st March, 2014	As at 31st March, 2013
2.2 RESERVE AND SURPLUS		
Capital Reserve		
(Not Available for Dividend)		
As per the last Financial Statements	10858.86	10858.86
Capital Redemption Reserve		
As per the last Financial Statements	165.21	165.21
Storage Reserve for Molasses		
As per the last Financial Statements	188.10	188.10
General Reserve		
As per the last Financial Statements	20462.73	17962.73
Add : Transferred from Surplus	50.00	2500.00
	20512.73	20462.73
Foreign Currency Monetary Items Translation Difference Account		
As per the last Financial Statements	(511.40)	(230.22)
Addition during the year	(980.50)	(1029.84)
Less : Amortized during the year	1491.90	748.66
	–	(511.40)
Surplus		
As per the last Financial Statements	6527.47	5949.52
Add : Profit for the year	334.39	4006.74
	6861.86	9956.26
Less : Appropriations		
Proposed Dividend	434.84	869.67
Corporate Dividend Tax	29.56	59.12
General Reserve	50.00	2500.00
Net Surplus	6347.46	6527.47
Total Reserve and Surplus	38072.36	37690.97

Notes to the Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

	Non-current portion		Current Maturities	
	As at 31st March, 2014	As at 31st March, 2013	As at 31st March, 2014	As at 31st March, 2013
2.3 LONG-TERM BORROWINGS				
Secured				
Term Loan from Banks	9333.34	1750.00	1416.66	2666.67
Term Loan from a NBFC	3000.00	–	–	–
External Commercial Borrowings from Bank	1720.31	5092.50	688.13	4956.70
Sugar Development Fund Loan	430.27	430.27	–	–
Total Secured Borrowings	14483.92	7272.77	2104.79	7623.37
Unsecured				
Working Capital Loan From Bank	1200.00	–	–	–
Employees Deposits	–	–	–	16.75
From Government of West Bengal under Plantation Labour Housing Scheme	–	0.02	0.02	0.02
From Government of Assam under plantation labour housing scheme	–	0.10	0.10	–
Total Unsecured Borrowings	1200.00	0.12	0.12	16.77
Amount disclosed under the head "Other Current Liabilities" (Note 2.9)			(2104.91)	(7640.14)
	15683.92	7272.89	–	–

Security :

- i) Term Loan from Banks and External Commercial Borrowings are secured/to be secured by equitable mortgage by deposit of title deeds of tea estates along with all immovable properties thereon ranking pari-passu, interse with working capital lenders for tea division.
- ii) Term Loan from NBFC is secured by pledge of certain non current investments.
- iii) Sugar Development Loan Fund is secured/to be secured by way of equitable mortgage of immovable/movable properties of Jay Shree Sugar division ranking pari-passu.

Notes to the Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

iv) Maturity profile and Repayment Schedule

Secured

Nature of Loans	Loan Amount	Repayment Term	Repayment Years				
			2014-15	2015-16	2016-17	2017-18	2018-19 to 2021-22
Rupee Term Loan	833.33	Remaining one yearly installment	833.33	-	-	-	-
Rupee Term Loan	250.00	Remaining one half yearly installment	250.00	-	-	-	-
Rupee Term Loan	666.67	Payable in two equal yearly installments	333.33	333.34	-	-	-
Rupee Term Loan	3000.00	Payable in three equal yearly installments	-	1000.00	1000.00	1000.00	-
Rupee Term Loan NBFC	3000.00	Payable in six half yearly installments	-	1200.00	900.00	900.00	-
Rupee Term Loan	2000.00	Payable in three equal yearly installments	-	666.67	666.67	666.66	-
Rupee Term Loan	2000.00	Payable in four equal yearly installments	-	500.00	500.00	500.00	500.00
Rupee Term Loan	2000.00	Payable in three equal yearly installments	-	666.67	666.67	666.66	-
Sugar Development Fund	430.27	Payable after five years in ten half yearly installments	-	-	-	86.05	344.22
External Commercial Borrowings	2408.44	Payable in seven equal half yearly installments	688.13	688.13	688.13	344.05	-
	16588.71		2104.79	5054.81	4421.47	4163.42	844.22

Unsecured

Working Capital Loan	1200.00	Payable in one installment	-	1200.00	-	-	-
Government of West Bengal under Plantation labour housing scheme	0.02	Remaining installment	0.02	-	-	-	-
Government of Assam under Plantation labour housing scheme	0.10	As per Terms of loan	0.10	-	-	-	-
	1200.12		0.12	1200.00	-	-	-

		As at 31st March, 2014		As at 31st March, 2013	
2.4	DEFERRED TAX LIABILITIES (NET)				
Deferred Tax Liabilities Arising on account of :					
	Accumulated Depreciation	2043.15		1956.76	
	Others	-	2043.15	162.63	2119.39
Less : Deferred Tax Assets Arising on account of :					
	Section 43B of Income-tax Act	534.05		453.80	
	Unabsorbed Depreciation	415.00		-	
	Carry over capital losses	-		340.11	
	Others	12.87	961.92	12.99	806.90
			1081.23		1312.49

Notes to the Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

	As at 31st March, 2014	As at 31st March, 2013
2.5 OTHER LONG TERM LIABILITIES		
Trade and Security Deposits	74.42	106.03
Interest accrued but not due	47.36	17.24
	121.78	123.27

	Long Term		Short Term	
	As at 31st March, 2014	As at 31st March, 2013	As at 31st March, 2014	As at 31st March, 2013
2.6 PROVISIONS				
Provision for Employee Benefits				
Leave	504.10	360.54	106.85	193.11
Gratuity	–	–	554.33	516.37
Bonus	–	–	1567.78	1534.19
Other Provisions				
Provisions for Contingencies	–	–	152.80	146.13
Provisions for Taxation (Net of advance)	3.77	135.19	–	–
Proposed Dividend	–	–	434.84	869.67
Corporate Dividend Tax	–	–	29.56	59.12
	507.87	495.73	2846.16	3318.59

	As at 31st March, 2014	As at 31st March, 2013
2.7 SHORT TERM BORROWINGS		
Working Capital Borrowings		
From Banks		
Working Capital Loan (Secured)	1841.86	2424.97
Working Capital Loan (Unsecured)	5500.00	–
Packing Credit Loan (Secured)	700.00	–
Packing Credit Loan (Unsecured)	1500.00	–
Short Term Rupee Loans (Secured)	3500.00	2500.00
Short Term Rupee Loans (Unsecured)	18500.00	21500.00
Commercial Papers (Unsecured)	1000.00	1000.00
	32541.86	27424.97
Other Loans & Advances from a Related Party		
From a Subsidiary (Unsecured)	96.74	–
	32638.60	27424.97
The above amount includes :		
Secured Borrowings	6041.86	4924.97
Unsecured Borrowings	26596.74	22500.00
	32638.60	27424.97

58	Auditors' Report	Balance Sheet	Statement of Profit & Loss	Cash Flow Statement	Notes to Financial Statements
----	------------------	---------------	----------------------------	---------------------	-------------------------------

Notes to the Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

Security :

- Secured working capital loan and other secured loans are 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.
- Above secured loans 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.

		As at 31st March, 2014	As at 31st March, 2013
2.8	TRADE PAYABLES		
	For Goods and Services	13150.88	12224.35
		13150.88	12224.35

2.9 OTHER CURRENT LIABILITIES			
	Current maturities of Long Term Debt (See Note 2.3)	2104.91	7640.14
	Interest accrued but not due on Borrowings	364.08	323.38
	Interest accrued and due on Borrowings	1.05	1.05
	For Salary & Wages	434.60	380.42
	Unpaid and unclaimed dividends	78.02	66.18
	Statutory Dues	853.86	908.46
	Book Overdraft	–	9.97
	Dues to a Subsidiary	35.22	83.43
	Amount payable for Capital Goods	219.09	127.16
	Trade and Security Deposits	8.17	16.33
	Advances Received from Customers	201.94	302.13
	Others #	149.96	282.29
		4450.90	10140.94

Includes liability towards provision for mark to market loss, swap premium charges and other miscellaneous liabilities.

Notes to the Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

Particulars	Gross Block				Depreciation/Amortization				Net Block	
	Value as at 31.03.2013	Additions/Adjustment	Sales/Adjustment	Total value as at 31.03.2014	Upto 31.03.2013	For the year	Sales/adjustment	Upto 31.03.2014	As at 31.03.2014	As at 31.03.2013
Land	7465.78 (1)	46.16 (2)	112.35	7399.59	-	-	-	-	7399.59	7465.78
Leasehold Land & Plantation	5354.58	-	-	5354.58	2.32	-	-	2.32	5352.26	5352.26
Leasehold Land Others	122.54	-	-	122.54	19.06	8.17	-	27.23	95.31	103.48
Building & Flats (including those on Leasehold & Rented Land), Electric Installation, Water Line, Tubewell, Fencing, Road, Bridge etc.	7293.52	628.13	6.52	7915.13	2560.87	146.27	3.08	2704.06	5211.07	4732.65
Plant & Machinery, X-ray units, Electric Installation, Air Conditioning Units, Refrigerators, Road Rollers, Gas Pipe Lines, Roadways etc.	18248.43	2744.31 (3)	172.94	20819.80	7738.56	1041.87	146.52	8633.91	12185.89	10509.87
Motor Lorries, Cars, Trailors, Tractors, Trollies, Cycles, Vans, Loaders etc.	2141.94	197.28 (3)	80.20	2259.02	1397.63	230.60	72.57	1555.66	703.36	744.31
Furniture & Fixtures, Tools & implements etc.	789.26	21.52	43.91	766.87	371.11	42.23	36.35	376.99	389.88	418.15
Live Stock	0.19	-	-	0.19	-	-	-	-	0.19	0.19
Office Equipments	148.23	58.14	-	206.37	68.95	22.34	-	91.29	115.08	79.28
Total	41564.47	3695.54	415.92	44844.09	12158.50	1491.48	258.52	13391.46	31452.63	29405.97
Capital Work-in-Progress									862.10	242.57
									32314.73	29648.54
Corresponding figures for previous year	39870.05	2393.06	698.64	41564.47	11140.37	1283.12	264.99	12158.50	29405.97	
Capital Work-in-Progress									242.57	
									29648.54	

Notes to the Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

Notes To Fixed Assets (Contd.)

- 1) a) Land of Tribeni, West Bengal - Appeal for the final determination of compensation was decided in favour of the Company by the District Court of Hooghly and final compensation determined at ₹ 8.33 (Including interest ₹ 0.50) against which a sum of ₹ 2.05 was received in a previous year and credited to fixed assets. ₹ 6.28 including ₹ 1.50 released during the year 1967 against hypothecation of Khardah Land by the District Court has been shown in Current Liabilities. The Hon'ble High Court at Calcutta has decided the appeal against the Company in a previous year by reducing the amount of compensation for which an appeal before the Hon'ble Supreme Court of India was filed. Hon'ble Supreme Court has upheld the decision of the Hon'ble High Court and accordingly the adjustments will be carried out when the amount to be refunded is ascertained.
- b) Land at Guwahati measuring 2 hectares and related building including furniture & fixture and related equipment has been given on registered lease to a Society for operating a School.
- 2) Includes estimated cost of New Extension of area under tea ₹ 46.16 (Previous Year ₹ 27.56) capitalized during the year as certified.
- 3) Excluding ₹ 11.47 (Previous Year ₹ 75.60) on account of subsidy received from Tea Board under Tea Quality Upgradation & Product Diversification Scheme, ₹ NIL (Previous Year ₹ 19.70) on account of transport subsidy received against vehicles from Tea Board and ₹ NIL (previous year ₹ 285.23) on account of capital subsidy received from Cane Ministry, Bihar.
- 4) Land, Buildings and Plant & Machinery include ₹ 1.18, ₹ 6.43 and ₹ 0.81 respectively (Previous Year ₹ 1.18, ₹ 6.43, and ₹ 0.81 respectively) being 5.18% share of cost of Land, Buildings and Plant & Machinery held on co-ownership by the Company with other parties.
- 5) Land & Plantation include ₹ 29.28 (Previous year ₹ 29.28) and Building include ₹ 1.55 (Previous year ₹ 1.55) (being cost of floor of a leasehold building) in the name of the nominees of the Company on co-ownership basis, pending execution of conveyance deed.
- 6) Land & Plantation includes 2.431 Hectare of land at tea estates for which possession handed over for construction of schools and 6 hectares for which execution of conveyance deed in favour of the Company is pending.
- 7) 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.
- 8) Depreciation during the year includes of ₹ 1.27 (Previous year ₹ 0.43) towards assets of farm.
- 9) Borrowing cost capitalized in accordance with Accounting Standard (AS) - 16 is ₹ NIL (Previous Year ₹ NIL).

Notes to the Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

2.11		NON-CURRENT INVESTMENTS		
As at 31.03.2014	As at 31.03.2013		As at 31.03.2014	As at 31.03.2013
Number of Shares/ Securities/ Bonds/Units		TRADE INVESTMENT - LONG TERM (Valued at cost unless otherwise stated)		
		FULLY PAID SHARES / SECURITIES / BONDS / UNITS (Face Value of ₹ 10/- each unless otherwise stated)		
		INVESTMENT IN EQUITY INSTRUMENT IN SUBSIDIARY COMPANIES - UNQUOTED		
2175450	2175450	North Tukvar Tea Company Ltd. [60 shares held jointly with the nominee(s)]	356.20	356.20
10000	10000	Birla Holdings Ltd. (Face value of AED 1 each)	1.25	1.25
		IN JOINT VENTURE COMPANY - UNQUOTED		
372300	5000	Tea Group Investment Company Ltd. (Face value of AED 1 each) (367300 shares were allotted during the year)	51.95	0.65
		IN JOINT STOCK COMPANIES - UNQUOTED		
		Beneficial interest in shares held by JSTI Beneficiary Trust (Face value ₹ 5/- each)	332.29	332.29
		Beneficial interest in shares held by Jay Shree Beneficiary Trust (Face value ₹ 5/- each)	9637.41	9637.41
		OTHER INVESTMENT - LONG TERM (Valued at cost unless otherwise stated)		
		INVESTMENT PROPERTY (At cost less accumulated depreciation)		
		Cost of Land & Building	1721.41	1721.41
		Less : Accumulated Depreciation / Amortisation	212.75	185.33
		Net Block	1508.66	1536.08
		FULLY PAID SHARES / SECURITIES / BONDS / UNITS (Face Value of ₹ 10/- each unless otherwise stated)		
		INVESTMENT PROPERTY - UNQUOTED		
25	25	Embassy centre Premises Co. Op. Society Ltd. (Face value ₹ 50/- each)	0.01	0.01
55	55	The Bayside Co. Op. Housing Society Ltd. (Face value ₹ 50/- each)	0.03	0.03
460	460	Paramount Owners Syndicate Pvt. Ltd.	0.05	0.05
		EQUITY SHARES IN SUBSIDIARY COMPANY - UNQUOTED		
995000	995000	Parvati Tea Company Ltd. [600 shares held jointly with the nominee(s)]	994.64	994.64
		EQUITY SHARES IN ASSOCIATE COMPANIES - UNQUOTED		
2500	2500	Birla International Ltd. (Face value 100 CHF each)	52.25	52.25
20	20	Essel Mining & Industries Ltd.	8.35	8.35
68560	68560	Padmavati Investment Ltd.	122.00	122.00
205680	205680	JPM Merchandise Agencies Limited (Allotted on demerger of Padmavati Investment Ltd.)	9.60	9.60
25000	25000	Kesoram Insurance Broking Services Ltd.	0.50	0.50
4600	4600	Vasavadatta Services Ltd.	0.46	0.46
10	10	The Coimbatore & Nilgiris Dist. Small Scale Service Ind. Co-Op. Society Ltd. (face value ₹ 100/-)	0.01	0.01
1	1	The Tamilnadu Tea Manufacturers' Service Industrial Co-Op. Society Ltd. (face value ₹ 5000/-)	0.05	0.05
		EQUITY SHARES IN COMPANIES - QUOTED		
75	75	McLeod Russel India Ltd.	0.02	0.02

Notes to the Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

2.11		NON-CURRENT INVESTMENTS (Contd.)		
As at 31.03.2014	As at 31.03.2013		As at 31.03.2014	As at 31.03.2013
		5% CUMULATIVE REDEEMABLE PREFERENCE SHARES IN SUBSIDIARY COMPANY - UNQUOTED		
30000	30000	Parvati Tea Company Ltd. (Face Value ₹ 100/- each)	1800.00	1800.00
		INVESTMENT IN GOVERNMENT & TRUSTED SECURITIES - UNQUOTED (Face Value of ₹ 1000/- each)		
3	3	National Savings Certificates	0.03	0.03
		INVESTMENT IN SECURED DEBENTURES - UNQUOTED		
-	4	16% Lodha Pranik Landmark developers (P) Ltd. (Face Value of ₹ 100/- Lacs each) (Redeemed during the year)	-	344.00
0.75	1	20.4% TDI Realcon Private Limited (Formerly Navjyoti Overseas Private Ltd.) (Face Value ₹ 100/- Lacs)	75.00	100.00
2	2	17% Almond Infrabuild Private Limited (Face Value ₹ 50/- Lacs each)	100.00	100.00
500000	-	1% Unsecured Redeemable Non-Convertible Debenture of Parvati Tea Company Ltd. (Face Value ₹ 100/- each)	500.00	-
		INVESTMENT IN BONDS - QUOTED (Face value of ₹ 1000/- each, unless otherwise stated)		
-	12362	15 years, 8.30% Tax Free Bonds of National Highways Authorities of India Ltd.	-	123.62
-	14239	15 years, 8.30% Tax Free Bonds of Power Finance Corp. Ltd.	-	142.39
-	30000	15 years, 8.20% Tax Free Bonds of HUDCO Ltd. Tranche - I Series 2	-	300.00
50000	-	20 years, 8.76% Tax Free Bonds of HUDCO Ltd. Tranche - II Series 3 A*	500.00	-
15832	-	20 years, 8.66% Tax Free Bonds of NTPC Ltd. Series 3 A**	158.32	-
50000	-	15 years, 8.48% Tax Free Bonds of IIFCL Ltd. Series 2 A*	500.00	-
75000	-	15 years, 8.54% Tax Free Bonds of PFC Ltd. Series 2 **	750.53	-
50000	-	15 years, 8.63% Tax Free Bonds of REC Ltd. Tranche II Series II **	500.00	-
50000	-	15 years, 8.63% Tax Free Bonds of IRFC Ltd. Tranche II Series IIA *	500.00	-
3610	-	15 years, 8.63% Tax Free Bonds of NHB Ltd. Series 2-A* (Face value ₹ 5000/- each)	180.50	-
		INVESTMENTS IN MUTUAL FUNDS - UNQUOTED		
-	1000000.000	Axis Triple Advantage Fund	-	100.00
1957514.114	1957514.114	Reliance Regular Savings Fund -Equity Fund **	500.00	500.00
1500915.558	1500915.558	HDFC Prudence Fund **	500.00	500.00
1187064.879	-	Edelweiss Absolute Return Fund- Direct Plan Dividend option-Payout**	136.63	-
-	2522591.000	HDFC Balanced Fund	-	500.00
-	5015670.097	IDFC Dynamic Bond Fund Plan A - Growth	-	705.84
-	2847482.757	Reliance Dynamic Bond Fund - Growth	-	446.96
-	1594987.910	Reliance Dynamic Bond Fund - Growth	-	250.00
-	7933433.193	Edelweiss Short Term Income Fund - Growth	-	1046.80
-	1888802.424	HDFC Income Fund - Growth	-	500.00

Notes to the Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

2.11		NON-CURRENT INVESTMENTS (Contd.)		
As at 31.03.2014	As at 31.03.2013		As at 31.03.2014	As at 31.03.2013
–	1811659.843	IDFC Super Saver Income Fund - Investment Plan - Growth - Regular Plan	–	500.00
–	1372551.711	ICICI Prudential Income Regular Plan - Growth	–	500.00
2673332.175	–	UTI Short Term Income Fund- Growth**	400.00	–
2069339.610	–	Birla SunLife Short Term Opportunities Fund-Growth*	400.00	–
16500.227	–	Templeton India Short Term Income Plan Fund- Growth*	400.00	–
2000000.000	–	Reliance Fixed Horizon Fund - XXIV-Series2-1110 Days-Growth *	200.00	–
2000000.000	–	ICICI Prudential FMP Series 68-745 Days - Plan J - Growth*	200.00	–
6000000.000	–	ICICI Prudential FMP Series 72-823 Days - Plan H - Growth*	600.00	–
2000000.000	–	Birla Sun Life Fixed Term Plan- Corporate Bond Series A(1170 Days)**	200.00	–
4000000.000	–	HDFC FMP 447 Days Feb 2014(1) Series 29-Direct-Growth**	400.00	–
4000000.000	–	Reliance Fixed Horizon Fund - XXV-Series23- 827 Days-Growth **	400.00	–
4500000.000	–	DWS Fixed Maturity Plan-Series 58- 2 Yrs Growth*	450.00	–
2500000.000	–	Kotak FMP Series 154-390 Days Growth **	250.00	–
		INVESTMENTS IN PORTFOLIO MANAGEMENT SERVICES - UNQUOTED		
		Peninsula Brookfeild India Real estate Fund	99.59	–
		IDFC Real Estate Yield Fund	20.05	–
		Reliance Capital Asset Management Company Ltd.	8.31	8.31
		Reliance Capital Asset Management Company Ltd. (Yield Maximiser Fund)	658.46	733.88
		India Business Excellence Trust	229.93	229.93
		TOTAL NON CURRENT INVESTMENT	24693.08	22483.61
		Aggregate Book Value of Non Current Quoted Investments	3089.37	566.03
		Aggregate Book Value of Non Current Unquoted Investments	21603.71	21917.58
		TOTAL	24693.08	22483.61
		Aggregate Market Value of Non Current Quoted Investments	3152.26	616.43

* Pledged as security for issuing SBLC used for availing credit facilities for a subsidiary and a step down subsidiary company.

** Pledged as security to secure a rupee term loan.

Portion of long term investments, as defined by Accounting Standard-13 "Accounting for Investments", which are expected to be realised within twelve months from the Balance Sheet date are disclosed as "Current portion of long term investment".

Notes to the Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

	Long-term		Short-term	
	As at 31st March, 2014	As at 31st March, 2013	As at 31st March, 2014	As at 31st March, 2013
2.12 LOANS & ADVANCES (Unsecured, considered good unless otherwise mention)				
Capital Advances	217.26	361.42	–	–
	217.26	361.42	–	–
Security Deposits				
Subsidiary	251.00	251.00	–	–
Others	410.71	414.78	117.68	115.49
	661.71	665.78	117.68	115.49
Loan & Advances to Related Parties				
To Subsidiary / Step Down Subsidiary (Refer Note No 2.28.1)	–	–	80.93	278.47
	–	–	80.93	278.47
Share Application Money with Related Parties				
To a Joint Venture Company	–	51.30	–	–
	–	51.30	–	–
Other Loans and Advances				
Loans & Deposit to Companies	–	–	750.00	1550.00
Deposit with Nabard	–	–	0.04	90.16
Advance Tax and TDS (Net of Provisions)	882.79	592.50	–	–
MAT Credit Entitlement (Refer note no. 2.28.E.iii)	418.43	418.43	–	–
Advance against supply of Goods and Services	–	–	940.23	1163.52
Prepaid Expenses	60.32	83.05	159.79	171.32
Insurance, excise and other claims	–	–	42.23	34.27
Loan / Advance to Employees	166.45	158.35	76.53	80.06
Balances with Government & Statutory Authorities	–	–	370.69	234.41
Other Deposits and Advances				
Considered Good	27.99	39.01	58.71	107.34
Considered Doubtful	–	–	3.73	3.89
Less : Provision	–	–	(3.73)	(3.89)
	1555.98	1291.34	2398.22	3431.08
	2434.95	2369.84	2596.83	3825.04

Notes to the Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

	Non-Current		Current	
	As at 31st March, 2014	As at 31st March, 2013	As at 31st March, 2014	As at 31st March, 2013
2.13 OTHER ASSETS				
Bank Fixed Deposit (Including ₹ 0.15,P.Y. ₹ 0.35 pledged as margin money)	1408.55	8.30	–	–
Interest accrued on Deposits	–	–	98.42	39.55
Interest accrued on Investments	–	–	68.76	75.22
Interest accrued on loans / Inter corporate deposits	–	–	2.77	85.70
Incentive and Subsidy Receivable	–	–	1896.77	1894.46
Rent Receivable	–	–	11.47	9.31
Other Receivable	–	–	1251.88	–
	1408.55	8.30	3330.07	2104.24

2.14 CURRENT INVESTMENTS			
As at 31.03.2014	As at 31.03.2013		As at 31.03.2014
			As at 31.03.2013
Number of Shares/ Securities/ Bonds/Units		"CURRENT INVESTMENTS - OTHER THAN TRADE" (Valued at cost unless otherwise stated)	
		FULLY PAID SHARES/SECURITIES/BONDS/UNITS (Face Value of ₹ 10/- each unless otherwise stated)	
		CURRENT PORTION OF LONG TERM INVESTMENTS AS PER ACCOUNTING STANDARD (AS)-13	
		INVESTMENT IN SECURED NON CONVERTIBLE DEBENTURES – UNQUOTED	
–	29	Zero Coupon Tata Housing Development Company Ltd. (Face Value ₹ 10/- Lacs)	–
0.25	–	20.4% TDI Realcon Private Limited (formerly Navjyoti Overseas Private Ltd.)(Face Value ₹ 100/- Lacs)	25.00
		INVESTMENT IN MUTUAL FUND – UNQUOTED	
–	4000000	Tata Fixed Maturity Plan Series 32 – Growth	–
–	4000000	ICICI Prudential FMP Series 58–2 yrs–Plan A – Growth	–
–	4000000	Reliance Fixed Horizon Fund Series XIX – Series 21– Growth	–
		OTHER CURRENT INVESTMENTS – UNQUOTED	
		INVESTMENT IN SECURED NON CONVERTIBLE DEBENTURES – UNQUOTED	
–	2	18% Devadatta Build Tech Private Ltd. (Face Value ₹ 50/- Lacs each)	–
–	200	12.95% Gold Loan Receivables Trust – II Sr. – A PTC (Face Value ₹ 100/- Lacs each)	–
		TOTAL	25.00
		Aggregate Book Value of Current Quoted Investments	–
		Aggregate Book Value of Current Unquoted Investments	25.00
		Aggregate Market Value of Current Quoted Investments	–
		Aggregate Book Value of Current & Non-Current Quoted Investments	3089.37
		Aggregate Book Value of Current & Non-Current Unquoted Investments	21628.71
		Aggregate Market Value of Current & Non-Current Quoted Investments	3152.26
			1794.84
			–
			1794.84
			–
			566.03
			23712.42
			616.43

Portion of long term investments, as defined by Accounting Standard - 13 "Accounting for Investments", which are expected to be realised within twelve months from the Balance Sheet date are disclosed as "Current portion of long term investment".

Notes to the Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

	As at 31st March, 2014	As at 31st March, 2013
2.15 INVENTORIES (As valued and certified by the management)		
Raw Materials (including stock of farm ₹ Nil, Previous year ₹ 0.60)	954.66	1091.12
Work in Progress	428.35	433.44
Finished Goods	15372.55	16513.74
Traded Goods	4546.03	4320.46
Stores and Spares	2318.63	2424.12
Loose Tools & Others	4.58	5.14
	23624.80	24788.02

	Finished / Traded Goods		Work-in-Progress	
	As at 31st March, 2014	As at 31st March, 2013	As at 31st March, 2014	As at 31st March, 2013
Details of Inventories :				
Tea (Finished Goods)	2106.81	1459.92	–	–
Tea (Traded Goods)	4546.03	4320.46	–	–
Chemicals	1818.53	1811.50	18.24	53.25
Sugar	11447.21	13242.32	410.11	380.19
	19918.58	20834.20	428.35	433.44

	As at 31st March, 2014	As at 31st March, 2013
2.16 TRADE RECEIVABLES		
Outstanding for a period exceeding six months		
Secured, considered good	–	–
Unsecured, considered good	268.91	339.68
Doubtful	36.21	36.37
	305.12	376.05
Provision for doubtful receivables	36.21	36.37
	268.91	339.68
Other Receivables		
Secured, considered good	–	10.13
Unsecured, considered good	7177.69	7736.23
	7446.60	8086.04

Notes to the Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

	As at 31st March, 2014	As at 31st March, 2013
2.17 CASH AND BANK BALANCES		
Cash and Cash Equivalents		
Balances With Banks :		
In Current / Cash Credit Account	1377.38	1220.63
In Fixed Deposit Accounts with original maturity of less than three months	9801.00	3650.32
Cheques/drafts on hand and Remittances in transit	175.94	1105.41
Cash on hand	47.12	185.22
	11401.44	6161.58
Other Bank Balances		
Earmarked balances with Banks (Unpaid Dividend Account)	78.02	66.18
Other Fixed Deposit with Banks (Including ₹ 113.08, P.Y. ₹ 111.84 pledged as margin Money)	643.50	111.84
	721.52	178.02
	12122.96	6339.60
	For the year ended 31st March, 2014	For the year ended 31st March, 2013
2.18 REVENUE FROM OPERATIONS (GROSS)		
Sales of Finished Goods & Other Products	67629.77	64508.76
Less : Excise Duty	1152.40	1105.49
	66477.37	63403.27
Government rebate on Fertilizers	1916.21	2128.45
Sale of Services (Warehousing Charges)	322.72	250.52
	68716.30	65782.24
Other Operating Revenues		
Incentives & Subsidies	276.23	379.54
Export Benefits	606.31	519.25
Insurance and Other Claims (Net)	37.85	27.68
Income from Farm Product (details as below)	10.99	49.67
Miscellaneous Sale	204.23	188.96
	1135.61	1165.10
	69851.91	66947.34

Notes to the Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

	For the year ended 31st March, 2014	For the year ended 31st March, 2013
2.18 REVENUE FROM OPERATIONS (GROSS) (Contd.)		
Details of Sale of Products		
Tea	45522.40	42477.72
Chemicals	6468.51	7506.24
Sugar	15617.23	14462.41
Others	21.63	62.39
	67629.77	64508.76
Income from Farm Products :		
Sales of Agricultural Product	112.94	147.34
Closing Stock	–	0.60
Lease Rent	2.66	2.67
	115.60	150.61
Less : Opening Stock	0.60	0.01
Agricultural Farming Expenses (towards cultivation & other expenses)	102.52	100.36
Other Repairs	0.12	0.08
Rent, Rates & Taxes	0.10	0.06
Depreciation	1.27	0.43
	104.61	100.94
	10.99	49.67
2.19 OTHER INCOME		
Interest Income		
On Investments		
Long term	240.65	133.95
Current	40.27	101.06
On Bank Deposits	94.12	15.53
On Loans & Other Deposits, etc	137.05	700.25
On Subsidiary	1.52	160.68
Interest Subsidy	9.40	200.00
Dividend Income		
On Long term	121.31	150.46
On Current	–	2.77
Net gain/(loss) on sale of Investments		
On Long term	502.25	150.02
On Current	27.33	79.59

Notes to the Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

	For the year ended 31st March, 2014	For the year ended 31st March, 2013
2.19 OTHER INCOME (Contd.)		
Other Non Operating Income		
Profit on Sale of Fixed Assets (Net)	2676.05	357.50
Rent	268.49	327.72
Excess Liabilities and Unclaimed Balances	143.21	249.33
Excess provisions, receipts & adjustments pertaining to previous years	74.94	27.26
Less : Short provisions, sundry payments & adjustments relating to previous years	(16.22)	(21.79)
Add : Excess/(Short) provision of bonus for previous years (Net)	11.00	–
Miscellaneous Income	172.52	158.20
	4503.89	2792.53
2.20 COST OF MATERIALS CONSUMED		
Raw Material Consumed		
Opening Inventories	1090.52	1820.06
Add : Purchase	22051.48	21963.68
	23142.00	23783.74
Less : Closing Inventories	954.66	1090.52
Sales	47.71	143.95
	22139.63	22549.27
Details of Raw Material Consumed		
Green Tea Leaves	4347.32	2885.10
Chemicals	5260.19	7067.52
Sugarcane	12532.12	12596.65
	22139.63	22549.27
2.21 PURCHASE OF TRADED GOODS		
Traded Goods :		
Tea	8492.79	7719.24
Chemicals	493.19	146.36
	8985.98	7865.60

Notes to the Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

	For the year ended 31st March, 2014	For the year ended 31st March, 2013
2.22 (INCREASE)/ DECREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS		
Inventories at the beginning of the year		
Finished Goods	16513.74	13586.15
Work-in-Progress	433.44	43.77
Traded Goods	4320.46	3833.33
	21267.64	17463.25
Inventories at the end of the year		
Finished Goods	15372.55	16513.74
Work-in-Progress	428.35	433.44
Traded Goods	4546.03	4320.46
	20346.93	21267.64
	920.71	(3804.39)
2.23 EMPLOYEE BENEFIT EXPENSE		
Salaries & Wages	14428.12	13697.08
Contribution to Provident Funds and Others	1185.77	1097.80
Contribution to Gratuity Fund	487.97	580.34
Contribution to Superannuation Fund	78.86	71.56
Staff Welfare Expenses	1118.34	1037.22
	17299.06	16484.00
2.24 FINANCE COST		
Interest Expenses :		
To Fixed Loans & Deposits	1297.09	925.25
To Bank & Others	3218.62	2831.62
	4515.71	3756.87
Other Borrowing Cost :		
Other Financial Charges	60.89	123.82
Applicable net gain/loss on foreign currency transactions and translations [Net of reversal of ₹ Nil (P.Y. ₹ 215.44)]	149.75	(59.39)
	4726.35	3821.30

Notes to the Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

	For the year ended 31st March, 2014	For the year ended 31st March, 2013
2.25 OTHER EXPENSES		
Manufacturing Expenses		
Stores, Spare Parts & Packing Materials Consumed	2438.24	2265.61
Power & Fuel	4075.44	3680.29
Consumption of Manures/ Pesticides etc	1731.75	1551.14
Repairs to Buildings	549.22	533.72
Repairs to Machinery	1275.82	1088.63
Repairs to Other Assets	419.62	378.69
Increase/(Decrease) in Excise Duty & Cess on Finished Goods	(99.12)	34.46
	10390.97	9532.54
Selling and Administration		
Freight & Cartage	1669.30	1466.13
Insurance	147.56	133.31
Brokerage & Commission	609.29	590.08
Warehousing Charges	152.91	87.27
Other Selling Expenses (including packing material ₹ 11.43, P.Y. ₹ 15.16)	850.16	855.99
Rent	709.43	261.29
Rates & Taxes (Duty & Cess)	249.96	259.99
Insurance excluding on sales	131.62	124.14
Charity & Donation	–	0.60
Auditors' Remuneration		
Statutory Auditors :		
Auditor	30.25	27.50
Tax Audit Fees	6.75	6.75
Other Services	20.73	18.46
Reimbursement of Expenses	1.83	0.83
Reimbursement of Service Tax	5.67	5.23
Cost Auditors :		
Audit Fees	1.16	1.31
Other Services	0.31	0.31
Reimbursement of Expenses	0.38	0.26

Notes to the Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

	For the year ended 31st March, 2014	For the year ended 31st March, 2013
Branch Auditors :		
Auditor	–	2.75
Issue of Certificates	–	1.60
Other Services	–	0.26
Reimbursement of Expenses	–	0.29
Reimbursement of Service tax	–	0.54
Bad Debts & Irrecoverable Loans, Advances & Claims written off.	126.39	4.11
Less : Reserve	(0.16)	(2.83)
Reserve for Doubtful Debts & Advances further created	–	–
Less : Written Back	(0.16)	–
Amortization of Foreign currency monetary item translation difference	1491.90	748.66
Net loss /(Gain) on foreign currency transaction and translation	(22.14)	307.02
Swap Premium Charges on Derivatives	39.82	43.54
Directors' Commission	–	20.00
Other Miscellaneous Expenses	1939.38	1711.84
	8162.34	6677.23
	18553.31	16209.77

2.26 DEPRECIATION AND AMORTIZATION EXPENSES

On Tangible Assets	1490.21	1282.69
On Investment Property	27.42	27.42
	1517.63	1310.11

2.27 TAX EXPENSE

Current Tax for the year	110.00	960.00
MAT credit Entitlement (Net)	–	(45.65)
Add/Less : Adjustment of Tax related to earlier years	–	4.07
Current Tax	110.00	918.42
Deferred Tax	(231.26)	379.05
	(121.26)	1297.47

Notes to the Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

	As at 31st March, 2014	As at 31st March, 2013
2.28 NOTES		
Contingent Liabilities not provided for in respect of :		
A) Claims/Disputes/Demands not acknowledged as debts:		
i) Demand from Sales Tax authority :	231.82	156.02
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		
ii) Income Tax demand under appeal	637.74	648.06
iii) Demand from a lessor for interest on differential rent	70.14	70.14
iv) Demand of Provident Fund Damages by the Provident Fund Authorities, West Bengal	24.39	24.39
v) Electricity duty demanded by Government of Bihar appealed in Hon'ble Supreme Court	103.10	103.10
vi) Demand of additional provident fund contribution on food grain concession provided to daily rated plantation workers in Assam Tea estates till September 2012 against which stay has been obtained from Hon'ble High Court at Guwahati	50.37	50.37
B) i) Capital Commitments outstanding (Net of Advances)	858.49	86.24
ii) Bank Guarantees Outstanding (Pledge of Fixed Deposit of ₹ NIL) (Previous Year ₹ 112.19)	–	838.29
iii) Corporate guarantee outstanding given to a Bank against loan acquired by a subsidiary company from the bank (US\$ 3.2 million) (previous year US\$ 5.6 million)	1917.44	3041.92
iv) Corporate guarantee outstanding given to a Bank against banking facility taken by a subsidiary and step down subsidiary from the bank (US\$ 5.93 million) (previous year US\$ 6.0 million)	3553.26	3259.20
C) Other Commitments		
Letter of credit issued against Import of materials	11.20	301.59
D) Interest Income of ₹ 144.85 till this financial year (previous year ₹ 59.85) on an Inter-corporate Deposit of ₹ 500 has not been recognized in view of uncertainty in realization. The Company is confident of recovering the principal.		
E) i) Fringe Benefit Tax has been abolished from accounting year 2009-10. However in view of the interim stay granted by the Hon'ble High Court at Calcutta, no liability has been provided for earlier years.		
ii) No provision for dividend and corresponding dividend distribution tax has been recognized in respect to 7135730 equity shares held by the beneficiary trusts in view of waiver letter received from them.		

Notes to the Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

- iii) During the year, the Company has further assessed the recoverability of Minimum Alternate Tax (MAT) for set off with future normal taxes and a sum of ₹ 418.43 (Previous year ₹ 418.43) have been carried forward. Based on projections made by the management and current trend of working of the Company the management is virtually certain of recovering the MAT credit entitlements.
- F) In terms of the resolution passed by the shareholders on 22nd September 2011, the company has paid remuneration to Mrs. Jayashree Mohta as a Whole time Director. In view of inadequate profit during the current financial year, the said payment has exceeded the limits prescribed under Schedule XIII of the Companies Act 1956 by ₹ 42.00. An application has been made to the Central Government for necessary approval.
- G) In respect to rent of a tenanted property, during the year the division bench of Hon'ble High Court at Kolkata upheld the decree awarded in favour of the landlord enhancing the rent with effect from April 2000 to March 2010. The Special leave petition filed against the said order with the Hon'ble Supreme Court got rejected. The Company has paid a sum of ₹ 372.54 (net of provision) towards rent and ₹ 281.35 towards interest thereupon have been charged to the statement of Profit & Loss Account in terms of decree.
- H) i) The agreement with Assam Tea Corporation Ltd. (ATCL) for purchase of entire green leaves of Longai and Ishabheel Tea Estates and operating the Longai Tea Factory were further renewed for the season 2014 for a period of one year by bidding through tender. Further the company has also entered a similar agreement with ATCL for purchase of entire green leaves of Bidyanagar Tea Estate for the season 2014 by bidding through tender. A sum of ₹ 416.42 (previous year ₹ 281.20) is recoverable from ATCL which is being realized on a systematic basis from the proceeds of green leaf procured.
- ii) The agreement in respect of operation of Amluckie Tea Factory and purchase of green leaf with ATCL could not be renewed for the season 2014 due to lack of economies. A sum of ₹ 80.32 (previous year ₹ 386.59) is outstanding on account of funds invested in earlier years and the same shall be refunded back and/or adjusted from the payments to be made on account of Longai, Ishabheel and Bidyanagar tea estates.
- I) i) Particulars in respect of Loans and advances as per the listing agreement :

Name of the Company	Relationship	Nature	Closing Balance		Maximum Balance outstanding	
			As at 31.03.2014	As at 31.03.2013	During 2013-14	During 2012-13
North Tukvar Tea Company Limited ##	Subsidiary	Security deposit	251.00	251.00	251.00	251.00
North Tukvar Tea Company Limited ##	Subsidiary	Advance in nature of loans	26.45	15.44	26.45	108.31
Parvati Tea Company Limited #	Subsidiary	Advance in nature of loans	(96.74)	229.15	243.44	2379.22
Kijura Tea Company Limited #	Step down Subsidiary	Advance	54.48	33.88	54.48	40.23

Repayable on demand

Refer Note ii) below

- ii) The Net Worth of the subsidiary company M/s North Tukvar Tea Company Ltd. is negative. No provision in value of the investment amounting to ₹ 356.20 and for advances /security deposit of ₹ 277.45 is envisaged /provided, being strategic in nature.

Note : Loans to employees under various schemes of the Company (i.e. housing loan etc) is considered outside the purview of disclosure requirements.

Notes to the Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

- J) As per the requirements of Accounting standard - 28 on "Impairment of Assets", the Company has assessed the carrying amount of the assets vis-a-vis their recoverable values and no impairment is envisaged at the balance sheet date.
- K) The Company has no overdue amounts due to suppliers under the Micro, Small, & Medium Enterprises Development Act, 2006 (MSMED) as at 31.03.2014. The disclosure as required under the said act is as under :-

		2013-14	2012-13
i)	Principal amount due to suppliers under MSMED Act and remaining unpaid	9.36	1.35
ii)	Interest due to suppliers on above	NIL	NIL
iii)	Any Payment made to suppliers beyond appointed date (under Section 16 of the Act)	NIL	NIL
iv)	Interest due and payable to suppliers under MSMED Act	NIL	NIL
v)	Interest Accrued & remaining unpaid as at 31.03.14	NIL	NIL
vi)	Interest remaining due & payable as per section 23 of the Act	NIL	NIL

The above information has been determined to the extent such parties have been identified on the basis of information available with the company.

- L) i) The Company's significant leasing agreements (as lessee) are in respect of lease for Land & Premises (residential, office, stores, godowns etc). These Leasing arrangements which are non-cancellable ranging between one month and three years generally or longer and are usually renewable by mutual agreement. The aggregate lease rentals payable are charged as Rent.
- ii) Certain land and building has been given on operating lease to a society at a lease rental of ₹ 17.00 Per month (Previous Year ₹ 17.00 per month) for the building and ₹ 0.50 (Previous Year ₹ 0.50) per annum for the land to be reviewed annually.

As per requirements of Accounting Standard-19 on leases, the following disclosures are furnished for significant operating leases as lessor :

Particulars	2013-14			2012-13		
	Gross Carrying Amount	Accumulated Depreciation	Depreciation for the Year	Gross Carrying Amount	Accumulated Depreciation	Depreciation for the Year
Land	37.91	-	-	37.91	-	-
Building	1680.75	212.42	27.40	1680.75	185.02	27.40
Plant & Machinery	154.08	66.97	6.22	153.57	60.92	6.19
Furniture & Fixture	188.33	117.22	17.85	188.32	99.37	17.85
Motor Vehicle	9.40	8.00	0.48	9.40	7.52	0.66
Total	2070.47	404.61	51.95	2069.95	352.83	52.10

- iii) The Company has taken over the operation and management control of North Tukvar Tea Estate on leave & license basis till 31.03.2015 from its subsidiary North Tukvar Tea Company Limited at an yearly charge of ₹ 9.00. The annual lease charge has been waived by the subsidiary from the year 2012-2013. The results for the current financial year includes a loss of ₹ 77.55 (Previous year ₹ 21.84) from the said tea estate.

76	Auditors' Report	Balance Sheet	Statement of Profit & Loss	Cash Flow Statement	Notes to Financial Statements
----	------------------	---------------	----------------------------	---------------------	-------------------------------

Notes to the Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

M) Disclosure as per Accounting Standard-29 "Provisions, Contingent Liabilities & Contingent Assets" :

Particulars	2013-14			2012-13		
	Disputed Statutory Matters	Other Obligations	Total	Disputed Statutory Matters	Other Obligations	Total
Opening Balance	77.82	68.31	146.13	93.40	55.02	148.42
Addition	13.29	12.77	26.06	5.75	13.48	19.23
Utilization	-	19.39	19.39	9.01	-	9.01
Reversal	-	-	-	12.32	0.19	12.51
Closing Balance	91.11	61.69	152.80	77.82	68.31	146.13

The provisions for disputed statutory & obligatory liabilities are on account of cases pending with courts/concerned authorities based on estimates made by the Company considering the facts & circumstances.

N) The Company uses forward contracts, swaps and other derivative contracts to hedge its risks relating to changes in exchange rates and interest rates. The use of such contract is consistent with the Company's risk management policy. The Company does not use derivative contracts for speculation purposes.

i) The particulars of derivative contracts entered into for hedging purposes outstanding as at 31.03.2014 are as under :

Category of Derivative Instruments		Amount of Exposures Hedged	
		As at 31.03.2014	As at 31.03.2013
a)	Forward contract for long term borrowings	2408.44	2716.00
b)	Forward contract for firm commitments of future sales	266.76	2071.57

ii) Unhedged foreign currency exposures as at 31.03.2014 are as under :

		As at 31.03.2014	As at 31.03.2013
a)	Receivables	2174.84	2072.83
b)	Loans/Payables/ Buyers Credit	1751.05	10940.51

O) **Employee Benefits (Accounting Standard - 15)**

i) **Defined Contribution Plan :**

The Company makes contribution towards Provident Fund, ESIC and Superannuation Fund to a defined contribution benefit plan for qualifying employees. The provident fund plan is operated partly by Regional Provident Fund Commissioner and partly by an independent Trust, ESIC by government agencies and Superannuation Fund by a trust created for the purpose. Under the said schemes the company is required to contribute a specific percentage of pay roll costs in respect of eligible employees to the retirement benefit scheme to fund the benefits.

During the year the company has recognized ₹ 1185.77 (Previous Year ₹ 1097.80) for provident fund contribution, ₹ 28.81 (Previous Year ₹ 29.75) for ESIC and ₹ 78.86 (Previous Year ₹ 71.56) for Superannuation Contribution. The Contribution payables to these plans by the Company are at the rates specified in the rules of the scheme.

In keeping with the Guidance on implementing Accounting Standard (AS) 15 on Employees Benefits issued by the Accounting Standards Board of the Institute of Chartered Accountants of India (ASB Guidance), employer-established provident fund trusts are treated as Defined Benefit Plans since the company is obligated to meet interest shortfall, if any, with respect to covered employees. In view of year-end position of the fund (for covered employees) and confirmation from the Trustees' of such fund, there is no shortfall as at the year end.

Notes to the Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

ii) Defined benefit plans :

- a) The Company makes contribution of gratuity to JSTI Gratuity Fund created for the purpose of qualifying employees. The scheme provides for payment to vested employees upon retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of 5 years of continuous service.
- b) Certain employees of the Company are also eligible for encashment of leave upon retirement up to 30 days for each year (maximum 240 days).
- c) The present value of defined benefit obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date.

	2013-2014 Gratuity Plan	2012-2013 Gratuity Plan
Disclosures as per Accounting Standard – 15		
A) Expenses recognized in the Statement of Profit & Loss for the year ended 31st March 2014		
i) Current Service Cost	275.60	299.25
ii) Interest Cost	288.88	246.48
iii) Expected return on Plan Assets	262.74	234.16
iv) Actuarial (Gains)/Losses	186.23	268.77
v) Past Service Cost	–	–
vi) Expenses recognized in Statement of Profit & Loss	487.97	580.34
B) Net (Assets)/Liabilities recognized in Balance Sheet as at 31st March 2014		
i) Present Value of the Defined Benefit Obligation	3785.43	3519.10
ii) Fair Value of Plan Assets	3231.10	3002.73
iii) Net (Assets)/Liabilities recognized in Balance Sheet	554.33	516.37
C) Changes in the Present Value of Defined Benefit Obligation during the year ended 31st March 2014		
i) Present Value of Defined Benefit Obligation as at 1st April 2013	3519.10	3112.76
ii) Current Service Cost	275.59	299.25
iii) Interest Cost	288.88	246.48
iv) Past Service Cost	–	–
v) Actuarial (Gains)/Losses	137.01	286.57
vi) Benefits Paid	435.15	425.96
vii) Present Value of obligation as at 31st March 2014	3785.43	3519.10

Notes to the Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

	2013-2014 Gratuity Plan	2012-2013 Gratuity Plan
Disclosures as per Accounting Standard – 15		
D) Changes in fair value of Plan Assets during the year ended 31st March 2014		
i) Fair Value of Plan Assets as at 1st April 2013	3002.73	2602.83
ii) Expected return on Plan Assets	262.74	234.16
iii) Actuarial Gains/(Losses)	(49.22)	17.80
iv) Benefits paid	435.15	425.96
v) Contributions	450.00	575.00
vi) Settlement/Amalgamation	–	1.10
vii) Fair Value of Plan Assets as at 31st March 2014	3231.10	3002.73
viii) Actual return on Plan Assets	213.53	250.87
E) Principle Actuarial Assumptions used		
i) Discount rates as at 31st March 2014	8.75%	8.50%
ii) Expected Return on Plan Assets	8.75%	9.00%
iii) Expected Salary increase rates	5.00%	5.00%
iv) Mortality Rates	(2006-08) Mortality Table	LIC (1994-96) Mortality Table
F) Major categories of Plan Assets as a percentage of Fair Value of Plan Assets	Qualified Insurance Policy	Qualified Insurance Policy

Notes :

- The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply & demand in the employment market.
- The expected rate of return on Plan Assets is determined based on the portfolio of assets, existing investments along with the Strategic changes in the portfolio and market scenario. The Plan Assets are diversified reasonable to maximize the return within acceptable risk parameters.
- The Company expects to contribute ₹ 500.00 to its gratuity fund in 2014-15.
- The amounts for the current annual period and previous four annual periods are as follows :

Particulars	2013-14	2012-13	2011-12	2010-11	2009-10
Present value of defined obligation	3785.43	3519.10	3112.76	2974.28	2728.31
Fair Value of Plan Assets	3231.10	3002.73	2602.83	2439.81	2087.38
Excess of obligation over Plan Assets	554.33	516.37	509.93	534.47	640.93

Notes to the Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

Sl. No.	Name of the Company	Relationship	Remuneration		Dividend		Loans & Advances (Net)		Equity/ NCD	Interest		Goods & Services		Others Expenditure	Amount	
			Paid	Received	Paid	Received	Paid	Received		Paid	Received	Sale	Purchase		Receivable (As at 31.03.2014)	Payable
1.	North Tukvar Tea Co.Ltd.	Subsidiary					11.01 (-)	- (26.19)			1.52 (3.36)		- (138.06)		277.45* (266.44)	
2.	Birja Holdings Ltd.	Subsidiary					48.21 (-)								35.22* (83.43)	
3.	Parvati Tea Co. Ltd.	Subsidiary						325.89 (1455.35)		9.28 (-)					- (229.15)	96.74*
# 4.	Kijura Tea Co.Ltd.	Step down Subsidiary					20.60 (16.49)								54.48* (33.88)	
5.	Tea Group Investment Co.Ltd.	Joint Venture							51.30 (51.30)							
# 6.	Century Textiles & Imd.Ltd.	Associate			12.00 (9.00)								8.67 (5.90)	0.22 (-)		2.98 (0.54)
# 7.	Kesoram Industries Ltd.	Associate			15.52 (11.64)								- (2.01)			- (0.32)
# 8.	Padmavati Investment Ltd.	Associate			- (183.42)	3.43 (6.86)										
# 9.	JPM Merchandise Agencies Ltd.	Associate			244.56 (-)											
10.	Mr. D. P. Maheshwari	Key Management Personnel	103.58 (91.52)	2.22 (0.48)												

Note : All the above transactions were done at arm's length.

* Represents year end balance of Current Account/Security Deposit.

These parties are related parties in the broader sense of the term and are included for making the financial statements more transparent. Figures in bracket indicate for previous year.

80	Auditors' Report	Balance Sheet	Statement of Profit & Loss	Cash Flow Statement	Notes to Financial Statements
----	------------------	---------------	----------------------------	---------------------	-------------------------------

Notes to the Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

Q) Interest in Joint Venture :

The Company has 50% ownership interest in Tea Group Investment Company Limited. The proportionate share in the assets, liabilities, income and expenses (each without elimination of the effect of transactions between the company and the joint venture) related to its in jointly controlled entity are given below:

Accounting period ended on	31.12.2013	31.12.2012
Country of Incorporation	U.A.E.	U.A.E.
Assets	5298.73	5231.99
Liabilities	3848.85	4360.76
Income	2447.61	1964.78
Expenses (including tax)	2184.69	1717.17

Note : Income & expenses for the period ended 31-12-2013 represents performance for twelve months whereas Income & expenses for the period ended 31-12-2012 represents performance for nine months to align with the financial year closing of Joint Venture Company.

R)	(i)	C.I.F. Value of Imports	2013-14	2012-13
		Raw Materials (Including in-transit)	3207.49	3900.66
		Filter Paper	79.09	1.18
			3286.58	3901.84
	(ii)	Expenditure in Foreign Currency		
		Travelling	45.96	11.71
		Brokerage & Commission	80.14	44.11
		Foreign Bank Charges	8.54	5.11
		Interest & Swap Charges	163.59	381.47
		Others	76.45	39.59
	(iii)	Earnings in Foreign Currency		
		FOB Value of Exports (Excluding to Nepal) :		
		Black Tea	11701.82	9425.11

(iv) Value of Raw materials and Spares Consumed

	Raw Materials Consumed				Spares - Parts Consumed			
	2013-14		2012-13		2013-14		2012-13	
	Value	%	Value	%	Value	%	Value	%
Imported	3873.31	17.49	5159.55	22.88	0.16	0.02	0.84	0.12
Indigenous	18266.32	82.51	17389.72	77.12	706.24	99.98	690.54	99.88
Total	22139.63	100.00	22549.27	100.00	706.40	100.00	691.38	100.00

Notes to the Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

S) Earnings Per Share	2013-14	2012-13
Profit after Taxation as per Statement of Profit & Loss	334.39	4006.74
Weighted average number of equity shares outstanding at the year end	28877488	28877488
Basic and Diluted Earnings Per Share of Face Value of ₹ 5/- (in ₹)	1.16	13.87

T) Remittance on account of dividend to Non-Resident Shareholders**(a) Remitted in Foreign Currency**

Year to which Dividend relates	Year ended 31.03.2013	Year ended 31.03.2012
Net amount of Dividend remitted	–	31.94
Number of Shareholders	–	1
Number of Shares held	–	1064800

(b) Remitted in their Banks in India

Year to which Dividend relates	Year ended 31.03.2013	Year ended 31.03.2012
Net amount of Dividend remitted	76.68	23.14
Number of Shareholders	400	432
Number of Shares held	1917070	771413

U) Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report of even date annexed

For **SINGHI & CO.**

Chartered Accountants

(Firm Registration No.302049E)

Aditya Singhi

Partner

(Membership No. 305161)

Kolkata, the 26th day of May, 2014

For and on behalf of the Board of Directors

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

D. P. Maheshwari
(Managing Director)

B. K. Birla
(Chairman)

Independent Auditors' Report on Consolidated Financial Statements

To the Board of Directors of

Jay Shree Tea & Industries Limited

REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of **JAY SHREE TEA & INDUSTRIES LIMITED** ('the Company') and its subsidiaries and a jointly controlled entity (collectively referred to as "Group"), which comprise the consolidated Balance Sheet as at 31st March, 2014, the consolidated Statement of Profit & Loss and Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the group in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with general circular 15/2013 dated 13th September 2013 by Ministry of Company Affairs in respect of section 133 of the Companies Act 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and presentation of the consolidated financial statements that give a true & fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

BASIS OF QUALIFIED OPINION

- i. Note No 2.26.R.ii.d regarding non provision of accumulated gratuity liability up to 31st March, 2009 of ₹ 96.68 Lacs in a subsidiary as per the requirement of Accounting Standard – 15 on "Employees benefits"

Had the above impact be considered, consolidated profit after tax for the year would have been ₹ 388.07 Lacs as against the reported profit of ₹ 484.75 Lacs and the reserve and surplus balance as on 31st March 2014 would have been ₹ 43932.89 Lacs as against the reported figure of ₹ 44029.57 Lacs.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of the reports of the other auditors on the financial statements/consolidated financial statement of subsidiary/jointly controlled entity as noted below, except for the effects of the matter described in the basis of qualified opinion paragraph, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

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

- a) In the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2014,
- b) In the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date, and
- c) In the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Emphasis of Matter

- A. Refer note no. 2.28.I.iii regarding carry forward of minimum alternate tax (MAT) credit entitlement of ₹ 418.43 Lacs based on the future taxable income projected by the Group.

Our opinion is not qualified in respect of above matters.

Other Matters

1. We did not audit the financial statements of two Indian subsidiaries, whose financial statements reflects total assets (net) of ₹ 7090.59 Lacs as at 31st March 2014, total revenue (net) of ₹ 28.40 Lacs and net cash outflow amounting to ₹ 9.08 Lacs for the year ended on that date as considered in the Consolidated Financial Statement. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion in so far as it relates to amounts included in respect of these subsidiaries is based solely on the reports of other auditors.
2. We have relied on the unaudited consolidated financial statements of a foreign subsidiary and a foreign jointly controlled entity, whose consolidated financial statements reflects total assets (net) of ₹ 11307.17 Lacs as at 31st March 2014 / 31st December 2013, total revenue (net) of ₹ 4707.99 Lacs and net cash outflow amounting to ₹ 815.24 Lacs for the year ended on that date. These unaudited consolidated financial statements have been prepared in accordance with the generally accepted accounting principles in India and other recognized accounting practices and policies (Indian GAAP) followed by the Company and are approved by the management. Our report in so far as it relates to the amounts included in respect to above consolidated financial statements is based solely on such approved unaudited financial statements.

Our opinion is not qualified in respect of above matters.

For **SINGHI & Co.**
Chartered Accountants
(Firm Registration No.302049E)

Aditya Singhi
Partner
(Membership No. 305161)

Kolkata : the 26th day of May, 2014

Consolidated Balance Sheet as at 31st March, 2014

(₹ in Lacs)

	Note No.	As at 31st March, 2014		As at 31st March, 2013	
EQUITY AND LIABILITIES					
SHAREHOLDERS' FUNDS					
Share Capital	2.1	1443.87		1443.87	
Reserves and Surplus	2.2	44029.57	45473.44	42804.81	44248.68
MINORITY INTEREST			1685.22		1927.55
NON-CURRENT LIABILITIES					
Long-Term Borrowings	2.3	16806.08		10219.28	
Deferred Tax Liabilities (Net)	2.4	1076.69		1306.27	
Other Long-Term Liabilities	2.5	121.79		123.27	
Long-Term Provisions	2.6	524.43	18528.99	509.67	12158.49
CURRENT LIABILITIES					
Short-Term Borrowings	2.7	36224.38		30458.54	
Trade Payables	2.8	13358.38		12401.27	
Other Current Liabilities	2.9	6572.64		11804.21	
Short-Term Provisions	2.6	2846.40	59001.80	3318.84	57982.86
TOTAL			124689.45		116317.58
ASSETS					
NON-CURRENT ASSETS					
Fixed Assets	2.10				
Tangible Assets		36042.46		33344.89	
Intangible Assets		2228.43		1599.69	
Capital Work-In-Progress		1113.33	39384.22	477.22	35421.80
Non-Current Investments		27866.91		25760.48	
Long-Term Loans and Advances	2.11	3148.37		3056.85	
Other Non-Current Assets	2.12	1526.74	32542.02	8.30	28825.63
CURRENT ASSETS					
Current Investments		1464.64		3784.53	
Inventories	2.13	24592.01		26069.23	
Trade Receivables	2.14	7678.66		8195.48	
Cash and Bank Balances	2.15	12357.61		7398.57	
Short-Term Loans and Advances	2.11	3243.15		4486.87	
Other Current Assets	2.12	3427.14	52763.21	2135.47	52070.15
TOTAL			124689.45		116317.58

Significant Accounting Policies

1

The Notes are an integral part of the Consolidated Financial Statements

As per our report of even date annexed

For and on behalf of the Board of Directors

For **SINGHI & CO.**

Chartered Accountants

(Firm Registration No.302049E)

Aditya Singhi

Partner

(Membership No. 305161)

Kolkata, the 26th day of May, 2014

R. K. Ganeriwala
(President, CFO & Secretary)**D. P. Maheshwari**
(Managing Director)**B. K. Birla**
(Chairman)

Consolidated Statement of Profit & Loss for the year ended 31st March, 2014

(₹ in Lacs)

	Note No.	For the year ended 31st March, 2014	For the year ended 31st March, 2013
INCOME			
Revenue from Operations (Gross)	2.16	75555.34	72071.82
Less : Excise Duty		1152.40	1105.49
Revenue from Operations (Net)		74402.94	70966.33
Other Income	2.17	4683.79	2983.26
Total Revenue		79086.73	73949.59
EXPENSES			
Cost of Materials Consumed	2.18	23202.33	23370.46
Purchases of Traded Goods	2.19	9278.06	8397.12
(Increase)/Decrease in Inventories of Finished Goods, Work-in-Progress and Traded Goods	2.20	1295.80	(3853.64)
Employee Benefits Expense	2.21	18033.26	17054.17
Finance Costs	2.22	5142.45	4156.51
Other Expenses	2.23	20050.64	17518.44
		77002.54	66643.06
Profit before Tax, Depreciation and Amortization		2084.19	7306.53
Depreciation and Amortization Expense	2.24	1764.28	1488.46
Less : Transferred from Revaluation Reserve		45.08	52.77
		1719.20	1435.69
Profit before Tax		364.99	5870.84
Tax Expense	2.25		
Current Tax		113.91	862.22
Deferred Tax		(229.13)	537.82
Profit after year		480.21	4470.80
Share of Minority Interest		(4.54)	28.35
Profit attributable to Shareholders after Minority Interest		484.75	4442.45
Basic & Diluted Earnings Per Share ₹ [nominal value ₹ 5/-] (Refer Note. 2.28.S)		1.68	15.38

Significant Accounting Policies

1

The Notes are an integral part of the Consolidated Financial Statements

As per our report of even date annexed

For and on behalf of the Board of Directors

For **SINGHI & CO.**

Chartered Accountants

(Firm Registration No.302049E)

Aditya Singhi

Partner

(Membership No. 305161)

Kolkata, the 26th day of May, 2014

R. K. Ganeriwala
(President, CFO & Secretary)**D. P. Maheshwari**
(Managing Director)**B. K. Birla**
(Chairman)

Consolidated Cash Flow Statement for the year ended 31st March, 2014

(₹ in Lacs)

	2013-14	2012-13
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extraordinary items	364.99	5870.84
Adjustments for :		
Depreciation/Amortization Expenses	1720.47	1436.12
Dividend income	(143.22)	(183.45)
Finance Costs	5142.45	4156.51
Interest Income	(642.84)	(1443.10)
Profit on sale of Fixed Assets (net)	(2676.44)	(357.50)
Excess Liabilities & Unclaimed Balances written back	(143.21)	(249.33)
Excess / Short Provisions related to earlier year (net)	(69.72)	(5.47)
Loans, Advances & Claims written off (net)	126.07	1.28
(Profit) / Loss on Sale of Investment (net)	(562.94)	(257.54)
Foreign Currency Translation Reserve	(401.02)	7.64
Amortisation of Foreign Currency monetary translation difference	1491.90	748.66
Net Loss / (Gain) on Foreign Currency transactions and translations	(92.00)	202.38
Operating profit before working capital changes	4114.49	9927.04
Adjustments for :		
Trade Receivables and Loans & Advances	313.75	676.30
Inventories	1404.75	(3461.17)
Trade Payables, Other Liabilities & Provisions	1085.71	2855.18
Cash generated from / (used in) operations	6918.70	9997.35
Direct Taxes (paid) / refund ^	(530.04)	(901.28)
Exchange difference realised (net)	(73.32)	(211.32)
Net cash from / (used in) operating activities	6315.34	8884.75
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of/advance for Fixed Assets/Capital Work in Progress	(4768.30)	(2615.82)
Sale of Fixed Assets	2834.05	791.15
Receipt of capital subsidy	11.47	380.53
(Purchase) / sale of long term investments (net)	(1393.64)	(803.29)
(Purchase) / sale of current investments (net)	857.39	(1583.36)
Investment in Bank Fixed Deposits	(1931.91)	-
Loans and Advances to companies (net)	800.00	4700.00
Interest received	700.53	1344.66
Dividend Income	143.22	183.45
Net cash from / (used in) investing activities	(2747.19)	2397.32

Consolidated Cash Flow Statement for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

	2013-14	2012-13
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds of long term borrowings	13200.00	1515.80
Repayments of long term borrowings	(12332.26)	(4251.90)
Proceeds from short term borrowings (net)	5766.05	1498.71
Dividend including dividend tax paid	(928.79)	(759.54)
Interest paid	(4902.95)	(4116.82)
Net cash from / (used in) financing activities	802.05	(6113.75)
Net increase / (decrease) in cash and cash equivalent (A+B+C)	4370.20	5168.32
Cash and cash equivalents as at 01.04.2013	7220.55	2005.52
Add : Exchange Variation on Cash & Cash Equivalents	45.34	46.71
Cash and cash equivalents as at 31.03.2014 \$	11636.09	7220.55
	4370.20	5168.32

^Although investing activities attract tax on income arising out of these activities, for the purpose of the Cash Flow entire tax refund and tax payment has been considered as part of operating activities only.

\$ Cash and cash equivalent consist of :-

Cash & Cash Equivalents *

	As at 31.03.2014	As at 31.03.2013
Cash, cheques, drafts in hand etc.	228.40	1421.21
Balance and Fixed Deposits with Banks	11407.69	5799.34
Total	11636.09	7220.55

The aforesaid statement is prepared on indirect method.

* Does not include any amount of significant cash & cash equivalent which are not available for use.

As per our report of even date annexed

For **SINGHI & CO.**

Chartered Accountants

(Firm Registration No.302049E)

Aditya Singhi

Partner

(Membership No. 305161)

Kolkata, the 26th day of May, 2014

For and on behalf of the Board of Directors

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

D. P. Maheshwari
(Managing Director)

B. K. Birla
(Chairman)

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014

1) SIGNIFICANT ACCOUNTING POLICIES

I. Principles of Consolidation

The Consolidated Financial Statements (CFS) relate to Jay Shree Tea & Industries Limited (the Company), its subsidiaries and its interest in Joint Venture (the Group). The CFS has been prepared in accordance with Accounting Standard-21 on "Consolidated Financial Statements" (AS 21) and Accounting Standard-27 on "Financial Reporting of Interest in Joint Ventures" (AS 27) and is prepared on the following basis :

- (a) The financial statements of the Company and its Subsidiaries are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating inter-group balances and inter-group transactions including unrealized profits / losses in period end assets, such as inventories, fixed assets etc. The difference between the Company's cost of investments in the Subsidiaries and Joint Venture, over portion of equity at the time of acquisition of shares is recognized in the CFS as Goodwill or Capital Reserve, as the case may be. Minority Interest's share in net profit/ loss of consolidated subsidiaries for the year is adjusted against the income of the Group in order to arrive at the net income attributable to equity shareholders of the Company. Minority Interest's share in net assets of consolidated subsidiaries is presented in the Consolidated Balance Sheet separate from liabilities and the equity of the Company's shareholders. Minority Interest in the CFS is identified and recognized after taking into consideration:
 - i. The amount of equity attributable to minorities at the date on which investments in a subsidiary is made.
 - ii. The minorities' share of movement in equity since the date parent-subsidiary relationship came into existence.
 - iii. The losses attributable to the minorities are adjusted against the minority interest in the equity of the subsidiary.
 - iv. The excess of loss over the minority interest in the equity is adjusted against reserve of the group.
- (b) In case of foreign subsidiaries, being non-integral foreign operations, revenue items are translated at the average rates prevailing during the period. Assets, liabilities and equity are translated at the closing rate. Any exchange difference arising on translation is recognized in the "Foreign Currency Translation Reserve".
- (c) Interest in Jointly Controlled Entities, where the Company is a direct venturer, is accounted for using proportionate consolidation in accordance with AS 27. The difference between cost of the Company's interest in jointly controlled entities over its share of net assets in the jointly controlled entities, at the date on which interest is acquired, is recognized in the CFS as Goodwill or Capital Reserve as the case may be.
- (d) The CFS is prepared by using uniform accounting policies for like transactions and other events in similar circumstances and necessary adjustments required for deviations, if any and to the extent possible, are made in the CFS and are presented in the same manner as the company's separate financial statements except otherwise stated.

II. Convention

The CFS has been prepared in accordance with applicable Accounting Standards in India and in accordance with the relevant provisions of the Companies Act, 1956. A summary of important accounting policies which have been applied consistently is set out below.

III. Use of Estimates

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

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014 (Contd.)

IV. Basis of Accounting

The CFS have been prepared in accordance with historical cost convention. All income and expenses, unless specifically stated otherwise, have been accounted for on accrual basis.

V. Recognition of Revenue & Expenses

- (a) All revenue and expenses are accounted for on accrual basis except as otherwise stated.
- (b) Sales are net of returns, Sales Tax/VAT and trade discount.

VI. Government Grants

- (a) Government Grants related to specific assets are adjusted with value of fixed assets.
- (b) Government Grants in the nature of Promoter's Contribution towards fixed assets are credited to Capital Reserve.
- (c) Government Grant related to revenue items are adjusted with the related expenditure/taken in income.

VII. Fixed Assets & Depreciation / Amortization

(a) Tangible Fixed Assets :

- i. Fixed assets are stated at cost less accumulated depreciation and accumulated impairment loss, if any.
- ii. Depreciation on all assets, other than vehicles, is provided on the "Straight Line Method", and on vehicles on the "Written Down Value Method" in the manner and at the rates specified in Schedule XIV to the Companies Act, 1956.
- iii. Items of machinery spares to be used in connection with an item of fixed asset are amortized over the useful life of the asset.
- iv. Leasehold Land (Others) is amortized over the period of lease.

(b) Intangible Fixed Assets :

Intangible Assets are stated at cost on initial recognition after which the same are stated at cost less accumulated amortization and accumulated impairment loss, if any.

(c) 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.

(d) Intangible assets under development :

Intangible assets under development is stated at cost which includes expenses incurred during development period and all other expenses incurred in connection with development of Intangible Assets in so far as such expenses relate to the period prior to the getting the assets ready for use.

VIII. Impairment of Assets

Impairment of Assets are assessed at each Balance Sheet date for each cash generating unit if any indicators of impairment exists and the same is assessed and provided for in accordance with the Accounting Standard-28. A previously recognized impairment loss is periodically assessed.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014 (Contd.)

IX. 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.

X. Investments

- (a) Investments which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. The portion of long term investments expected to be realized within twelve months after the reporting date are disclosed under current investments.
- (b) On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees & duties.
- (c) Long-term Investments are stated at cost. Provision for diminution is made if the decline in value, in the opinion of the management, is other than temporary.
- (d) Current Investments, other than the portion of long term investments disclosed under current investments, are stated at lower of cost or fair value.

XI. Inventories

Inventories are valued at cost or net realizable value whichever is lower. Cost is determined on weighted average/ FIFO basis. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to their present location and condition and includes appropriate overheads. Provision is made for obsolete and slow moving stocks, wherever necessary.

Net realizable value is the estimated selling prices in the ordinary course of business less estimated cost necessary to make the sale. Materials and other items held for use in production of inventories are not written down below the cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

XII. Employment Benefits

(a) 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 render the service. This benefit includes salary, wages, short term compensatory absences and bonus.

(b) Long Term Employee Benefits :

- i. 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.
- ii. 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 during the period in which they occur.
- iii. 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.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014 (Contd.)

XIII. 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. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use. Other borrowing costs are recognized as an expense in the period in which they are incurred.

XIV. Foreign Currency Transactions

Transactions in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Monetary items denominated in foreign currency are restated at the exchange rate prevailing on the Balance Sheet date. Foreign currency non-monetary items carried in terms of historical cost are reported using the exchange rate at the date of the transactions. Exchange differences arising on settlement of transactions and/or restatements are dealt with in the statement of profit and loss.

Exchange difference arising on reporting /settlement of long term foreign currency monetary items (other than related to acquisition of depreciable Fixed Assets) at rates different from those at which they were initially recorded during the period or reported in previous CFS which were until now being recognized in the Statement of Profit & Loss are now being accumulated in "Foreign Currency Monetary Item Translation Difference Account" and amortized in the statement of Profit & Loss over the remaining life of the long term foreign currency monetary items.

XV. Derivative Transactions

The group uses derivative financial instruments such as forward exchange contracts, currency swap, etc. to hedge its risks associated with foreign currency fluctuations relating to the underlying transactions, highly probable forecast transactions and firm commitments. In respect of Forwards Exchange Contracts with underlying transactions, the premium or discount arising at the inception of such contract is amortized as expense or income over the life of contract.

Other Derivative contracts outstanding at the Balance Sheet date are marked to market and resulting loss, if any, is provided for in the CFS. Any profit or losses arising on cancellation of derivative instruments are recognized as income or expense for the period.

XVI. Taxes on Income

Current tax is determined on the basis of the amount of tax payable for the year under Income Tax Act and Agriculture Income Tax of the respective countries. Deferred tax is calculated at the applicable tax rate and is recognized on timing differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period. Deferred tax assets subject to consideration of prudence, are recognized and carried forward only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Tax Credit for Minimum Alternate Tax (MAT) is recognized when there is a convincing evidence of its realisability against future tax liability.

XVII. Provisions, Contingent Liabilities & Contingent Assets

Provisions are recognized in respect of present obligations arising out of past events where there are reliable estimates of the probable outflow of resources. Contingent liabilities are the possible obligation of the past events, the existence of which will be confirmed only by the occurrence or non-occurrence of a future event. These are not provided for but are disclosed by way of Notes on Accounts. Contingent Assets are not provided for or disclosed.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

		As at 31st March, 2014	As at 31st March, 2013
2.1	SHARE CAPITAL		
Authorized :			
58000000 Shares of ₹ 5/- each		2900.00	2900.00
Issued :			
28902786 Equity Shares of ₹ 5/- each (Previous year 28902786 Equity Shares of ₹ 5/- each)		1445.14	1445.14
Subscribed and Paid up :			
28877488 Equity Shares of ₹ 5/- each (Previous year 28877488 Equity Shares of ₹ 5/- each)		1443.87	1443.87

- a) Reconciliation of Shares outstanding at the beginning and at the end of year :

	No. of Shares	No. of Shares
Shares outstanding at the beginning of the year	28877488	28877488
Shares outstanding at the end of the year	28877488	28877488

- b) The Company has only one class of issued shares i.e. Equity Shares having par value of ₹ 5/- per share. Each holder of Ordinary Shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the ordinary shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.
- c) The Company does not have any Holding Company/ultimate Holding Company.
- d) Details of shareholders holding more than 5% shares in the Company :

	As at 31st March, 2014		As at 31st March, 2013	
	No. of Shares	%	No. of Shares	%
Ordinary Equity Shares of ₹ 5/- each fully paid				
JPM Merchandise Agencies Limited	6114108	21.17	6114108	21.17
Jay Shree Beneficiary Trust	6528810	22.61	6528810	22.61

- e) No Equity Shares have been reserved for issue under options and contracts/commitments for the sale of shares/disinvestment as at the Balance Sheet date.
- f) No shares have been bought back by the Company during the period of 5 years preceding the date as at which the Balance Sheet is prepared.
- g) 7518810 (Previous year 7518810) Equity shares of ₹ 5/- each fully paid up have been issued pursuant to scheme of amalgamation and arrangement for consideration other than cash in preceding five years.
- h) No securities convertible into Equity/Preference shares issued by the Company during the year.
- i) No calls are unpaid by any director or officer of the Company during the year.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

	As at 31st March, 2014	As at 31st March, 2013
2.2 RESERVE AND SURPLUS		
Capital Reserve (Not Available for Dividend)		
As per the last Consolidated Financial Statements	10865.28	10865.28
Capital Redemption Reserve		
As per the last Consolidated Financial Statements	165.21	165.21
Capital Reserve arising on accounting of investment in associate		
As per last Consolidated Financial Statements	78.11	78.11
Storage Reserve for Molasses		
As per the last Consolidated Financial Statements	188.10	188.10
Investment Reserve		
As per last Consolidated Financial Statements	1895.22	1895.22
Revaluation Reserve		
As per last Consolidated Financial Statements	172.97	219.40
Add : Foreign Currency Translation Reserve	20.48	6.34
Less : Adjustment of depreciation on revalued assets	45.08	52.77
	148.37	172.97
Foreign Currency Translation Reserve		
As per last Consolidated Financial Statements	(15.49)	100.01
Add : Adjustment during the year	85.10	(115.50)
	69.61	(15.49)
Other Reserve		
As per last Consolidated Financial Statements	–	20.43
Less : Adjusted during the year	–	20.43
	–	–
Foreign Currency Monetary Item Translation Difference Account		
As per last Consolidated Financial Statements	(511.40)	(230.22)
Add : During the year	(980.50)	(1029.84)
Less : Amortised during the year	1491.90	748.66
	–	(511.40)
General Reserve		
As per last Consolidated Financial Statements	20466.72	17966.72
Add : Transferred from Surplus	50.00	2500.00
	20516.72	20466.72
Surplus		
As per last Consolidated Financial Statements	9500.09	8487.47
Add : Profit for the year	484.75	4442.45
Add : Foreign Currency Translation Reserve	645.34	165.40
	10630.18	13095.32

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

		As at 31st March, 2014	As at 31st March, 2013
2.2	RESERVE AND SURPLUS		
Less : Appropriations			
	Proposed Dividend	447.67	1036.11
	Corporate Dividend Tax	29.56	59.12
	General Reserve	50.00	2500.00
Net Surplus		10102.95	9500.09
Total Reserve and Surplus		44029.57	42804.81

	Non-current portion		Current Maturities	
	As at 31st March, 2014	As at 31st March, 2013	As at 31st March, 2014	As at 31st March, 2013
2.3	LONG-TERM BORROWINGS			
Secured				
	9333.34	1750.00	1416.66	2666.67
Term Loan from Banks				
Term Loan from a NBFC	3000.00	–	–	–
Foreign Currency Loan from Banks	365.01	268.99	78.35	45.49
External Commercial Borrowings from Bank	1720.31	5092.50	688.13	4956.70
Sugar Development Fund Loan	430.27	430.27	–	–
Total Secured Borrowings	14848.93	7541.76	2183.14	7668.86
Unsecured				
Foreign Currency Loan from Banks (Secured by Corporate Guarantee of the Company)	–	1738.24	1917.44	1303.68
Working Capital Loan From Bank	1200.00	–	–	–
From Related Party - Joint Venture Partner	757.15	939.16	–	–
Employees Deposits	–	–	–	16.75
From Government of West Bengal under Plantation Labour Housing Scheme	–	0.02	0.02	0.02
From Government of Assam under plantation labour housing scheme	–	0.10	0.10	–
Total Unsecured Borrowings	1957.15	2677.52	1917.56	1320.45
Amount disclosed under the head "Other Current Liabilities" (Note 2.9)	–	–	(4100.70)	(8989.31)
	16806.08	10219.28	–	–

Security :

- i) Term Loan from Banks and External Commercial Borrowings are secured/to be secured by equitable mortgage by deposit of title deeds of tea estates along with all immovable properties thereon ranking *pari-passu*, interse with working capital lenders for tea division.
- ii) Term Loan from NBFC is secured by pledge of certain non current investments.
- iii) Foreign Currency Loan from Bank is secured against fixed assets of Gisakura Tea Factory.
- iv) Sugar Development Loan Fund is secured/to be secured by way of equitable mortgage of immovable/movable properties of Jay Shree Sugar division ranking *pari-passu*.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

v) Maturity profile and Repayment Schedule

Secured

Nature of Loans	Loan Amount	Repayment Term	Repayment Years				
			2014-15	2015-16	2016-17	2017-18	2018-19 to 21-22
Rupee Term Loan	833.33	Remaining one yearly installment	833.33	-	-	-	-
Rupee Term Loan	250.00	Remaining one half yearly installment	250.00	-	-	-	-
Rupee Term Loan	666.67	Payable in two equal yearly installments	333.33	333.34	-	-	-
Rupee Term Loan	3000.00	Payable in three equal yearly installments	-	1000.00	1000.00	1000.00	-
Rupee Term Loan NBFC	3000.00	Payable in six half yearly installments	-	1200.00	900.00	900.00	-
Rupee Term Loan	2000.00	Payable in three equal yearly installments	-	666.67	666.67	666.66	-
Rupee Term Loan	2000.00	Payable in four equal yearly installments	-	500.00	500.00	500.00	500.00
Rupee Term Loan	2000.00	Payable in three equal yearly installments	-	666.67	666.67	666.66	-
Foreign Currency Term Loan	443.36	Payable in five yearly installments	78.35	91.25	91.25	91.25	91.26
Sugar Development Fund	430.27	Payable after five years in ten half yearly installments	-	-	-	86.05	344.22
External Commercial Borrowings	2408.44	Payable in seven equal half yearly installments	688.13	688.13	688.13	344.05	-
	17032.07		2183.14	5146.06	4512.72	4254.67	935.48

Unsecured

Working Capital Loan	1200.00	Payable in one installment	-	1200.00	-	-	-
Joint Venture Partner	757.15	Repayable on demand	-	757.15	-	-	-
Foreign Currency Term Loan	1917.44	Remaining installment	1917.44				
Government of West Bengal under Plantation labour housing scheme	0.02	Remaining installment	0.02	-			
Government of Assam under Plantation labour housing scheme	0.10	As per terms of loan	0.10	-	-	-	-
	3874.71		1917.56	1957.15	-	-	-

		As at 31st March, 2014		As at 31st March, 2013	
2.4	DEFERRED TAX LIABILITIES (NET)				
Deferred Tax Liabilities Arising on account of :					
	Accumulated Depreciation	2040.39		1959.06	
	Others	0.89	2041.28	162.63	2121.69
Less : Deferred Tax Assets arising on account of :					
	Section 43B of Income-tax Act	534.05		453.80	
	Unabsorbed Depreciation	415.00		-	
	Carry over capital losses	-		344.82	
	Others	15.54	964.59	16.80	815.42
			1076.69		1306.27

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

	As at 31st March, 2014	As at 31st March, 2013
2.5 OTHER LONG TERM LIABILITIES		
Trade and Security Deposits	74.42	106.03
Interest accrued but not due	47.37	17.24
	121.79	123.27

	Long Term		Short Term	
	As at 31st March, 2014	As at 31st March, 2013	As at 31st March, 2014	As at 31st March, 2013
2.6 PROVISIONS				
Provision for Employee Benefits				
Leave	505.56	362.00	106.85	193.11
Gratuity	–	–	554.33	516.37
Bonus	–	–	1568.02	1534.44
Other Provisions				
Provisions for Contingencies	–	–	152.80	146.13
Provisions for Taxation (Net of advance)	18.87	147.67	–	–
Proposed Dividend	–	–	434.84	869.67
Corporate Dividend Tax	–	–	29.56	59.12
	524.43	509.67	2846.40	3318.84

	As at 31st March, 2014	As at 31st March, 2013
2.7 SHORT TERM BORROWINGS		
Working Capital Borrowings		
From Banks		
Working Capital Loan (Secured)	4925.18	4044.79
Working Capital Loan (Unsecured)	5500.00	–
Packing Credit Loan (Secured)	700.00	–
Packing Credit Loan (Unsecured)	1,500.00	–
Short Term Rupee Loans (Secured)	4099.20	2500.00
Short Term Rupee Loans (Unsecured)	18500.00	21500.00
Commercial Papers (Unsecured)	1000.00	1000.00
Overdraft with Bank (Unsecured)	–	1413.75
	36224.38	30458.54
The above amount includes :		
Secured Borrowings	9724.38	6544.79
Unsecured Borrowings	26500.00	23913.75
	36224.38	30458.54

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

Security :

- i) Secured working capital loan and other secured loans are 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) Above secured loans 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.

	As at 31st March, 2014	As at 31st March, 2013
2.8 TRADE PAYABLES		
For Goods and Services	13358.38	12401.27
	13358.38	12401.27
2.9 OTHER CURRENT LIABILITIES		
Current maturities of Long Term Debt (See Note 2.3)	4100.70	8989.31
Interest accrued but not due on Borrowings	384.72	347.48
Interest accrued and due on Borrowings	1.05	1.05
For Salary & Wages	473.56	410.76
Unpaid and unclaimed dividends	78.02	66.18
Statutory Dues	858.32	960.40
Book Overdraft with Banks	0.21	9.97
Amount payable for Capital Goods	219.09	148.03
Trade and Security Deposits	13.86	16.33
Advances Received from Customers	231.15	331.37
Others #	211.96	523.33
	6572.64	11804.21

Includes liability towards provision for mark to market loss, swap premium charges and other miscellaneous liabilities.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

2.10 FIXED ASSETS

Particulars	Gross Block				Depreciation/Amortization				Net Block	
	Value as at 31.03.2013	Additions/Adjustment	Sales/Adjustment	Total value as at 31.03.2014	Upto 31.03.2013	For the year	Sales/adjustment	Upto 31.03.2014	As at 31.03.2014	As at 31.03.2013
TANGIBLE ASSETS										
Land	7758.47 (1)	69.08 (2)	112.35	7715.20	-	-	-	-	7715.20	7758.47
Leasehold Land & Plantation	6955.55	136.84	-	7092.39	2.32	-	-	2.32	7090.07	6953.23
Leasehold Land Others	122.54	-	-	122.54	19.06	8.17	-	27.23	95.31	103.48
Building & Flats (including those on Leasehold & Rented Land), Electric Installation, Water Line, Tubewell, Fencing, Road, Bridge, etc.	8522.83	792.16	6.52	9308.47	2746.41	212.57	3.08	2955.90	6352.57	5776.42
Plant & Machinery, X-ray units, Electric Installation, Air Conditioning Units, Refrigerators, Road Rollers, Gas Pipe Lines, Roadways, etc.	19685.37	3289.14 (3)	172.94	22801.57	8236.29	1221.91	146.52	9311.68	13489.89	11449.08
Motor Lorries, Cars, Trailors, Tractors, Trolleys, Cycles, Vans, Loaders, etc.	2259.26	255.28 (3)	85.40	2429.14	1460.75	259.43	77.27	1642.91	786.23	798.51
Furniture & Fixtures, Tools & Implements, etc.	794.81	21.85	43.91	772.75	374.73	42.61	36.35	380.99	391.76	420.08
Live Stock	0.19	-	-	0.19	-	-	-	-	0.19	0.19
Office Equipment	163.08	63.62	-	226.70	77.65	27.81	-	105.46	121.24	85.43
Total	46262.10	4627.97	421.12	50468.95	12917.21	1772.50	263.22	14426.49	36042.46	33344.89
Capital Work-in-Progress									1113.33	477.22
	46262.10	4627.97	421.12	50468.95	12917.21	1772.50	263.22	14426.49	37155.79	33822.11
INTANGIBLE ASSETS										
Goodwill on Consolidation	1599.69	628.74	-	2228.43	-	-	-	-	2228.43	1599.69
	47861.79	5256.71	421.12	52697.38	12917.21	1772.50	263.22	14426.49	39384.22	35421.80
Corresponding figures for previous year	45643.90	2916.57	698.68	47861.79	11708.72	1473.49	265.00	12917.21	34944.58	
Capital Work-in-Progress									477.22	
									35421.80	

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

Notes to Fixed Assets (Contd.)

- 1) a) Land of Tribeni, West Bengal - Appeal for the final determination of compensation was decided in favour of the Group by the District Court of Hooghly and final compensation determined at ₹ 8.33 (Including interest ₹ 0.50) against which a sum of ₹ 2.05 was received in a previous year and credited to fixed assets. ₹ 6.28 including ₹ 1.50 released during the year 1967 against hypothecation of Khardah Land by the District Court has been shown in Current Liabilities. The Hon'ble High Court at Calcutta has decided the appeal against the Group in a previous year by reducing the amount of compensation for which an appeal before the Hon'ble Supreme Court of India was filed. Hon'ble Supreme Court has upheld the decision of the Hon'ble High Court and accordingly the adjustments will be carried out when the amount to be refunded is ascertained.
- b) Land at Guwahati measuring 2 hectares and related building including furniture & fixture and related equipment has been given on registered lease to a Society for operating a School.
- 2) Includes estimated cost of New Extension of area under tea ₹ 46.16 (Previous Year ₹ 27.56) capitalized during the year as certified.
- 3) Excluding ₹ 11.47 (Previous Year ₹ 75.60) on account of subsidy received from Tea Board under Tea Quality Upgradation & Product Diversification Scheme and ₹ Nil (Previous Year ₹ 19.70) on account of transport subsidy received against vehicles from Tea Board and ₹ Nil (Previous Year ₹ Nil) on account of capital subsidy received from Cane Ministry, Bihar.
- 4) Land, Buildings and Plant & Machinery include ₹ 1.18, ₹ 6.43 and ₹ 0.81 respectively (Previous Year ₹ 1.18, ₹ 6.43, and ₹ 0.81 respectively) being 5.18% share of cost of Land, Buildings and Plant & Machinery held on co-ownership by the Group with other parties.
- 5) Land & Plantation include ₹ 29.28 (Previous Year ₹ 29.28) and Building includes ₹ 1.55 (Previous Year ₹ 1.55) (being cost of floor of a leasehold building) in the name of the nominees of the Group on co-ownership basis, pending execution of conveyance deed.
- 6) Land & Plantation includes 2.431 Hectare of land at tea estates for which possession handed over for construction of schools and 6 hectares for which execution of conveyance deed in favour of the Group is pending.
- 7) The Jayshree Sugar division of the Group 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 Group has filed an appeal against the order of the Collector and the 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.
- 8) Depreciation during the year includes ₹ 1.27 (Previous year ₹ 0.43) towards assets of farm.
- 9) Plant & Machinery and Vehicles of a sub-subsidiary were revalued in 2009 which resulted in an increase of ₹ 462.42.
- 10) Addition to Fixed Assets and Depreciation/Amortisation during the year includes ₹ 269.79 (Previous Year ₹ 302.30) and ₹ 34.37 (Previous Year ₹ 12.02) respectively on account of Foreign Currency Translation Reserve.
- 11) Borrowing cost capitalized in accordance with Accounting Standard-16 is ₹ Nil (Previous Year ₹ Nil).

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

	Long-term		Short-term	
	As at 31st March, 2014	As at 31st March, 2013	As at 31st March, 2014	As at 31st March, 2013
2.11 LOANS & ADVANCES (Unsecured, considered good unless otherwise mentaion)				
Capital Advances	387.23	551.45	–	–
Security Deposits	410.71	414.78	118.68	117.09
Loan & Advances to Related Parties				
To a Joint Venture Partner	733.89	738.34	2.86	2.59
Other Loans and Advances				
Loans & Deposit to Companies	–	–	1249.19	2352.56
Deposit with Nabard	–	–	0.04	90.16
Advance Tax and TDS (Net of Provisions)	943.35	653.44	–	–
MAT Credit Entitlement	418.43	418.43	–	–
Advance against supply of Goods and Services	–	–	966.44	1192.79
Prepaid Expenses	60.32	83.05	228.37	180.74
Insurance, excise and other claims	–	–	42.23	34.27
Loan / Advance to Employees	166.45	158.35	76.53	80.91
Balances with Government & Statutory Authorities	–	–	449.41	280.47
Other Deposits and Advances				
Considered Good	27.99	39.01	109.40	155.29
Considered Doubtful	–	–	3.73	3.89
Less : Provision	–	–	(3.73)	(3.89)
	1616.54	1352.28	3121.61	4367.19
	3148.37	3056.85	3243.15	4486.87

	Non-Current		Current	
	As at 31st March, 2014	As at 31st March, 2013	As at 31st March, 2014	As at 31st March, 2013
2.12 OTHER ASSETS				
Bank Fixed Deposit (Including ₹ 0.15, P.Y. ₹ 0.35 pledged as margin money)	1408.55	8.30	–	–
Interest accrued on Deposits	–	–	98.42	39.55
Interest accrued on Investments	–	–	97.88	91.91
Interest accrued on loans / Inter corporate deposits	–	–	27.42	85.70
Incentive and Subsidy Receivable	–	–	1911.31	1909.00
Rent Receivable	–	–	11.47	9.31
Others	118.19	–	1280.64	–
	1526.74	8.30	3427.14	2135.47

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

	As at 31st March, 2014	As at 31st March, 2013
2.13 INVENTORIES (As valued and certified by the management)		
Raw Materials (including stock of farm ₹ Nil, Previous year ₹ 0.60)	954.66	1091.12
Work in Progress	428.35	433.44
Finished Goods	15780.37	16963.66
Traded Goods	4835.50	4850.70
Stores and Spares	2588.54	2725.17
Loose Tools & Others	4.59	5.14
	24592.01	26069.23

	Finished / Traded Goods		Work-in-Progress	
	As at 31st March, 2014	As at 31st March, 2013	As at 31st March, 2014	As at 31st March, 2013
Details of Inventories :				
Tea (Finished Goods)	2514.63	1909.84	–	–
Tea (Traded Goods)	4835.50	4850.70	–	–
Chemicals	1818.53	1811.50	18.24	53.25
Sugar	11447.21	13242.32	410.11	380.19
	20615.87	21814.36	428.35	433.44

	As at 31st March, 2014	As at 31st March, 2013
2.14 TRADE RECEIVABLES		
Outstanding for a period exceeding six months		
Unsecured, considered good	293.55	339.68
Doubtful	36.21	36.37
	329.76	376.05
Less : Provision for doubtful receivables	36.21	36.37
	293.55	339.68
Other Receivables		
Secured, considered good	–	10.13
Unsecured, considered good	7385.11	7845.67
	7385.11	7855.80
	7678.66	8195.48

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

	As at 31st March, 2014	As at 31st March, 2013
2.15 CASH AND BANK BALANCES		
Cash and Cash Equivalents		
Balances With Banks :		
In Current / Cash Credit Account	1606.69	2149.02
In Fixed Deposit Accounts with original maturity of less than three months	9801.00	3650.32
Cheques/drafts on hand and Remittances in transit	175.94	1224.65
Cash on hand	52.46	196.56
	11636.09	7220.55
Other Bank Balances		
Earmarked balances with Banks (Unpaid Dividend Account)	78.02	66.18
Other Fixed Deposit with Banks (Including ₹ 113.08, P.Y. ₹ 111.84 pledged as margin Money)	643.50	111.84
	721.52	178.02
	12357.61	7398.57

	For the year ended 31st March, 2014	For the year ended 31st March, 2013
2.16 REVENUE FROM OPERATIONS (GROSS)		
Sales of Finished Goods & Other Products	72144.53	68517.40
Less : Excise Duty	1152.40	1105.49
	70992.13	67411.91
Government rebate on Fertilizers	1916.21	2128.45
Sale of Services (Warehousing Charges)	322.72	250.52
	73231.06	69790.88
Other Operating Revenues		
Incentives & Subsidies	276.23	379.54
Export Benefits	606.31	529.59
Insurance and Other Claims (Net)	37.85	27.69
Income from Farm Product (details as below)	10.99	49.67
Management Fees	36.27	–
Miscellaneous Sale	204.23	188.96
	1171.88	1175.45
	74402.94	70966.33

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

	For the year ended 31st March, 2014	For the year ended 31st March, 2013
2.16 REVENUE FROM OPERATIONS (GROSS) (Contd.)		
Details of Sale of Products		
Tea	50037.15	46486.37
Chemicals	6468.51	7506.24
Sugar	15617.23	14462.40
Others	21.64	62.39
	72144.53	68517.40
Income from Farm Products :		
Sales of Agricultural Product	112.94	147.34
Closing Stock	-	0.60
Lease Rent	2.66	2.67
	115.60	150.61
Less : Opening Stock	0.60	0.01
Agricultural Farming Expenses (towards cultivation & other expenses)	102.52	100.36
Other Repairs	0.12	0.08
Rent, Rates & Taxes	0.10	0.06
Depreciation	1.27	0.43
	104.61	100.94
	10.99	49.67
2.17 OTHER INCOME		
Interest Income		
On Investments		
Long term	314.09	222.97
Current	40.57	101.06
On Bank Deposits	94.12	15.63
On Loans & Other Deposits, etc	184.66	903.44
Interest Subsidy	9.40	200.00
Dividend Income		
On Long term	143.22	180.68
On Current	-	2.77
Net gain/(loss) on sale of Investments		
On Long term	502.25	177.95
On Current	60.69	79.59

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

	For the year ended 31st March, 2014	For the year ended 31st March, 2013
2.17 OTHER INCOME (Contd.)		
Other Non Operating Income		
Profit on Sale of Fixed Assets (Net)	2676.44	357.50
Rent	269.69	328.57
Unclaimed Balances written back	143.21	249.33
Excess provisions, receipts & adjustments pertaining to previous years	74.94	27.26
Less : Short provisions, sundry payments & adjustments relating to previous years	(16.22)	(21.79)
Add : Excess/(Short) provision of bonus for previous years (Net)	11.00	–
Miscellaneous Income	175.73	158.30
	4683.79	2983.26

2.18 COST OF MATERIALS CONSUMED		
Raw Material Consumed		
Opening Inventories	1090.52	1820.06
Add : Purchase	23114.18	22784.87
	24204.70	24604.93
Less : Closing Inventories	954.66	1090.52
Sales	47.71	143.95
	23202.33	23370.46
Details of Raw Material Consumed		
Green Tea Leaves	5410.02	3706.29
Chemicals	5260.19	7067.52
Sugarcane	12532.12	12596.65
	23202.33	23370.46

2.19 PURCHASE OF TRADED GOODS		
Traded Goods :		
Tea	8784.88	8250.76
Chemicals	493.18	146.36
	9278.06	8397.12

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

	For the year ended 31st March, 2014	For the year ended 31st March, 2013
2.20 (INCREASE)/ DECREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS		
Inventories at the beginning of the year		
Finished Goods	16963.66	13936.50
Work-in-Progress	433.44	43.77
Traded Goods	4850.70	4369.86
	22247.80	18350.13
Inventories at the end of the year		
Finished Goods	15780.37	16963.66
Work-in-Progress	428.35	433.44
Traded Goods	4835.50	4850.70
	21044.22	22247.80
Fluctuation in Exchange Rate carried to Foreign Currency Translation Reserve	92.22	44.03
	1295.80	(3853.64)

2.21 EMPLOYEE BENEFIT EXPENSE		
Salaries & Wages	15105.55	14204.52
Contribution to Provident Funds and Others	1193.08	1111.47
Contribution to Gratuity Fund	487.97	580.34
Contribution to Superannuation Fund	78.86	71.56
Staff Welfare Expenses	1167.80	1086.28
	18033.26	17054.17

2.22 FINANCE COST		
Interest Expenses :		
On Fixed Loans & Deposits	1576.04	1166.01
To Bank & Others	3323.52	2896.60
	4899.56	4062.61
Other Borrowing Cost :		
Other Financial Charges	93.14	153.29
Applicable net gain/loss on foreign currency transactions and translations [Net of reversal of ₹ Nil (P.Y. ₹ 215.44)]	149.75	(59.39)
	5142.45	4156.51

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

	For the year ended 31st March, 2014	For the year ended 31st March, 2013
2.23 OTHER EXPENSES		
Manufacturing Expenses		
Stores, Spare Parts & Packing Materials Consumed	2752.09	2432.83
Power & Fuel	4437.07	4005.58
Consumption of Manures/Pesticides etc	1745.56	1615.53
Repairs to Buildings	552.81	538.60
Repairs to Machinery	1314.75	1135.87
Repairs to Other Assets	452.94	422.92
Increase/(Decrease) in Excise Duty & Cess on Finished Goods	(99.12)	34.46
	11156.10	10185.79
Selling And Administration		
Freight & Cartage	1957.71	1625.93
Insurance	147.56	133.31
Brokerage & Commission	640.33	616.60
Warehousing Charges	209.52	120.55
Other Selling Expenses (including packing material ₹ 11.43, P. Y. ₹ 15.16)	867.01	939.21
Rent	712.49	263.46
Rates & Taxes (Duty & Cess)	419.93	450.04
Insurance excluding on sales	152.13	139.22
Charity & Donation	2.72	0.60
Auditors' Remuneration		
Statutory Auditors :		
Auditor	37.39	41.61
Tax Audit Fees	6.75	6.83
Other Services	20.73	18.46
Reimbursement of Expenses	1.83	0.83
Reimbursement of Service Tax	5.73	5.30
Cost Auditors :		
Audit Fees	1.16	1.31
Other Services	0.31	0.31
Reimbursement of Expenses	0.38	0.26

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

	For the year ended 31st March, 2014	For the year ended 31st March, 2013
2.23 OTHER EXPENSES (Contd.)		
Branch Auditors :		
Auditor	–	2.75
Other Services	–	1.86
Reimbursement of Expenses	–	0.29
Reimbursement of Service tax	–	0.54
Bad Debts & Irrecoverable Loans, Advances & Claims written off	126.39	4.11
Less : Reserve	(0.16)	(2.83)
Reserve for Doubtful Debts & Advances further created	–	–
Less : Written Back	(0.16)	–
Amortization of Foreign currency monetary item translation difference Account	1491.90	748.66
Net Loss /(Gain) on foreign currency transaction and translation	(92.00)	262.22
Swap Premium Charges on Derivatives	39.82	43.54
Directors' Commission	–	20.00
Other Miscellaneous Expenses	2145.07	1887.68
	8894.54	7332.65
	20050.64	17518.44

2.24 DEPRECIATION AND AMORTIZATION EXPENSES		
On Tangible Assets	1736.86	1461.04
On Investment Property	27.42	27.42
	1764.28	1488.46

2.25 TAX EXPENSE		
Current Tax for the year	113.33	967.85
MAT credit Entitlement (Net)	–	(45.65)
Add/Less : Adjustment of Tax related to earlier years	0.58	(59.98)
Current Tax	113.91	862.22
Deferred Tax	(229.13)	537.82
	(115.22)	1400.04

108	Auditors' Report	Balance Sheet	Statement of Profit & Loss	Cash Flow Statement	Notes to Financial Statements
-----	------------------	---------------	----------------------------	---------------------	-------------------------------

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

		As at 31st March, 2014	As at 31st March, 2013
2.26	NOTES		
Contingent Liabilities not provided for in respect of :			
A)	Claims/Disputes/Demands not acknowledged as debts :		
	i) Demand from Sales Tax authority :	275.13	199.33
	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		
	ii) Income Tax demand under appeal	637.74	648.06
	iii) Demand from a lessor for interest on differential rent	70.14	70.14
	iv) Demand of Provident Fund Damages by the Provident Fund Authorities, West Bengal	24.39	24.39
	v) Electricity duty demanded by Government of Bihar appealed in Hon'ble Supreme Court	103.10	103.10
	vi) Demand of additional provident fund contribution on food grain concession provided to daily rated plantation workers in Assam Tea estates till September 2012 against which stay has been obtained from Hon'ble High Court at Guwahati	50.37	50.37
B)	i) Capital Commitments outstanding (Net of Advances)	893.39	123.33
	ii) Bank Guarantees Outstanding (Pledge of Fixed Deposit of ₹ NIL) (Previous Year ₹ 112.19)	–	838.29
	iii) Corporate guarantee outstanding given to a Bank against loan acquired by a subsidiary company from the bank (US\$ 3.2 million) (previous year US\$ 5.6 million)	1917.44	3041.92
	iv) Corporate guarantee outstanding given to a Bank against banking facility taken by a subsidiary and step down subsidiary from the bank (US\$ 5.93 million) (previous year US\$ 6.0 million)	3553.26	3259.20
C)	Other Commitments		
	Letter of credit issued against Import of materials	11.20	301.59

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

- D) The list of subsidiaries and joint venture which are included in the CFS of the Group and the Group's effective ownership interest therein are as under :

Name of the Company	Relationship	Country of Incorporation	Group's Proportion of Ownership Interest (%)	
			2013-14	2012-13
North Tukvar Tea Company Limited	Subsidiary	India	90.50	90.50
Parvati Tea Company Limited	Subsidiary	India	100.00	100.00
Birla Holdings Limited	Subsidiary	United Arab Emirates	100.00	100.00
Tea Group Investment Company Limited	Joint Venture	United Arab Emirates	50.00	50.00

- E) The financial statement of Birla Holdings Limited (BHL) is unaudited as the audit is not compulsory in the particular country hence certified by the management of the Company. The financial statements of its subsidiaries i.e., Kijura Tea Company Limited (KTCL) and Bondo Tea Estates Limited (BTEL) are audited as per laws of the respective country. For the purpose of consolidation, the CFS of BHL reflecting consolidated accounts as at 31st March, 2014 which have been prepared in accordance with International Financial Reporting Standards, have been restated wherever considered material to comply with Generally Accepted Accounting Principles in India and other recognized accounting practices and policies followed by the Group except as disclosed in Note No.2.26.G. The details of subsidiaries of BHL are as follows :

Name of the Company	Relationship	Country of Incorporation	Group's Proportion of Ownership Interest (%)	
			2013-14	2012-13
Kijura Tea Company Limited	Subsidiary	Uganda	100.00	100.00
Bondo Tea Estates Limited	Subsidiary	Uganda	100.00	100.00

- F) The financial statement of Tea Group Investment Company Limited (TGICL) is unaudited as the audit is not compulsory in the particular country hence certified by the management of the Company. The financial statements of its subsidiaries i.e., Mata Tea Company Limited (MTCL) and Gisakura Tea Company Limited (GTCL) are audited on calendar year basis as per the law of the respective country. To align with the financial year closing of subsidiaries of TGICL, the CFS of TGICL consisting of Consolidated Balance Sheet as at 31.12.2013 and Statement of Profit & Loss and Cash Flow Statement for the period from 01.01.2013 to 31.12.2013 has been considered for the purpose of preparation of CFS of group. In view of this, CFS of the Group for the current year is not strictly comparable as in the previous year the CFS of TGICL consisting of Consolidated Balance Sheet as at 31.12.2012 and Statement of Profit & Loss and Cash Flow Statement for the period from 01.04.2012 to 31.12.2012 was considered for the purpose of CFS. Further no significant transactions, other than of routine nature, took place in TGICL, MTCL and GTCL during 01.01.2014 and 31.03.2014.

For the purpose of proportionate consolidation, the CFS of TGICL reflecting consolidated accounts as at 31st December, 2013 have been prepared in accordance with International Financial Reporting Standards and have been restated wherever considered material to comply with Generally Accepted Accounting Principles in India and other recognized accounting practices and policies followed by the Group except as disclosed in Note No.2.26.G. The details of subsidiaries of TGICL are as follows :

Name of the Company	Relationship	Country of Incorporation	Group's Proportion of Ownership Interest (%)	
			2013-14	2012-13
Mata Tea Company Limited	Subsidiary	Rwanda	30%	30%
Gisakura Tea Company Limited	Subsidiary	Rwanda	30%	30%

110	Auditors' Report	Balance Sheet	Statement of Profit & Loss	Cash Flow Statement	Notes to Financial Statements
-----	------------------	---------------	----------------------------	---------------------	-------------------------------

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014 (Contd.)

- (₹ in Lacs)
- G) The accounting policy in respect of depreciation followed by the Group's subsidiary North Tukvar Tea Company Limited and sub-subsidiary namely Kijujra Tea Company Limited and Bondo Tea Estates Limited are on written down value method which is different from the accounting policy followed by the Group, i.e., straight line method except for written down value method on vehicles. In view of different sets of environment in which foreign subsidiaries operate in their respective countries, provision for depreciation is made to comply with respective country's laws and by use of management estimate. It is not practical to align rates and method of charging of depreciation of such subsidiaries with those of the Group. The gross value of depreciable tangible assets (excluding motor vehicle) in Note 2.10 includes ₹ 1097.35 (Previous Year ₹ 798.72) on which depreciation has been charged on written down value method.
- Further Gisakura Tea Company Limited and Mata Tea Company Limited, subsidiaries of Tea Group Investment Company Limited (Joint Venture) charge depreciation on vehicles on straight line method which is different from the accounting policy followed by the Group, i.e., written down value method. The gross value of motor vehicles under tangible assets in Note 2.10 includes ₹ 78.41 (Previous year ₹ 30.95) on which depreciation has been charged on straight line method.
- H) Interest Income of ₹ 144.85 till this financial year (Previous Year ₹ 59.85) on an Inter-Corporate Deposit of ₹ 500.00 has not been recognized in view of uncertainty in realization. The Group is confident of recovering the principal.
- I) i. Fringe Benefit Tax has been abolished from accounting year 2009-10. However in view of the interim stay granted by the Hon'ble High Court at Calcutta, no liability has been provided for earlier years.
- ii. No provision for dividend and corresponding dividend distribution tax has been recognized in respect to 7135730 equity shares held by the beneficiary trusts in view of waiver letter received from them.
- iii. During the year, the Group has further assessed the recoverability of Minimum Alternate Tax (MAT) for set off with future normal taxes and a sum of ₹ 418.43 (Previous Year ₹ 418.43) have been carried forward. Based on projections made by the management and current trend of working of the Group the management is virtually certain of recovering the MAT credit entitlements.
- J) In terms of the resolution passed by the shareholders on 22nd September 2011, the Group has paid remuneration to Mrs. Jayashree Mohta as a wholetime director. In view of inadequate profit during the current financial year, the said payment has exceeded the limits prescribed under Schedule XIII of the Companies Act 1956 by ₹ 42.00. An application has been made to the Central Government for necessary approval.
- K) In respect to rent of a tenanted property, during the year the division bench of Hon'ble High Court at Calcutta upheld the decree awarded in favour of the landlord enhancing the rent with effect from April 2000 to March 2010. The Special Leave Petition filed against the said order with the Hon'ble Supreme Court got rejected. The Group has paid a sum of ₹ 372.54 (net of provision) towards rent and ₹ 281.35 towards interest thereupon has been charged to the Statement of Profit & Loss in terms of decree.
- L) i) The agreement with Assam Tea Corporation Ltd. (ATCL) for purchase of entire green leaves of Longai and Ishabheel Tea Estates and operating the Longai Tea Factory were further renewed for the season 2014 for a period of one year by bidding through tender. Further the Group has also entered a similar agreement with ATCL for purchase of entire green leaves of Bidyanagar Tea Estate for the season 2014 by bidding through tender. A sum of ₹ 416.42 (Previous year ₹ 281.20) is recoverable from ATCL which is being realized on a systematic basis from the proceeds of green leaf procured.
- ii) The agreement in respect of operation of Amluckie Tea Factory and purchase of green leaves with ATCL could not be renewed for the season 2014 due to lack of economies. A sum of ₹ 80.32 (Previous year ₹ 386.59) is outstanding on account of funds invested in earlier years and the same shall be refunded back and/or adjusted from the payments to be made on account of Longai, Ishabheel and Bidyanagar tea estates.
- M) As per the requirements of Accounting Standard-28 on 'Impairment of Assets', the Group has assessed the carrying amount of the assets vis-a-vis their recoverable values and no impairment is envisaged at the balance sheet date.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

- N) The Group has no overdue amounts due to suppliers under the Micro, Small, & Medium Enterprises Development Act, 2006 (MSMED) as at 31.03.2014. The disclosure as required under the said act is as under :

		2013-14	2012-13
i)	Principal amount due to suppliers under MSMED Act and remaining unpaid	9.36	1.35
ii)	Interest due to suppliers on above	NIL	NIL
iii)	Any Payment made to suppliers beyond appointed date (under Section 16 of the Act)	NIL	NIL
iv)	Interest due and payable to suppliers under MSMED Act	NIL	NIL
v)	Interest Accrued & remaining unpaid as at 31.03.14	NIL	NIL
vi)	Interest remaining due & payable as per section 23 of the Act	NIL	NIL

The above information has been determined to the extent such parties have been identified on the basis of information available with the Group.

- O) a. The Group's significant leasing agreements (as lessee) are in respect of lease for Land & Premises (residential, office, stores, godowns, etc.) These Leasing arrangements which are non-cancellable ranging between one month and three years generally or longer and are usually renewable by mutual agreement. The aggregate lease rentals payable are charged as Rent.
- b. Certain land and building has been given on operating lease to a society at a lease rental of ₹ 17.00 per month (Previous Year ₹ 17.00 per month) for the building and ₹ 0.50 (Previous Year ₹ 0.50) per annum for the land to be reviewed annually.

As per requirements of Accounting Standard-19 on 'Leases', the following disclosures are furnished for significant operating leases as lessor :

Particulars	2013-14			2012-13		
	Gross Carrying Amount	Accumulated Depreciation	Depreciation for the Year	Gross Carrying Amount	Accumulated Depreciation	Depreciation for the Year
Land	37.91	–	–	37.91	–	–
Building	1680.75	212.42	27.40	1680.75	185.02	27.40
Plant & Machinery	154.08	66.97	6.22	153.57	60.92	6.19
Furniture & Fixture	188.33	117.22	17.85	188.32	99.37	17.85
Motor Vehicle	9.40	8.00	0.48	9.40	7.52	0.66
Total	2070.47	404.61	51.95	2069.95	352.83	52.10

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

- P) Disclosure as per Accounting Standard-29 "Provisions, Contingent Liabilities & Contingent Assets" :

Particulars	2013-14			2012-13		
	Disputed Statutory Matters	Other Obligations	Total	Disputed Statutory Matters	Other Obligations	Total
Opening Balance	77.82	68.31	146.13	93.40	55.02	148.42
Addition	13.29	12.77	26.06	5.75	13.48	19.23
Utilization	–	19.39	19.39	9.01	–	9.01
Reversal	–	–	–	12.32	0.19	12.51
Closing Balance	91.11	61.69	152.80	77.82	68.31	146.13

The provisions for disputed statutory & obligatory liabilities are on account of cases pending with courts/concerned authorities based on estimates made by the Group considering the facts & circumstances.

- Q) The Group uses forward contracts, swaps and other derivative contracts to hedge its risks relating to changes in exchange rates and interest rates. The use of such contract is consistent with the Group's risk management policy. The Group does not use derivative contracts for speculation purposes.
- i) The particulars of derivative contracts entered into for hedging purposes outstanding as at 31.03.2014 are as under :

Category of Derivative Instruments		Amount of Exposures Hedged	
		As at 31.03.2014	As at 31.03.2013
a)	Forward contract for long term borrowings	2408.44	2716.00
b)	Forward contract for firm commitments of future sales	266.76	2071.57

- ii) Unhedged foreign currency exposures as at 31.03.2014 are as under :

Unhedged foreign currency exposures		As at 31.03.2014	As at 31.03.2013
a)	Receivables	2174.84	2072.83
b)	Loans/Payables/ Buyers Credit	1715.83	10940.51

- R) Disclosure as per Accounting Standard-15 on 'Employee Benefits' :

- i) **Defined Contribution Plan :**

The Group makes contribution towards Provident Fund, ESIC and Superannuation Fund to a defined contribution benefit plan for qualifying employees. The provident fund plan is operated partly by Regional Provident Fund Commissioner and partly by an independent Trust, ESIC by government agencies and Superannuation Fund by a trust created for the purpose. Under the said schemes the Group is required to contribute a specific percentage of pay roll costs in respect of eligible employees to the retirement benefit scheme to fund the benefits.

During the year the Group has recognized ₹ 1193.08 (Previous Year ₹ 1111.47) for provident fund contribution, ₹ 28.81 (Previous Year ₹ 29.75) for ESIC and ₹ 78.86 (Previous Year ₹ 71.56) for Superannuation Contribution. The Contribution payables to these plans by the Group are at the rates specified in the rules of the scheme.

In keeping with the Guidance on implementing Accounting Standard-15 on 'Employees Benefits' issued by the Accounting Standards Board of the Institute of Chartered Accountants of India (ASB Guidance), employer-established provident fund trusts are treated as Defined Benefit Plans since the Group is obligated to meet interest shortfall, if any, with respect to covered employees. In view of year-end position of the fund (for covered employees) and confirmation from the Trustees' of such fund, there is no shortfall as at the year end.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

ii) Defined benefit plans :

- a) The Group makes contribution of gratuity to JSTI Gratuity Fund created for the purpose of qualifying employees. The scheme provides for payment to vested employees upon retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of 5 years of continuous service.
- b) Certain employees of the Group are also eligible for encashment of leave upon retirement up to 30 days for each year (maximum 240 days).
- c) The present value of defined benefit obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date.
- d) Liability in respect of gratuity of North Tukvar Tea Co. Ltd. (a subsidiary) in accordance with Accounting Standard-15 has not been provided for in the books of accounts upto 31.03.2009 amounting to ₹ 96.68.

	2013-2014 Gratuity Plan	2012-2013 Gratuity Plan
Disclosures as per Accounting Standard – 15		
A) Expenses recognized in the Statement of Profit & Loss for the year ended 31st March 2014		
i) Current Service Cost	275.60	299.25
ii) Interest Cost	288.88	246.48
iii) Expected return on Plan Assets	262.74	234.16
iv) Actuarial (Gains)/Losses	186.23	268.77
v) Past Service Cost	–	–
vi) Expenses recognized in Statement of Profit & Loss	487.97	580.34
B) Net (Assets)/Liabilities recognized in Balance Sheet as at 31st March 2014		
i) Present Value of the Defined Benefit Obligation	3785.43	3519.10
ii) Fair Value of Plan Assets	3231.10	3002.73
iii) Net (Assets)/Liabilities recognized in Balance Sheet	554.33	516.37
C) Changes in the Present Value of Defined Benefit Obligation during the year ended 31st March 2014		
i) Present Value of Defined Benefit Obligation as at 1st April 2013	3519.10	3112.76
ii) Current Service Cost	275.59	299.25
iii) Interest Cost	288.88	246.48
iv) Past Service Cost	–	–
v) Actuarial (Gains)/Losses	137.01	286.57
vi) Benefits Paid	435.15	425.96
vii) Present Value of obligation as at 31st March 2014	3785.43	3519.10

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

	2013-2014 Gratuity Plan	2012-2013 Gratuity Plan
Disclosures as per Accounting Standard – 15		
D) Changes in fair value of Plan Assets during the year ended 31st March 2014		
i) Fair Value of Plan Assets as at 1st April 2013	3002.73	2602.83
ii) Expected return on Plan Assets	262.74	234.16
iii) Actuarial Gains/(Losses)	(49.22)	17.80
iv) Benefits paid	435.15	425.96
v) Contributions	450.00	575.00
vi) Settlement/Amalgamation	–	1.10
vii) Fair Value of Plan Assets as at 31st March 2014	3231.10	3002.73
viii) Actual return on Plan Assets	213.53	250.87
E) Principle Actuarial Assumptions used		
i) Discount rates as at 31st March 2014	8.75%	8.50%
ii) Expected Return on Plan Assets	8.75%	9.00%
iii) Expected Salary increase rates	5.00%	5.00%
iv) Mortality Rates	(2006-08) Mortality Table	LIC (1994-96) Mortality Table
F) Major categories of Plan Assets as a percentage of Fair Value of Plan Assets	Qualified Insurance Policy	Qualified Insurance Policy

Notes :

- The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply & demand in the employment market.
- The expected rate of return on Plan Assets is determined based on the portfolio of assets, existing investments along with the Strategic changes in the portfolio and market scenario. The Plan Assets are diversified reasonable to maximize the return within acceptable risk parameters.
- The Group expects to contribute ₹ 500.00 to its gratuity fund in 2014-15.
- The amounts for the current annual period and previous three annual periods are as follows:

Particulars	2013-14	2012-13	2011-12	2010-11	2009-10
Present value of defined obligation	3785.43	3519.10	3112.76	2974.28	2728.31
Fair Value of Plan Assets	3231.10	3002.73	2602.83	2439.81	2087.38
Excess of obligation over Plan Assets	554.33	516.37	509.93	534.47	640.93

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

S) Disclosure as per Accounting Standard -18 on 'Related Party Disclosure':

Sl. No.	Name of the Company	Relationship	Remuneration		Loans & Advances (Net)		Dividend		Goods & Services		Others Expenditure	Balance as at 31st March, 2014	
			Paid	Received	Paid	Received	Paid	Received	Sale	Purchase		Receivable	Payable
1.	Tea Group Investment Co. Ltd.	Joint Venture		4.45 (528.50)								733.89 (738.34)	
2.	Rwanda Mountain Tea SARL	Investor in Joint Venture		182.01 (142.08)									757.15 (939.16)
# 3.	Century Textiles & Industries Limited	Associate			12.00 (9.00)			8.67 (5.90)		0.22 (-)			2.98 (0.54)
# 4.	Kesoram Industries Limited	Associate			15.52 (11.64)			- (2.01)					- (0.32)
# 5.	Padmavati Investment Limited	Associate			- (183.42)			3.43 (6.86)					
# 6.	JPM Merchandise Agencies Ltd.	Associate			244.56 (-)								
7.	Mr. D. P. Maheshwari	Key Management Personnel	103.58 (91.52)		2.22 (0.48)								

Note : All the above transactions were done at arm's length.

These parties are related parties in the broader sense of the term and are included for making the financial statements more transparent. Figures in bracket indicate for previous year.

116	Auditors' Report	Balance Sheet	Statement of Profit & Loss	Cash Flow Statement	Notes to Financial Statements
-----	------------------	---------------	----------------------------	---------------------	-------------------------------

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

- T) **Disclosure of Interest in Joint Ventures :** The Group has 50% ownership interest in Tea Group Investment Company Limited. The proportionate share in the assets, liabilities, income and expenses (each without elimination of the effect of transactions between the Group and the joint venture) related to its interest in jointly controlled entities included in these CFS are given below :

	As at 31.12.2013	As at 31.12.2012
Assets :		
Non-Current Assets		
Fixed Assets :		
Tangible Assets	3825.65	3425.52
Intangible Assets	425.95	217.73
Capital Work-in-Progress	251.23	234.65
Deferred Tax Assets (Net)	2.68	3.82
Long Term Loans and Advances	32.04	30.65
Current Assets		
Inventories	388.79	481.96
Trade Receivables	200.35	78.96
Cash and Bank Balances	145.84	739.28
Short Term Loans and Advances	26.21	19.43
Liabilities :		
Minority Interest	1685.22	1927.55
Non-Current Liabilities		
Long Term Borrowing	1879.31	2147.31
Current Liabilities		
Short Term Borrowings	-	-
Trade Payables	118.27	146.12
Other Current Liabilities	166.05	139.78
Short Term Provisions	-	-
Reserves and Surplus*	1387.21	815.70

* Represents Company's share in post acquisition reserve of consolidated TGICL

	For the year ended 31st December, 2013	For the 9 months ended 31st December, 2012
Income :		
Revenue from Operations	2379.51	1932.97
Other Income	68.10	31.81
Expenses :		
Cost of Material Consumed	441.94	327.78
(Increase)/Decrease in Inventories of Finished Goods & Traded Goods	79.93	(22.34)
Employee Benefit Expense	477.17	373.33
Finance Costs	55.69	25.16
Other Expenses	979.07	791.73
Depreciation / Impairment	154.14	96.00
Profit before Tax	259.67	373.12

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014 (Contd.)

(₹ in Lacs)

	For the year ended 31st December, 2013	For the 9 months ended 31st December, 2012
Tax Expense	1.29	97.16
Profit after Tax before Minority Interest	258.38	275.96
Minority Interest	(4.54)	28.35
Net Profit	262.92	247.61

- U) Based on the guiding principles given in Accounting Standard-17 on 'Segment Reporting' as prescribed by the Companies Accounting Standard Rules 2006, the Company's primary business segments are tea, chemicals & fertilisers and sugar business.

	2013-14	2012-13
A. PRIMARY SEGMENT		
1. Segment Revenue (Net Sales/Income from each segment)		
a) Tea	50758.67	47094.48
b) Chemicals & Fertilisers	8049.42	9205.69
c) Sugar	15250.50	14307.46
d) Others	663.45	632.15
Less : Inter-segmental Revenue	319.10	273.45
Total	74402.94	70966.33
2. Segment Results [Profit/(Loss) before Tax & Interest]		
a) Tea	6392.63	7681.33
b) Chemicals & Fertilisers	(428.43)	78.95
c) Sugar	(1875.91)	1637.18
d) Others	(246.47)	139.96
Total	3841.82	9537.42
Less: Interest (Net)	4499.61	2713.41
Add : Unallocable income net of unallocable expenditure	1022.78	(953.17)
Total Profit/(Loss) before Tax	364.99	5870.84

3. Segment Assets (Including revaluation reserve) & Segment Liabilities

	As at 31.03.2014		As at 31.03.2013	
	Assets	Liabilities	Assets	Liabilities
(a) Tea	40785.19	5069.35	37547.09	5174.58
(b) Chemicals & Fertilisers	6055.18	2284.55	7302.15	4272.35
(c) Sugar	27296.09	10218.33	28431.79	7358.19
(d) Others	382.81	160.29	222.67	109.91
(e) Unallocable	50170.18	2667.11	42813.88	3447.12
Total	124689.45	20399.63	116317.58	20362.15

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014 (Contd.)

4. Capital Expenditure including capital work-in-progress and depreciation/amortization (excluding on revaluation reserve) for the year

	2013-14		2012-13	
	Capital Expenditure	Depreciation/Amortisation	Capital Expenditure	Depreciation/Amortisation
a) Tea	2982.68	1199.28	1816.75	1002.57
b) Chemicals & Fertilisers	96.39	70.65	120.01	66.45
c) Sugar	2010.82	383.09	395.49	319.48
d) Others	1.72	2.93	15.54	2.78
e) Unallocable	531.42	109.60	393.73	97.61
Total	5623.03	1765.55	2741.52	1488.89

	India	Rest of World	Total
B. SECONDARY SEGMENT			
Segment Revenue	57736.77	16666.17	74402.94
(Previous Year)	(57170.70)	(13795.63)	(70966.33)
Segment Assets	111007.89	13681.56	124689.45
(Previous Year)	(102800.97)	(13516.61)	(116317.58)
Capital Expenditure	4315.06	1577.76	5892.82
(Previous Year)	(1991.87)	(749.65)	(2741.52)

Note : The Group has disclosed business segment as the Primary Segment.

- V. Earnings per share (EPS)

	2013-14	2012-13
Profit after Tax as per Statement of Profit & Loss	484.75	4442.45
Weighted average number of equity shares outstanding at the year end	28877488	28877488
Basic & Diluted EPS (₹) (Face Value ₹ 5/- per share)	1.68	15.38

- W. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report of even date annexed

For and on behalf of the Board of Directors

For **SINGHI & CO.**

Chartered Accountants

(Firm Registration No.302049E)

Aditya Singhi

Partner

(Membership No. 305161)

Kolkata, the 26th day of May, 2014

R. K. Ganeriwala

(President, CFO & Secretary)

D. P. Maheshwari

(Managing Director)

B. K. Birla

(Chairman)

JAY SHREE TEA & INDUSTRIES LTD.

Registered Office: "Industry House" 15th Floor, 10, Camac Street, Kolkata - 700 017

CIN: L15491WB1945PLC012771

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 **68th Annual General Meeting of Jay Shree Tea & Industries Ltd. held on Friday, the 1st August, 2014 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.

Registered Office: "Industry House" 15th Floor, 10, Camac Street, Kolkata - 700 017

CIN: L15491WB1945PLC012771

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of Companies (Management and Administration) Rules, 2014]

68th Annual General Meeting to be held on Friday, the 1st August, 2014 at 10:30 a.m. at "Kala Kunj", 48, Shakespeare Sarani, Kolkata 700 017

Name of the Member(s) :
Registered Address :
FolioNo /Client ID No. & DP ID

I/We, being the member(s) of Shares of the above named company, hereby appoint

- Name :
Address :
E-mail Id : Signature:, or failing him
- Name :
Address :
E-mail Id : Signature:, or failing him
- Name :
Address :
E-mail Id : Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 68th Annual General Meeting of the Company, to be held on 1st August, 2014 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 :

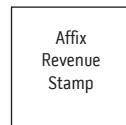
Resolution No.	Particulars	Optional	
		For	Against
1	Adoption of Annual Financial Statements for the year ended March 31, 2014.		
2	Approval of Dividend		
3	Re-appointment of Mrs. Jayashree Mohta, who retires by rotation.		
4	Appointment of M/s. Singhi & Co., Chartered Accountants, Statutory Auditors of the company.		

P.T.O.

Resolution No.	Particulars	Optional	
		For	Against
Special Business			
5	Appointment of Mr. B. M. Khaitan as an Independent Director for a term of five years.		
6	Appointment of Mr. G. P. Goenka as an Independent Director for a term of five years.		
7	Appointment of Mr. S. S. Kothari as an Independent Director for a term of five years.		
8	Appointment of Mr. S. K. Tapuriah as an Independent Director for a term of five years.		
9	Appointment of Mr. Subodh Kumar Agrawal as an Independent Director for an initial term of five years.		
10	Payment of overall and minimum remuneration to Mrs. Jayashree Mohta, Vice Chairperson.		
11	Re-appointment of Mr. Vikash Kandoi, Whole-time Director under the designation Executive Director for a term of three years.		
12	Re-appointment of Cost Auditor for the year 2014-15.		

Signed this day of 2014.

Signature of Shareholder :



Signature of Proxy holder(s):

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 68th 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 act 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
North Tukvar
Sungma
Marionbarie
Jayantika
Darjeeling, West Bengal

Aryaman
Jalpaiguri, West Bengal

Ananyashree
Uttar Dinajpur, West Bengal

Sholayer Estate
Kallyar Estate
Coimbatore, Tamil Nadu

TEA FACTORIES

Vinayak Tea Factory
Ledo, Margharita, Assam

Parvati Tea Factory
Makum, Tinsukia, Assam

CHEMICALS & FERTILISERS UNIT

The Jay Shree Chemicals & Fertilisers, Khardah
24 Parganas (North), West Bengal

The Jay Shree Chemicals & Fertilisers, Pataudi
Gurgaon, Haryana

SUGAR UNIT

Jay Shree Sugar Mill, Majhulia
Bihar

OTHERS

Warehousing & Tea Export Deptt
Kolkata, West Bengal

Tea Warehouse & Sales Deptt.
Kochi, Kerala

SUBSIDIARY COMPANIES

North Tukvar Tea Company Limited
Parvati Tea Company Limited
Birla Holdings Limited. U.A.E.

OVERSEAS JOINT VENTURE

Tea Group Investment Company Limited, U.A.E.