

Singhi & Co.

Chartered Accountants

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REVIEW REPORT

To,
The Board of Directors
Jay Shree Tea & Industries Ltd.
"Industry House"
10, Camac Street,
Kolkata-700 017

12/05
13/05

We have reviewed the accompanying statement of Un-audited Financial Results of M/s. JAY SHREE TEA & INDUSTRIES LIMITED for the quarter and year ended 31st March, 2011 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This Financial statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity," issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Attention is invited to the following:

- (a) The company has recognised Minimum Alternate Tax (MAT) Credit Entitlement of Rs.649.32 lacs upto 31st March 2011 (includes Rs.354.11 lacs recognized in previous year), based on the future normal taxable income projected by the company. However, we are unable to express our opinion on the convincing evidence of future normal taxable income, and the corresponding recognition of MAT Credit Entitlement.
- (b) Non-provision for diminution in value of investment of a subsidiary Company amounting to Rs.356.20 lacs and non-provision for advances and security deposits given to such subsidiary aggregating Rs.258.63 lacs, whose networth is negative however such investment is being considered strategic in nature by the Company.

Based on our review conducted and read with the notes given above, nothing has come to our attention, that causes us to believe that the accompanying statement of Un-audited Financial Results prepared in accordance with applicable Accounting Standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material mis-statement, *subject to; the company being revalued some of its long term investments at the then market price as on 01.04.2010 and differential amount of Rs.3771.54 lacs has been treated as Investment Reserve. The above accounting treatment is not in compliance of Accounting Standard -13 on "Accounting for Investments" which requires long term investment to be stated at cost. Part of the revalued investments has been sold out during the year and the profit amounting to Rs.1528.86 lacs on sale of those shares have been adjusted with Investment Reserve instead of routing through profit & loss account resulting a consequential impacts on the results for the year ended 31st March 2011. As there has been no movement in those shares in the current quarter, there is no impact in the current quarter results.*

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



(Pradeep Kr. Singhi)
Partner
Membership No.50773

1B, Old Post Office Street,
Kolkata - 700001

Dated: 22nd day of April, 2011.

KOLKATA

NEW DELHI

MUMBAI

CHENNAI

GUWAHATI