Joonktollee Tea & Industries Ltd.

ANNUAL
REPORT
2019

A glimpse of the Hanuman Mandir at Joonktollee Tea Estate, Assam

CORPORATE INFORMATION

Board of Directors	:	**Hemant Bangur -** Non-Executive Chairman **Pushpa Devi Bangur -** Non-Executive Director **M. K. Daga -** Independent Director **J. K. Surana -** Independent Director **M. M. Pyne -** Independent Director (upto 31st March, 2019)
Manager	:	**Mukundan Raman**
Chief Financial Officer	:	**Sayansiddha Das**
Company Secretary	:	**Sharad Bagree**
Bankers	:	HDFC Bank Yes Bank ICICI Bank
Auditors	:	**JKVS & Co., Chartered Accountants** Kolkata
Registrars & Share Transfer Agents	:	**Maheshwari Datamatics Pvt. Ltd.** 23, R. N. Mukherjee Road, 5th Floor Kolkata - 700 001
Registered Office	:	21, Strand Road, Kolkata - 700 001 Corporate Indentity No. - L01132WB1900PLC000292 E-mail : info@joonktolleetea.in Website : www.joonktolleetea.in

Directors' report

To the Members,

Your Directors present the 145th Annual Report of the Company together with the Audited Standalone and Consolidated Financial Statements for the year ended 31st March, 2019.

FINANCIAL PERFORMANCE (Amount in ₹)

	Standalone		Consolidated	
	31.03.2019	**31.03.2018**	**31.03.2019**	**31.03.2018**
Revenue from Operations	95,01,64,253	1,00,12,83,996	1,00,80,30,427	1,06,49,68,622
Other Income	9,05,75,609	6,61,56,452	6,87,72,656	6,08,10,234
Total	**1,04,07,39,862**	**1,06,74,40,448**	**1,07,68,03,083**	**1,12,57,78,856**
Profit/(Loss) before Depreciation, Finance Cost & Tax	**33,18,819**	**50,71,893**	**(2,74,19,134)**	**(34,57,471)**
Less : Depreciation	6,32,38,132	6,43,61,092	7,52,47,174	7,84,92,201
Less : Finance Cost	6,41,86,709	7,53,52,509	6,80,07,384	8,09,77,723
Profit/(Loss) before Tax	**(12,41,06,022)**	**(13,46,41,708)**	**(17,06,73,692)**	**(16,29,27,395)**
Less : Tax Expense (including Deferred Tax)	(1,31,55,464)	(1,69,79,761)	(1,16,81,705)	(1,93,40,531)
Profit/(Loss) after Tax	**(11,09,50,558)**	**(11,76,61,947)**	**(15,89,91,987)**	**(14,35,86,864)**
Other Comprehensive Income (Net of Tax)	(15,79,802)	87,35,700	(20,23,062)	95,46,000
Total Comprehensive Income	**(11,25,30,360)**	**(10,89,26,247)**	**(16,10,15,049)**	(13,40,40,864)
Less : Non-Controlling Interest	-	-	22,81,260	**3,68,851**
Total Comprehensive Income attributable to owners of the Company	**(11,25,30,360)**	**(10,89,26,247)**	**(16,32,96,309)**	**(13,44,09,715)**

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

Directors' report (Contd.)

DIVIDEND & RESERVES

In view of the losses incurred by the Company, the Board of Directors regret their inability to propose any dividend for the year ended 31st March, 2019.

The Company has not transferred any amount to the General Reserve during the financial year ended 31st March, 2019.

OPERATIONAL REVIEW

Your Company produced 54,00,691 Kgs. of Tea during the year as against 56,14,825 Kgs. produced during the year 2017-18, a decrease of 2,14,134 Kgs. from the previous year; 2,51,127 Kgs. of Coffee during the year as against 2,43,590 Kgs. during the year 2017-18, an increase of 7,537 Kgs. from the previous year and 6,20,584 Kgs. of Rubber during the year as against 8,60,101 Kgs. produced during the year 2017-18, a decrease of 2,39,517 Kgs. from the previous year.

CAPITAL EXPENDITURE

The Company has incurred capital expenditure amounting to ₹297.11 lacs during the year ended 31st March, 2019 as compared to ₹255.15 lacs for the same period last year.

SHARE CAPITAL

The issued, subscribed and paid-up share capital of the Company as on 31st March, 2019 stood at ₹ 4,14,22,010 divided into 41,42,201 Ordinary Shares of ₹10 each fully paid-up. During the year under review, there has been no change in the capital structure of the Company and neither the Company has granted any stock options and sweat equity. As on 31st March, 2019, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

PUBLIC DEPOSITS

The Company has not accepted any public deposits and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans, guarantees and investments made under section 186 of the Companies Act, 2013 have been disclosed in the notes of the financial statements for the year ended 31st March, 2019.

RELATED PARTY TRANSACTIONS

As required under the SEBI (LODR) Regulations, 2015 related party transactions are placed before the Audit Committee for approval. Wherever required, prior approval of the Audit Committee is obtained on an omnibus basis for continuous transactions. All the related party transactions are entered on arm's length basis and are in ordinary course of business in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. There are no materially significant related party transactions made by the Company with promoters, directors or key managerial personnel etc. during the year which might have potential conflict with the interest of the Company at large.

The policy on Related Party Transactions has been uploaded on the website of the Company and can be accessed at http://www.joonktolleetea.in/downloads/party_transactions_policy.pdf.

SUBSIDIARY & ASSOCIATE COMPANIES

The Company as on 31st March, 2019 has two subsidiary companies namely, Keshava Plantations Pvt. Ltd. and Pranav Infradev Co. Pvt. Ltd. and one associate company namely The Cochin Malabar Estates And Industries Ltd.

During the year under review, M/s. Cowcoody Builders Pvt. Ltd. has ceased to be a subsidiary of the Company.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the Company's Subsidiaries and Associate in Form AOC-1 is attached to the financial statements of the Company.

Pursuant to the provisions of Section 136 of the Companies Act, 2013, the financial statements of the Company, consolidated financial statements alongwith the relevant documents and separate audited accounts in respect of Subsidiaries are available on the website of the Company. These documents will also be available for inspection on all working days, during business hours, at the Registered Office of the Company.

The policy on material subsidiaries is available on the website of the Company and can be accessed at http://www.joonktolleetea.in/downloads/ material_subsidiaries_policy.pdf.

CONSOLIDATED FINANCIAL STATEMENTS

The audited consolidated financial statements of the Company together with Auditors' Report for the year ended 31st March, 2019 forms part of this Report.

ANNUAL RETURN

In accordance with the provisions of Section 134(3)(a) of the Companies Act, 2013 an extract of the Annual Return in the prescribed format is provided in **Annexure – A** forming part of this Report. The Annual Return of the Company will be available on the website of the Company at www.joonktolleetea.in

AUDITORS AND AUDITORS' REPORT

Statutory Auditors

M/s. JKVS & Co. (Firm Registration No.318086E) [formerly known as Jitendra K. Agarwal & Associates], Chartered Accountants, were appointed as Statutory Auditors of the Company at the Annual General Meeting held on August 31, 2017 to hold office till the conclusion of the Annual General Meeting for the Financial Year 2021-22.

Your Company has received a certificate from M/s. JKVS & Co., Chartered Accountants confirming the eligibility to continue as Auditors of the Company in terms of the provisions of Section 141 of the Companies Act, 2013 and the Rules framed thereunder. They have also confirmed that they hold a valid certificate issued by the Peer Review Board of the ICAI as required under the provisions of Regulation 33 of the Listing Regulations.

The Auditors' Report on the Standalone and Consolidated Financial Statements for the Financial Year ended 31st March, 2019 does not contain any qualification, reservation or adverse remark.

Secretarial Auditors

The Board of Directors of the Company had appointed M/s. MKB & Associates, Company Secretaries to carry out secretarial audit for the financial year 2018-19 in terms of the provisions of Section 204(1) of the Companies Act, 2013 and Rules made thereunder. The Secretarial Audit Report for the Financial Year 2018-19 is provided in the **Annexure – B** forming part of this report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Cost Auditors

On the recommendation of the Audit Committee and in compliance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014, the Board has appointed M/s. D. Sabyasachi & Co., Cost Accountants, as Cost Auditors for conducting the audit of cost records of the Company for the Financial Year 2019-20.

In accordance with Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit & Auditors) Rules, 2014, the remuneration payable to the Cost Auditors for the Financial Year 2019-20 would be placed at the ensuing Annual General Meeting for approval.

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

The particulars as prescribed under Clause (m) of Sub-Section (3) of Section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, relating to conservation of energy, technology Absorption and foreign exchange earnings and outgo is provided in **Annexure – C** forming part of this Report.

CORPORATE SOCIAL RESPONSIBILITY

Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of your Company has constituted a CSR Committee and has simultaneously approved and adopted a CSR policy based on the recommendations of the CSR Committee.

The Annual Report on CSR activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is provided in **Annexure – D** forming part of this Report.

Your Company also continues its welfare activities by participating in various projects sponsored by TAI, ITA, ABITA, TOKLAI, UPASI, KPA in the States of Assam, Karnataka & Kerala and also directly contributes to the area's social causes.

The policy on Corporate Social Responsibility has been uploaded on the website of the Company and can be accessed at http://www.joonktolleetea.in/downloads/ corporate_social_responsibility_policy.pdf.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Articles of Association

Directors' report (Contd.)

of the Company read with Section 152 of the Companies Act, 2013 Smt. Pushpa Devi Bangur will retire by rotation at the forthcoming Annual General Meeting and being eligible, offer herself for re-appointment.

Shri M.K. Daga and Shri J.K. Surana were appointed as Independent Directors of the Company for five consecutive years for a term upto 31st March, 2019. On the recommendation of the Nomination and Remuneration Committee, the Board in its meeting held on 15th May, 2019 has recommended their re-appointment as Independent Directors for a term of five years w.e.f. 1st April, 2019 who shall not be liable to retire by rotation. The Board is of the opinion that their association would be of immense benefit to the Company and it is desirable to avail their services as Independent Directors. As they are seeking re-appointment, the resume and other information as required by Regulation 36 of the SEBI (LODR) Regulations, 2015 have been given in the notice convening the ensuing Annual General Meeting. Shri M.M. Pyne was appointed as Independent Director for five consecutive years for a term upto 31st March, 2019 and he is not seeking re-appointment.

Independent Directors have submitted their disclosures to the Board that they meet the criteria as stipulated in Section 149(6) of the Companies Act, 2013 and in accordance with the SEBI (LODR) Regulations, 2015.

Independent Directors have been familiarized with the nature of operations of the Company and the industry in which it operates and business module of the Company. The details of the familiarization programme have been posted on the website of the Company and can be accessed at http://www.joonktolleetea.in/downloads/familiarisation_programme.pdf.

During the year, Shri Mukundan Raman, Chief Operating Officer, has been appointed as Manager in the category of Key Managerial Personnel w.e.f. 1st November, 2018 for a period of three years subject to approval of shareholders at the ensuing Annual General Meeting. The Company has three Key Managerial Personnel, being Shri Mukundan Raman, Manager, Shri Sayansiddha Das, Chief Financial Officer and Shri S. Bagree, Manager (Finance) & Company Secretary.

NUMBER OF BOARD MEETINGS HELD

The Board met four times during the financial year, the details of which are given in the "Report on Corporate Governance" forming part of this Annual Report.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, Regulation 17(10) of the SEBI (LODR) Regulations, 2015 and Guidelines Note on Board Evaluation issued by SEBI, the Board of Directors have carried out the performance evaluation for the Board, Committees of the Board, individual Directors including the Chairman of the Company for the Financial Year ended 31st March, 2019.

The Board of Directors expressed their satisfaction with the evaluation process.

COMMITTEES OF THE BOARD

Audit Committee : The composition, number of meetings held, attendance and terms of reference of the Audit Committee has been furnished in the Corporate Governance Report forming part of this Annual Report.

Nomination and Remuneration Committee : The composition, number of meetings held, attendance and terms of reference of the Nomination and Remuneration Committee has been furnished in the Corporate Governance Report forming part of this Annual Report.

Stakeholders' Relationship Committee : The composition, number of meetings held, attendance and terms of reference of the Stakeholders' Relationship Committee has been furnished in the Corporate Governance Report forming part of this Annual Report.

NOMINATION AND REMUNERATION POLICY

The Board has adopted a Remuneration Policy for identification, selection, appointment and payment of remuneration to Directors, Key Managerial Personnel (KMP) and Senior Managerial Personnel (SMP) of the Company. The policy enumerates the powers, roles and responsibilities of the Nomination and Remuneration Committee.

The Remuneration Policy aims to enable the Company to attract, retain and motivate qualified members for the Board and other executive level. It ensures that the interest of Board members and senior executives are aligned with the business strategy and risk tolerance objectives, values and long term interests of the Company. The Nomination and Remuneration Committee along with Board reviews on an annual basis appropriate skills, characteristics and experience required of the executives for the better management of the Company. The Company has a credible and transparent framework in determining the remuneration of Wholetime Directors, KMPs and SMPs. Remuneration to Directors is paid within the limits as prescribed under the Companies Act, 2013 and as approved by the members of the Company. The Company pays remuneration to Non-Executive Directors by way of sitting fees.

The aforesaid Remuneration policy has been uploaded on the website of the Company and can be accessed at http://www.joonktolleetea.in/downloads/remuneration _policy.pdf.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of provisions of Section 134(3)(c) of the Companies Act, 2013 your Directors confirm that:

i) in the preparation of the annual accounts, the applicable Accounting Standards have been followed and there has been no material departure;

ii) the selected Accounting Policies were applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the losses of the Company for the year ended on that date;

iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 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) the internal financial controls have been laid down and such internal financial controls are adequate and are operating effectively; and

vi) the Company has adequate internal systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

WHISTLE BLOWER POLICY / VIGIL MECHANISM

In compliance with the provisions of Section 177(9) of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Company has framed a Whistle Blower Policy / Vigil Mechanism for Directors and Employees for reporting genuine concerns about any instance of any irregularity, unethical practice and/ or misconduct.

The details of the Whistle Blower Policy / Vigil Mechanism are posted on the Company's website and can be accessed at http://www.joonktolleetea.in/downloads/ whistle_blower_policy.pdf.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at work place and has adopted a policy in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and the Rules thereunder for prevention, prohibition and redressal of complaints of sexual harassment at workplace. There were no cases of sexual harassment reported during the year.

The policy on Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 has been uploaded on the website of the Company and can be accessed at http://www.joonktolleetea.in/downloads/sexual_harassment_policy.pdf.

RISK MANAGEMENT

The Company has laid down well defined risk management mechanism covering the risk exposure, potential impact and risk mitigation process. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined frame work.

INTERNAL FINANCIAL CONTROL

For ensuring methodical and efficient conduct of its business, the Board has adopted policies and procedures. Thus, it ensures on the one hand, safeguarding of assets and resources of the Company, prevention and detention of frauds and errors, accuracy and completeness of the accounting records, timely preparation of financial disclosures and on the other hand, encourages the improvement of the operational performance of the Company.

The Internal Audit of the Company was carried out by M/s. Singhi & Co., Chartered Accountants. The Audit Committee of the Board reviews the Internal Audit Report and corrective

Directors' report (Contd.)

actions taken on the findings are also reported to the Audit Committee.

COMPLIANCE WITH SECRETARIAL STANDARDS

During the year under review, the Company has duly complied with the applicable provisions of the Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI).

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review is provided in **Annexure – E** forming part of this Report.

CORPORATE GOVERNANCE

The Company has adopted the Corporate Governance Policies and Code of Conduct which set out the principle of running the Company with fairness, transparency and accountability. A report on the Corporate Governance forming part of the Directors' Report is attached. A certificate from a Practicing Company Secretary regarding compliance of the Corporate Governance is given in the **Annexure – F** forming part of this Report.

SAFETY, HEALTH & ENVIRONMENT

The Company has committed to maintaining highest standard of safety, health environment protection and has complied with all applicable statutory requirements and prevention of pollution. It always strives to keep the estates greener and cleaner and committed to the safety and health of its employees.

TRADE RELATIONS

The Board desires to place on record its appreciation for the support and co-operation that the Company has received from suppliers, brokers, customers and others associated with the Company as its enterprise partners. The Company has always looked upon them as partners in its progress and has happily shared with them rewards of growth. It will be Company's endeavor to build and nurture strong links with trade, based on mutuality, respect and co-operation with each other.

AWARDS & RECOGNITIONS

- The Company has been accredited with ISO 9001:2008 certification by SGS, U.K.
- Joonktollee Tea Estate in Assam has been accredited with ISO 22000 : 2005 certification by SGS, Switzerland.
- Goomankhan Tea Estate in Karnataka has been accredited with ISO 9001:2008 & HACCP certification by SGS.
- Pullikanam Tea Estate has bagged The Golden Leaf Awards for the leaf, fannings and dust categories for 2018.

CREDIT RATING

The Company has domestic credit ratings of BB + Stable from CARE for its banking facilities.

OTHER DISCLOSURES

i) There were no material changes and commitments affecting the financial position of the Company occurring between the end of financial year and the date of this Report.

ii) There is no change in the nature of business of the Company.

iii) There were no significant and material orders passed by regulator or courts or tribunals impacting the going concern status and Company's operation in future.

PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is provided in **Annexure – G** forming part of this Report.

None of the employees of the Company fall within the purview of the information required under Section 197 read with Rules 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during the Financial Year.

ACKNOWLEDGEMENT

Your Directors take this opportunity to thank the Banks, Central and State Government authorities, Regulatory authorities, Stock Exchanges and the stakeholders for their continued co-operation and support to the Company. Your Directors also wish to record their appreciation for the continued co-operation and support received from the employees of the Company.

On behalf of the Board

Place : Kolkata
Date : 15th May, 2019

H.Bangur
Chairman

Extract
of annual return

Annexure - A

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2019

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L01132WB1900PLC000292
ii)	Registration Date	07/08/1874
iii)	Name of the Company	Joonktollee Tea & Industries Limited
iv)	Category / Sub-Category of the Company	Public Company limited by shares
v)	Address of the Registered office and contact details	21, Strand Road, Kolkata – 700 001 Phone : (033) 2230-9601
vi)	Whether listed company Yes / No	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Maheshwari Datamatics Private Ltd. 23, R.N. Mukherjee Road, 5th Floor Kolkata – 700 001 Phone : (033) 2248-2248 Fax No. :(033) 2248-4787 E-mail : mdpldc@yahoo.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products /services	NIC Code of the Product /service	% to total turnover of the Company
1	Tea	01271	84%
2	Rubber	01291	11%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Pranav Infradev Company Pvt. Ltd 21, Strand Road, Kolkata – 700 001	U45203WB2006PTC111437	Subsidiary	100.00	2(87)
2	Keshava Plantations Pvt. Ltd Azizbgah Tea Estate, Rajgarh, Dibrugarh, Assam - 786611	U01132AS1999PTC005666	Subsidiary	100.00	2(87)
3	The Cochin Malabar Estates And Industries Ltd. 21, Strand Road, Kolkata – 700 001	L01132WB1991PLC152586	Associate	24.68	2(6)

Extract
of annual return (Contd.)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (1st April, 2018)				No. of Shares held at the end of the year (31st March, 2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. **Indian**									
a) Individual / HUF	1300047	–	1300047	31.3854	1300047	–	1300047	31.3854	0.0000
b) Central Govt									
c) State Govt									
d) Bodies Corp.	1806091	–	1806091	43.6022	1806091	–	1806091	43.6022	0.0000
e) Banks / FI									
f) Any Other									
Sub-total (A) (1):-	**3106138**	–	**3106138**	**74.9876**	**3106138**	–	**3106138**	**74.9876**	**0.0000**
2. **Foreign**									
a) NRIs - Individuals									
b) Other – Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) Any Other									
Sub-total (A) (2):-									
Total shareholding of Promoter (A)=(A)(1)+(A) (2)	**3106138**	–	**3106138**	**74.9876**	**3106138**	–	**3106138**	**74.9876**	**0.0000**
B. Public Shareholding									
1.Institutions									
a) Mutual Funds									
b) Banks / FI	-	2919	2919	0.0705	-	2919	2919	0.0705	0.0000
c) Central Govt.									
d) State Govt.(s)									
e) Venture Capital Funds									
f) Insurance Companies	246493	–	246493	5.9508	246493	–	246493	5.9508	0.0000
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1):-	**246493**	**2919**	**249412**	**6.0213**	**246493**	**2919**	**249412**	**6.0213**	**0.0000**
2. **Non-Institutions**									
a) Bodies Corp.									
i) Indian	53481	6335	59816	1.4441	46928	6335	53263	1.2859	(0.1582)
ii) Overseas									
b) Individuals									

Extract
of annual return (Contd.)

Category of Shareholders	No. of Shares held at the beginning of the year (1st April, 2018)				No. of Shares held at the end of the year (31st March, 2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	275611	181142	456753	11.0268	304435	157797	462232	11.1590	0.1322
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	216568	-	216568	5.2283	220214	-	220214	5.3163	0.0880
c) Others	–	–	–	–	–	–	–	–	–
i) Trusts	–	–	–	–	–	–	–	–	–
ii) Foreign National	14062	-	14062	0.3395	14062	-	14062	0.3395	0.0000
iii)Custodian of Enemy Property	–	240	240	0.0058	–	240	240	0.0058	0.0000
iv) Clearing Member	5733	–	5733	0.1384	227	–	227	0.0055	(0.1329)
v) Non Resident Individual	1925	2342	4267	0.1030	1916	2342	4258	0.1028	(0.0002)
vi) NBFCs registered with RBI	1	-	1	0.0000	1	-	1	0.0000	0.0000
vii) Investor Education and Protection Fund Authority	29211	-	29211	0.7052	32154	-	32154	0.7763	0.0711
Sub-total (B)(2):-	**596592**	**190059**	**786651**	**18.9911**	**619937**	**166714**	**786651**	**18.9911**	**0.0000**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**843085**	**192978**	**1036063**	**25.0124**	**866430**	**169633**	**1036063**	**25.0124**	**0.0000**
C. Shares held by Custodian for GDRs & ADRs									
Promoter and Promoter Group	–	–	–	–	–	–	–	–	–
Public	–	–	–	–	–	–	–	–	–
Grand Total (A+B+C)	**3949223**	**192978**	**4142201**	**100.000**	**3972568**	**169633**	**4142201**	**100.000**	**-**

Extract

of annual return (Contd.)

(ii) Shareholding of Promoters (including Promoter Group)

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in share holding during the year
1	Pushpa Devi Bangur	642928	15.5214	-	642928	15.5214	-	-
2	Hemant Bangur	426729	10.3020	-	426729	10.3020	-	-
3	Vinita Bangur	96800	2.3369	-	96800	2.3369	-	-
4	Hemant Kumar Bangur HUF	84490	2.0397	-	84490	2.0397	-	-
5	Purushottam Dass Bangur HUF	41000	0.9898	-	41000	0.9898	-	-
6	Purushottam Dass Bangur	7750	0.1871	-	7750	0.1871	-	-
7	Pranov Bangur	250	0.0060	-	250	0.0060	-	-
8	Gopal Das Bangur HUF	100	0.0024	-	100	0.0024	-	-
9	The Oriental Company Ltd.	593643	14.3316	-	593643	14.3316	-	-
10	Gloster Ltd. (Formerly Kettlewell Bullen & Company Ltd.)	538838	13.0085	-	538838	13.0085	-	-
11	Madhav Trading Corporation Ltd.	424130	10.2392	-	424130	10.2392	-	-
12	The Cambay Investment Corporation Ltd.	110737	2.6734	-	110737	2.6734	-	-
13	Credwyn Holdings (India) Pvt Ltd	98524	2.3785	-	98524	2.3785	-	-
14	Wind Power Vinimay Pvt Ltd.	27719	0.6692	-	27719	0.6692	-	-
15	Mugneeram Bangur & Company LLP	12500	0.3018	-	12500	0.3018	-	-
	Total	**3106138**	**74.9876**	**-**	**3106138**	**74.9876**	**-**	**-**

Extract

of annual return (Contd.)

(iii) Change in Promoters (including Promoter Group) Shareholding

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	NO CHANGE IN THE PROMOTERS SHAREHOLDING DURING THE YEAR				

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	**Life Insurance Corporation of India**				
	a) At the Beginning of the Year	246493	5.9508		
	b) Changes during the Year	NO CHANGE DURING THE YEAR			
	c) At the end of the Year			246493	5.9508
2	**Mahendra Girdharilal**				
	a) At the Beginning of the Year	59792	1.4335	59792	1.4334
	b) Changes during the year				
	As on 06/07/2018 – Buy	201	0.0049	59993	1.4483
	As on 07/09/2018 – Buy	1315	0.0317	61308	1.4801
	As on 02/11/2018 – Buy	200	0.0048	61508	1.4849
	As on 16/11/2018 – Buy	1000	0.0241	62508	1.5091
	As on 14/12/2018 – Buy	100	0.0024	62608	1.5115
	As on 01/02/2019 – Buy	720	0.0174	63328	1.5288
	As on 15/02/2019 – Buy	100	0.0024	63428	1.5313
	c) At the end of the Year			63428	1.5313
3	**Carwin Trading Pvt. Ltd.**				
	a) At the Beginning of the Year	19901	0.4804		
	b) Changes during the year	NO CHANGE DURING THE YEAR			
	c) At the end of the Year			19901	0.4804
4	**Amit Yeshwant Modak**				
	a) At the Beginning of the Year	13654	0.3296	13654	0.3296
	b) Changes during the Year				
	As on 16/11/2018 – Buy	10	0.0002	13664	0.3299
	c) At the end of the Year			13664	0.3299
5	**Surendra Kumar Nathany**				
	a) At the Beginning of the Year	55000	1.3278		
	b) Changes during the year	NO CHANGE DURING THE YEAR			
	c) At the end of the Year			55000	1.3278

Extract
of annual return (Contd.)

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of Shares	% of total shares of the company
6	**Yashwardhan Nathany**				
	a) At the Beginning of the Year	49000	1.1829		
	b) Changes during the year	NO CHANGE DURING THE YEAR			
	c) At the end of the Year			49000	1.1829
7	**Kailash Chandra Dhanuka**				
	a) At the Beginning of the Year	11630	0.2808		
	b) Changes during the Year	NO CHANGE DURING THE YEAR			
	c) At the end of the Year			11630	0.2808
8	**Vijay Kumar Bangur**				
	a) At the Beginning of the Year	27499	0.6639		
	b) Changes during the year	NO CHANGE DURING THE YEAR			
	c) At the end of the Year			27499	0.6639
9	**Joan Patricia Hardy**				
	a) At the Beginning of the Year	14062	0.3395		
	b) Changes during the Year	NO CHANGE DURING THE YEAR			
	c) At the end of the Year			14062	0.3395
10	**Investor Education And Protection Fund Authority**				
	a) At the Beginning of the Year	29211	0.7052	29211	0.7052
	b) Changes during the year				
	As on 02/11/2018 – Transfer	2943	0.0710	32154	0.7763
	c) At the end of the Year			32154	0.7763

NOTE :- The above information is based on the weekly beneficiary position received from Depositories.

● Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc) :

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	**Hemant Bangur - Chairman**				
	a) At the Beginning of the Year	426729	10.30		
	b) Changes during the Year	NO CHANGE DURING THE YEAR			
	c) At the end of the Year			426729	10.30
2	**Pushpa Devi Bangur, Director**				
	a) At the Beginning of the Year	642928	15.52		
	b) Changes during the Year	NO CHANGE DURING THE YEAR			
	c) At the end of the Year			642928	15.52

Extract
of annual return (Contd.)

Sl. No.	Name of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of Shares	% of total shares of the company
3	**S. Bagree, Manager (Finance) & Company Secretary**				
	a) At the Beginning of the Year	50	0.01		
	b) Changes during the Year	NO CHANGE DURING THE YEAR			
	c) At the end of the Year			50	0.01

V. INDEBTEDNESS

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

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	42,12,42,702	19,20,50,000	-	61,32,92,702
ii) Interest due but not paid	29,29,288	-	-	29,29,288
iii) Interest accrued but not due	76,31,818	-	-	76,31,818
Total (i+ii+iii)	43,18,03,808	19,20,50,000	-	62,38,53,808
Change in Indebtedness during the financial year				
· **Addition**	7,00,00,000	27,52,17,999	-	34,52,17,999
· **Reduction**	14,99,99,476	35,20,50,000	-	50,20,49,476
Net Change	(7,99,99,476)	(7,68,32,001)	-	(15,68,31,477)
Indebtedness at the end of the financial year				
i) Principal Amount	34,73,25,496	11,52,17,999	-	46,25,43,495
ii) Interest due but not paid	21,28,808	-	-	21,28,808
iii) Interest accrued but not due	23,50,028	-	-	23,50,028
Total (i+ii+iii)	35,18,04,332	11,52,17,999	-	46,70,22,331

Extract

of annual return (Contd.)

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. *Remuneration to Managing Director, Whole-time Directors and/or Manager:* (Amount in ₹)

Sl. No.	Particulars of Remuneration	Shri K.C. Mohta, Executive Director & CEO (upto 30.04.2018)	Mr. M. Raman, Manager (w.e.f. 01.11.2018)	Total Amount
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7,50,000	7,00,000	14,50,000
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	1,31,500	6,35,417	7,66,917
	(c) Profits in lieu of salary under section 17(3) of the Income tax Act, 1961			
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- others	-	-	-
5.	Others	-	-	-
	Total (A)	**8,81,500**	**13,35,417**	**22,16,917**
	Ceiling as per the Act	$	$	

$ The remuneration paid is in line with Clause B of Section II of Part II of Schedule V of the Companies Act, 2013.

B. *Remuneration to other directors:* (Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
	1. Independent Directors	**Mr. M.K. Daga**	**Mr. M.M. Pyne**	**Mr. J.K. Surana**	
	• Fee for attending board / committee meetings	80,000	90,000	75,000	2,45,000
	• Commission	-	-	-	-
	• Others	-	-	-	-
	Total (1)	80,000	90,000	75,000	2,45,000
	2. Other Non-Executive Directors	**Mrs. Pushpa Devi Bangur**	**Mr. Hemant Bangur**	-	
	• Fee for attending board / committee meetings	1,35,000	1,75,000	-	3,10,000
	• Commission	-	-	-	-
	• Others	-	-	-	-
	Total (2)	1,35,000	1,75,000	-	3,10,000
	Total (B)=(1+2)				5,55,000
	Total Managerial Remuneration				27,71,917
	Overall Ceiling as per the Act				$

$ Payments to Non-Executive Directors consists only of sitting fees for attending Board/Committee meetings.

Extract
of annual return (Contd.)

C. *Remuneration to Key Managerial Personnel Other Than MD / Manager /WTD:* (Amount in ₹)

Sl. No.	Particulars of Remuneration	Mr. S. Das Chief Financial Officer	Mr. S. Bagree Company Secretary	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12,76,800	16,60,600	29,37,400
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	7,93,500	10,66,100	18,59,600
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- others	-	-	-
5.	Others	-	-	-
	Total (C)	**20,70,300**	**27,26,700**	**47,97,000**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no default / punishment or compounding of offences for any breach of any Section of the Companies Act, 2013 against the Company, its Directors or other Officers in default during the year ended 31st March, 2019.

On behalf of the Board

Place : Kolkata
Date : 15th May, 2019

H.Bangur
Chairman

Secretarial
audit report

Annexure – B

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

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

To,
The Members,
Joonktollee Tea & Industries Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Joonktollee Tea & Industries Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

The Company's Management is responsible for preparation and maintenance of secretarial and other records and for devising proper systems to ensure compliance with the provisions of applicable laws and Regulations.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019, to the extent applicable, according to the provisions of:

i) The Companies Act, 2013 (the Act) and the rules made thereunder;

ii) The Securities Contracts (Regulation) Act, 1956 and Rules made thereunder;

iii) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder;

iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v) The Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992 ("SEBI Act") or by SEBI, to the extent applicable:

   a) The Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011

   b) The Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

   c) The Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009

   d) The Securities & Exchange Board of India (Share Based Employee Benefits) Regulations, 2014

   e) The Securities & Exchange Board of India (Issue and listing of Debt securities) Regulations, 2008

   f) The Securities & Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993

   g) The Securities & Exchange Board of India (Delisting of Equity Shares) Regulations, 2009

Secretarial

audit report (Contd.)

h) The Securities & Exchange Board of India (Buyback of Securities) Regulations, 1998

vi) Other than fiscal, labour and environmental laws which are generally applicable to all manufacturing/trading companies, the following laws/Acts are also, inter alia, applicable to the Company:

a) The Food Safety and Standards Act, 2006 and Food Safety and Standards Rules, 2011;

b) The Legal Metrology Act, 2009 & Legal Metrology (Packaged Commodities) Rules, 2011;

c) The Tea Act, 1953 and Rules thereunder;

d) Tea Warehouse (Licensing) Order, 1989;

e) The Tea Waste (Control) Order, 1959;

f) The Tea (Marketing) Control Order, 1984;

g) The Coffee Act, 1942 and the Rules made thereunder;

h) The Coffee Market Expansion Act, 1942;

i) The Bureau of Indian Standards (BIS) Act, 1986;

j) The Plantations Labour Act, 1951;

k) The Assam Plantation Labour Rules, 1956;

l) The Plantation Labour (Karnataka) Rules, 1956;

m) The Rubber Act, 1947

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

a) Secretarial Standards issued by The Institute of Company Secretaries of India

b) Provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

a) The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. The Company has appointed Manager in the category of KMP during the year under review.

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

c) None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

d) The Company has incurred losses during the Financial Year 2017-18. Based on the legal opinion received, it has declared dividend for that year out of its free reserves.

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

We further report that no specific event having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. has taken place during the year under review.

This report is to be read with our letter of even date which is annexed as **Annexure – I** which forms an integral part of this report.

For **MKB & Associates**
Company Secretaries

Neha Somani
[Partner]
ACS no. 44522
COP no.17322
FRN: P2010WB042700

Date: 15th May, 2019
Place: Kolkata

Secretarial
audit report (Contd.)

Annexure-I

To,
The Members
Joonktollee Tea & Industries Limited

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

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

For **MKB & Associates**
Company Secretaries

Neha Somani
[Partner]
ACS no. 44522
COP no.17322
FRN: P2010WB042700

Date: 15th May, 2019
Place: Kolkata

Particulars of
conservation of energy

Annexure – C

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS & OUT GO REQUIRED U/S 134(3)(m) READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014.

A. CONSERVATION OF ENERGY

I. In line with the Company's commitment towards conservation of energy, all the estates continue with their efforts aimed at improving energy efficiency through improved operational and maintenance practices. The steps taken in this direction at various estates are as under:

- Reducing power consumption by using VFBD driers.
- Replacement of inefficient motors with energy efficient motors.
- Installation of Gas Generating Sets for generating power.
- Upgradation of Machineries and installation of new machineries based on fuel or power efficiency.
- Maintenance and overhauls of generators to achieve a high unit per ltr. Delivery
- Monitoring the maximum demand and power load factor on daily basis.
- Installation of adequate power capacitors for efficient utilization of available power.
- Optimum power factor is being maintained to avoid surcharge on power factor as well as to get maximum rebate on electricity consumption bills.

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1	Efforts, in brief, made towards technology absorption, adaptation and innovation.	Modernisation and upgradation of equipments and machines is a continuous process for the Company to enhance efficiency of operations, productivity and conservation of energy. Advanced technologies and equipments are installed at all the estates for improving efficiency and productivity. Managerial staff are encouraged to attend seminars and training programmes for agricultural practice in the field of manufacturing process in the factories. The Company also uses vermicompost for improving the organic status of the soil and plant nutrition. The Company has implemented an integrated, compact and user-friendly IT Solution at all its estates, administrative office and Head office which will take care of total business operations by automating and integrating all departmental and functional areas of different units.
2	Benefits derived as a result of the above efforts e.g. Products improvement, Cost reduction, Products development, Import substitution etc.	Adoption of improved technology, regular upgradation, modernization of equipments help in improving the yield and quality of Tea. Implementation of new software system has helped in bringing visibility, transparency and traceability in day-to-day operations. It provides better analytical reports at all levels and helps in taking decisions rightly at the correct time by providing a collaborative platform.
3	In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year).	The Company did not import any technology during the last 3 financial years.

4. RESEARCH AND DEVELOPMENT (R & D)

The Company contributes for the activities of Tea Research Association (TRA), Karnataka Planters Association (KPA) and United Planters Association of Southern India's (UPASI) scientific development regularly.

Their recommendations are adopted wherever feasible, in addition to our own efforts for obtaining better results.

The Company has incurred an expenditure of ₹13.75 lacs being amount paid to TRA, KPA & UPASI as above.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review foreign exchange earnings and foreign exchange outgo were NIL.

CSR
report

Annexure –D

CSR Report

1.	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	The Company shall identify any one or more of the following areas for its CSR spending : Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation, promoting education, promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres, ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources, protection of national heritage, art & culture, measures for the benefit of armed forces veterans, war widows and their dependents, training to promote rural sports, contribution to Prime Minister's National relief Fund, Rural development projects. The web-link for the same is www.joonktolleetea.in / About Us / Policies / CSR Policy.
2.	The Composition of the CSR Committee.	(i) Smt. Pushpa Devi Bangur (Chairperson) (ii) Shri M. K. Daga (Member) (iii) Shri Hemant Bangur (Member)
3.	Average net profit of the company for last three financial years	Not applicable, since the average net profit for last three financial years is negative.
4.	Prescribed CSR Expenditure (two per cent, of the amount as in item 3 above)	₹ NIL.
5.	Details of CSR spent during the financial year.	
	(a) Total amount to be spent for the financial year.	₹ NIL. However, the Company has voluntarily spent on CSR activities, the details of which are given below.
	(b) Amount unspent, if any;	Not applicable.
	(c) Manner in which the amount spent during the financial year;	As detailed below.

CSR
report (Contd.)

CSR ACTIVITIES AT JOONKTOLLEE TEA & INDUSTRIES LTD.

(₹ in lacs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR project Or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs were undertaken	Amount outlay (budget) projects or programs wise	Amount spent on the projects or programs (1) Direct Expenditure on projects or programs (2) Overhead	Cumulative Expenditure upto the reporting period	Amount spent : Direct or through implementing agency
a.	Rural Development	Promoting Education	Dibrugarh, Assam	0.31	0.31	0.31	Direct
b.	Promoting education among children	Promoting Education	Kolkata, West Bengal	0.31	0.31	0.31	Direct

6.	In case the Company has failed to spend the two per cent, of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report.	Not Applicable
7.	The CSR committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.	

Place : Kolkata
Date : 15th May, 2019

(Pushpa Devi Bangur)
Chairperson – CSR Committee

Management discussion and analysis report

Annexure - E

A. ECONOMIC REVIEW

2018-19 turned out to be another challenging year for the Indian economy. The full-year GDP growth rate declined to 7% as compared to 7.2% in 2017-18. Industrial activity across sectors showed only a marginal improvement as labour-intensive sectors continued to struggle throughout the year. Common sentiments remained suppressed for most part of the year with urban consumers feeling the overhang of inadequate job and income growth, high oil prices. However, overall inflation in the economy remained well within the comfort zone on the back of low food prices resulting from higher agricultural output and low global food prices.

While India remains one of the fastest growing economies in the world, the pace of economic growth in recent years has remained below the country's potential. With structural drivers of growth like favourable demographics, rapid urbanization, accelerated digitalization and connectivity and improvement in infrastructure firmly in place, the pace of economic growth is expected to pick-up over time. Implementation of key reforms such as GST, direct benefit transfer schemes among others, augur well for the growth prospects of the economy in medium to long-term. Recent round of policy rate cuts announced by RBI are expected to alleviate the tight credit conditions and thus provide a boost to the industrial sector.

B. INDUSTRY STRUCTURE & DEVELOPMENT, SEGMENT-WISE / PRODUCT-WISE PERFORMANCE, OPPORTUNITIES & THREATS AND OUTLOOK

TEA

Global Black Tea production was 2103 million kgs. in 2019 as compared to 2039 million kgs. in 2018, an increase of 64 million kgs. making a growth of 3.14% due to rise in Kenya's output.

Indian Tea crop was approximately 1338 million kgs., higher than last year by 17 million kgs. The production was impacted by the unprecedented floods in Kerala and lower harvest in South India. Crop output in North India was higher by 26 million kgs. despite deficits in the later part of the calendar year due to an early closure of production in December following a directive issued by the Tea Board to curb the supply of low quantity end of season teas and to lend price support.

Global consumption of Tea is likely to grow on the back of changing consumer habits towards natural health and wellness beverages. More importantly, the pace of consumption expansion within India is likely to be strong. Tea will remain a durable everyday beverage choice especially in a developing economy and face limited competition from other alternatives.

The Company produced 54,00,691 kgs. of Tea during the year ended 31st March, 2019 against 56,14,825 kgs. for the same period last year. The average price for Assam Teas realized by the Company during the year was ₹150/- per kg. and for South Indian Teas was ₹101 per kg.

COFFEE

Global Coffee production in 2018-19 was 167.47 million bags, exceeding world consumption, estimated at 165.18 million kgs. The year saw an increase in both Arabica and Robusta output, supported by strong Brazilian production. Given the stronger growth in demand, the surplus for 2018-19 is projected to be 2.29 million bags, around 1 million

Management
discussion and analysis report (Contd.)

bags less than 2017-18. The higher crop put pressure on prices, which declined in comparison to the previous year levels.

The production of Coffee in India for the season 2018 was estimated at around 319 million Kgs. comprising of 95 million Kgs. of Arabica and 224 million Kgs. of Robusta. Continuous heavy rainfall with severe intensity during the month of August, 2018 in the coffee growing districts of Karnataka and Kerala led to substantial crop loss, flooding and landslides.

Rise in Coffee consumption, changing consumption pattern of consumers, innovative packaging and accelerating demand for ready-to-drink Coffee and specialty Coffee beverages are the primary factors driving the growth of global Coffee market.

The Company produced 2,51,127 kgs. of Coffee comprising of 1,08,119 kgs. of Arabica and 1,43,008 kgs. of Robusta during the year ended 31st March, 2019 against 2,43,590 kgs. comprising of 1,22,334 kgs. of Arabica and 1,21,256 kgs. of Robusta harvested for the same period last year. The average price for Coffee realized by the Company during the year was higher at ₹167/- per kg. as compared to ₹153/- per kg. last year.

RUBBER

Global production of Natural Rubber rose by 4.6% to 140 million tons during 2018 as compared to 133 million tons produced in 2017. World Natural Rubber consumption during 2018 was 138.3 million tons as against 132.25 million tons in 2017.

Natural Rubber production in India was only 6,48,000 tons, which is 6.6% lower than 6,94,000 tons produced in the previous fiscal. While the initial projection for 2018-19 was 7,30,000 tons, the actual volume was below the expected levels, owing to excessive rain and floods in Kerala and the consequent high level of incidence of abnormal leaf fall disease. The consumption of Natural Rubber in India in the last fiscal went up by 9% to 12,11,940 tons from 11,12,210 tons.

On the back of a prospective increase in the overall tappable area by around 15,000 hectares, coupled with the measures of increasing rubber production, Natural Rubber production is expected to touch 7,50,000 ton mark during the current fiscal. Meanwhile the consumption is projected at 12,70,000 tons, supported by economic growth and higher import duty and anti-dumping duty on tyres.

The Company produced 6,20,584 kgs. of Rubber during 2018-19 as against 8,60,101 kgs. during the previous year. The Company continues to focus on quality to fetch premium in the market for its product. The average price realized by the Company during the year was ₹134/- per kg. as against ₹140/- per kg. last year.

C. RISKS AND CONCERNS

Risk management is an ongoing process that can help improve operation, prioritise resources, ensure regulatory compliance, achieve performance target, improve financial stability and ultimately prevent loss/damage to the entity. But business entities cannot be risk averse as profits in business without taking risk is highly unlikely. Risk management plays a key role in protecting the assets and resources and ensuring that risks are reduced to an acceptable level. The essence of the risk management is to reduce the risk to a reasonable and in manageable level on an ongoing basis. Risk management is a two-step process – determining what risks exist and, then, handling those risks in ways best-suited to the objectives. The Company has risk management which inter alia provides for review of the risk assessment and mitigation procedure, laying down procedure to inform and report periodically to the Board of Directors and to ensure that the procedure is properly followed to mitigate the risks.

The plantation industry is largely dependent on the vagaries of nature with factors like rainfall, its distribution, temperature, relative humidity and light intensity having its impact on yield. Since timely information of weather plays a vital role for initiating steps towards application of fertilisers, chemicals and pesticides, steps are taken at the estates to get the weather information well in advance. The Company has taken various cost management initiatives including implementation of integrated pest management process and replantation of crop with new varities to improve plantation yield.

The Company has made substantial investment in irrigation to minimize the impact on Crop in its Tea Estates. The Company has also increased its capacity to artificially irrigate its Robusta fields in the Coffee Estate by storing the rain water in its catchment areas by excavating reservoirs thereby recharging its water table and significantly augmenting the storage capacity.

The industry is highly labour-intensive and is subject to stringent labour laws. Substantial increase in labour wages, high social costs over most Tea producing countries, high infrastructure costs and increasing energy and other input

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costs remain the major problems for the India Tea industry. Shortage of labour during peak season in some pockets is also a cause for concern.

The Company has been maintaining exceptionally good relations with its labour force and with the employee friendly approach being adopted by it, the industrial relations continue to remain cordial. The Company has been successful to attract workers from the non-traditional plantation districts of Orissa, Jharkhand and Madhya Pradesh. The Company is also focusing on retaining the skilled workforce by providing better working atmosphere, improving the skill levels by training on various activities like introduction of mechanization in all possible and feasible activities.

D. INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

The Company has adequate internal control system commensurate with the size, scale and complexity of its operations which provides reasonable assurance with regard to safeguarding the Company's assets, promoting operational efficiency by cost control, preventing revenue leakages and ensuring adequate financial and accounting controls and compliance with various statutory provision.

A qualified and independent Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control systems and suggests improvements for strengthening them.

E. FINANCIAL & OPERATIONAL PERFORMANCE

The details of Financial and Operational Performance have been provided in the Report of the Directors.

F. HUMAN RESOURCE DEVELOPMENT / INDUSTRIAL RELATIONS

The Company has built its workforce with a diverse background of individuals - essential for the kind of organization what it is. The Company constantly endeavours to provide a platform where people have opportunities to actualize their maximum potential through work which helps to stretch their intellect. Continuous efforts are on for a work-culture which encourages innovation, transparency in communication, trust and amity. As on 31st March, 2019, there were 3233 permanent employees on the rolls of the Company. Industrial relations in all the estates, factories and offices of the organization were cordial throughout the year under review.

G. SIGNIFICANT CHANGES (MORE THAN 25%) IN KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATIONS

Sl. No.	Key Financial Ratios	31.03.2019	31.03.2018	Change (%)
1	Debtors' Turnover	19.56	15.74	24.27
2	Inventory Turnover	7.98	5.70	40.00
3	Interest Coverage Ratio	0.05	0.07	-28.57
4	Current Ratio	0.44	0.62	-29.03
5	Debt Equity Ratio	0.32	0.39	-17.95

- Higher Debtors' Turnover for the year ended 31st March, 2019 indicates that the Company's collection of accounts receivable was efficient during the year and lower credit was extended to customers.
- Improved Inventory Turnover for the year ended 31st March, 2019 indicates that the Company was able to sell its inventory faster.
- Change in Interest Coverage Ratio is due to lower earnings before Interest, Depreciation and Tax for the year ended 31st March, 2019 in comparison to the previous year.
- Current Ratio for the year ended 31st March, 2019 has declined due to decrease in Current Assets, mainly Inventories and Trade Receivables.
- In view of the losses incurred by the Company for the year ended 31st March, 2019 and 31st March, 2018, Operating Profit Margin, Net Profit Margin and Return on Networth is not calculated.

H. CAUTIONARY STATEMENT

The statements made in the Management's Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be "Forward Looking Statements" within the meaning of applicable Securities Laws & Regulations and are based on the currently held beliefs and assumptions of our management, which are expressed in good faith and in their opinion, reasonable. Actual results could differ from those expressed and implied since the Company's operations are influenced by many external and internal factors beyond the control of the Company. Several factors could make a significant difference to the Company's operations which includes climatic conditions, economic conditions affecting demand and supply, government regulations and taxation, natural calamities, raw material price changes, domestic supply and prices conditions, company's success in attracting and retaining Key Personnel, integration and re-structuring activities, general business and economic conditions over which the Company does not have any direct control.

Report on corporate governance

Annexure - F

Pursuant to regulation 34(3) read with Part C of Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 a report on Corporate Governance is given below :

1. COMPANY'S GOVERNANCE PHILOSOPHY:

Your Company believes in conducting its affairs with the highest levels of integrity, with proper authorisations, accountability and transparency. The Board ensures proper delegation of appropriate authority and oversees the functioning of the Company and that of its management, and ensures that every decision taken is in the best interest of all the stakeholders of the Company.

2. BOARD OF DIRECTORS :

i. COMPOSITION AND CATEGORY OF DIRECTORS

The Board has an appropriate mix of knowledge, wisdom and varied industry experience to guide the Company in achieving its objectives in a sustainable manner.

The Board of Directors as on 31st March, 2019, comprised of five Directors that includes woman Director, whose composition is given below :

Category	Name of Directors
Promoter Directors	
Non-Executive Chairman	Shri Hemant Bangur
Non-Executive Director	Smt. Pushpa Devi Bangur
Independent Directors/Non-Executive Directors	Shri Manoj Kumar Daga Shri Jay Kumar Surana Shri Mihir Mohan Pyne

The Composition and category of each Director on the Board, attendance at the Board Meetings and at the last Annual General Meeting (AGM) held on August 31, 2018 together with details of other Directorships and Committee Memberships/Chairmanships number of shares held in the Company by them are given below:

Name of Director	Category of Director	No. of Board meetings attended	Attendance at last AGM held on August 31, 2018	No. of Directorships in other Public Limited Companies *	No. of Chairmanship/ Membership of Board Committees (Other than Joonktollee)•		No. of Shares held in the Company
					Chairman	Member	
Shri Hemant Bangur (DIN : 00040903)	NEC	4	Yes	8	–	3	426729
Smt. Pushpa Devi Bangur (DIN : 00695640)	NED	3	No	3	–	2	642928
Shri M.K. Daga (DIN : 00123386)	NED	4	Yes	2	1	2	–
Shri J.K. Surana (DIN : 00582653)	ID/NED	4	Yes	2	2	–	–
Shri M.M. Pyne (DIN : 00680120)	ID/NED	2	No	1	–	–	–

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NEC – Non-Executive Chairman NED – Non-Executive Director
ID – Independent Director

* Excludes Pvt. Ltd. Companies, Foreign Companies, Companies Registered under Section 8 of the Companies Act, 2013.

❑ In accordance with Regulation 26 (1)(b) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Membership/Chairmanship of only Audit Committee and Stakeholders Relationship Committee has been considered.

None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees across all companies in which they are Directors.

Details of directorship of aforesaid Directors in other listed entities are given below :

Sl. No.	Name of the Director	Name of the listed entity with Category
1.	Shri Hemant Bangur	Gloster Ltd – Executive Chairman The Phosphate Company Ltd – Non-Executive Director The Cochin Malabar Estates And Industries Ltd - Non-Executive Promoter Director
2.	Smt. Pushpa Devi Bangur	Gloster Ltd - Non-Executive Promoter Director Port Shipping Company Ltd – Non-Executive Promoter Director
3.	Shri M.K. Daga	Tongani Tea Company Ltd – Non-Executive Director Norben Tea & Exports Ltd – Managing Director
4.	Shri J. K. Surana	Port Shipping Company Ltd – Independent Director
5.	Shri M.M. Pyne	-

Skills/Expertise/Competencies of the Board of Directors

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

(i) Business Strategy, Planning and Corporate Management

(ii) Accounting & Financial Skills

(iii) Marketing

(iv) Communication

(v) Corporate Governance

(vi) Legal & Risk Management

(vii) Discharge of Corporate Social Responsibility

ii BOARD MEETINGS

The Board meets at regular intervals to discuss and decide on business strategies, policies and review the financial performance of the Company and its subsidiaries. The notice and detailed agenda along with relevant notes are sent in advance separately to each Director. An action taken report on the decisions of the Board at its previous meeting is systematically put up to the Board at the following meeting for its information.

During the year under review, four Board Meetings were held on May 14, 2018; August 13, 2018; November 13, 2018 and February 6, 2019 to deliberate on various matters. The maximum time gap between two consecutive meetings was less than 120 days as stipulated under Section 173(1) of the Act, Regulation 17(2) of the Listing Regulations and Secretarial Standards issued by Institute of Company Secretaries of India.

iii. DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS

No Director is related to any other Director on the Board in the Company except Shri Hemant Bangur, Chairman and Smt. Pushpa Devi Bangur, Director who are related to each other within the meaning of the term "Relative" as per Section 2(77) of the Companies Act, 2013.

iv. INDEPENDENT DIRECTORS

In terms of the provisions of Section 149 of the Companies Act, 2013 and Rules framed thereunder and Listing Regulations, the Independent Directors of the Company were appointed for a period of five years by the Members of the Company. A formal letter of appointment setting out the terms and conditions of appointment, roles and functions, responsibilities, duties, fees and remuneration, liabilities, resignation / removal, etc., as specified under Schedule IV to the Companies Act, 2013 has been issued to each of the Independent Directors subsequent to obtaining approval of the Members to their respective appointments. The terms and conditions of such

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appointment of the Independent Directors are also made available on the website of the Company at www.joonktolleetea.in.

The Independent Directors fulfill the conditions of Independence specified in Section 149 of the Companies Act, 2013 and Regulation16(b) of the Listing Regulation and are independent of the management. In terms of Regulation 25(8) of the Listing Regulations, Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be anticipated that could impair or impact their ability to discharge their duties.

The Independent Directors have been familiarized with the nature of operations of the Company and the industry in which it operates, business model of the Company. The details of familiarization programme have been posted in the website of the Company and can be accessed at http://www.joonktolleetea.in/downloads/familiarisation_programme.pdf

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on 6th February, 2019 to review the performance of Non-independent Directors (including the Chairman) and the Board as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

v. CODE OF CONDUCT

The Board of Directors has adopted the Code of Conduct and Ethics for Directors and Senior Management. The Code has been posted on the website of the Company and the weblink for the same is http:// www.joonktolleetea.in/downloads/code_of_conduct.pdf. For the year under review, all the Directors and the Senior Management Personnel of the Company have confirmed their adherence to the provisions of this Code. A declaration to this effect given by the Chairman of the Company is annexed alongwith this report.

The Company has adopted an Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Designated persons in accordance with the SEBI (PIT) Regulations 2015, the same has been posted on the website of the Company and the weblink for the same is http://joonktolleetea.in/downloads/code_to_regulate.pdf.

The Company has also formulated "The Code of Practices and Procedures for Fair Disclosures of Unpublished Price Sensitive Information (UPSI) in compliance with the PIT Regulations. This Code is displayed on the Company's website and the weblink for the same is http://joonktolleetea.in/downloads/code_of_practices.pdf

3. AUDIT COMMITTEE :

The Board of Directors of the Company has constituted an Audit Committee of the Board in terms of the requirements of Section 177 of the Companies Act, 2013 and Rules framed thereunder read with Regulation 18 of the Listing Regulations. The Audit Committee of the Company meets every quarter, inter alia, to review the financial results for the previous quarter before the same are approved at Board Meetings, pursuant to Regulation 33 of the Listing Regulations. The Audit Committee may also meet from time to time, if required.

(i) TERMS OF REFERENCE

The role and terms of Reference of the Audit Committee covers the areas mentioned under Regulation 18 of Listing Regulations and Section 177 of the Companies Act, 2013 and are as follows :

a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

b) Recommending to the Board the appointment, re-appointment and if required, the replacement or removal of the statutory auditor and the fixation of audit fees.

c) Recommending to the Board the appointment, re-appointment and if required, the replacement or removal of the internal auditor and the fixation of audit fees.

d) Recommending to the Board the appointment, re-appointment and if required, the replacement or removal of the cost auditor and the fixation of audit fees.

e) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

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f) Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval, with particular reference to:

   – Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.

   – Changes if any, in accounting policies and practices and reasons for the same.

   – Major accounting entries involving estimates based on the exercise of judgement by management.

   – Significant adjustments made in the financial statements arising out of audit findings.

   – Compliance with listing and other legal requirements relating to financial statements.

   – Disclosure of any related party transactions.

   – Modified opinion(s) in the draft audit report, if any.

g) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.

h) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

i) Review and monitor the auditor's independence and performance, and effectiveness of audit process;

j) Approval or any subsequent modification of transactions of the Company with related parties;

k) Scrutiny of inter-corporate loans and investments;

l) Valuation of undertakings or assets of the Company, wherever it is necessary;

m) Evaluation of internal financial controls and risk management systems;

n) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

o) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

p) Discussion with internal auditors of any significant findings and follow up there on;

q) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

r) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

s) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

t) To review the function of the Whistle Blower mechanism;

u) Approval of appointment of CFO after assessing the qualifications, experience & background, etc. of the candidate;

v) To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

w) The Audit Committee also reviews the following –

   – Management discussion and analysis of financial condition and result of operations;

   – Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

   – Management letters / letters of internal control weaknesses issued by the Statutory Auditors;

   – Internal audit reports relating to internal control weaknesses; and

   – The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.

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x. Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding Rs. 100 crores or 10% of the asset size of the subsidiary, whichever is lower.

(ii) COMPOSITION OF THE COMMITTEE, MEETINGS AND ATTENDANCE

The Audit Committee comprises of four directors of which three are Independent Non-Executive Directors namely, Shri M.K. Daga, Shri M.M. Pyne and Shri J.K. Surana respectively and one is Promoter Non-Executive Chairman namely Shri Hemant Bangur. Shri M.K. Daga is the Chairman of the Committee.

The Committee met 4 times during the year on 14th May, 2018, 13th August, 2018, 13th November, 2018 and 6th February, 2019. The requisite quorum was present at all the Meetings. The attendance of the Members at the Audit Committee Meetings is as under:

Name of the Director	Category	No. of meetings entitled to attend	No. of meetings attended
Shri M.K. Daga, Chairman	Independent Director	4	4
Shri M.M. Pyne, Member	Independent Director	4	2
Shri J.K. Surana, Member	Independent Director	4	4
Shri Hemant Bangur, Member	Non-Executive Director	4	4

The Company Secretary, Chief Operating Officer and Chief Financial Officer of the Company were present at the meetings. At the invitation of the Committee, the Statutory Auditors and the Internal Auditors of the Company also attend the meetings.

The Chairman of the Audit Committee was present at the 144th AGM of the Company held on 31st August, 2018.

4. NOMINATION AND REMUNERATION COMMITTEE:

The Board of Directors of the Company has constituted a Nomination and Remuneration Committee of the Board in terms of the requirements of Section 178 of the Companies Act, 2013 and Rules framed thereunder read with Regulation 19 of the Listing Regulations.

(i) TERMS OF REFERENCE

The terms of reference of the Committee includes the following:

a) Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, key managerial personnel and other employees;

b) Formulation of criteria for evaluation of Independent Directors and the Board;

c) Devising a policy on Board diversity;

d) Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

e) Reviewing the overall compensation policy, service agreements and other employment conditions of Wholetime Director and Key Managerial Personnel;

f) Reviewing the performance of the Wholetime Director and Key Managerial Personnel and recommending to the Board, the quantum of annual increments and annual commission;

g) Approving and recommending to the Board, the remuneration and commission payable to the Directors.

h) To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

i) Recommend to the Board all remuneration, in whatever form payable to Senior Management.

j) Whether to extend or continue the term of appointment of the Independent Directors and on the basis of the report of performance evaluation of the Independent Directors;

(ii) COMPOSITION OF THE COMMITTEE, MEETINGS AND ATTENDANCE

The Nomination & Remuneration Committee comprises of four directors of which three are Independent Non-Executive Directors namely Shri J.K. Surana, Shri M.M. Pyne and Shri M.K. Daga respectively and one is Promoter Non-Executive Chairman namely Shri Hemant Bangur. Shri J.K. Surana is the Chairman of the Committee.

During the year under review, the Committee met thrice on 30th July, 2018, 3rd October, 2018 & 4th February, 2019. The requisite quorum was present at all the Meetings. The attendance of the Members at the Nomination & Remuneration Committee Meeting is as under:

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Name of the Director	Category	No. of meetings entitled to attend	No. of meetings attended
Shri J.K. Surana, Chairman	Independent Director	3	3
Shri M. M. Pyne, Member	Independent Director	3	1
Shri M.K. Daga, Member	Independent Director	3	3
Shri Hemant Bangur, Member	Non-Executive Director	3	3

The Company Secretary was present at all the above meetings.

The Chairman of the Nomination & Remuneration Committee was present at the last AGM of the Company held on 31st August, 2018.

(iii) REMUNERATION OF DIRECTORS

The remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodical basis. The remuneration policy is in consonance with the existing Industry practice.

The Company has no pecuniary relationship of transaction with its Non-Executive & Independent Directors other than payment of sitting fees to them for attending Board & Committee Meetings.

Criteria of making payment to Non-Executive Directors are disclosed in the Nomination and Remuneration Policy. The said policy has been uploaded on the website of the Company at www.joonktolleetea.in and is available at the link http://joonktolleetea.in/downloads/remuneration_policy.pdf

DETAILS OF REMUNERATION PAID / PAYABLE TO ALL THE DIRECTORS / MANAGER FOR THE YEAR ENDED 31ST MARCH, 2019

(Figures in Rupees)

Name of the Director	Sitting Fees	Salary	Perquisites and other benefits	Total
Smt. Pushpa Devi Bangur	1,35,000	-	-	1,35,000
Shri Hemant Bangur	1,75,000	-	-	1,75,000
Shri M.K. Daga	80,000	-	-	80,000
Shri J.K. Surana	75,000	-	-	75,000
Shri M.M. Pyne	90,000	-	-	90,000
Shri K.C. Mohta$	-	3,75,000	5,06,500	8,81,500

$ Ceased to be Executive Director due to demise on 30th April, 2018.

(Figures in Rupees)

Name of the Manager	Salary	Perquisites and other benefits	Total
Shri M. Raman*	7,00,000	6,35,417	13,35,417

* Appointed for a tenure of 3 years with effect from 1st November, 2018.

(iv) PERFORMANCE EVALUATION OF BOARD, COMMITTEES AND DIRECTORS

The Company conducts a Performance Evaluation every year in respect of the following:

i. Board of Directors as a whole.

ii. Committees of the Board of Directors.

iii. Individual Directors including the Chairman of the Board of Directors.

The performance was evaluated based on parameters such as Composition and Quality of Board Members, Effectiveness of Board/Committee process and functioning, contribution of the Members, Board Culture and Dynamics, Fulfillment of key responsibilities, Ethics and Compliance etc.

Corporate Governance
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5. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Board of Directors of the Company has constituted a Stakeholders Relationship Committee of the Board in terms of the requirements of Section 178 of the Companies Act, 2013 and Rules framed thereunder read with Regulation 20 of the Listing Regulations.

(i) TERMS OF REFERENCE

The broad terms of Reference of the Stakeholders' Relationship Committee are as under :

a) Consider, approve or refuse the registration of transfer/ transmission of shares in the Company.

b) Approve the sub-division, consolidation and renewal of share certificates and to issue new certificates, duplicate share certificates in lieu of those lost or destroyed.

c) Review and redress the compliance of laws and regulations governing the Company to the extent they are related to Shareholders' right.

d) Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.

e) Review of measures taken for effective exercise of voting rights by shareholders.

f) Review of adherence to the service standards adopted by the Company in respect of various service being rendered by the Registrar & Share Transfer Agent.

g) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

(ii) COMPOSITION OF THE COMMITTEE, MEETINGS AND ATTENDANCE

The Stakeholders' Relationship Committee comprises of one woman Promoter Non-Executive Director, one Independent Non-Executive Director and one Promoter Non-Executive Chairman namely Smt. Pushpa Devi Bangur, Shri M.M. Pyne and Shri Hemant Bangur respectively. Smt. Pushpa Devi Bangur is the chairperson of the Committee. Shri S. Bagree, Manager (Finance) & Company Secretary, is the Compliance Officer of the Company.

During the year under review, 20 (Twenty) Stakeholders' Relationship Committee Meetings were held. The requisite quorum was present at all the Meetings. The attendance of the Members at the Stakeholders' Relationship Committee Meeting is as under :

Name of the Director	Category	No. of meetings entitled to attend	No. of meetings attended
Smt. Pushpa Devi Bangur, Chairperson	Non-Executive Director	20	20
Shri Hemant Bangur, Member*	Non-Executive Director	19	19
Shri M.M. Pyne, Member	Independent Director	20	11

* Shri Hemant Bangur was inducted as a member in the Committee w.e.f. 14th May, 2018.

The Company Secretary was present at all the above meetings.

The Board of Directors have authorized the Secretary to approve the transfer / transmission / rematerialisation of shares which are properly processed and related formalities are done by the Registrar & Share Transfer Agent, M/s. Maheshwari Datamatics Pvt. Ltd., Kolkata. A statement showing such transfer / transmission / rematerialisation and also sub-division, consolidation of share certificates, issue of duplicate share certificates etc. is tabled at the Committee meetings. On approval of the Committee, necessary effects to such transfer / transmission / rematerialisation etc., are given. The Committee also keeps a close watch on all the complaints/grievances from the shareholders which are duly attended. Continuous efforts are made to ensure that grievances are expeditiously redressed to the satisfaction of the investors.

In compliance with the requirements of the SEBI Circular No. CIR/OIAE/2/2011 dated June 3, 2011, the Company has obtained exclusive User Id and Password for processing the investor complaints in a centralized web based SEBI Complaints Redress System – 'SCORES'. This enables the investors to view online the action taken by the Company on their complaints and current status thereof, by logging on to the SEBI's website www.sebi.gov.in.

Details of Complaints received, redressed and pending during the financial year and reported under Regulation 13(3) of the SEBI (LODR) Regulations, 2015 are as under :

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Pending at the beginning of the year	Received during the year	Redressed/ Replied during the year	Pending at the year end
Nil	1	1	Nil

There was no unresolved complaint as on 31st March, 2019.

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Board of Directors has constituted a Corporate Social Responsibility Committee (CSR Committee) of the Board in terms of the requirements of Section 135 of the Companies Act, 2013 and Rules framed thereunder.

The said Committee has formulated a CSR policy which has activities envisaged in Schedule VII of the Companies Act, 2013 and has been disclosed on the website of the Company.

(i) TERMS OF REFERENCE

The broad terms of Reference of the Committee are as under :

a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act 2013;

b) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a) in a financial year;

c) Monitor the Corporate Social Responsibility Policy of the company from time to time.

d) Any other matter/thing as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company.

(ii) COMPOSITION OF THE COMMITTEE, MEETINGS AND ATTENDANCE

The Corporate Social Responsibility Committee comprises of one woman Promoter Non-Executive Director, one Independent Non-Executive Director and one Promoter Non-Executive Chairman namely Smt. Pushpa Devi Bangur, Shri M.K. Daga and Shri Hemant Bangur respectively. Smt. Pushpa Devi Bangur is the Chairperson of the Committee.

During the year under review, the Committee met once on 5th January, 2019. The requisite quorum was present at the Meeting. The attendance of the Members at the Corporate Social Responsibility Committee Meeting is as under:

Name of the Director	Category	No. of meetings entitled to attend	No. of meetings attended
Smt. Pushpa Devi Bangur, Chairperson	Non-Executive Director	1	1
Shri Hemant Bangur, Member	Non-Executive Director	1	1
Shri M.K. Daga, Member	Independent Director	1	1

The Company Secretary was present at the above meeting.

7. ISSUE & ALLOTMENT COMMITTEE:

The Issue & Allotment Committee of the Board considers and approves issue and allotment of shares under agreed scheme e.g. Rights Issue, Bonus Issue, Capitalization or any other scheme as approved by the Board.

(i) TERMS OF REFERENCE

The broad terms of Reference of the Issue & Allotment Committee are as under :

a) Notifying Registrar & Share Transfer Agents of the Company to issue share certificates for the shares to be allotted pursuant to any agreed scheme;

b) Notifying the stock exchange(s) for issue and allotment of shares;

c) Notifying the Registrar of Companies for issue and allotment of shares, through return of allotment;

d) Taking up any other duties as determined by the Board from time to time.

(ii) COMPOSITION OF THE COMMITTEE, MEETINGS AND ATTENDANCE

The Issue and Allotment Committee comprises of one Promoter Non-Executive Chairman and two Independent Non-Executive Directors namely Shri Hemant Bangur, Shri M.M. Pyne and Shri M.K. Daga respectively.

No meeting was held during the year.

Corporate Governance
report (Contd.)

8. GENERAL BODY MEETINGS:

LAST THREE ANNUAL GENERAL MEETINGS OF THE COMPANY WERE HELD AS UNDER :

Financial Year	Date of Meeting	Time	Location
2015-2016	Aug 30, 2016	10.30 A.M.	Shripati Singhania Hall, Rotary Sadan, 94/2, Chowringhee Road, Kolkata-700 020
2016-2017	Aug 31, 2017	10.30 A.M.	Shripati Singhania Hall, Rotary Sadan, 94/2, Chowringhee Road, Kolkata-700 020
2017-2018	Aug 31, 2018	10.30 A.M.	Shripati Singhania Hall, Rotary Sadan, 94/2, Chowringhee Road, Kolkata-700 020

– No Special Resolution were passed in the previous three annual general meetings.

– No Resolution was passed during the financial year ended March 31, 2019 through Postal Ballot under Section 110 of the Companies Act, 2013 and Rules framed thereunder.

The Company does not propose to conduct any Special Resolution through Postal Ballot under Section 110 of the Companies Act, 2013 and Rules framed thereunder on or before the forthcoming AGM.

9. MEANS OF COMMUNICATION:

(a) The quarterly results of the Company were announced within due time as per the statutory requirements and were sent to the Stock Exchanges.

(b) These results were also published in 'The Echo of India' (English Newspaper) and ' Arthik Lipi' (Bengali Newspaper).

(c) The results are also posted on the Company's website at www.joonktolleetea.in.

(d) The Company has not made any official news release and presentations to any institutional investors/ analysts during the year.

(e) The Company has an exclusive e-mail id for Shareholders/Investors and they may write to the Company at investors@joonktolleetea.in

10. SUBSIDIARY COMPANIES:

Non-listed Subsidiary

The Company has two material Non-listed Subsidiary Companies. It has appointed independent directors of the Company in each of such Subsidiary Companies. The Minutes of the meetings of the Board of Directors of these Subsidiary Companies are periodically placed before the Board of Directors of the Company and attention of the Directors is drawn to the significant transactions and arrangements entered into by the Subsidiary Companies.

During the year under review, M/s. Cowcoody Builders Pvt. Ltd. has ceased to be a subsidiary of the Company.

11. DISCLOSURES:

(a) Related Party Transactions :

There were no materially significant related party transactions made by the Company with promoters, directors or key managerial personnel etc. which might have potential conflict with the interest of the Company at large. The Audit Committee has granted omnibus approval for related party transactions in the ordinary course of business.

A statement of all related party transactions is presented before Audit Committee on a quarterly basis specifying the nature, value and terms & conditions of the transactions.

The details of the transactions with the related parties are provided in the Notes to Company's Financial Statement.

(b) Non-compliance/strictures/penalties imposed :

No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets for non-compliance by the Company during the last three years.

(c) Whistle Blower Policy / Vigil Mechanism :

The Company has adopted a Whistle Blower Policy and has established the necessary mechanism, for directors & employees to report concerns about unethical behavior or suspected fraud in violation of Company's Code of Conduct or any other point of concern. The policy has been disclosed on the website of the Company and the weblink for the same is http://www.joonktolleetea.in/downloads/whistle_blower_policy.pdf

No person has been denied access to the Audit Committee.

Corporate Governance
report (Contd.)

(d) Compliance with Corporate Governance Norms:

The Company has complied with all the applicable mandatory requirements as stipulated in regulation 27 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

(e) Policy for determining 'material' subsidiaries:

The Company has formulated a policy for determining 'material' subsidiaries in accordance with the guidelines set out in the Listing Regulation. The policy has been disclosed on the website of the Company and the weblink for the same is http://www.joonktolleetea.in/downloads/material_subsidiaries_policy.pdf.

(f) The Related Party Transaction Policy as approved by the Board is uploaded on the Company's website and the weblink for the same is http://www.joonktolleetea.in/downloads/party_transaction_policy.pdf.

(g) Commodity price risk or foreign exchange risk and hedging activities:

The Company did not have any commodity price risk or foreign exchange risk and hedging activities as on 31st March, 2019.

(h) The Company has not raised funds through preferential allotment or qualified institutions placement as specified under regulation 32(7A).

(i) Practicing Company Secretary Certificate on Director qualification:

The Company has obtained a Certificate from a Practicing Company Secretary confirming that none of the Directors has been debarred or disqualified from being appointed or continuing on the Board as Directors of any Company by any statutory authority.

(j) Committee Recommendations:

During the year under review, there were no instances where the Board had not accepted any recommendation of any committee of the Board which is mandatorily required.

(k) Fees paid to the Statutory Auditor:

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis to the Statutory auditor and all entities in the network firm / network entity of which the statutory auditors is a part is given in Note No. 36 to the Standalone Financial Statements & Note No. 36 to the Consolidated Financial Statements.

(l) Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

There were no complaints filed during the year under the above Act.

12. CEO/CFO CERTIFICATION:

In accordance with Part B of Schedule II to the Listing Regulation, the Certificate signed by Shri Mukundan Raman, Manager and Shri Sayansiddha Das, CFO was placed before the Board of Directors at their meeting held on 15th May, 2019.

13. GENERAL SHAREHOLDER INFORMATION :

The required information under regulation 34(3) read with Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is given in the "Shareholder Information" separately in the annexure to this Corporate Governance Report.

14. STATUS OF ADOPTION OF THE NON MANDATORY REQUIREMENTS:

In terms of Regulation 27(1) of the Listing Regulations read with Part E of Schedule II, the disclosure on account of the discretionary requirements are given below:

(i) The Chairman does not maintain any office at the expense of the Company;

(ii) In view of publication of the Financial Results of the Company in newspapers and disseminating the same on the website of the Company as well as on the website of the Stock Exchanges, the Company does not consider it prudent to circulate the half-yearly Results separately to the Shareholders;

(iii) The Company's Financial Statements have been accompanied with unmodified audit opinion – both on quarterly and yearly basis and also both on standalone and consolidated basis;

(iv) The Internal Auditors of the Company are independent and their Reports are placed before the Audit Committee.

Shareholder Information

(i) Annual General Meeting:

Day	Date	Time	Venue
Monday	September 9, 2019	10.30 A.M.	"Shripati Singhania Hall" Rotary Sadan, 94/2, Chowringhee Road, Kolkata – 700 020

(iii) Financial Year: The Financial Year of the Company is from 1st April to 31st March.

(iv) Financial Calendar (tentative):

Day	Venue
June 30, 2019	Second week of August, 2019
September 30, 2019	Second week of November, 2019
December 31, 2019	Second week of February, 2020
March 31, 2020	Within May, 2020

(v) Date of Book Closure:

Day	Date		Day	Date
Monday	September 2, 2019	To	Sunday	September 8, 2019

(v) (A)

Name and address of Stock Exchanges:	Scrip Code
BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	538092
The Calcutta Stock Exchange Ltd. 7, Lyons Range, Kolkata-700 001	10020009

B) Payment of Listing Fees:

Annual listing fee for the year 2019-20 has been paid by the company to BSE and the Listing Fee Bill from CSE for the financial year 2019-20 is awaited.

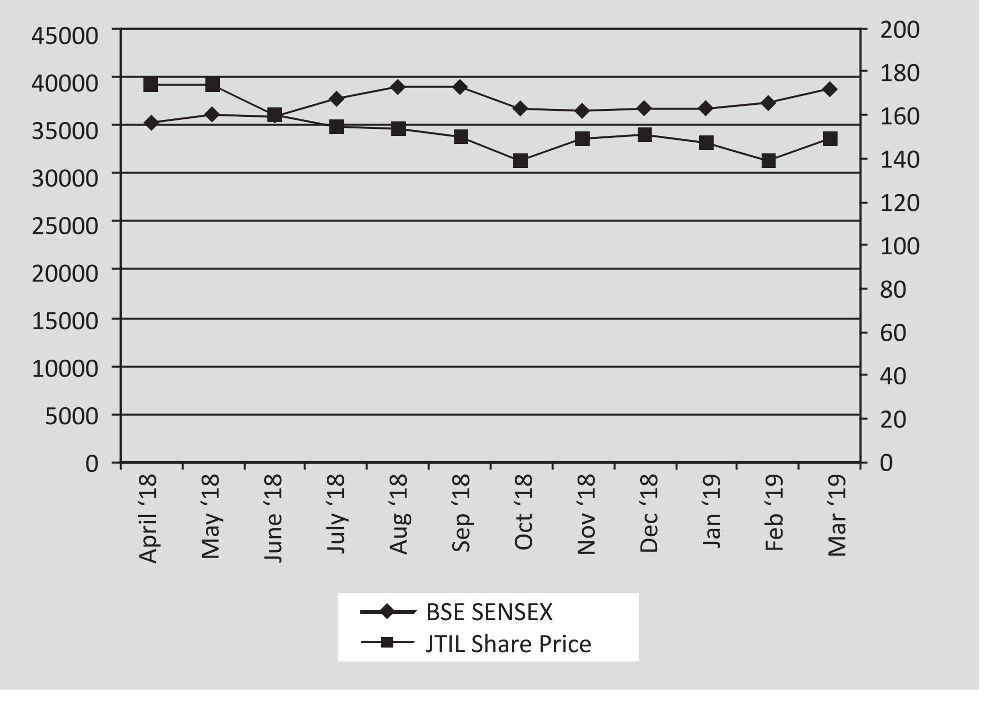
Shareholder
information (Contd.)

C) Demat ISIN No. for NSDL & CDSL : INE574G01013

(vi) Stock Market Performance

There were no transactions in the equity shares of the Company at The Calcutta Stock Exchange, hence there is no monthly high and low quotations and volume of shares traded on the Stock Exchange during the year. However, the month-wise high, low of the market price of the Company's shares traded on BSE along with month-wise high, low of the BSE SENSEX are as under :

Months	Stock Price at BSE		BSE SENSEX	
	High (₹)	Low (₹)	High	Low
April, 2018	174.00	147.50	35213.30	32972.56
May, 2018	173.75	142.00	35993.53	34302.89
June, 2018	160.50	128.00	35877.41	34784.68
July, 2018	154.70	127.00	37644.59	35106.57
August, 2018	154.00	132.00	38989.65	37128.99
September, 2018	150.00	127.70	38934.35	35985.63
October, 2018	139.00	119.20	36616.64	33291.58
November, 2018	149.00	128.25	36389.22	34303.38
December, 2018	150.75	128.25	36554.99	34426.29
January, 2019	146.95	124.05	36701.03	35375.51
February, 2019	138.95	115.25	37172.18	35287.16
March, 2019	149.00	128.30	38748.54	35926.94



Shareholder
information (Contd.)

(vii) Registrars And Share Transfer Agent :

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

(viii) Share Transfer System :

Requests for transfer/transmission of shares are registered by the Registrars and placed before the Stakeholders' Relationship Committee and after approval certificates are returned to the respective transferee within the stipulated time period, provided the documents lodged with the Registrars/Company are in order. The dematerialized shares are credited directly to the respective Demat Account of beneficiaries by the Depositories.

(ix) A) Shareholding Pattern as on March 31, 2019 :

	CATEGORY	NO. OF SHARES HELD	% OF SHARE CAPITAL
A.	**PROMOTER'S HOLDING**		
1.	**Promoters**		
a.	Indian Promoters	3106138	74.9876
b.	Foreign Promoters	–	–
	Total	**3106138**	**74.9876**
B.	**NON-PROMOTER'S HOLDING**		
2.	**Institutional Investors**		
a.	Mutual Funds	–	–
b.	Banks, Financial Institutions, Insurance Companies	249412	6.0212
c.	FIIs	–	–
	Total	**249412**	**6.0212**
3.	**OTHERS**		
a.	Bodies Corporate	53263	1.2859
b.	Indian Public	682446	16.4755
c.	NRIs/OCBs	4258	0.1028
d.	IEPF	32154	0.7763
e.	Others	14530	0.3508
	Total	**786651**	**18.9913**
	GRAND TOTAL	**4142201**	**100.0000**

B) Distribution of Shareholding as on March 31, 2019:

Category	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Shareholding
Upto 500	3490	94.6312	233447	5.6358
501 to 1000	93	2.5217	66828	1.6133
1001 to 2000	47	1.2744	61691	1.4893
2001 to 3000	20	0.5423	50172	1.2112
3001 to 4000	3	0.0813	10764	0.2599
4001 to 5000	4	0.1085	18605	0.4492
5001 to 10000	9	0.2440	69825	1.6857
10001 and above	22	0.5965	3630869	87.6555
GRAND TOTAL	**3688**	**100.0000**	**4142201**	**100.0000**

Shareholder
information (Contd.)

(x) Dematerialisation of Shares And Liquidity :

The trading in Company's shares on the Stock Exchange is permitted only in dematerialized form. In order to enable the shareholders to hold their share in electronic form and to facilitate scripless trading, the Company has entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby shareholders have the option to dematerialize their shares with either of the Depositories.

As stipulated by SEBI, a qualified practicing Company Secretary carries out the Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital.

Status of Dematerialisation as on 31st March, 2019 was as under :

Particulars	No. of Shares	% to Total Capital	No. of Accounts
National Securities Depository Limited	2341633	56.5311	1558
Central Depository Services (India) Limited	1630935	39.3736	893
Total Dematerialised	**3972568**	**95.9047**	**2451**
Physical	169633	4.0952	1567
Grand Total	**4142201**	**100.0000**	**4018**

(xi) Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, Conversion date and likely impact on Equity:

The Company did not have any outstanding GDRs / ADRs / Warrants or Convertible Instruments as on 31st March, 2019.

(xii) Locations:

A. Tea / Coffee/ Rubber Estates and Factories are located at –

TEA

Joonktollee Tea Estate
P.O. Barbam-786 624
Dist. Dibrugarh, Assam

Shree Ganga Tea Estate
P.O. Barbam-786 624
Dist. Dibrugarh, Assam

Goomankhan Tea Estate
Hirebile P.O.577121
Dist. Chikmagalur, Karnataka

Kolahalmedu Tea Estate
Vagamon Post
P.O. Pullikanam-685503
Dist. Idukki, Kerala

Jamirah Tea Estate
P.O. Dibrugarh-786 001
Dist. Dibrugarh, Assam

Nilmoni Tea Estate
P.O. Tinkhong-786 112
Rajgarh, Assam

Pullikanam Tea Estate
Vagamon Post
P.O. Pullikanam-685503
Dist. Idukki, Kerala

Azizbagh Tea Estate
Rajgarh - 786611
Dist. Dibrugarh, Assam

Shareholder
information (Contd.)

COFFEE
Cowcoody Estate
Somwarpet-571236
Dist. Coorg, Karnataka

RUBBER
Chemoni Rubber Estate
P.O. Palapilly-680304
Dist. Trichur, Kerala

Pudukad Rubber Estate
P.O. Palapilly-680304
Dist. Trichur, Kerala

Echipara Rubber Estate
P.O. Palapilly-680304
Dist. Trichur, Kerala

B. Administrative Office –
Cowcoody Chambers
234-A, Race Course Road
Coimbatore-641 018
Tamil Nadu

(xiii) Address for correspondence :

Registrar & Share Transfer Agents	Registered Office
Maheshwari Datamatics Pvt. Ltd. 23, R.N. Mukherjee Road, 5th Floor Kolkata - 700 001. Tel : 033-2248-2248 Fax : 033-2248-4787 e-mail : mdpldc@yahoo.com	Joonktollee Tea & Industries Ltd. 21, Strand Road, Kolkata – 700 001. Tel : 033-2230-9601 Fax : 033-2210-6495 e-mail : info@joonktolleetea.in / investors@joonktollee tea.in

(xiv) Credit Ratings :

During the year under review, CRISIL had assigned the rating of BB/Stable for the existing and proposed bank loan facilities availed by the Company. However, CARE has affirmed the rating of BB+/Stable for the bank facilities of the Company.

(xv) Transfer of unpaid and unclaimed dividend to Investor Education and Protection Fund :

The Company has transferred the unpaid and unclaimed dividends declared up to financial years 2010-2011, from time to time, to the Investor Education and Protection Fund (“IEPF”) established by the Central Government. Pursuant to the provisions of IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 31st August, 2018 (date of last Annual General Meeting) on the website of the Company at the web link at http://joonktolleetea.in/unpaid_dividend.html

Shareholder
information (Contd.)

Unclaimed shares transferred to IEPF Authority

In line with the IEPF Rules, the Company sends reminder letter to all such shareholders, whose dividend has remained unpaid / unclaimed for a consecutive period of 7 years with a request to claim the dividends, failing which the shares would be transferred to the IEPF Authority on the due date which is available at the Company's website at http://joonktolleetea.in.

Accordingly, all such shares in respect of which dividend had remained unclaimed for a consecutive period of 7 years from the financial years 2010-2011 to 2017-2018 were transferred to the demat account of the IEPF authority. The details of such shares uploaded on the website of the Company www.joonktolleetea.in

During the year under review there are no shares in the demat suspense account or unclaimed suspense account of the Company.

Mr. Sharad Bagree, Company Secretary is the Nodal Officer for IEPF related matters.

(xvi) Corporate Governance Compliance Certificate :

Certificate from Ms. Sweety Kapoor, a practicing Company Secretary, confirming compliance with the relevant provisions of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred in Regulation 15(2) of the Listing Regulations for the financial year ended 31st March, 2019 is attached to the Corporate Governance Report forming part of the Directors' Report.

This Certificate will be forwarded to the Stock Exchanges alongwith the Annual Report of the Company.

DECLARATION BY THE CHAIRMAN ON CODE OF CONDUCT

This is to certify that all the Members of the Board of Directors and Senior Management of the Company, have confirmed compliance with the Company's Code of Conduct during April, 2018 to March, 2019 as provided under the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

For **Joonktollee Tea & Industries Ltd.**

Place : Kolkata
Date : 15th May, 2019

H. Bangur
Chairman

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To
The Members of
Joonktollee Tea & Industries Ltd.

I have examined the compliance of conditions of Corporate Governance by Joonktollee Tea & Industries Limited ('the Company'), for the year ended 31st March, 2019, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, of the said Company with stock exchanges.

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

In my opinion and to the best of my information and according to the explanations given to me, read with the matter described hereinabove, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulations'), of the said Company with stock exchanges.

I 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.

Sweety Kapoor
Place : Kolkata — *Practising Company Secretary*
Date : 15th May, 2019 — Membership No. FCS 6410, C.P. No.5738

Annexure – G

Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year alongwith the percentage increase in remuneration of each Director and Key Managerial Personnel (KMP) during the financial year:**

Sl. No.	Name of Director and KMP	Designation	Ratio of remuneration of each Director/KMP to the median remuneration of employees	% increase in remuneration in the Financial Year 2018-19
1.	Mr. M. Raman	Manager	3.26*	-*
2.	Mr. S. Das	Chief Financial Officer	2.47	-**
3.	Mr. S. Bagree	Company Secretary	2.99	21.05%

*Appointed with effect from 1st November, 2018

**Appointed with effect from 23rd March, 2018

The Independent Directors & Non-Executive Directors of the Company are entitled to sitting fee as per statutory provisions of the Companies Act, 2013, details of which has been provided in the Corporate Governance Report. The ratio of remuneration and percentage increase for the same is, therefore, not considered for the purpose above.

(ii) **The percentage increase in the median remuneration of employees in the financial year:** 4.74%

(iii) **The number of permanent employees on the rolls of the Company as on 31st March, 2019:** 3233

(iv) **Average percentage increase for other than managerial personnel was 7.14%, whereas average percentage increase for managerial personnel was 8.61%.**

(v) **The Company affirms that the remuneration is as per the Remuneration Policy of the Company.**

Standalone Financial Section

Independent
auditors' report

To the Members of
JOONKTOLLEE TEA & INDUSTRIES LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Joonktollee Tea & Industries Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31st 2019, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its loss, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below as Key audit matters and for each matter, our description of how our audit addressed the matter is provided in that context.

Key audit matters	How our audit addressed the key audit matter
Investment in Associate and Subsidiaries The company carries its investments in two subsidiaries and a associate at cost, adjusted for impairment if any. At 31st March 2019, total investments amounted to ₹ 47,18,45,078. The amount is significant to the financial statements. Moreover, the testing of impairment exercise involves the use of estimates and judgements. The identification of impairment events and the determination of an impairment charge also require the application of significant judgement by management, in particular with respect to the timing, quantity and estimation of future cash flows. In view of the significance of the investments and the above, we consider investment valuation/impairment to be a significant key audit matter.	Our audit procedures comprised, amongst others: • We have assessed the valuation methodology used by management and the requirements in IndAS and tested the inputs used • Our audit response also consisted of analysing the possible indications of impairment and discussed them with management. • We have discussed the forecasted results of the investments with management and also reviewed the substantiation of the forecasts based on historical information. • We have reviewed the market value of assets provided by the management based upon prevalent market conditions and evidences of the market value of the assets.

Independent
auditors' report

Key audit matters	How our audit addressed the key audit matter
Valuation of Biological Assets The company's biological assets include standing timber, unharvested green leaf, etc., which is measured at fair value less costs to sell. The principal assumptions and estimates in the determination of the fair value include assumptions about the yields or quantity of biological asset, market prices and the stage of transformation. The determination of these assumptions and estimates require careful evaluation by management and could lead to material impact on the financial position and the results of the Company. Refer note no 14 to the financial statement.	With reference to this key audit matter, we have: Evaluated the design and implementation of Company's controls around the valuation of biological assets and agricultural produce. • Assessing the plucking yields and basis of quantification of biological asset and analyse the stage of transformation considered for the fair valuation. • Assessing the basis, reasonableness and accuracy of adjustments made to market prices. • Testing the consistency of application of the fair value approaches and models over the years.
Contingent Liabilities The Company is exposed to different laws, regulations and interpretations thereof. The company is also subject to number of significant claims and litigations. The assessment of the likelihood and quantum of any liability in respect of these matters can be judgmental due to the uncertainty inherent in their nature. At March 31, 2019, the Company has disclosed significant pending legal cases with respect to Income tax under appeal, Seigniorage Charges, lease rent and other material contingent liabilities [Refer Note 40.1 to the financial statements]. We considered this to be a key audit matter, since the accounting and disclosure of claims and litigations is complex and judgmental, and the amounts involved are, or can be, material to the financial statements.	Our audit procedures included among others: I. Understanding and assessing the internal control environment relating to the identification, recognition and measurement of provisions for disputes, potential claims and litigation, and contingent liabilities; II. Analyzed significant changes/update from previous periods and obtained a detailed understanding of such items. Assessed recent judgments passed by the court authorities affecting such change; III. Discussed the status of significant known actual and potential litigations with the management & noted that information placed before the board for such cases and IV. Assessment of the management's assumptions and estimates related to the recognized provisions for disputes and disclosures of contingent liabilities in the financial statements.

Information other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including annexure to the Board's Report & other Shareholder's Information, but does not include the Consolidated Financial Statements, Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with

(Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Refer to paragraph "material uncertainty related to going concern" above in respect to our reporting in respect to going concern appropriateness. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

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

Independent
auditors' report

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
   (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time;
   (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Standalone Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
   (g) In our opinion and to the best of our information and according to the explanation given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.
   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 40.1 to the Standalone Financial Statements;
      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.

For **JKVS & CO,**
(Formerly known as Jitendra K. Agarwal & Associates)
Chartered Accountants
Firm's Registration No. 318086E

(Utsav Saraf)
Partner
Membership No. 306932

Place: Kolkata
Date: 15th May, 2019

Annexure - A

to the independent auditors' report

(Referred to in 'Report on Other Legal and Regulatory Requirements' section of our report of even date in respect to statutory audit of Joonktollee Tea & Industries Limited for the year ended 31st March 2019)

We report that:

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) According to information and explanation given to us, fixed assets have been physically verified during the year by the management at reasonable intervals and no material discrepancies have been noticed on such physical verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company except for in as follows:

Name of the Unit	Assets Description	As at 31st March 2019 (Rs in Lakh)		Remarks
		Gross Block	Net Block	
Shreemoni Tea Factory	Leasehold Land and Buildings	617.29	310.11	In process of transfer in the name of Company
Joonktollee Tea Estate	Leasehold Land	2.25	2.25	
Chemoni Estate	Leasehold Land	9.95	9.95	

ii. According to information and explanation given to us, inventories were physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on such verification.

iii. In our opinion and according to information and explanation given to us, the Company has not granted any loan to parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraph 3(iii) of the Order is not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and Section 186 of the Act, with respect to the loans given. The company has neither issued any guarantee nor has provided any security on behalf of any parties or made any investment in parties covered under Section 185 and Section 186 of the Act.

v. According to information and explanations given to us, the Company has not accepted any deposits within the meaning of Sections 73 to Sections 76 of the Act during the year.

vi. The Central Government has prescribed maintenance of Cost records under section 148(1) of the Act for the Company's Tea, Rubber and Coffee units. We have broadly reviewed the books of accounts maintained by Company in respect of product, where pursuant to the rule made by the Central Government of India the maintenance of cost records has been prescribed under section 148 (1) of the Companies Act 2013 and are of the opinion that, prima facie, the prescribed records have been maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at 31st March 2019 for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and records of Company examined by us, the dues of sales tax, income tax, duty of customs, duty of excise, service tax and value added tax which have not been deposited on account

Annexure - A

to the independent auditors' report

of any dispute and the forum where the dispute is pending as on 31st March, 2019 are as under :-

Name of the Statute	Nature of Dues	Amount (₹ In Lakh)	Period to which the amount relates	Forum where dispute pending
Income Tax Act 1961	Income Tax Demand	219.90	A.Y 2007-08 to 2013-14	Commissioner of Income Tax Appeal
Karnataka Agricultural Income Tax Act 1957	Agricultural Income Tax	27.71	A.Y 2009-10 and 2010-11	Joint Commissioner of Commercial Taxes (Appeal)

viii. Based on our audit procedures and on the basis of informations and explanations given by the management, the Company has not defaulted in repayment of dues to Banks during the year. The company does not have any outstanding dues to debenture holders or financial institutions during the year.

ix. Based on information and explanations given to us and records of the Company examined by us, the Company has raised Term Loan during the year and has applied the same for the purpose for which term loans are raised. The company did not raise any money by way of initial public offer or further public offer including debt instruments during the year.

x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **JKVS & CO,**
(Formerly known as Jitendra K. Agarwal & Associates)
Chartered Accountants
Firm's Registration No. 318086E

(Utsav Saraf)
Partner
Membership No. 306932

Place: Kolkata
Date: 15th May, 2019

Annexure - B

to the independent auditors' report

(Referred to in paragraph 2 (f) under "Report on Other Legal and Regulatory Requirements" section of our Report to the members of Joonktollee Tea & Industries Limited of even date)

We have audited the internal financial controls over financial reporting of Joonktollee Tea & Industries Limited ("the Company") as of 31st March 2019 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

Annexure - B
to the independent auditors' report

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

For **JKVS & CO,**
(Formerly known as Jitendra K. Agarwal & Associates)
Chartered Accountants
Firm's Registration No. 318086E

(Utsav Saraf)
Partner
Membership No. 306932

Place: Kolkata
Date: 15th May, 2019

Balance Sheet
as at 31st March, 2019

(Amount in ₹)

	Note No.	As at 31st March, 2019		As at 31st March, 2018	
ASSETS					
1 NON-CURRENT ASSETS					
a Property, Plant and Equipment	5	1,061,628,323		1,094,260,520	
b Capital Work-In-Progress		59,576,953		54,450,703	
c Intangible Assets	6	283,613	1,121,488,889	233,394	1,148,944,617
d Biological Asset other than Bearer Plants	14	327,699,000		329,670,482	
e Investment in Subsidiaries & Associate	7	471,845,078		471,845,078	
f Financial Assets					
i. Investments	8	8,071,176		3,859,645	
ii. Loans	9	20,656,131		20,497,197	
iii. Other Financial Assets	10	-		-	
g Non-Current Tax Assets (Net)	11	31,699,931		36,602,784	
h Other Non-Current Assets	12	25,051,041	885,022,357	24,699,578	887,174,763
2 CURRENT ASSETS					
a Inventories	13	119,010,324		185,881,660	
b Biological Asset other than Bearer Plants	14	2,699,369		2,665,549	
c Financial Assets					
i. Trade Receivables	15	19,585,802		77,553,452	
ii. Cash and Cash Equivalents	16	3,036,125		28,088,514	
iii. Bank balances other than Note ii above	17	1,763,067		2,258,857	
iv. Loans	9	39,507,202		24,033,459	
v. Other Financial Assets	10	476,464		4,181,673	
d Other Current Assets	12	19,710,135		16,537,814	
e Non-Current Assets classified as held for sale	18	-	205,788,488	89,460,471	430,661,449
Total Assets			**2,212,299,734**		**2,466,780,830**
EQUITY AND LIABILITIES					
EQUITY					
a Equity Share Capital	19	41,422,010		41,422,010	
b Other Equity	20	1,415,096,288	1,456,518,298	1,530,123,469	1,571,545,479
LIABILITIES					
1 NON-CURRENT LIABILITIES					
a Financial Liabilities					
i. Borrowings	21	120,000,000		180,000,000	
b Provisions	22	47,610,000		27,366,000	
c Deferred Tax Liabilities (Net)	23	120,518,214		137,911,932	
d Non-Current Tax Liabilities (Net)	24	-	288,128,214	2,059,938	347,337,870
2 CURRENT LIABILITIES					
a Financial Liabilities					
i. Borrowings	25	282,543,495		373,292,702	
ii. Trade Payables	26				
Total outstanding dues of creditors to micro enterprises and small enterprises		–		–	
Total outstanding dues of creditor to other than micro enterprises and small enterprises		47,505,398		45,872,632	
iii. Other Financial Liabilities	27	97,541,599		86,840,343	
b Other Current Liabilities	28	16,755,638		17,293,445	
c Provisions	22	23,307,092	467,653,222	24,598,359	547,897,481
Total Equity and Liabilities			**2,212,299,734**		**2,466,780,830**

Basis of Preparation and presentation of Financial Statement	2
Significant Accounting Policies	3
Significant Judgements & Key Estimate	4

The Notes are an integral part of the Financial Statements

As per our report of even date annexed.
For and on behalf of
J K V S & CO
Chartered Accountants
Firm Registration No. 318086E

Utsav Saraf
Partner
Membership No. 306932

Place : Kolkata
Dated: 15th May, 2019

For and on behalf of Board of Directors

Hemant Bangur
Chairman
(DIN 00040903)

Manoj Kumar Daga
Director
(DIN 00123386)

Sayansiddha Das
Chief Financial Officer

Sharad Bagree
Manager (Finance) & Company Secretary

Statement of Profit & Loss

for the year ended 31st March, 2019

(Amount in ₹)

	Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
INCOME			
Revenue from Operations	**29**	950,164,253	1,001,283,996
Other Income	**30**	90,575,609	66,156,452
Total Income		**1,040,739,862**	**1,067,440,448**
EXPENSES			
Cost of Materials Consumed	**31**	186,385,031	199,848,945
Purchases of Stock -in- Trade		754,258	3,794,492
Changes in Inventories of Finished Goods, Stock-In-Trade and Work-in-Progress	**32**	65,792,635	47,240,635
Employee Benefits Expense	**33**	526,801,963	523,272,673
Finance Costs	**34**	64,186,709	75,352,509
Depreciation and Amortisation Expense	**35**	63,238,132	64,361,092
Other Expenses	**36**	257,687,156	288,211,809
Total Expenses		**1,164,845,884**	**1,202,082,155**
Profit/(Loss) before Tax		**(124,106,022)**	**(134,641,707)**
Tax Expense:	**37**		
Current Tax		-	-
Income Tax for Earlier Years		2,772,587	-
Deferred Tax		(15,928,051)	(16,979,760)
Profit/(Loss) for the year		**(110,950,558)**	**(117,661,947)**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss	**38**		
Remeasurement of the defined benefit plans		(7,257,000)	11,805,000
Fair value of Equity Instruments through OCI		4,211,531	-
Less: Income tax relating to these items		(1,465,667)	3,069,300
Other Comprehensive Income for the Year (Net of Tax)		**(1,579,802)**	**8,735,700**
Total Comprehensive Income for the period		**(112,530,360)**	**(108,926,247)**
Earnings Per Share of `10/- each			
Basic & Dilluted	**39**	**(26.79)**	**(28.41)**

Basis of Preparation and presentation of Financial Statement	2
Significant Accounting Policies	3
Significant Judgements & Key Estimate	4

The Notes are an integral part of the Financial Statements

As per our report of even date annexed.
For and on behalf of
J K V S & CO
Chartered Accountants
Firm Registration No. 318086E

Utsav Saraf
Partner
Membership No. 306932

Place : Kolkata
Dated: 15th May, 2019

For and on behalf of Board of Directors

Hemant Bangur
Chairman
(DIN 00040903)

Manoj Kumar Daga
Director
(DIN 00123386)

Sayansiddha Das
Chief Financial Officer

Sharad Bagree
Manager (Finance) & Company Secretary

Statement of Changes in Equity

for the year ended 31st March, 2019

(Amount in ₹)

a)		
	Equity Share Capital	
	Balance as at 31st March 2017	41,422,010
	Add/(Less): Changes in Equity Share Capital during the year	-
	Balance as at 31st March 2018	41,422,010
	Add/(Less): Changes in Equity Share Capital during the year	-
	Balance as at 31st March 2019	**41,422,010**

b) Other Equity

Particulars	Reserve & Surplus						Other Comprehensive Income		Total
	Capital Reserve	Capital Redemption Reserve	Capital Reserve in the nature of Securities Premium	Securities Premium	General Reserve	Retained Earnings	Remeasurement of defined benefit obligation through Other Comprehensive Income	Fair Value of Equity Instruments through Other Comprehensive Income	
Balance as at 31st March, 2017	698,203,792	41,600	69,839,105	24,701,440	310,264,255	540,984,981	-	-	1,644,035,173
Profit/ (Loss) for the year	-	-	-	-	-	(117,661,947)	-	-	(117,661,947)
Other Comprehensive Income	-	-	-	-	-	-	8,735,700	-	8,735,700
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**(117,661,947)**	**8,735,700**	**-**	**(108,926,247)**
Dividends Paid	-	-	-	-	-	(4,142,201)	-	-	(4,142,201)
Dividend Distribution Tax	-	-	-	-	-	(843,256)	-	-	(843,256)
Transfer of Remeasurement of defined benefit obligation	-	-	-	-	-	8,735,700	(8,735,700)	-	-
	-	-	-	-	-	3,750,243	(8,735,700)	-	(4,985,457)
Balance as at 31st March, 2018	698,203,792	41,600	69,839,105	24,701,440	310,264,255	427,073,277	-		1,530,123,469
Profit/ (Loss) for the year	-	-	-	-	-	(110,950,558)	-	-	(110,950,558)
Other Comprehensive Income	-	-	-	-	-	-	(5,370,180)	3,790,378	(1,579,802)
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**(110,950,558)**	**(5,370,180)**	**3,790,378**	**(112,530,360)**
Dividends Paid	-	-	-	-	-	(2,071,100)	-	-	(2,071,100)
Dividend Distribution Tax	-	-	-	-	-	(425,721)	-	-	(425,721)
Transfer of Remeasurement of defined benefit obligation	-	-	-	-	-	(5,370,180)	5,370,180	-	-
	-	-	-	-	-	**(7,867,001)**	**5,370,180**	**-**	**(2,496,821)**
Balance as at 31st March, 2019	**698,203,792**	**41,600**	**69,839,105**	**24,701,440**	**310,264,255**	**308,255,718**	**-**	**3,790,378**	**1,415,096,288**

Basis of Preparation and presentation of Financial Statement	2
Significant Accounting Policies	3
Significant Judgements & Key Estimate	4

The Notes are an integral part of the Financial Statements

As per our report of even date annexed.
For and on behalf of
J K V S & CO
Chartered Accountants
Firm Registration No. 318086E

Utsav Saraf
Partner
Membership No. 306932

Place : Kolkata
Dated: 15th May, 2019

For and on behalf of Board of Directors

Hemant Bangur
Chairman
(DIN 00040903)

Manoj Kumar Daga
Director
(DIN 00123386)

Sayansiddha Das
Chief Financial Officer

Sharad Bagree
Manager (Finance) & Company Secretary

Cash Flow Statement

for the year ended 31st March, 2019

(Amount in ₹)

	Particulars	2018-2019		2017-2018	
A)	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit before Tax		**(124,106,022)**		(134,641,707)
	Adjustments for :				
	Depreciation & Amortisation	**63,238,132**		64,361,092	
	Loss / (Profit) on Sale/discard of Property, Plant & Equipment (net)	**(219,364)**		7,123,440	
	Loss / (Profit) on Sale of Non Current Investment	**(80,211,044)**		(47,358,970)	
	Interest Income	**(7,462,095)**		(16,457,626)	
	Finance Cost	**64,186,709**		75,352,509	
	Fair Valuation for Biological Assets other than bearer plants	**(1,937,662)**		19,385,939	
	Sundry Credit bal. no longer required written back	**(697,874)**		(467,668)	
	Provision for doubtful debts/Advances and Advances written off(Net)	**-**	**36,896,802**	170,179	102,108,895
	Operating Profit before working capital changes		**(87,209,220)**		(32,532,812)
	Adjustments for :				
	(Increase)/Decrease in Trade Receivables	**57,967,650**		(27,897,201)	
	(Increase)/Decrease in Inventories	**70,746,660**		53,525,880	
	(Increase)/Decrease in Loans, Other Financial Assets & Other Assets	**(4,232,851)**		3,718,069	
	Increase/(Decrease) in Trade Payables & Other Liability	**13,955,506**		(1,593,797)	
	Increase/(Decrease) in Provisions	**11,695,733**	**150,132,698**	16,183,993	43,936,944
	Cash Generated from Operations		**62,923,478**		11,404,132
	Direct Taxes (Paid)(net of refund)		**70,328**		(1,578,233)
	Net Cash from operating activities		**62,993,806**		9,825,899
B)	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Property,Plant and Equipment & Intangible Assets including CWIP / Capital Advances	**(31,922,950)**		(49,042,119)	
	Sale of Property,Plant and Equipment Assets	**666,367**		788,294	
	Sale of Non Current Investments carried at Cost in a Subsidiary	**169,671,515**		104,980,499	
	(Placement)/ Redemption Fixed deposits (net)	**140,068**		(12,828)	
	(Increase)/Decrease in Investment in Subsidiary	**(13,000,000)**		6,705,147	
	Loans to Corporates (Net)	**-**		100,000,000	
	Interest Income received	**9,913,812**		17,337,426	
	Net cash used in Investing Activities		**135,468,812**		180,756,419

Cash Flow Statement

for the year ended 31st March, 2019

(Amount in ₹)

	Particulars	2018-2019		2017-2018	
C)	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Proceeds from Non Current Borrowings	**-**		-	
	Repayments of Non Current Borrowings	**(60,000,000)**		(100,000,000)	
	(Repayments)/Proceeds from Current Borrowings	**(90,749,207)**		(72,513,973)	
	Finance Cost paid	**(70,268,979)**		(71,118,730)	
	Corporate Dividend tax paid	**(2,496,821)**		(4,985,457)	
	Net Cash from/(used in) Financing Activities		**(223,515,007)**		(248,618,160)
	Net Change in Cash and Cash Equivalents		**(25,052,389)**		(58,035,842)
D)	**Cash and Cash Equivalents balances**				
	Balances at the beginning of the year		**28,088,514**		86,124,356
	Balances at the end of the year		**3,036,125**		28,088,514

Notes :

1. Cash and cash equivalents consists of cash on Hand and balances with banks in current / Cash Credit accounts as per note 16
2. Cash and cash equivalents consists of:

	Particulars	2018-2019	2017-2018
	Cash on hand	389,212	1,226,019
	Bank Balance	2,646,913	26,862,495
	Total	**3,036,125**	28,088,514

Basis of Preparation and presentation of Financial Statement	2
Significant Accounting Policies	3
Significant Judgements & Key Estimate	4

As per our report of even date annexed.
For and on behalf of
J K V S & CO
Chartered Accountants
Firm Registration No. 318086E

Utsav Saraf
Partner
Membership No. 306932

Place : Kolkata
Dated: 15th May, 2019

For and on behalf of Board of Directors

Hemant Bangur
Chairman
(DIN 00040903)

Manoj Kumar Daga
Director
(DIN 00123386)

Sayansiddha Das
Chief Financial Officer

Sharad Bagree
Manager (Finance) & Company Secretary

Notes to Financial Statements

as at and for the year ended 31st March, 2019

1. CORPORATE AND GENERAL INFORMATION

Joonktollee Tea & Industries Limited was incorporated as a Limited Company in India under the Companies Act 1956 and has its listing on the BSE Limited and CSE Limited. The registered office of the Company is at 21, Strand Road Kolkata - 700 001. The Company's principal business is manufacturing of Tea, Coffee and Rubber.

2. BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENT

2.1. Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), other relevant provisions of the Act and other accounting principles generally accepted in India.

The standalone financial statements of the Company for the year ended 31st March, 2019 has been approved by the Board of Directors in their meeting held on 15th May, 2019.

2.2. Basis of Measurement

The Company maintains accounts on accrual basis following the historical cost convention, except for followings:

- Certain Financial Assets and Liabilities are measured at Fair value/ Amortised cost (refer accounting policy regarding financial instruments):
- Defined Benefit Plans – plan assets measured at fair value; and
- Biological Assets – At fair value less cost to sell

2.3. Functional and Presentation Currency

The Financial Statements are presented in Indian Rupee (INR), which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates. All financial information presented in INR has been rounded off to the nearest rupees as per the requirements of Schedule III, unless otherwise stated.

2.4. Use of Estimates and Judgements

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

2.5. Presentation of Financial Statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).

2.6. Operating Cycle for current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1. The Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

An asset is classified as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle;

Notes to Financial Statements

as at and for the year ended 31st March, 2019

- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All the other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current. Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

2.7. Measurement of Fair Values

Some of the accounting policies and disclosures of the company require Fair Value measurement for both financial and non-financial assets and liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilitie
- Level 2 — Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 — Inputs which are unobservable inputs for the asset or liability.

External valuers are involved for valuation of significant assets & liabilities. Involvement of external valuers is decided by the management of the company considering the requirements of Ind AS and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

Notes to Financial Statements

as at and for the year ended 31st March, 2019

2.8 Recent Accounting Pronouncement

New Standards / Amendments to Existing Standard issued but not yet effective upto the date of issuance of the Company's Financial Statement are disclosed below:

Changes in Accounting Standard and recent accounting pronouncements On March 30, 2019 the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2019, notifying Ind AS 116 on Leases. Ind AS 116 would replace the existing leases standard Ind AS 17. The standard sets out the principles for the recognition, measurement, presentation and disclosures for both parties to a contract, i.e. the lessee and the lessor. Ind AS 116 introduces a single lease accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently for operating lease rentals are charged to the statement of profit and loss. The Company is currently evaluating the implications of Ind AS 116 on the financial statements.

The Companies (Indian Accounting Standards) Amendment Rules, 2019 also notified amendments to the following accounting standards. The amendments would be effective from April 1, 2019.

1. Ind AS 12, Income taxes – Appendix C on uncertainty over income tax treatments
2. Ind AS 12, Income Taxes - Accounting for Dividend Distribution Taxes
3. Ind AS 23, Borrowing costs
4. Ind AS 28 – Investment in associates and joint ventures
5. Ind AS 103 and Ind AS 111 – Business combinations and joint arrangements
6. Ind AS 109 – Financial instruments
7. Ind AS 19 – Employee benefits

The Company is in the process of evaluating the impact of such amendments.

3. ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

3.1. INVENTORIES

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

Raw material in nature of harvested tea leaves, picked cherries, latex and other minor agricultural produce raised from own gardens are measured at fair value less cost of sale at point of harvest. The same cost is used for measuring cost for the purpose of valuation of finished goods

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

3.2. CASH AND CASH EQUIVALENTS

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

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

For the purpose of the statement of cash flows, cash and cash equivalents includes cash on hand, term deposits and other short-term highly liquid investments, net of bank overdrafts as they are considered an integral part of the Company's cash management. Bank overdrafts are shown within short term borrowings in the balance sheet.

3.3. INCOME TAX

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate as per taxation laws under Income tax act, 1961 and under respective state Agriculture Income tax act and adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Current and deferred tax is recognised in the statement of profit & loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

3.3.1. Current Tax:

Current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities using the tax rates (and tax laws) that have been enacted or substantively enacted, at the end of the reporting period.

3.3.2. Deferred Tax

- Deferred Tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
- Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.
- Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- The carrying amount of deferred tax asset is reviewed at the end of each reporting period. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.
- Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.
- Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

3.4. PROPERTY, PLANT AND EQUIPMENT

3.4.1. Tangible Assets (Other than Bearer Plants)

3.4.1.1. Recognition and Measurement:

- Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any).
- Cost of an item of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting any trade discounts and rebates, any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.
- If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Notes to Financial Statements

as at and for the year ended 31st March, 2019

- Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

3.4.1.2. Subsequent Measurement:

- Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.
- Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any Unamortized part of the previously recognized expenses of similar nature is derecognized.

3.4.1.3. Depreciation and Amortization:

- Depreciation on Property, Plant & Equipment is provided under Written Down Method at rates determined based on the useful life of the respective assets and the residual values in accordance with Schedule II of the Companies Act, 2013 or as reassessed by the Company based on the technical evaluation.
- In case of asset "Fences, wells, tube wells" & "Carpeted Roads – Other than RCC", depreciation has been provided on written down value method at the rates determined considering the useful lives of 15 years which is based on assessment carried out by external valuers and the management believes that the useful lives as considered above best represent the period over which the respective assets shall be expected in use.
- Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).
- Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3.4.1.4. Disposal of Assets

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

3.4.1.5. Capital Work in Progress

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

3.4.2. Bearer Plants

3.4.2.1. Recognition and Measurement:

Bearer Plants which are used in the production or supply of agricultural produce and expected to bear produce for more than a period of twelve months are capitalized as part of Property, Plant and Equipments and are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any). The cost of Bearer Plant includes all cost incurred till the plants are ready for commercial harvest.

3.4.2.2. Depreciation:

- Depreciation on bearer plants is recognised so as to write off its cost over useful lives, using the straight-line method.

Notes to Financial Statements

as at and for the year ended 31st March, 2019

- The residual value in case of Bearer Plants has been considered as NIL. Estimated useful life of the bearer plants has been determined as the following:

Tea Bushes	50 years to 60 years
Coffee Bushes	30 years to 80 years
Rubber plants	30 years
Minor produce	30 years

3.4.2.3. Capital Work in Progress

Young tea bushes & shade trees, including the cost incurred for procurement of new seeds and maintenance of nurseries, are carried at cost less any recognized impairment losses under capital work-in-progress. Cost includes the cost of land preparation, new planting and maintenance of newly planted bushes until maturity. On maturity, these costs are classified under bearer plants.

3.5. LEASES

3.5.1. Determining whether an arrangement contains a lease

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

3.5.2. Company as lessor

- **Finance Lease**

  Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease. Lease rental receipts are apportioned between the finance income and capital repayment based on the implicit rate of return. Contingent rents are recognized as revenue in the period in which they are earned.

- **Operating Lease**

  Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease except where scheduled increase in rent compensates the Company with expected inflationary costs.

3.5.3. Company as lessee

- **Finance Lease**

  Finance Leases, which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease Payments under such leases are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly to the statement of profit and loss. Lease management fees, legal charges and other initial direct costs are capitalized.

  If there is no reasonable certainty that the Company will obtain the ownership by the end of lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Notes to Financial Statements

as at and for the year ended 31st March, 2019

- **Operating Lease**

  Assets acquired on leases where a significant portion of risk and reward is retained by the lessor are classified as operating leases. Lease rental are charged to statement of profit and loss on a straight-line basis over the lease term, except where scheduled increase in rent compensates the Company with expected inflationary costs.

3.6. REVENUE FROM CONTRACT WITH CUSTOMERS

Revenue from contract with customers is recognized when the Company satisfies performance obligations by transferring promised goods and services to the customer. Performance obligations are satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognized as per the terms of relevant contractual agreements/arrangements. Performance obligations are said to be satisfied at a point of time when the customer obtain controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and value added tax. Transaction price is recognized based on the price specified in the contract, net of the estimated sales incentives/discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

3.7. EMPLOYEE BENEFITS

3.7.1. Short Term Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period.

3.7.2. Other Long Term Employee Benefits

The liabilities for leaves that are not expected to be settled wholly within twelve months are measured as the present value of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation. Remeasurements as the result of experience adjustment and changes in actuarial assumptions are recognized in statement of profit and loss.

3.7.3. Post Employment Benefits

The Company operates the following post employment schemes:

- **Defined Contribution Plan**

  Defined contribution plans such as Provident Fund, Employee State Insurance etc. are charged to the statement of profit and loss as and when incurred.

- **Defined Benefit Plans**

  The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

  The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation.

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

Remeasurements of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in other comprehensive income. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss.

3.8. GOVERNMENT GRANTS

Government grants are recognised at their fair value, where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

The grant relating to the acquisition/ construction of an item of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on the same systematic basis as the respective assets are depreciated over their expected life and are presented within other operating income.

3.9. FOREIGN CURRENCY TRANSACTIONS

- Foreign currency (other than the functional currency) transactions are translated into the functional currency using the spot rates of exchanges at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchanges at the reporting date.
- Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are generally recognized in profit or loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those qualifying assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings, the balance is presented in the Statement of Profit and Loss within finance costs.
- Non monetary items are not retranslated at period end and are measured at historical cost (translated using the exchange rate at the transaction date).

3.10. BORROWING COSTS

- Borrowing Costs consists of interest and other costs that an entity incurs in connection with the borrowings of funds. Borrowing costs also includes foreign exchange difference to the extent regarded as an adjustment to the borrowing costs.
- Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalized as a part of the cost of that asset that necessarily takes a substantial period of time to complete and prepare the asset for its intended use or sale.
- Transaction costs in respect of long term borrowing are amortized over the tenure of respective loans using Effective Interest Rate (EIR) method. All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

3.11. INVESTMENT IN SUBSIDIARIES & ASSOCIATE

Investments in subsidiaries & associate are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

3.12. FINANCIAL INSTRUMENTS

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

Notes to Financial Statements

as at and for the year ended 31st March, 2019

3.12.1. Financial Assets

➢ **Recognition and Initial Measurement:**

All financial assets are initially recognized when the company becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

➢ **Classification and Subsequent Measurement:**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Measured at Amortized Cost;
- Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
- Measured at Fair Value Through Profit or Loss (FVTPL); and
- Equity Instruments designated at Fair Value Through Other Comprehensive Income (FVTOCI).

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

- Measured at Amortized Cost: A debt instrument is measured at the amortized cost if both the following conditions are met:
- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade receivables, cash and bank balances, loans and other financial assets of the company.

- Measured at FVTOCI: A debt instrument is measured at the FVTOCI if both the following conditions are met:
- The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and
- The asset's contractual cash flows represent SPPI.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the statement of profit and loss in investment income.

- **Measured at FVTPL:** FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss. Equity instruments which are, held for trading are classified as at FVTPL.
- **Equity Instruments designated at FVTOCI:** For equity instruments, which has not been classified as FVTPL as above, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by-instrument basis. The classification is made

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

on initial recognition and is irrevocable. In case the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment.

- **Derecognition**:

  The Company derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

- **Impairment of Financial Assets:**

  The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The company recognizes impairment loss for trade receivables that do not constitute a financing transaction using expected credit loss model, which involves use of a provision matrix constructed on the basis of historical credit loss experience. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

3.12.2. Financial Liabilities

- **Recognition and Initial Measurement:**

  Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings, payables or as derivatives, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

- **Subsequent Measurement:**

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

- **Derecognition:**

  A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

3.12.3. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

3.13. Earnings Per Share

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders adjusted for the effects of potential equity shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Notes to Financial Statements

as at and for the year ended 31st March, 2019

3.14. Impairment of Non-Financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units – CGU).

An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

3.15. Provisions, Contingent Liabilities and Contingent Assets

3.15.1. Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

3.15.2. Contingent Liabilities

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Company discloses the existence of contingent liabilities in Other Notes to Financial Statements.

3.15.3. Contingent Assets

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

3.16. Non-Current Assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets are not depreciated or amortised.

3.17. Intangible Assets

3.17.1. Recognition and Measurement

Software which is not an integral part of related hardware, is treated as intangible asset and are stated at cost on initial recognition and subsequently measured at cost less accumulated amortization and accumulated impairment loss, if any.

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

3.17.2. Subsequent Expenditure

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. All other expenditure is recognized in the Statement of Profit & Loss.

3.17.3. Amortization

- Softwares are amortized over a period of five years.
- The amortization period and the amortization method are reviewed at least at the end of each financial year. If the expected useful life of the assets is significantly different from previous estimates, the amortization period is changed accordingly.

3.18. Biological Assets and Agricultural Produce

3.18.1. Biological Assets

Biological assets of the company comprises of un-harvested green tea leaves, unpicked cherries, latex on tree, timber and other minor produce are measured at fair value. less cost of sales. The gain or loss arising from a change in fair value less cost to sell of biological assets is included in Statement of Profit and Loss for the period in which it arises.

3.18.2. Agricultural Produce

Agricultural produce harvested from the Company's biological assets are valued at fair value less cost to sell at the point of harvest. A gain or loss arising on initial recognition of agricultural produce at fair value less cost to sell shall be included in Statement of Profit & Loss for the period in which it arises.

3.19. Operating Segment

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker of the Company is responsible for allocating resources and assessing performance of the operating segments and accordingly is identified as the chief operating decision maker.

The Company has identified three reportable segment "Tea", "Coffee" and "Rubber" based on the information reviewed by the CODM.

4. SIGNIFICANT JUDGEMENTS AND KEY SOURCES OF ESTIMATION IN APPLYING ACCOUNTING POLICIES

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Information about Significant judgements and Key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- **Recognition of Deferred Tax Assets:** The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.
- **Useful lives of depreciable/ amortisable assets** (tangible and intangible): Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.
- **Classification of Leases:** The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

Notes to Financial Statements

as at and for the year ended 31st March, 2019

- **Defined Benefit Obligation (DBO):** Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.
- **Provisions and Contingencies:** The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, ‘Provisions, Contingent Liabilities and Contingent Assets’. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.
- **Impairment of Financial Assets:** The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.
- **Allowances for Doubtful Debts:** The Company makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.
- **Fair value measurement of financial Instruments:** When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The input to these models are taken from observable markets where possible, but where this not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.
- **Fair Value of Biological Assets and Agricultural Produce:** The fair value of Biological Assets and Agricultural Produce is determined based on recent transactions entered into with third parties or available market price. Fair valuation of Biological Asset and Agriculture Produce are based on the market rates published by the industrial body for various grades from which the fair value of Biological asset and Agriculture Produce are derived.

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

(Amount in ₹)

5 PROPERTY, PLANT AND EQUIPMENT

Particulars	Year Ended 31st March 2019								
	Gross Carrying Amount				Accumulated Depreciation				
	As at 31st March 2018	Additions	Disposals	As at 31st March 2019	As at 31st March 2018	Depreciation charged during the year	Deductions	As at 31st March 2019	Net Carrying Amount
Leasehold Land	287,546,501	-	-	287,546,501	-	-	-	-	287,546,501
Freehold Land	48,936,796	-	-	48,936,796	-	-	-	-	48,936,796
Buildings	285,125,512	705,812	-	285,831,324	156,049,667	11,108,900	-	167,158,567	118,672,757
Plant and Machinery	360,317,227	11,977,664	823,401	371,471,490	268,679,889	18,250,034	742,018	286,187,905	85,283,585
Furniture and Fittings	19,029,466	778,166	45,355	19,762,277	16,986,512	392,759	37,817	17,341,454	2,420,823
Vehicles	60,328,256	2,513,516	4,829,707	58,012,065	48,223,360	3,576,553	4,518,484	47,281,429	10,730,636
Office Equipments	7,631,197	1,502,877	109,999	9,024,075	6,554,761	615,576	100,207	7,070,130	1,953,945
Bearer Plant	574,685,903	13,373,055	-	588,058,958	52,846,149	29,129,529	-	81,975,678	506,083,280
Total	**1,643,600,858**	**30,851,090**	**5,808,462**	**1,668,643,486**	**549,340,338**	**63,073,351**	**5,398,526**	**607,015,163**	**1,061,628,323**

Particulars	**Year Ended 31st March 2018**								
	Gross Carrying Amount				**Accumulated Depreciation**				
	As at 31st March 2017	**Additions**	**Disposals**	**As at 31st March 2018**	**As at 1st April 2017**	**Depreciation charged during the year**	**Deductions**	**As at 31st March 2018**	**Net Carrying Amount**
Leasehold Land	287,546,501	-	-	287,546,501	-	-	-	-	287,546,501
Freehold Land	48,936,796	-	-	48,936,796	-	-	-	-	48,936,796
Buildings	282,877,976	2,249,936	2,400	285,125,512	143,495,258	12,556,656	2,247	156,049,667	129,075,845
Plant and Machinery	341,618,771	20,908,921	2,210,465	360,317,227	251,557,982	19,221,849	2,099,942	268,679,889	91,637,338
Furniture and Fittings	18,921,547	119,545	11,626	19,029,466	16,523,706	473,757	10,951	16,986,512	2,042,954
Vehicles	60,551,854	1,709,378	1,932,976	60,328,256	45,441,018	4,618,668	1,836,326	48,223,360	12,104,896
Office Equipments	7,184,686	527,511	81,000	7,631,197	5,865,699	766,012	76,950	6,554,761	1,076,436
Bearer Plant	582,768,486	-	8,082,583	574,685,903	26,676,704	26,587,151	417,706	52,846,149	521,839,754
Total	**1,630,406,617**	**25,515,291**	**12,321,050**	**1,643,600,858**	**489,560,367**	**64,224,093**	**4,444,122**	**549,340,338**	**1,094,260,520**

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

(Amount in ₹)

6 INTANGIBLE ASSETS

Particulars	Year Ended 31st March 2019								
	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount
	As at 31st March 2018	Additions	Disposals	As at 31st March 2019	As at 31st March 2018	Depreciation charged during the year	Deductions	As at 31st March 2019	
Computer Software	507,392	215,000	-	722,392	273,998	164,781	-	438,779	283,613
Total	507,392	215,000	-	722,392	273,998	164,781	-	438,779	283,613

Particulars	Year Ended 31st March 2018								
	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount
	As at 1st April 2017	Additions	Disposals	As at 31st March 2018	As at 1st April 2017	Depreciation charged during the year	Deductions	As at 31st March 2018	
Computer Software	507,392	-	-	507,392	136,999	136,999	-	273,998	233,394
Total	507,392	-	-	507,392	136,999	136,999	-	273,998	233,394

7 INVESTMENT IN SUBSIDIARIES & ASSOCIATES

	Face Value (₹)	As at 31st March 2019		As at 31st March 2018	
(Fully Paid-up unless otherwise stated)		**Qty**	**Amount**	**Qty**	**Amount**
Equity investments valued at cost					
Unquoted - In trade					
Investment in Subsidiaries					
Pranav Infradev Co. Pvt. Ltd.	10	212,271	202,371,000	212,271	202,371,000
Keshava Plantations Private Limited	100	80,000	227,108,049	80,000	227,108,049
Quoted - In trade					
Investment in Associate					
The Cochin Malabar Estates & Ind. Ltd. (Note 7.1)	10	437,294	42,366,029	437,294	42,366,029
			471,845,078		**471,845,078**
Aggregate amount of quoted investments			42,366,029		42,366,029
Aggregate market value of quoted investments			25,712,887		12,615,932
Aggregate amount of unquoted investments			429,479,049		429,479,049

7.1 Considering the valuation of investment in associate, no impairment in value of investment has been envisaged.

Notes to Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

8 NON - CURRENT INVESTMENTS

	Face Value (₹)	As at 31st March 2019 Qty	As at 31st March 2019 Amount	As at 31st March 2018 Qty	As at 31st March 2018 Amount
Investments at fair value through other comprehensive income					
Investments in quoted Equity Instruments					
The Phosphate Co. Ltd.	10	138,680	8,071,176	138,680	3,859,645
			8,071,176		**3,859,645**
Aggregate amount of quoted investments(At book value)			3,859,645		3,859,645

9 LOANS

	Refer Note No.	Non-Current As at 31st March 2019	Non-Current As at 31st March 2018	Current As at 31st March 2019	Current As at 31st March 2018
Security Deposit					
Unsecured, considered good		18,478,499	18,413,197	-	-
		18,478,499	18,413,197	-	-
Loans to related parties					
Unsecured, considered good	9.1	-	-	33,000,000	20,000,000
		-	-	33,000,000	20,000,000
Other Loans and Advances, unsecured, considered good unless otherwise mentioned					
Loan to Employees	9.2	2,177,632	2,084,000	6,507,202	4,033,459
		2,177,632	2,084,000	6,507,202	4,033,459
		20,656,131	**20,497,197**	**39,507,202**	**24,033,459**

9.1 Loans to Related parties/ Companies/ Firm are given for general business purpose and payable on demand.

9.2 No Loans are due from directors or other officers of the company either severally or jointly with any other person. Nor any loan are due from firms or private companies respectively in which any director is a partner, a director or a member other than disclosed in Note no. 46.2

10 OTHERS FINANCIAL ASSETS

	Non-Current As at 31st March 2019	Non-Current As at 31st March 2018	Current As at 31st March 2019	Current As at 31st March 2018
Deposit with Nabard	-	-	50,000	50,000
Deposit with Assam Financial Corporation	-	-	223,652	267,040
Interest accrued on Fixed deposit / Loan	-	-	-	2,451,717
Other Receivables	-	-	202,812	1,412,916
	-	**-**	**476,464**	**4,181,673**

Notes to Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

11 NON CURRENT TAX ASSETS (NET)

	As at 31st March 2019	As at 31st March 2018
Advance Income Tax & TDS	30,467,028	35,369,447
Income Tax Refundable	1,232,903	1,233,337
	31,699,931	**36,602,784**

12 OTHER ASSETS

	Refer Note No.	Non-Current		Current	
		As at 31st March 2019	As at 31st March 2018	As at 31st March 2019	As at 31st March 2018
Capital Advances		1,262,363	910,900	-	-
Advances other than Capital Advances					
Advances to Suppliers & Service Providers		2,618,356	2,618,356	3,012,780	3,573,678
Balances with Government & Statutory Authorities		-	-	5,574,633	3,155,205
Prepaid Expenses		-	-	2,516,115	2,504,582
Subsidy Receivable		-	-	8,043,149	6,703,824
Other Assets	12.1	23,788,678	23,788,678	563,458	600,525
		27,669,397	27,317,934	19,710,135	16,537,814
Less : Provision for Doubtful Advances		2,618,356	2,618,356	-	-
		25,051,041	**24,699,578**	**19,710,135**	**16,537,814**

12.1 Represents payment under protest in respect of lease rent and Seigniorage Charges ₹ 23,788,678/- (Previous Year 2018- ₹ 23,788,678/-)

13 INVENTORIES (As valued and certified by the Management)

	As at 31st March 2019	As at 31st March 2018
Finished Goods	86,118,634	151,743,777
Semi Finished Goods	-	167,492
Stores and Spares (net of obsolescence)	32,891,690	33,970,391
	119,010,324	**185,881,660**

13.1 Details of Inventories - Finished Goods :

	As at 31st March 2019	As at 31st March 2018
Tea	51,809,239	81,223,141
Coffee	26,203,008	30,794,780
Rubber - Semi-Finished	-	167,492
Rubber - Finished	5,114,569	28,858,338
Minor Produce	2,991,818	10,867,518
	86,118,634	**151,911,269**

Notes to Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

14 BIOLOGICAL ASSET OTHER THAN BEARER PLANT

	Non-Current		Current	
	As at 31st March 2019	As at 31st March 2018	As at 31st March 2019	As at 31st March 2018
As at Opening date	329,670,482	340,834,000	2,665,549	1,720,771
Increase due to purchases / physical changes / Net change in fair value less estimated costs to sell	2,039,452	(5,230,197)	2,699,369	2,665,549
Decreases due to harvest / physical changes	-	-	2,665,549	1,720,771
Decreases due to sales / write off	4,010,934	5,933,321	-	-
As at Closing date	**327,699,000**	**329,670,482**	**2,699,369**	**2,665,549**

15 TRADE RECEIVABLES

	Refer Note No.	As at 31st March 2019	As at 31st March 2018
Trade Receivables		17,900,529	77,916,520
Receivables from related parties	**46.2**	2,048,341	-
Less: Allowance for expected credit loss		(363,068)	(363,068)
Total receivables		**19,585,802**	**77,553,452**
Break up of security details			
Trade Receivables considered good-Secured		-	-
Trade Receivables considered good-Unsecured		19,585,802	77,916,520
Trade Receivables which have significant increase in credit risk : and		-	-
Trade Receivables -credit impaired		-	-
		363,068	-
Total		19,948,870	77,916,520
Allowance for expected credit loss		363,068	363,068
Total Trade receivables		**19,585,802**	**77,553,452**

16 CASH AND CASH EQUVALENTS

	As at 31st March 2019	As at 31st March 2018
Balances With Banks :		
In Current Account	2,646,913	7,934,747
In Cash Credit Account	-	18,927,748
Cash in Hand	389,212	1,226,019
	3,036,125	**28,088,514**

17 BANK BALANCES (Other than note: 16)

	Refer Note No.	As at 31st March 2019	As at 31st March 2018
Balance in Unpaid Dividend Account		1,705,399	2,061,121
Fixed Deposit with Banks	17.1	57,668	197,736
		1,763,067	**2,258,857**

Notes to Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

17.1 Includes deposits marked lien in favour of Govt. Authorities, deposits having maturity of more than three month but less than twelve months.	57,668	197,736

18 NON CURRENT ASSET HELD FOR SALE

	Face Value (₹)	As at 31st March 2019 Qty	As at 31st March 2019 Amount	As at 31st March 2018 Qty	As at 31st March 2018 Amount
Investment in a subsidiary company held for sale					
Cowcoody Builders Pvt. Ltd.	10	-	-	95482	89,460,471
		-	-		**89,460,471**

19 EQUITY SHARE CAPITAL

19.1 Authorised Share Capital

	As at 31st March 2019 No. of Shares	As at 31st March 2019 Amount	As at 31st March 2018 No. of Shares	As at 31st March 2018 Amount
Equity Shares:				
Equity Shares of ₹ 10/- each	11,249,000	112,490,000	11,249,000	112,490,000
Equity Shares of ₹ 100/- each	35,000	3,500,000	35,000	3,500,000
Preference Shares:				
Redeemable Cumulative Shares of ₹ 10/- each	50,000	500,000	50,000	500,000
13.5% Redeemable Cumulative Shares of ₹ 100/- each	100	10,000	100	10,000
		116,500,000		**116,500,000**

19.2 Issued Share Capital

	As at 31st March 2019 No. of Shares	As at 31st March 2019 Amount	As at 31st March 2018 No. of Shares	As at 31st March 2018 Amount
Ordinary Shares of ₹ 10/- each	4,142,201	41,422,010	4,142,201	41,422,010
	4,142,201	**41,422,010**	**4,142,201**	**41,422,010**

19.3 Subscribed and Paid-up Share Capital

	As at 31st March 2019 No. of Shares	As at 31st March 2019 Amount	As at 31st March 2018 No. of Shares	As at 31st March 2018 Amount
Ordinary Shares of ₹ 10/- each fully paid-up	4,142,201	41,422,010	4,142,201	41,422,010
	4,142,201	**41,422,010**	**4,142,201**	**41,422,010**

Notes to Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

19.4 Reconciliation of the number of shares at the beginning and at the end of the year

There has been no change/ movements in number of shares outstanding at the beginning and at the end of the year.

19.5 Terms/ Rights attached to Equity Shares :

The Company has only one class of issued shares i.e. Ordinary Shares having par value of Rs. 10/- 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.

19.6 Shareholding Pattern with respect of Holding or Ultimate Holding Company

The Company does not have any Holding Company or Ultimate Holding Company.

19.7 Details of Equity Shareholders holding more than 5% shares in the Company

	As at 31st March 2019		As at 31st March 2018	
	No. of Shares	% Holding	No. of Shares	% Holding
Equity Shares of ₹ 10/- each fully paid				
Pushpa Devi Bangur	642,928	15.52%	642,928	15.52%
The Oriental Company Limited	593,643	14.33%	593,643	14.33%
Gloster Ltd (Formerly- Kettlewell Bullen & Company Limited)	538,838	13.01%	538,838	13.01%
Hemant Bangur	426,729	10.30%	426,729	10.30%
Madhav Trading Corporation Limited	424,130	10.24%	424,130	10.24%
Life Insurance Corporation of India	246,493	5.95%	246,493	5.95%

19.8 No ordinary shares have been reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.

19.9 No Ordinary 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.

19.10 No securities convertible into Equity/ Preference shares have been issued by the Company during the year.

19.11 No calls are unpaid by any Director or Officer of the Company during the year.

20 OTHER EQUITY

	Refer Note No.	As at 31st March 2019	As at 31st March 2018
Capital Reserve	20.1	698,203,792	698,203,792
Capital Redemption Reserve	20.2	41,600	41,600
Capital Reserve in the nature of Share Premium	20.3	69,839,105	69,839,105
Securities Premium	20.4	24,701,440	24,701,440
General Reserve	20.5	310,264,255	310,264,255
Retained Earnings	20.6	308,255,718	427,073,277
Other Comprehensive Income	20.7	3,790,378	-
		1,415,096,288	**1,530,123,469**

Notes to Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

a) Capital Reserve & Capital Reserve in the nature of Security Premium: During amalgamation / merger / acquisition, the excess of net assets taken, over the consideration paid, if any, is treated as capital reserve.

b) Capital Redemption Reserve: The Company has recognised Capital Redemption Reserve on redemption of preference shares from its retained earnings. The amount in Capital Redemption Reserve is equal to nominal amount of the preference shares redeemed.

c) Securities Premium: The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. This reserve is utilised in accordance with the provisions of the Companies Act 2013.

d) General Reserve: The reserve arises on transfer portion of the net profit pursuant to the earlier provisions of Companies Act , 1956.

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

f) Other Comprehensive Income (OCI) : Other Comprehensive Income (OCI) represent the balance in equity for items to be accounted under OCI and comprises of the following:

i) Equity Instruments through OCI: The Company has elected to recognise changes in the fair value of certain investment in equity instrument in other comprehensive income.

ii) Remeasurement of defined benefit obligations: The actuarial gains and losses arising on defined benefit obligations have been recognised in OCI.

		As at 31st March 2019	As at 31st March 2018
20.1	**Capital Reserve**		
	Balance at the beginning and at the end of the year	**698,203,792**	**698,203,792**
20.2	**Capital Redemption Reserve**		
	Balance at the beginning and at the end of the year	**41,600**	**41,600**
20.3	**Capital Reserve in the nature of Share Premium**		
	Balance at the beginning and at the end of the year	**69,839,105**	**69,839,105**
20.4	**Securities Premium**		
	Balance at the beginning and at the end of the year	**24,701,440**	**24,701,440**
20.5	**General Reserve**		
	Balance at the beginning and at the end of the year	**310,264,255**	**310,264,255**

Notes to Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

	As at 31st March 2019	As at 31st March 2018
20.6 Retained Earnings		
Balance at the beginning of the year	427,073,277	540,984,981
Add: Profit/(Loss) for the year	(110,950,558)	(117,661,947)
Add: Other Comprehensive Income arising from remeasurement of defined benefit obligation (net of tax)	(5,370,180)	8,735,700
	310,752,539	**432,058,734**
Less: Appropriation		
Final Dividend	2,071,100	4,142,201
Dividend Distribution Tax on Final Dividend	425,721	843,256
	2,496,821	**4,985,457**
Balance at the end of the year	**308,255,718**	**427,073,277**

20.7 Other Comprehensive Income

Remeasurement of Defined Benefit Obligations		
Balance at the beginning of the year	-	-
Add/(Less): Changes during the year (net of tax)	(5,370,180)	8,735,700
Add/(Less): Transferred to Retained Earnings	5,370,180	(8,735,700)
Balance at the end of the year	-	-
Fair Value of Equity Instruments		
Balance at the beginning of the year	-	-
Add/(Less): Changes during the year (net of tax)	3,790,378	-
Balance at the end of the year	**3,790,378**	-
Total Reserve & Surplus	**1,415,096,288**	**1,530,123,469**

21 BORROWINGS

	Non-Current Portion	
	As at 31st March 2019	As at 31st March 2018
Secured		
Term Loan from banks	180,000,000	240,000,000
Less: Current Maturities of Long term Borrowings	60,000,000	60,000,000
Total Secured Borrowings	**120,000,000**	**180,000,000**
Amount disclosed under the head "Other Financial Liability"	60,000,000	60,000,000
	180,000,000	**240,000,000**
Break Up of Security Details		
Secured	180,000,000	240,000,000
Unsecured	-	-
	180,000,000	**240,000,000**

21.1 Details of Security Given for Loan

a. Term Loan from a Bank amounting to ₹ 11,00,00,000/- together with working capital facility from the same Bank is

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

(Amount in ₹)

secured by exclusive charge on the title deeds of Jamirah Tea Estate. Loan is repayable in 11 quarterly installments of ₹ 1,00,00,000/-. Interest is payable on quarterly basis at 9.85%.

b. Term Loan from a Bank amounting to ₹ 7,00,00,000/- together with working capital facility from the same Bank is secured by exclusive charge on the title deeds of Nilmoni Tea Estate and the current assets of Karnataka division both, present and future. Loan is repayable in 14 quarterly installments of ₹ 50,00,000/-. Interest is payable on monthly basis at 11.45%.

21.2 Refer note no. 41 for information on the carrying amounts of financial and non-financial assets pledged as security for the non-current borrowings.

22 PROVISIONS

	Non-Current		Current	
	As at 31st March 2019	As at 31st March 2018	As at 31st March 2019	As at 31st March 2018
Provision for Employee Benefits				
Gratuity	47,610,000	27,366,000	-	-
Bonus	-	-	20,296,393	22,633,660
Leave	-	-	3,010,699	1,964,699
	47,610,000	**27,366,000**	**23,307,092**	**24,598,359**

23 DEFERRED TAX LIABILITIES (NET)

	Refer Note No.	As at 31st March 2019	As at 31st March 2018
Deferred Tax Liabilities			
Arising on account of :			
Property, Plant & Equipments & Intangible Assets		137,618,698	141,232,566
Other temporary differences		11,699,767	16,117,867
Remeasurment of Financial Instruments		421,153	-
		149,739,618	**157,350,433**
Less: Deferred Tax Assets			
Arising on account of :			
Unused tax credit		1,800,000	1,800,000
Section 43B of Income-tax Act		14,674,438	9,233,418
Unabsorbed Depreciation/ Carried Forward Business Losses	23.1	12,746,966	8,405,083
		29,221,404	**19,438,501**
Deferred Tax Liabilities (Net)		**120,518,214**	**137,911,932**

23.1 The recognition of deferred tax asset on unabsorbed depreciation/business losses has been restricted to the extent of reversal of deferred tax liability on account of temporary differences in respect of depreciation, the reversal of which is virtually certain.

Notes to Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

23.2 Movement in deferred tax asset and deferred tax liabilities during the year ended 31st March, 2018 and 31st March, 2019.

	As at 31st March, 2017	Charge/(Credit) in Statement of Profit & Loss	Charge/(Credit) in Other Comprehensive Income	As at 31st March, 2018
Deferred Income Tax Liabilities/(Assets)				
Property, Plant & Equipments & Intangible Assets	160,927,031	(19,694,465)	-	141,232,566
Other temporary differences	9,279,404	6,838,463	-	16,117,867
Unused tax credit	(1,800,000)	-	-	(1,800,000)
Items u/s 43B of the Income Tax Act, 1961	(10,135,356)	(2,167,362)	3,069,300	(9,233,418)
Unabsorbed Depreciation/ Carried Forward Business Losses	(6,448,687)	(1,956,396)	-	(8,405,083)
Deferred Tax Liabilities/(Assets)	**151,822,392**	**(16,979,760)**	**3,069,300**	**137,911,932**

	As at 31st March, 2018	Charge/(Credit) in Statement of Profit & Loss	Charge/(Credit) in Other Comprehensive Income	As at 31st March, 2019
Deferred Income Tax Liabilities/(Assets)				
Property, Plant & Equipments & Intangible Assets	141,232,566	(3,613,868)	-	137,618,698
Other temporary differences	16,117,867	(4,418,100)	-	11,699,767
Remeasurment of Financial Instruments	-	-	421,153	421,153
Unused tax credit	(1,800,000)	-	-	(1,800,000)
Items u/s 43B of the Income Tax Act, 1961	(9,233,418)	(3,554,200)	(1,886,820)	(14,674,438)
Unabsorbed Depreciation/ Carried Forward Business Losses	(8,405,083)	(4,341,883)	-	(12,746,966)
Deferred Tax Liabilities/(Assets)	**137,911,932**	**(15,928,051)**	**(1,465,667)**	**120,518,214**

23.3 Deferred Tax Assets and Deferred Tax Liabilities have been offset wherever the Company has a legally enforceable right to sell off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax laibilities relate to income tax levied by the same taxation authority.

24 NON CURRENT TAX LIABILITY (NET)

	As at 31st March 2019	As at 31st March 2018
Provision for tax (Net of Advance Tax)	-	2,059,938
	-	**2,059,938**

Notes to Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

25 CURRENT BORROWINGS

	As at 31st March 2019	As at 31st March 2018
Secured		
Loan from Banks		
Working Capital loans repayable on demand	97,325,496	11,242,702
Short Term Loan	70,000,000	170,000,000
Unsecured		
Loan from Banks		
Short Term Loan	115,217,999	192,050,000
	282,543,495	**373,292,702**

25.1 Details of Security Given for Loan

a. Working Capital Loan and Short Term Loan from a bank amounting to ₹ 8,28,41,412/- is secured by way of exclusive charge on the title deeds of Nilmoni Tea Estate and the Current Assets of the Karnataka Division, both present and future.

b. Working Capital Loan from a Bank of ₹ 4,12,40,472/- is secured by equitable mortgage of Jamirah Tea Estate and Pullikanam Tea Estate and also by way of hypothecation of current assets of Kerala Division.

c. Working Capital Loan from a Bank of ₹ 4,32,43,612/- is secured by equitable mortgage of Joonktollee Tea Estate

25.2 Refer note no. 41 for information on the carrying amounts of financial and non-financial assets pledged as security for current borrowings.

26 TRADE PAYABLES

	As at 31st March 2019	As at 31st March 2018
Trade Payables for goods and services		
Total outstanding dues of creditors to micro enterprises and small enterprises	-	-
Total outstanding dues of creditor to other than micro enterprises and small enterprises	47,505,398	45,872,632
	47,505,398	**45,872,632**

27 OTHER CURRENT FINANCIAL LIABILITIES

	Refer Note No.	As at 31st March 2019	As at 31st March 2018
Current maturities of Non Current Debt		60,000,000	60,000,000
Employee Related Liability		26,214,794	13,750,875
Interest accrued but not due on Borrowings		2,350,028	7,631,818
Interest accrued and due on Borrowings		2,128,808	2,929,288
Unpaid and unclaimed dividends	27.1	1,705,399	2,061,121
Security deposit		521,717	467,241
Amount payable for Capital Goods		4,620,853	-
		97,541,599	**86,840,343**

27.1 There are no amounts due for payment to the Investor Education and Protection Fund at the end of the year.

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

(Amount in ₹)

28 OTHER CURRENT LIABILITIES

	As at 31st March 2019	As at 31st March 2018
Statutory Dues Payable	14,301,992	15,296,072
Advances Received from Customers	2,453,646	1,997,373
	16,755,638	**17,293,445**

29 REVENUE FROM OPERATIONS

	For the year ended 31st March 2019	For the year ended 31st March 2018
Sale of Finished Goods	932,631,813	985,287,940
Sale of Green Leaf	2,157,585	-
	934,789,398	**985,287,940**
Other Operating Revenues		
Sale of Minor Produce / Timber	11,982,106	14,707,036
Incentives & Subsidies	3,171,485	-
Insurance and Other Claims (Net)	221,264	1,289,020
	15,374,855	**15,996,056**
	950,164,253	**1,001,283,996**
Details of Sale of Finished Goods :		
Tea	778,655,989	784,175,960
Rubber	107,029,574	162,554,341
Coffee	46,946,250	38,557,639
	932,631,813	**985,287,940**
Geographical Sales		
In India	932,631,813	985,287,940
Outside India	-	-
	932,631,813	**985,287,940**

Effective April 1, 2018, the Company has adopted Ind AS 115 - Revenue from Contracts with Customers, using the cumulative effect method and the comparative information is not restated. The adoption of the standard did not have any material impact on the financial statements of the Company.

Notes to Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

30 OTHER INCOME

	For the year ended 31st March 2019	For the year ended 31st March 2018
Interest Income at amortised cost		
On Bank Deposits	3,306	12,828
On Inter Corporate Deposits	2,822,329	16,444,798
From Others	4,636,460	-
Other Non Operating Income		
Rent	206,020	47,904
Excess Liabilities and Unclaimed Balances written back	697,874	467,668
Profit on Sale/discard of Property, Plant and Equipment	219,364	-
Miscellaneous Income	1,779,212	1,824,284
Profit on Sale of Non Current Investment	80,211,044	47,358,970
	90,575,609	**66,156,452**

31 COST OF MATERIALS CONSUMED

	Refer Note No.	For the year ended 31st March 2019	For the year ended 31st March 2018
Purchase of Green Leaf		**186,385,031**	**199,848,945**

32 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

	For the year ended 31st March 2019	For the year ended 31st March 2018
Inventories at the end of the year		
Tea	51,809,239	81,223,141
Rubber	5,114,569	29,025,830
Coffee	26,203,008	30,794,780
Minor Produce	2,991,818	10,867,518
	86,118,634	**151,911,269**
Inventories at the beginning of the year		
Tea	81,223,141	91,558,399
Rubber	29,025,830	75,816,221
Coffee	30,794,780	30,128,825
Minor Produce	10,867,518	1,648,459
	151,911,269	**199,151,904**
	65,792,635	**47,240,635**

Notes to Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

33 EMPLOYEE BENEFITS EXPENSE

	For the year ended 31st March 2019	For the year ended 31st March 2018
Salaries & Wages	438,135,526	440,507,051
Contribution to Provident Funds and Others	42,636,122	42,786,465
Contribution to Gratuity Fund	12,987,000	13,288,000
Contribution to Superannuation Fund	1,176,900	3,894,905
Staff Welfare Expenses	38,805,065	39,226,433
	533,740,613	539,702,854
Less: Amount Capitalised	6,938,650	16,430,181
	526,801,963	**523,272,673**

34 FINANCE COST

	Refer Note No.	For the year ended 31st March 2019	For the year ended 31st March 2018
Interest Expenses			
To Banks on Term Loans		21,606,123	30,066,230
To Banks On Working Capital Loans		40,835,799	45,522,816
To Others		635,679	-
Other Borrowing Costs			
Other Financial Charges		1,800,000	1,078,750
		64,877,601	76,667,796
Less: Amount Capitalised	34.1	690,892	1,315,287
		64,186,709	**75,352,509**

34.1 The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the entity's general borrowings during the year, in this case 12.06% (31 March 2018 – 10.96%).

35 DEPRECIATION AND AMORTIZATION EXPENSES

	For the year ended 31st March 2019	For the year ended 31st March 2018
On Property, Plant and Equipment	63,073,351	64,224,093
On Intangible Assets	164,781	136,999
	63,238,132	**64,361,092**

Notes to Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

36 OTHER EXPENSES

	For the year ended 31st March 2019	For the year ended 31st March 2018
Manufacturing Expenses		
Stores, Spare Parts & Packing Materials Consumed	17,171,090	18,341,557
Power & Fuel	89,518,087	81,330,732
Cultivations	66,049,642	71,510,225
Repairs to Buildings	7,077,403	7,736,548
Repairs to Machinery	9,016,419	8,334,670
Repairs to Other Assets	174,055	406,761
Tea Cess	-	393,492
	189,006,696	188,053,985
Less: Amount Capitalised	4,572,108	7,572,341
	184,434,588	**180,481,644**
Selling and Administration Expenses		
Freight & Cartage	11,295,305	16,088,135
Commission , Brokerage	7,344,090	8,486,035
Rent	2,911,906	3,112,901
Rates & Taxes	5,975,301	6,266,332
Insurance	5,466,439	5,693,765
Vehicle Running & Maintenance Expense	12,538,197	13,449,048
Charity & Donation	15,000	106,340
Corporate Social Responsibility Expenses	61,950	90,300
Auditors' Remuneration -		
Statutory Auditors -		
Audit Fees	1,200,000	1,200,000
Issue of Certificates	1,040,000	1,000,000
Reimbursement of Expenses	32,211	21,880
Cost Auditors' Remuneration -		
Audit Fees	150,000	150,000
Legal & Professional Fees	2,650,975	3,587,137
Loss on Sale/discard of Property, Plant and Equipment	-	7,123,440
Changes in Fair value of Biological assets	1,937,662	19,385,939
Travelling Expenses	2,255,826	1,712,817
Director Sitting Fees	555,000	445,000
Other Miscellaneous Expenses	17,822,706	19,811,096
	73,252,568	**107,730,165**
	257,687,156	**288,211,809**

37 TAX EXPENSE

	For the year ended 31st March 2019	For the year ended 31st March 2018
Current Tax	-	-
Income Tax for Earlier Years	2,772,587	-
Deferred Tax	(15,928,051)	(16,979,760)
	(13,155,464)	**(16,979,760)**

Notes to Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

37.1 Reconciliation of estimated Income tax expense at Indian statutory Income tax rate to income tax expense reported in statement of Profit & Loss.

	For the year ended 31st March 2019	For the year ended 31st March 2018
Profit from before income tax expense	(124,106,022)	(134,641,707)
Income Tax rate*	26.00%	34.61%
Estimated Income Tax Expense	(32,267,566)	(46,596,802)
Tax effect of adjustments to reconcile expected Income tax expense to reported Income tax expense		
Exempt Income	378,247	(8,231,041)
Non Deductible expenses under Income tax Act	16,107	49,652
Adjustments due to change in tax rates	11,871,459	24,075,395
Unrecognised tax credit on losses	(24,122,210)	(37,276,018)
Others	(4,483,118)	(8,235,030)
	(16,339,515)	(29,617,042)
Income tax expense in Statement of Profit & Loss	**(15,928,051)**	**(16,979,760)**

* Applicable Income Tax rate for Financial Year 2019 & 2018 is 26% & 34.60% respectively .

38 OTHER COMPREHENSIVE INCOME

	For the year ended 31st March 2019	For the year ended 31st March 2018
Items that will not be reclassified to profit or loss		
Remeasurement of the defined benefit obligation	(7,257,000)	(11,805,000)
Remeasurement of Financial Instruments	4,211,531	-
Less: Tax expense on defined benefit obligation	(1,886,820)	-
Less: Tax expense on Financial Instruments	421,153	3,069,300
	(1,579,802)	**(8,735,700)**

39 EARNING PER SHARE

	For the year ended 31st March 2019	For the year ended 31st March 2018
Nominal Value of Equity Share (₹)	10.00	10.00
Profit attributed to the Equity shareholders of the Company	(110,950,558)	(117,661,947)
Weighted average number of equity shares	4,142,201	4,142,201
Basis and diluted earning per share (₹)	(26.79)	(28.41)

There are no dilutive equity shares in the Company.

Notes to Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

40 CONTINGENT LIABILITIES, CONTINGENT ASSETS & COMMITMENT TO THE EXTENT NOT PROVIDED FOR:

40.1 Contingent Liabilities

Sl. No.	Particulars	As at 31st March 2019	As at 31st March 2018
A	Claims/Disputes/Demands not acknowledged as debts -		
i.	Income Tax under appeal [Note 1]	27,368,823	33,855,215
ii.	Karnataka Agriculture Income Tax under Appeal (Advance paid Rs. 73,538/-)	2,844,818	2,844,818
iii.	Claims of Creditors & workers	2,581,921	2,227,395
iv.	Seigniorage Charges (KERALA Forest Dept.)	17,702,033	17,702,033
v.	Provident Fund Damages	5,179,844	5,179,844
vi.	Lease Rent [Note 2]	13,086,095	11,686,205
vii.	Other claims not acknowledged as debts	8,436,848	8,436,848
viii.	Plantation Tax	2,649,689	-

Note 1 Rs. 17,835,354/- (2018: Rs. 11,865,666/-) paid under protest / adjusted for appeal.

Note 2 The Government of Kerala has increased the Lease Rent payable in respect of Chemoni and Pudukad Estates from Rs. 2/- per Acre to Rs. 1300/- per Hectare with effect from 25th November, 2009. The Company filed Writ Petition before the Hon'ble Court of Kerala challenging the increase and the case is subjudice.

In respect of above matters, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgements pending at various forums/ authorities.

40.2 Commitments

Sl. No.	Particulars	As at 31st March 2019	As at 31st March 2018
i.	Estimated amount of contracts remaining to be executed on Capital Account (net of advances)	1,774,664	Nil

Notes to Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

41 ASSETS PLEDGED AS SECURITY

The carrying amounts of assets pledged as security for current and non current borrowings are as follows :

	As at 31st March 2019	As at 31st March 2018
Current		
Financial assets	**28,225,073**	**102,034,345**
Trade Receivables	19,585,802	77,553,452
Cash and cash equivalents	2,050,867	12,196,934
Other Current Assets	6,588,404	12,283,959
Non-financial assets	**119,010,324**	**188,547,210**
Inventories	119,010,324	188,547,210
Total current assets pledged as security	**147,235,397**	**290,581,555**
Non-current		
Freehold land & Plantation	608,846,610	620,584,591
Freehold buildings	97,200,945	106,365,140
Furniture, fittings and equipment	44,489,853	52,510,361
Total non-currents assets pledged as security	**750,537,408**	**779,460,092**
Total assets pledged as security	**897,772,805**	**1,070,041,647**

42. DISCLOSURE AS REQUIRED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006, TO THE EXTENT ASCERTAINED, AND AS PER NOTIFICATION NUMBER GSR 679 (E) DATED 4TH SEPTEMBER, 2015.

Sl. No.	Particulars	As at 31st March 2019	As at 31st March 2018
i	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each financial year.	–	–
ii	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	–	–
iii	The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	–	–
iv	The amount of interest accrued and remaining unpaid at the end of each accounting year	–	–
v	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	–	–

43. OPERATING LEASES (OTHER THAN LAND LEASES)

The Company has operating lease for an office permise which is a non-cancellable lease for a period of 5 years. With respect to non-cancellable operating lease, the future minimum lease payment at the balance sheet date is as under.

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

(Amount in ₹)

43.1 Future Minimum Lease Payments

At 31st March, 2019 the future minimum lease payments to be made under non-cancellable operating leases are as follows:

Particulars	As at 31st March 2019	As at 31st March 2018
Payables within one year	1,800,000	-
Payables later than one year but not later than five years	5,400,000	-
Payables later than five years	-	-

43.2 Amounts recognized in Profit or Loss

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Minimum lease payments	2,911,906	3,112,901
Total rental expense relating to operating leases	2,911,906	3,112,901

44. DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD - 19 'EMPLOYEE BENEFITS'

44.1 Defined Contribution Plan:

The Company makes contribution towards provident fund and superannuation fund to a defined contribution retirement plan for qualifying employees. The Provident fund plan is operated by statutory authorities. Under the said scheme 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.

The Company operates a superannuation scheme for certain employees and contributions by the Company under the scheme, is charged against revenue every year.

The amount recognized as an expense for the Defined Contribution Plans are as under:

Sl. No.	Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
a.	Provident Fund	37,476,503	37,581,208
b.	Superannuation Fund	1,176,900	3,894,905

44.2 Defined Benefit Plan:

The following are the types of defined benefit plans

44.2.1 Gratuity Plan

The Company makes annual contribution of gratuity to gratuity funds duly constituted and administered by independent trustees and funded with Birla Sun Life Insurance Company Limited/ independent trust for the qualifying employees. The scheme provides for a lump sum 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.

The present value of defined obligation and related current cost are measured using the projected unit credit method with actuarial valuation being carried out at each balance sheet date.

44.2.2 Leave

The employees of the Company are also eligible for encashment of leave upon retirement up to 30 days for each year (maximum 120 days). The benefit obligation related to leave liability are funded with Life Insurance Corporation of India.

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

44.2.3 Risk Exposure

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

Interest rate risk	The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation with tend to increase.
Salary Inflation risk	Higher than expected increases in salary will increase the defined benefit obligation.
Demographic risk	This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compare to long service employee.

44.2.4 Reconciliation of the net defined benefit (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset)/ liability and its components:

(₹ in lacs)

Particulars	**Gratuity**	
	2018-19	**2017-18**
Net defined benefit asset/(liability) at the beginning of the year	(273.66)	(258.83)
Service Cost	(109.08)	(114.51)
Net interest on net defined benefit (liability)/asset	(20.79)	(18.37)
Amount recognised in OCI	(72.57)	118.05
Employer contributions	-	-
Net defined benefit asset/(liability) at the end of the year	(476.10)	(273.66)

44.2.5 Reconciliation of Defined Benefit Obligations

The following table shows a reconciliation to defined benefits obligations:

(₹ in lacs)

Particulars	**Gratuity**	
	2018-19	**2017-18**
Defined Benefit Obligation at the beginning of the year	1,830.31	1,854.38
Current Service Cost	109.08	114.51
Interest Cost on the defined benefit obligation	133.47	126.17
Curtailment (Credit)/ Cost	-	-
Settlement (Credit)/ Cost	-	-
Past Service cost- plan amendments	-	-
Acquisitions (Credit)/ Cost	-	-
Actuarial (gain)/loss-experience	73.73	(36.02)
Actuarial (gain)/ loss -demographic assumptions	-	-
Actuarial (gain)/loss-financial assumptions	15.78	(74.12)
Benefits paid directly by the Company	-	-
Benefits paid from plan assets	(148.14)	(154.61)
Defined Benefit Obligation at the end of the year	2,014.23	1,830.31

Notes to Financial Statements

as at and for the year ended 31st March, 2019

44.2.6 Reconciliation of the Plan Assets

The following table shows a reconciliation from the opening balances to the closing balances for the Plan Assets and its components:

(₹ in lacs)

Particulars	Gratuity	
	2018-19	2017-18
Fair Value of Plan Assets at the beginning of the year	1,556.65	1,595.55
Interest Income on Plan Assets	112.68	107.80
Return on plan assets greater/ (lesser) than discount rate	16.94	7.91
Employer Contributions	-	-
Benefits Paid	(148.14)	(154.61)
Fair Value of Plan Assets at the end of the year	1,538.13	1,556.65

44.2.7 Expenses recognized in profit or loss (₹ in lacs)

Particulars	Gratuity	
	2018-19	2017-18
Current Service Cost	109.08	114.51
Interest Cost	133.47	126.17
Interest Income on Plan Assets	112.68	107.80

44.2.8 Remeasuremets recognzied in other comprehensive income (₹ in lacs)

Particulars	Gratuity	
	2018-19	2017-18
Actuarial (gain)/ Loss on defined benefit obligation	89.51	(110.14)
Return on plan assets greater/ (lesser) than discount rate	(16.94)	(7.91)

44.2.9 Major Categories of Plan Assets

The Gratuity Scheme is invested in a Group Unit Linked Gratuity Plan managed by Birla Sun Life Insurance Company Limited and the Independent Administered Gratuity Fund. The information on the allocations of fund managed by Birla Sun Life Insurance Company Limited into major assets classes and expected return on each major classes are not readily available. In case of company's administered trust, 100% allocation of fund has been made towards government securities. The expected rate of return on plan assets is based on the assumed rate of return provided by Company's actuary.

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44.2.10 Actuarial Assumptions (₹ in lacs)

Particulars	Gratuity	
	2018-19	2017-18
Financial Assumptions		
Discount Rate	7.50	7.60
Salary Escalation Rate- Management	8.00	8.00
Salary Escalation Rate- Non- Management	6.00	6.00
Demographic Assumptions		
Mortality Rate	Indian Assured Lives Mortality (2006-08) Ult	Indian Assured Lives Mortality (2006-08) Ult
Withdrawal Rate	Age from 20-40 : 2.00% Age from 40-60 : 1.00%	Age from 20-40 : 2.00% Age from 40-60 : 1.00%

44.2.11 The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

44.2.12 At 31st March 2019, the weighted average duration of the defined benefit obligation was 9 years (previous year 9). The distribution of the timing of benefits payment i.e., the maturity analysis of the benefit payments is as follows:

(₹ in lacs)

	2018-19	2017-18
Expected benefits payment for the year ending on	**Gratuity**	**Gratuity**
Within 1 year	251.42	247.61
1-2 Year	139.46	123.14
2-3 Year	144.54	141.75
3-4 Year	172.12	139.29
4-5 Year	178.63	168.57
5-9 Years	1,308.37	1,173.88

44.2.13 The Company expects to contribute ₹ Nil (previous year ₹ Nil) to its gratuity fund in 2019-20

44.2.14 Sensitivity Analysis

The sensitivity analyses below have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occuring at the end of the reporting period. Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below: (₹ in lacs)

Particulars	Gratuity	
	2018-19	2017-18
Effect on DBO due to 1% increase in Discount Rate	(148.20)	(133.00)
Effect on DBO due to 1% decrease in Discount Rate	171.10	154.00
Effect on DBO due to 1% increase in Salary Escalation Rate	171.56	154.00
Effect on DBO due to 1% decrease in Salary Escalation Rate	(151.18)	(136.00)

Notes to Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

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

45 IN ACCORDANCE WITH THE GUIDANCE NOTE ON ACCOUNTING FOR EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES, THE REQUISITE DISCLOSURE AS FOLLOWS:

(₹ in lacs)

45.1 Particulars	Gratuity	
	2018-19	2017-18
Gross Amount Required to be spent by the company during the year	–	–
Provision made in relation to CSR expenditure	–	–

(₹ in lacs)

45.2 Particulars	2018-19		2017-18	
	In Cash	Yet to be paid in cash	In Cash	Yet to be paid in cash
Amount spent during the year on :				
Construction/ Acquisition of any asset	–	–	–	–
On purpose other than above	0.62	–	0.90	–
Unspent Amount	–	–	–	–

46 RELATED PARTY DISCLOSURES

46.1 Name of the related parties and description of relationship

A Subsidiaries of the Company

- Cowcoody Builders Private Limited (CBPL) (Subsidiary upto 12.02.2019)
- Pranav Infradev Company Private Limited (PICPL)
- Keshava Plantations Private Limited (KPPL)

B Associate of the Company

- The Cochin Malabar Estates & Industries Limited (TCMEIL)

C Key Management Personnel

- Hemant Bangur- Chairman
- Pushpa Devi Bangur- Non Executive Director
- Manoj Kumar Daga-Independent Director
- Mihir Mohan Pyne-Independent Director
- Jay Kumar Surana-Independent Director
- K. C. Mohta - Executive Director & C.E.O (till 30th April,2018)
- Mukundan Raman - Chief Operating Officer (w.e.f. 01.11.2018)
- Sharad Bagree - Company Secretary
- Sayansiddha Das - Chief Financial Officer

D Entities over which Key Management Personnels are able to exercise control/joint control

- Credwyn Holdings (I) Private Limited (CHPL)
- The Oriental Company Limited (TOCL)
- Madhav Trading Corporation Limited (MTCL)
- Wind Power Vinimay Private Limited (WPVPL)

Notes to Financial Statements

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(Amount in ₹)

- Gopal Das Bangur (HUF)
- PDGD Investment & Trading Private Limited
- Mugneeram Bangur & Company LLP (MB)
- The Cambay Investment Corporation Limited (TCICL)

E Post Employement Benefit Plan

- Bangur Superannuation Fund
- Joonktollee Tea & Industries Limited Gratuity Fund

46.2 Summary of transactions with the related parties

Particulars	Subsidiaries of the Company	Associate of the Company	Entities over which Key Management Personnels are able to exercise control/ joint control	Key Management Personnel	Post Employement Benefit Plan
Loan/ Advances Given (Net)	35,000,000	-	-	520,000	-
Previous Year	22,346,196	3,500,000	7,500,000	290,000	-
Loan/ Advances Refunded	22,000,000	-	-	-	-
Previous Year	29,051,343	3,500,000	7,500,000	-	-
Loan Received	-	-	10,000,000	-	-
Previous Year	-	-	35,000,000	-	-
Loan Repaid	-	-	10,000,000	-	-
Previous Year	-	-	35,000,000	-	-
Interest Income/ (Paid)	2,822,329	-	(401,096)	-	-
Previous Year	1,316,730	185,261	(581,918)		
Rent Paid	-	-	1,800,000	-	-
Previous Year	-	-	1,867,500	-	-
Purchase of Goods	754,258	-	-	-	-
Previous Year	3,794,492	-	-	-	-
Sale of Green Leaf	2,157,585	-	-	-	-
Previous Year	-	-	-	-	-
Service Charges Paid	408,821	-	-	-	-
Previous Year	-	-	-	-	-
Dividend Paid	-	-	903,046	534,829	-
Previous Year	-	-	2,256,091	744,657	-
Sale of Investment	-	-	45,281,514	124,390,000	-
Previous Year			48,649,500	43,528,500	
Sitting Fees	-	-	-	555,000	-
Previous Year	-	-	-	445,000	-
Remuneration	-	-	-	7,013,917	-
Previous Year	-	-	-	11,108,547	-
Contribution towards post employement benefit plan	-	-	-	-	1,176,900
Previous Year	-	-	-	-	3,911,206

Notes to Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

46.3 Summary of Closing Balance Outstanding with the related parties

Particulats	Subsidiaries of the Company	Associate of the Company	Entities over which Key Management Personnels are able to exercise control/ joint control	Key Management Personnel	Post Employement Benefit Plan
Loan/ Advances Receviable					
2019	33,000,000	–	–	–	–
2018	20,000,000	–	–	–	–
Loan/ Advances Receivable					
2019	–	–	7,500,000	–	–
2018	–	–	7,500,000		
Receivable on Sale of Green Leaf					
2019	2,157,585	–	–	–	–
2018	–	–	–	–	–
Payable for Service charges					
2019	109,244	–	–	–	–
2018	–	–	–	–	–

46.4 Key Management Personnel compensation

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Short-term employee benefits	7,013,917	11,108,547
*Post-employment benefits	-	6,717,324
*Long-term employee benefits	-	1,200,000
Sitting Fees	555,000	445,000
Total compensation	**7,568,917**	**19,470,871**

* Post-employment benefits and other long-term benefits is being disclosed based on actual payment made on retirement/ resignation of services, but does not includes provision made on actuarial basis as the same is available for all the employees together.

46.5 Major terms and conditions of transactions with related parties

Transactions with related parties are carried out in the normal course of business and are made on terms equivalent to those that prevail in arm's length transactions.

Loans to related parties which are generally for a period of one to three years. Interest rates range from 11% to 12%. All loans to related parties are unsecured.

47 SEGMENT REPORTING

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance.

Notes to Financial Statements

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(Amount in ₹)

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Based on the management approach as defined in Ind AS 108, the Chief Operating Decision Maker evaluates the Company's performance based on only three segment i.e. Tea, Coffee and Rubber which have been identified taking into account the organizational structure as well as the differing risks and returns of these segments. The segment wise revenue, assets and liabilities relate to the respective amounts directly identifiable with each other of the segments. There is no inter-segment revenue. The company does not have any secondary/geographical segments.

Particulars	2018-19	2017-18
Segment Revenue		
Tea	787,237,661	786,467,220
Coffee	48,565,265	43,488,720
Rubber	107,089,994	162,554,341
Others	7,271,333	8,773,715
Total	**950,164,253**	**1,001,283,996**
Segment Results		
Tea	(89,281,198)	(65,767,756)
Coffee	4,755,900	(11,684,672)
Rubber	(37,566,640)	(22,856,423)
Others	(2,635,276)	6,786,616
Total	**(124,727,214)**	**(93,522,235)**
Interest Expenses	64,186,709	75,352,509
Interest Income	7,462,095	16,457,626
Other Unallocated Income (net of Unallocated Expenses)	57,345,806	17,775,411
Total Profit before Tax	(124,106,022)	(134,642,707)
Less : Income Taxes	(13,155,464)	(16,979,760)
Total Profit/(Loss) after Tax	**(110,950,558)**	**(117,661,947)**

Particulars	**31-03-2019**		**31-03-2018**	
Segment Assets & Segment Liabilities	**Assets**	**Liabilities**	**Assets**	**Liabilities**
Tea	1,066,502,571	123,575,562	1,199,999,509	84,063,803
Coffee	378,829,592	3,058,271	377,987,806	2,802,443
Rubber	184,783,541	19,384,092	219,171,415	15,873,672
Others	2,991,818	-	2,253,044	-
Unallocable	579,192,213	147,220,014	667,369,056	179,202,731
Total	**2,212,299,735**	**293,237,939**	**2,466,780,830**	**281,942,649**
Capital Expenditure & Depreciation/ Amortisation	**Capital Expenditure**	**Depreciation/ Amortisation**	**Capital Expenditure**	**Depreciation/ Amortisation**
Tea	24,634,421	45,004,085	42,415,083	46,773,012
Coffee	1,904,071	5,068,900	4,906,980	4,794,268
Rubber	1,924,732	12,348,387	4,438,887	11,546,889
Unallocable	7,549,647	816,760	-	1,246,923
Total	**36,012,871**	**63,238,132**	**51,760,950**	**64,361,092**

No customer individually accounted for more than 10% of the revenues from external customers during the years.

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as at and for the year ended 31st March, 2019

(Amount in ₹)

48 FAIR VALUE MEASUREMENT

Categories of Financial Assets & Financial Liabilities as at 31st March 2019 and 31st March 2018

Particulars	31st March 2019			31st March 2018		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
Financial Assets						
Investment						
- Equity Instruments	-	8,071,176	-	-	3,859,645	-
Trade Receivables	-	-	19,585,802	-	-	77,553,452
Cash and Cash Equivalents	-	-	3,036,125	-	-	28,088,514
Bank Balance other than above	-	-	1,763,067	-	-	2,258,857
Loans to Employees	-	-	8,684,834	-	-	6,117,459
Loans to Related Parties	-	-	33,000,000	-	-	20,000,000
Loans to Companies/ Firm	-	-	-	-	-	-
Security Deposits	-	-	18,478,499	-	-	18,413,197
Other Financial Assets	-	-	476,464	-	-	4,181,673
Total Financial Assets	**-**	**8,071,176**	**85,024,791**	**-**	**3,859,645**	**156,613,152**
Financial Liabilities						
Borrowings	-	-	402,543,495	-	-	553,292,702
Trade Payables	-	-	47,505,398	-	-	45,872,632
Other Financial Liabilities	-	-	97,541,599	-	-	86,840,343
Total Financial Liabilities	**-**	**-**	**547,590,492**	**-**	**-**	**686,005,677**

49 FAIR VALUES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES MEASURED AT AMORTISED COST

49.1 The management assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, short term borrowings, and other financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

49.2 The management considers that the carrying amounts of Financial assets and Financial liabilities recognised at nominal cost/amortised cost in the Financial statements approximate their fair values.

49.3 Non current borrowings has been contracted at floating rates of interest, which are reset at short intervals. Fair value of floating interest rate borrowings approximates their carrying value subject to adjustments made for transaction cost.

50 FAIR VALUE HIERARCHY

50.1 Financial Instrument

The following are the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair value are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels of fair value measurement as prescribed under the Ind AS 113 "Fair Value Measurement". An explanation of each level follows underneath the tables.

Notes to Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

Assets and Liabilities measured at Fair Value - recurring fair value measurements

As at 31st March 2019 and 31st March 2018

Particulars	31st March 2019			31st March 2018		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets						
Investment						
- Equity Instruments	8,071,176	-	-	-	-	3,859,645
Total Financial Assets	**8,071,176**	**-**	**-**	**-**	**-**	**3,859,645**

50.2 Biological assets other than bearer plants

This section explains the judgements and estimates made in determining the fair values of the biological assets other than bearer plants that are recognised and measured at fair value in the financial statements. The Company uses a Valuation technique that is appropriate in the circumstances and for which sufficient data are available to measure the fair value, maximising the use of relevant observable inputs.

Biological Assets measured at Fair Value less cost to sell

As at 31st March 2019 and 31st March 2018

Particulars	31st March 2019			31st March 2018		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Non Financial Assets						
Biological Assets other than Bearer Plant						
- Unharvested Tea Leaf & Other Minor Produce	–	2,699,369	–	–	2,665,549	–
- Timber	–	327,699,000	–	–	329,670,482	–
Total Non Financial Assets	**–**	**330,398,369**	**–**	**–**	**332,336,031**	**–**

50.2.1 Valuation Technique

Unharvested Tea Leaf: Fair value is being arrived at based on the observable market prices of made tea adjusted for manufacturing costs. The same is applied on quantity of the tea leaves unharvested using plucking averages of various estates.

Timber Plantation & Others : Fair value is being arrived at based on the observable market prices of timber.

50.3 During the year ended March 31, 2019 investment in The Phosphate Co.Ltd has been shifted to level 1 from level 3 due to listing of the shares with BSE and at March 31, 2018 there were no transfers between level 1, level 2 and level 3.

50.4 Explanation to the fair value hierarchy

The Company measures Financial instruments, such as, equity investments and non financial instruments, such as, unharvested tea leaf and timber plantation, at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The valuation of equity instruments are based on level 1 inputs and valuation of unharvested tea leaf and timber plantation are based on level 2 inputs as per the hierarchy mentioned in the Accounting Policies.

Notes to Financial Statements

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(Amount in ₹)

51 FINANCIAL RISK MANAGEMENT

Financial management of the Company has been receiving attention of the top management of the Company. The management considers finance as the lifeline of the business and therefore, financial management is carried out meticulously on the basis of detailed management information systems and reports at periodical intervals extending from daily reports to long-term plans. Importance is laid on liquidity and working capital management with a view to reduce over-dependence on borrowings and reduction in interest cost.

51.1 Credit Risk

Credit risk is the risk that counterparty will not meet its obligations leading to financial loss. The Company has an established credit policy and a credit review mechanism. Credit exposure is undertaken only with large reputed business houses and with no history of default against payments. The Company has used a practical expedience by computing the expected credit losses matrix which has taken into account historical credit loss experience based on which no expected credit loss risk has been estimated.

51.2 Liquidity Risk

The Company determines its liquidity requirement in the short, medium and long term. This is done by drawings up cash forecast for short term and long term needs.

The Company manage its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity monitoring future cash flow and liquidity on a regular basis. Surplus funds not immediately required are invested in and fixed deposit which provide flexibility to liquidate. Besides, it generally has certain undrawn credit facilities which can be assessed as and when required; such credit facilities are reviewed at regular basis.

51.2.1 Maturity Analysis for financial liabilities

a. The following are the remaining contractual maturities of financial liabilities as at 31st March 2019

Particulars	On Demand	Less than 6 months	6 months to 1 year	More than 1 year	Total
Borrowings					
Term loan from banks	-	30,000,000	30,000,000	120,000,000	180,000,000
Working Capital loans repayable on demand	97,325,496	-	-	-	97,325,496
Short term loan	-	185,217,999	-	-	185,217,999
Trade payables	-	47,505,398	-	-	47,505,398
Other financial liabilities	8,976,777	28,564,822	-	-	37,541,599
Total	**106,302,273**	**291,288,219**	**30,000,000**	**120,000,000**	**547,590,492**

b. The following are the remaining contractual maturities of financial liabilities as at 31st March 2018

Particulars	On Demand	Less than 6 months	6 months to 1 year	More than 1 year	Total
Borrowings					
Term loan from banks	-	30,000,000	30,000,000	180,000,000	240,000,000
Working Capital loans repayable on demand	11,242,702	-	-	-	11,242,702
Short term loan	-	362,050,000	-	-	362,050,000
Trade payables	-	45,872,632	-	-	45,872,632
Other financial liabilities	5,457,650	21,382,693	-	-	26,840,343
Total	**16,700,352**	**459,305,325**	**30,000,000**	**180,000,000**	**686,005,677**

Notes to Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

c. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements (if any). The interest payments on variable interest rate loans in the tables above reflect market forward interest rates at the respective reporting dates and these amounts may change as market interest rates change. Except for these financial liabilities, it is not expected that cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts. When the amount payable is not fixed, the amount disclosed has been determined with reference to conditions existing at the reporting date.

51.3 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's business primarily agricultural in nature, exposes it to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of adverse weather conditions and lack of future markets. The Company closely monitors the changes in market conditions and select the sales strategies to mitigate its exposure to risk. Market risk comprises two type of risks: Interest Rate Risk, Commodity Risk and Foreign Curreency Risk.

51.3.1 Commodity Risk

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

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

i) Sufficient inventory levels of chemicals, fertilisers and other inputs are maintained so that timely corrective action can be taken in case of adverse weather conditions.

ii) Slightly higher level of consumable stores viz. packing materials, coal and HSD are maintained in order to mitigate financial risk arising from logistics problems.

iii) Sufficient working-capital-facility is obtained from banks in such a way that cultivation, manufacture and sale of tea is not adversely affected even in times of adverse conditions.

51.3.2 Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates. The company's exposure to the risk of changes in market interest rate relates primarily to company's borrowing with floating interest rates. The Company do not have any significant interest rate risk on its current borrowing due to their short tenure.

The Company is also exposed to interest rate risk on surplus funds parked in loans. To manage such risks, such loans are granted for short durations with fixed interest rate in line with the expected business requirements for such funds.

a Exposure to interest rate risk

Particulars	31st March 2019	31st March 2018
Borrowings at floating rate	347,325,496	421,242,702
Borrowings at fixed rate	115,217,999	192,050,000
	462,543,495	**613,292,702**

Notes to Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

b Sensitivity Analysis

Profit or loss is sensitive to higher/ lower interest expense from borrowings as a result of changes in interest rates. This analysis assumes that all other variables, remain constant and ignores any impact of forecast sales and purchases.

Particulars	31st March 2019			31st March 2018		
	Sensitivity Analysis	Impact on		Sensitivity Analysis	Impact on	
		Profit before tax	Other Equity		Profit before tax	Other Equity
Interest Rate Increase by	0.50%	(2,312,717)	(1,711,411)	0.50%	(3,066,464)	(2,118,926)
Interest Rate Decrease by	0.50%	2,312,717	1,711,411	0.50%	3,066,464	2,118,926

51.3.3 Foreign Currency Risk

The Company has no exposure to foreign exchange currency the financial year. There were no foreign exchange derivative contracts dealt by the Company.

52 CAPITAL MANAGEMENT

The Company objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic Investments. Sourcing of capital is done through judicious combination of equity/internal accruals and borrowings, both short term and long term. Net debt (total borrowings less cash and cash equivalents) to equity ratio is used to monitor capital.

Particulars	31st March 2019	31st March 2018
Net Debt	462,543,495	613,292,702
Total Equity	1,456,518,298	1,571,545,479
Net Debt to Equity Ratio	0.32	0.39

53 Information pursuant to Regulation 34(3) of SEBI (Listing Obligation and disclosure requirements) Regulation 2015.

Loan to subsidiary/associate company are as under :

Particulars	Balance Outstanding		Maximum Outstanding	
	As at 31st March 2019	As at 31st March 2018	For the year ended	
			31st March 2019	31st March 2018
Keshava Plantations Pvt. Ltd (Subsidiary)	33,000,000	20,000,000	35,000,000	24,509,967
The Cochin Malabar Estates and Industries Ltd. (Associate)	-	-	-	3,500,000

Note: The loan was given for the general business purpose of the subsidiary & associate.

54 The Company's entitlement of ₹ 17,560,442/- (2018: ₹ 17,560,442/-) under section 80-IC of the Income Tax Act, 1961 in respect of income generated from facilities situated in North East states is pending before Hon'ble High Court since assessment year 2004-05 to 2013-14. The management of the Company does not foresee any additional liability of the income tax at this point

55 Transfer of certain assets/liabilities from/to transferor companies/demerged units under the scheme of arrangement/ amalgamations carried out in earlier years are still in the process of completion.

56 Trade Receivables, Loans, Other Financial Assets and Other Assets include certain overdue and unconfirmed balances. However, in the opinion of the management, these current assets would, in the ordinary course of business, realize the value stated in the accounts.

57 Miscellaneous Expenditure includes revenue expenditure on research and development ₹ 7,26,768/- (2018: ₹ 6,53,280) incurred towards subscription to Tea Research Association.

58 The wage agreements with workers in Assam and Kerala are under negotiation. Interim wage increase has been announced in Assam and the basic wage has been increased by ₹ 30/-. In absence of final agreement, the wages have been accounted for on the basis of interim order for the period from March, 2018 to July, 2018. Further, in absence of any new agreement in Kerala, the wages have been accounted for on basis of wages as per last agreement.

59 The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal.

The Company is awaiting the outcome of the review petition, and also directions from EPFO, if any, to assess any potential impact on the Company and consequently no adjustments have been made in the books of account.

60 Previous year figures have been regrouped / rearranged wherever necessary, to confirm to the current period's classification.

As per our report of even date annexed.
For and on behalf of
J K V S & CO
Chartered Accountants
Firm Registration No. 318086E

Utsav Saraf
Partner
Membership No. 306932

Place : Kolkata
Dated: 15th May, 2019

For and on behalf of Board of Directors

Hemant Bangur
Chairman
(DIN 00040903)

Manoj Kumar Daga
Director
(DIN 00123386)

Sayansiddha Das
Chief Financial Officer

Sharad Bagree
Manager (Finance) & Company Secretary

Consolidated Financial Section

Independent
auditors' report

To the Members of
JOONKTOLLEE TEA & INDUSTRIES LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Joonktollee Tea & Industries Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") which includes the Group's share of profit in its associate, which comprise the Consolidated Balance Sheet as at March 31st 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements of the subsidiaries and associates referred to below in the Other Matter section below, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at 31st March, 2019, and their consolidated loss, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below as Key audit matters and for each matter, our description of how our audit addressed the matter is provided in that context.

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Key audit matters	How our audit addressed the key audit matter
Impairment of goodwill in Consolidated Financial Statements The Consolidated Financial Statements reflect goodwill of Rs 7,06,98,281 on acquisition / consolidation. Goodwill is required to be tested annually for impairment. To this end, the Parent and the relevant subsidiary have estimated the recoverable amount of the Cash Generating Unit (CGU) to which the goodwill is allocable based on Value in Use (ViU) calculations. Determination of ViU involves significant estimates, assumptions and judgements as regards determination of method to be used for ViU calculation, reasonableness of assumptions involved in developing projections of financial performance etc. In view of the significance of the goodwill and the above, we consider impairment testing of goodwill to be a significant key audit matter.	In our audit approach, we reviewed the approach adopted for testing impairment including the method used for determination of Value in Use, testing the design, implementation and operating effectiveness of controls over the process of impairment assessment and performing substantive testing in respect of financial projections for their accuracy, reviewing the assumptions used for reasonableness and involving fair value specialists. We challenged the assumptions made by the management of the Parent in relation to the ViU computation. We also reviewed the sensitivity analysis performed by the management of the Parent on the key assumptions.
Valuation of Biological Assets The Group's biological assets include standing timber, unharvested green leaf, etc., which is measured at fair value less costs to sell. The principal assumptions and estimates in the determination of the fair value include assumptions about the yields or quantity of biological asset, market prices and the stage of transformation. The determination of these assumptions and estimates require careful evaluation by management and could lead to material impact on the financial position and the results of the Company. Refer note no 14 to the financial statement.	With reference to this key audit matter, we have: Evaluated the design and implementation of Company's controls around the valuation of biological assets and agricultural produce. • Assessing the plucking yields and basis of quantification of biological asset and analyse the stage of transformation considered for the fair valuation. • Assessing the basis, reasonableness and accuracy of adjustments made to market prices. • Testing the consistency of application of the fair value approaches and models over the years.
Contingent Liabilities The Group is exposed to different laws, regulations and interpretations thereof. The company is also subject to number of significant claims and litigations. The assessment of the likelihood and quantum of any liability in respect of these matters can be judgmental due to the uncertainty inherent in their nature. At March 31, 2019, the Company has disclosed significant pending legal cases with respect to Income tax under appeal, Seigniorage Charges, lease rent and other material contingent liabilities [Refer Note 40.1 to the financial statements]. We considered this to be a key audit matter, since the accounting and disclosure of claims and litigations is complex and judgmental, and the amounts involved are, or can be, material to the financial statements.	Our audit procedures included among others: I. Understanding and assessing the internal control environment relating to the identification, recognition and measurement of provisions for disputes, potential claims and litigation, and contingent liabilities; II. Analyzed significant changes/update from previous periods and obtained a detailed understanding of such items. Assessed recent judgments passed by the court authorities affecting such change; III. Discussed the status of significant known actual and potential litigations with the management & noted that information placed before the board for such cases and IV. Assessment of the management's assumptions and estimates related to the recognized provisions for disputes and disclosures of contingent liabilities in the financial statements.

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Information other than the Consolidated Financial Statements and Auditor's Report thereon

The Parent's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including annexures to the Board's Report, Corporate Governance & other Shareholder's Information, but does not include the Consolidated Financial Statements, Standalone Financial Statement and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information, compare with the financial statement of the subsidiaries and associates audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries and associate, is traced from their financial statements audited by the other auditors.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its associates in accordance with Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Parent, as aforesaid. In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of the Group and of its associate.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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auditors' report

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities or business activities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in

(i) planning the scope of our audit work and in evaluating the results of our work; and

(ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

We communicate with those charged with governance of the Parent and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely

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auditors' report

rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of three subsidiaries (including one subsidiary disposed off during the year), whose financial statements reflect total assets of 4613.60 lakhs as at 31st March, 2019, total revenues of 643.19 lakhs and net cash outflows amounting to 151.67 lakhs for the year ended on that date, as considered in the Consolidated Financial Statements. The Consolidated Financial Statements also include the Group's share of net profit of Rs Nil for the year ended 31st March, 2019, as considered in the Consolidated Financial Statements, in respect of associate, whose Financial Statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associate is based solely on the reports of the other auditors. Our opinion on the Consolidated Financial Statements above, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of other auditors on separate financial statements of subsidiaries and associate company incorporated in India, referred in the Other Matters paragraph above we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements;

   (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time;

   (e) On the basis of the written representations received from the directors of the Parent as on 31st March, 2019 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies and associate company incorporated in India, none of the directors of the Group companies and its associate company

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incorporated in India is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Parent, subsidiary companies and associate company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies, for the reasons stated therein.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

i. The Consolidated Financial Statements have disclosed the impact of pending litigations on the consolidated financial position of the Group – Refer Note 40.1 to the Consolidated Financial Statements;

ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and associate incorporated in India during the year ended March 31, 2019.

For **JKVS & CO,**
(Formerly known as Jitendra K. Agarwal & Associates)
Chartered Accountants
Firm's Registration No. 318086E
(Utsav Saraf)
Partner
Membership No. 306932

Place: Kolkata
Date: 15th May, 2019

Annexure - A

to the independent auditors' report

(Referred to in paragraph 2 (f) under "Report on Other Legal and Regulatory Requirements" section of our Report to the members of Joonktollee Tea & Industries Limited of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (I) OF SECTION 143(3) OF THE COMPANIES ACT, 2013 ("THE ACT")

In conjunction with our audit of the consolidated financial statements of Joonktollee Tea & Industries Limited (the 'Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as the 'Group'), its associate as at and for the year ended 31st March 2019, we have audited the internal financial controls over financial reporting ('IFCOFR') of the Holding Company, its three subsidiary companies and one associate company, which are companies covered under the Act, as at that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

The respective Board of Directors of the Parent, its subsidiary companies and its associate company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies and associate company, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company, its subsidiary companies, its associate company, which are companies incorporated in India.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the

Annexure - A
to the independent auditors' report

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary companies and associate company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, based on the criteria for internal control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to three subsidiary companies and one associate company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **JKVS & CO,**
(Formerly known as Jitendra K. Agarwal & Associates)
Chartered Accountants
Firm's Registration No. 318086E
(Utsav Saraf)
Partner
Membership No. 306932

Place: Kolkata
Date: 15th May, 2019

Consolidated Balance Sheet

as at 31st March, 2019

(Amount in ₹)

	Note No.	As at 31st March, 2019		As at 31st March, 2018	
ASSETS					
1 NON-CURRENT ASSETS					
a Property, Plant and Equipment	5	1,503,844,690		1,544,791,185	
b Capital Work-In-Progress		63,390,720		56,193,021	
c Goodwill on Consolidation		70,698,281		70,698,281	
d Intangible Assets	6	683,213	1,638,616,904	832,794	1,672,515,281
e Biological Asset other than Bearer Plants	14	327,699,000		329,670,482	
f Investment accounted for using equity method	7	-		-	
g Financial Assets					
i. Investments	8	8,071,176		3,859,645	
ii. Loans	9	23,278,909		23,209,479	
iii. Other Financial Assets	10	-		-	
h Non-Current Tax Assets (Net)	11	32,558,258		37,437,906	
i Other Non-Current Assets	12	25,051,041	416,658,384	24,699,578	418,877,090
2 CURRENT ASSETS					
a Inventories	13	127,089,523		192,885,491	
b Biological Asset other than Bearer Plants	14	3,303,677		3,102,487	
c Financial Assets					
i. Trade Receivables	15	18,488,717		79,500,220	
ii. Cash and Cash Equivalents	16	3,449,225		28,402,270	
iii. Bank balances other than Note ii above	17	1,763,067		2,258,857	
iv. Loans	9	6,582,381		4,114,755	
v. Other Financial Assets	10	575,973		4,620,843	
d Other Current Assets	12	20,836,040		17,629,943	
e Non-Current Assets classified as held for sale	59	-	182,088,603	189,004,107	521,518,973
Total Assets			**2,237,363,891**		**2,612,911,344**
EQUITY AND LIABILITIES					
EQUITY					
a Equity Share Capital	18	41,422,010		41,422,010	
b Other Equity	19	1,361,663,920	1,403,085,930	1,527,457,050	1,568,879,060
c Non-controlling interest	20		-		74,051,809
			1,403,085,930		**1,642,930,869**
LIABILITIES					
1 NON-CURRENT LIABILITIES					
a Financial Liabilities					
i. Borrowings	21	120,000,000		180,000,000	
ii. Other financial liabilities		-		-	
b Provisions	22	58,696,957		37,502,957	
c Deferred Tax Liabilities (Net)	23	138,591,456		156,112,821	
d Non-Current Tax Liabilities (Net)	24	-	317,288,413	2,059,938	375,675,716
2 CURRENT LIABILITIES					
a Financial Liabilities					
i. Borrowings	25	320,075,693		409,642,365	
ii. Trade Payables	26				
Total outstanding dues of creditors to micro enterprises and small enterprises		-		-	
Total outstanding dues of creditor to other than micro enterprises and small enterprises		53,122,363		51,705,216	
iii. Other Financial Liabilities	27	100,617,291		88,178,387	
b Other Current Liabilities	28	18,080,159		18,255,672	
c Provisions	22	25,094,042	516,989,548	26,523,119	594,304,759
Total Equity and Liabilities			**2,237,363,891**		**2,612,911,344**

Basis of Preparation and presentation of Financial Statement	2
Significant Accounting Policies	3
Significant Judgements & Key Estimate	4

The Notes are an integral part of the Financial Statements

As per our report of even date annexed.
For and on behalf of
J K V S & CO
Chartered Accountants
Firm Registration No. 318086E

Utsav Saraf
Partner
Membership No. 306932

Place : Kolkata
Dated: 15th May, 2019

For and on behalf of Board of Directors

Hemant Bangur
Chairman
(DIN 00040903)

Manoj Kumar Daga
Director
(DIN 00123386)

Sayansiddha Das
Chief Financial Officer

Sharad Bagree
Manager (Finance) & Company Secretary

Statement of Consolidated Profit & Loss

for the year ended 31st March, 2019

(Amount in ₹)

	Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
INCOME			
Revenue from Operations	29	1,008,030,427	1,064,968,622
Other Income	30	68,772,656	60,810,234
Total Income		**1,076,803,083**	**1,125,778,856**
EXPENSES			
Cost of Materials Consumed	31	186,385,031	199,848,945
Changes in Inventories of Finished Goods, Stock-In-Trade and Work-in-Progress	32	63,435,494	50,401,998
Employee Benefits Expense	33	572,496,851	564,738,554
Finance Costs	34	68,007,384	80,977,723
Depreciation and Amortisation Expense	35	75,247,174	78,492,201
Other Expenses	36	281,904,841	314,246,829
Total Expenses		**1,247,476,775**	**1,288,706,250**
Profit / (Loss) before share of net profit / (loss) of associate and Tax		**(170,673,692)**	**(162,927,395)**
Add : Share of Loss in associate for the year		**-**	**-**
Profit / (Loss) before Tax		**(170,673,692)**	**(162,927,395)**
Tax Expense:	37		
Current Tax		1,475,000	1,333,792
Income Tax for Earlier Years		2,772,587	-
Deferred Tax		(15,929,292)	(20,674,323)
Profit / (Loss) for the year		**(158,991,987)**	**(143,586,864)**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss	38		
Remeasurement of the defined benefit plans		(7,856,000)	12,900,000
Fair value of Equity Instruments through OCI		4,211,531	-
Less: Income tax relating to these items		(1,621,407)	3,354,000
Other Comprehensive Income for the Year (Net of Tax)		**(2,023,062)**	**9,546,000**
Total Comprehensive Income for the period		**(161,015,049)**	**(134,040,864)**
Profit / (loss) for the period attributable to:			
Owners of the Company		(161,273,246)	(143,955,715)
Non-controlling interest		2,281,260	368,851
		(158,991,987)	**(143,586,864)**
Other comprehensive income for the period attributable to:			
Owners of the Company		(2,023,062)	9,546,000
Non-controlling interest		-	-
		(2,023,062)	**9,546,000**
Total comprehensive income for the period attributable to:			
Owners of the Company		(163,296,308)	(134,409,715)
Non-controlling interest		2,281,260	368,851
		(161,015,049)	**(134,040,864)**
Earnings Per Share of ₹ 10/- each			
Basic & Diluted	39	**(38.38)**	**(34.66)**

Basis of Preparation and presentation of Financial Statement	2
Significant Accounting Policies	3
Significant Judgements & Key Estimate	4

The Notes are an integral part of the Financial Statements

As per our report of even date annexed.
For and on behalf of
J K V S & CO
Chartered Accountants
Firm Registration No. 318086E

Utsav Saraf
Partner
Membership No. 306932

Place : Kolkata
Dated: 15th May, 2019

For and on behalf of Board of Directors

Hemant Bangur
Chairman
(DIN 00040903)

Manoj Kumar Daga
Director
(DIN 00123386)

Sayansiddha Das
Chief Financial Officer

Sharad Bagree
Manager (Finance) & Company Secretary

Statement of Consolidated Changes in Equity

for the year ended 31st March, 2019

(Amount in ₹)

a)	Equity Share Capital	
	Balance as at 31st March 2017	41,422,010
	Add/(Less): Changes in Equity Share Capital during the year	-
	Balance as at 31st March 2018	41,422,010
	Add/(Less): Changes in Equity Share Capital during the year	-
	Balance as at 31st March 2019	**41,422,010**

b) Other Equity

Particulars	Reserve & Surplus					Other Comprehensive Income		Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium	General Reserve	Retained Earnings	Remeasurement of defined benefit obligation through Other Comprehensive Income	Fair Value of Equity Instruments through Other Comprehensive Income	
Balance as at 31st March, 2017	788,807,004	41,600	24,701,440	310,269,187	543,032,991	-	-	1,666,852,222
Profit/ (Loss) for the year	-	-	-	-	(143,586,864)	-	-	(143,586,864)
Other Comprehensive Income	-	-	-	-	-	9,546,000	-	9,546,000
Share of Non controlling interest	-	-	-	-	(368,851)	-	-	(368,851)
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**(143,955,715)**	**9,546,000**	**-**	**(134,409,715)**
Dividends Paid	-	-	-	-	(4,142,201)	-	-	(4,142,201)
Dividend Distribution Tax	-	-	-	-	(843,256)	-	-	(843,256)
Transfer of Remeasurement of defined benefit obligation	-	-	-	-	9,546,000	(9,546,000)	-	-
	-	-	-	-	4,560,543	(9,546,000)	-	(4,985,457)
Balance as at 31st March, 2018	788,807,004	41,600	24,701,440	310,269,187	403,637,819	-	-	1,527,457,050
Profit/ (Loss) for the year	-	-	-	-	(158,991,987)	-	-	(158,991,987)
Other Comprehensive Income	-	-	-	-	-	(5,813,440)	3,790,378	(2,023,062)
Share of Non controlling interest	-	-	-	-	(2,281,260)	-	-	(2,281,260)
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**(161,273,247)**	**(5,813,440)**	**3,790,378**	**(163,296,309)**
Dividends Paid	-	-	-	-	(2,071,100)	-	-	(2,071,100)
Dividend Distribution Tax	-	-	-	-	(425,721)	-	-	(425,721)
Transfer of Remeasurement of defined benefit obligation	-	-	-	-	(5,813,440)	5,813,440	-	-
	-	-	-	-	(8,310,261)	**5,813,440**	**-**	**(2,496,821)**
Balance as at 31st March, 2019	**788,807,004**	**41,600**	**24,701,440**	**310,269,187**	**234,054,311**	**-**	**3,790,378**	**1,361,663,920**

Basis of Preparation and presentation of Financial Statement	2
Significant Accounting Policies	3
Significant Judgements & Key Estimate	4

The Notes are an integral part of the Financial Statements

As per our report of even date annexed.
For and on behalf of
J K V S & CO
Chartered Accountants
Firm Registration No. 318086E

Utsav Saraf
Partner
Membership No. 306932

Place : Kolkata
Dated: 15th May, 2019

For and on behalf of Board of Directors

Hemant Bangur
Chairman
(DIN 00040903)

Manoj Kumar Daga
Director
(DIN 00123386)

Sayansiddha Das
Chief Financial Officer

Sharad Bagree
Manager (Finance) & Company Secretary

Consolidated Cash Flow Statement
for the year ended 31st March, 2019

(Amount in ₹)

	Particulars	2018-2019		2017-2018	
A)	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit before Tax		**(170,673,692)**		(162,927,395)
	Adjustments for :				
	Depreciation & Amortisation	**75,247,174**		78,492,201	
	Loss / (Profit) on Sale/discard of Property, Plant & Equipment (net)	**34,099**		8,371,573	
	Loss / (Profit) on Sale of Non Current Investment	**(51,385,956)**		(31,411,178)	
	Interest Income	**(6,555,725)**		(16,892,369)	
	Finance Cost	**68,007,384**		80,977,723	
	Fair Valuation for Biological Assets other than bearer plants	**1,770,290**		19,188,954	
	Sundry Credit bal. no longer required written back	**(807,904)**		(814,086)	
	Provision for doubtful debts for earlier years written back	**-**		(15,197)	
	Provision for doubtful debts/Advances and Advances written off(Net)	**37,459**	**86,346,821**	170,179	138,067,800
	Operating Profit before working capital changes		**(84,326,871)**		(24,859,595)
	Adjustments for :				
	(Increase)/Decrease in Trade Receivables	**61,011,503**		(26,485,542)	
	(Increase)/Decrease in Inventories	**65,795,970**		57,752,305	
	(Increase)/Decrease in Loans, Other Financial Assets & Other Assets	**(3,563,631)**		10,309,907	
	Increase/(Decrease) in Trade Payables & Other Liability	**16,429,859**		222,436	
	Increase/(Decrease) in Provisions	**11,908,923**	**151,582,624**	17,350,838	59,149,944
	Cash Generated from Operations		**67,255,753**		34,290,349
	Direct Taxes (Paid)(net of refund)		**(1,427,877)**		(2,858,305)
	Net Cash from operating activities		**65,827,876**		31,432,044
B)	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Property,Plant and Equipment & Intangible Assets including CWIP / Capital Advances	**(37,303,569)**		(52,745,932)	
	Sale of Property,Plant and Equipment Assets	**666,368**		788,294	
	Sale of Non Current Investments carried at Cost in a Subsidiary	**163,277,091**		103,194,885	
	(Placement)/ Redemption Fixed deposits (net)	**140,068**		(28,005)	
	Loans to Corporates (Net)	**-**		88,931,837	
	Interest Income received	**9,072,269**		17,759,529	
	Net cash used in Investing Activities		**135,852,227**		157,900,608
			201,680,103		189,332,652

Consolidated Cash Flow Statement

for the year ended 31st March, 2019

(Amount in ₹)

	Particulars	2018-2019		2017-2018	
C)	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Proceeds from Non Current Borrowings	**-**		-	
	Repayments of Non Current Borrowings	**(60,000,000)**		(100,000,000)	
	(Repayments)/Proceeds from Current Borrowings	**(89,566,673)**		(66,038,007)	
	Finance Cost paid	**(74,569,654)**		(76,680,364)	
	Dividend and Corporate Dividend tax paid	**(2,496,821)**		(4,985,457)	
	Net Cash from/(used in) Financing Activities		**(226,633,148)**		(247,703,828)
	Net Change in Cash and Cash Equivalents		**(24,953,045)**		(58,371,176)
D)	**Cash and Cash Equivalents balances**				
	Balances at the beginning of the year		**28,402,270**		87,650,342
	Balances at the end of the year		**3,449,225**		29,279,166

Notes :

1. Cash and cash equivalents consists of cash on Hand and balances with banks in current / Cash Credit accounts as per note 16
2. Previous year's figures have been regrouped/rearranged wherever necessary
3. Cash and cash equivalents consists of:

	Particulars	2018-2019	2017-2018
	Cash on hand	452,564	1,384,947
	Bank Balance	2,996,661	27,894,219
	Total	**3,449,225**	29,279,166

Basis of Preparation and presentation of Financial Statement	2
Significant Accounting Policies	3
Significant Judgements & Key Estimate	4

As per our report of even date annexed.
For and on behalf of
J K V S & CO
Chartered Accountants
Firm Registration No. 318086E

Utsav Saraf
Partner
Membership No. 306932

Place : Kolkata
Dated: 15th May, 2019

For and on behalf of Board of Directors

Hemant Bangur
Chairman
(DIN 00040903)

Manoj Kumar Daga
Director
(DIN 00123386)

Sayansiddha Das
Chief Financial Officer

Sharad Bagree
Manager (Finance) & Company Secretary

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2019

1. CORPORATE AND GENERAL INFORMATION

The Consolidated financial statements comprise financial statements of Joonktollee Tea & Industries Limited ('the Company'), its subsidiaries (collectively the "Group") and its Associate Company for the year ended 31st March, 2019. The Company was incorporated as a Limited Company in India under the Companies Act 1956 and has its listing on the BSE Limited and CSE Limited. The registered office of the Company is at 21, Strand Road, Kolkata - 700 001. The Group's principal business are Real Estate and manufacturing of Tea, Coffee and Rubber.

2. BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENT

2.1. Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), other relevant provisions of the Act and other accounting principles generally accepted in India.

The consolidated financial statements of the Group for the year ended 31st March, 2019 has been approved by the Board of Directors in their meeting held on 15th May 2019.

2.2. Basis of Measurement

The Group maintains accounts on accrual basis following the historical cost convention, except for followings:

- Certain Financial Assets and Liabilities are measured at Fair value/ Amortised cost (refer accounting policy regarding financial instruments);
- Defined Benefit Plans – plan assets measured at fair value; and
- Biological Assets – At fair value less cost to sell

2.3. Functional and Presentation Currency

The Financial Statements are presented in Indian Rupee (INR), which is the functional currency of the Group and the currency of the primary economic environment in which the Group operates. All financial information presented in INR has been rounded off to the nearest rupees as per the requirements of Schedule III, unless otherwise stated.

2.4. Use of Estimates and Judgements

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

2.5. Presentation of Financial Statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).

2.6. Operating Cycle for current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1.The Group has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2019

An asset is classified as current when it is:

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

All the other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current. Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

2.7. Measurement of Fair Values

Some of the accounting policies and disclosures of the company require Fair Value measurement for both financial and non-financial assets and liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 — Inputs which are unobservable inputs for the asset or liability.

External valuers are involved for valuation of significant assets & liabilities. Involvement of external valuers is decided by the management of the group considering the requirements of Ind AS and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

Notes to Consolidated Financial Statements
as at and for the year ended 31st March, 2019

2.8 Recent Accounting Pronouncement

New Standards / Amendments to Existing Standard issued but not yet effective upto the date of issuance of the Company's Financial Statement are disclosed below:

Changes in Accounting Standard and recent accounting pronouncements

On March 30, 2019, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2019, notifying Ind AS 116 on Leases. Ind AS 116 would replace the existing leases standard Ind AS 17. The standard sets out the principles for the recognition, measurement, presentation and disclosures for both parties to a contract, i.e. the lessee and the lessor. Ind AS 116 introduces a single lease accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently for operating lease, rentals are charged to the statement of profit and loss. The Group is currently evaluating the implication of Ind AS 116 on the financial statements.

The Companies (Indian Accounting Standards) Amendment Rules, 2019 also notified amendments to the following accounting standards. The amendments would be effective from April 1, 2019

1. Ind AS 12, Income taxes – Appendix C on uncertainty over income tax treatment
2. Ind AS 12, Income Taxes - Accounting for Dividend Distribution Taxes.
3. Ind AS 23, Borrowing costs
4. Ind AS 28 – investment in associates and joint ventures
5. Ind AS 103 and Ind AS 111 – Business combinations and joint arrangements
6. Ind AS 109 – Financial instruments
7. Ind AS 19 – Employee benefits The Group is in the process of evaluating the impact of such amendments.

3. ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

3.1. INVENTORIES

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

Raw material in nature of harvested tea leaves, picked cherries, latex and other minor agricultural produce raised from own gardens are measured at fair value less cost of sale at point of harvest. The same cost is used for measuring cost for the purpose of valuation of finished goods.

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

3.2. CASH AND CASH EQUIVALENTS

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

For the purpose of the statement of cash flows, cash and cash equivalents includes cash on hand, term deposits and other short-term highly liquid investments, net of bank overdrafts as they are considered an integral part of the Group's cash management. Bank overdrafts are shown within short term borrowings in the balance sheet.

Notes to Consolidated Financial Statements
as at and for the year ended 31st March, 2019

3.3. INCOME TAX

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate as per taxation laws under Income tax act, 1961 and under respective state Agriculture Income tax act and adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Current and deferred tax is recognised in the statement of profit & loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

3.3.1. Current Tax

Current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities using the tax rates (and tax laws) that have been enacted or substantively enacted, at the end of the reporting period.

3.3.2. Deferred Tax

- Deferred Tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
- Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.
- Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Group reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.
- Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.
- Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

3.4. PROPERTY, PLANT AND EQUIPMENT

3.4.1. Tangible Assets (Other than Bearer Plants)

3.4.1.1. Recognition and Measurement:

- Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any).
- Cost of an item of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting any trade discounts and rebates, any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.
- If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2019

- Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

3.4.1.2. Subsequent Measurement:

- Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.
- Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any Unamortized part of the previously recognized expenses of similar nature is derecognized.

3.4.1.3. Depreciation and Amortization:

- Depreciation on Property, Plant & Equipment is provided under Written Down Method at rates determined based on the useful life of the respective assets and the residual values in accordance with Schedule II of the Companies Act, 2013 or as reassessed by the Group based on the technical evaluation.
- In case of asset "Fences, wells, tube wells" & "Carpeted Roads – Other than RCC", depreciation has been provided on written down value method at the rates determined considering the useful lives of 15 years which is based on assessment carried out by external valuers and the management believes that the useful lives as considered above best represent the period over which the respective assets shall be expected in use.
- Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).
- Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3.4.1.4. Disposal of Assets

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

3.4.1.5. Capital Work in Progress

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

3.4.2. Bearer Plants

3.4.2.1. Recognition and Measurement:

Bearer Plants which are used in the production or supply of agricultural produce and expected to bear produce for more than a period of twelve months are capitalized as part of Property, Plant and Equipments and are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any). The cost of Bearer Plant includes all cost incurred till the plants are ready for commercial harvest.

3.4.2.2. Depreciation

- Depreciation on bearer plants is recognised so as to write off its cost over useful lives, using the straight-line method.
- The residual value in case of Bearer Plants has been considered as NIL. Estimated useful life of the bearer plants has been determined as the following:

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Tea Bushes	50 years to 60 years
Coffee Bushes	30 years to 80 years
Rubber plants	30 years
Minor produce	30 years

3.4.2.3. Capital Work in Progress

Young tea bushes & shade trees, including the cost incurred for procurement of new seeds and maintenance of nurseries, are carried at cost less any recognized impairment losses under capital work-in-progress. Cost includes the cost of land preparation, new planting and maintenance of newly planted bushes until maturity. On maturity, these costs are classified under bearer plants.

3.5. LEASES

3.5.1. Determining whether an arrangement contains a lease

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

3.5.2. Company as lessor

- **Finance Lease**

  Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease. Lease rental receipts are apportioned between the finance income and capital repayment based on the implicit rate of return. Contingent rents are recognized as revenue in the period in which they are earned.

- **Operating Lease**

  Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease except where scheduled increase in rent compensates the Company with expected inflationary costs.

3.5.3. Company as lessee

- **Finance Lease**

  Finance Leases, which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease Payments under such leases are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly to the statement of profit and loss. Lease management fees, legal charges and other initial direct costs are capitalized.

  If there is no reasonable certainty that the Company will obtain the ownership by the end of lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

- **Operating Lease**

  Assets acquired on leases where a significant portion of risk and reward is retained by the lessor are classified as operating leases. Lease rental are charged to statement of profit and loss on a straight-line basis over the lease term, except where scheduled increase in rent compensates the Company with expected inflationary costs.

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3.6. REVENUE FROM CONTRACT WITH CUSTOMERS

Revenue from contract with customers is recognized when the Company satisfies performance obligations by transferring promised goods and services to the customer. Performance obligations are satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognized as per the terms of relevant contractual agreements/arrangements. Performance obligations are said to be satisfied at a point of time when the customer obtain controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and value added tax. Transaction price is recognized based on the price specified in the contract, net of the estimated sales incentives/discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

3.7. EMPLOYEE BENEFITS

3.7.1. Short Term Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period.

3.7.2. Other Long Term Employee Benefits

The liabilities for leaves that are not expected to be settled wholly within twelve months are measured as the present value of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation. Remeasurements as the result of experience adjustment and changes in actuarial assumptions are recognized in statement of profit and loss.

3.7.3. Post Employment Benefits

The Group operates the following post employment schemes:

➢ **Defined Contribution Plan**

Defined contribution plans such as Provident Fund, Employee State Insurance etc. are charged to the statement of profit and loss as and when incurred.

➢ **Defined Benefit Plans**

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation.

Remeasurements of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in other comprehensive income. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss.

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3.8. GOVERNMENT GRANTS

Government grants are recognised at their fair value, where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

The grant relating to the acquisition/ construction of an item of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on the same systematic basis as the respective assets are depreciated over their expected life and are presented within other operating income.

3.9. FOREIGN CURRENCY TRANSACTIONS

- Foreign currency (other than the functional currency) transactions are translated into the functional currency using the spot rates of exchanges at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchanges at the reporting date.
- Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are generally recognized in profit or loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those qualifying assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings, the balance is presented in the Statement of Profit and Loss within finance costs.
- Non monetary items are not retranslated at period end and are measured at historical cost (translated using the exchange rate at the transaction date).

3.10. BORROWING COSTS

- Borrowing Costs consists of interest and other costs that an entity incurs in connection with the borrowings of funds. Borrowing costs also includes foreign exchange difference to the extent regarded as an adjustment to the borrowing costs.
- Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalized as a part of the cost of that asset that necessarily takes a substantial period of time to complete and prepare the asset for its intended use or sale.
- Transaction costs in respect of long term borrowing are amortized over the tenure of respective loans using Effective Interest Rate (EIR) method. All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

3.11. PRINCIPLES OF CONSOLIDATION AND EQUITY ACCOUNTING

Subsidiaries

The Subsidiaries are the entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are consolidated from the date on which control is transferred to the group and are deconsolidated from the date on which control ceases. The acquisition method of accounting is used to account for business combinations by the group. The group combines the financial statements of the parents and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the polices adopted by the group. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

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Associate

Associate is an entity over which the group has significant influence but not control or joint control. Investment in associate are accounted for using the equity method of accounting, after initially being recognised at cost.

Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profit or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associate are recognised as a reduction in the carrying amount of the investment. When the group's share of losses in an equity accounted investment equals or exceeds its interest in the entity, including any other unsecured long term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

3.12. FINANCIAL INSTRUMENTS

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

3.12.1. Financial Assets

➢ **Recognition and Initial Measurement:**

All financial assets are initially recognized when the group becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

➢ **Classification and Subsequent Measurement:**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Measured at Amortized Cost;
- Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
- Measured at Fair Value Through Profit or Loss (FVTPL); and
- Equity Instruments designated at Fair Value Through Other Comprehensive Income (FVTOCI).

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

- Measured at Amortized Cost: A debt instrument is measured at the amortized cost if both the following conditions are met:

➢ The asset is held within a business model whose objective is achieved by both collecting contractual cash flows; and

➢ The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade receivables, cash and bank balances, loans and other financial assets of the group.

- Measured at FVTOCI: A debt instrument is measured at the FVTOCI if both the following conditions are met:

➢ The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and

Notes to Consolidated Financial Statements
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- The asset's contractual cash flows represent SPPI.

  Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the statement of profit and loss in investment income.

  - Measured at FVTPL: FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss. Equity instruments which are, held for trading are classified as at FVTPL.
  - Equity Instruments designated at FVTOCI: For equity instruments, which has not been classified as FVTPL as above, the group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. In case the group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment.

- **Derecognition:**

  The Group derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

- **Impairment of Financial Assets:**

  The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The group recognizes impairment loss for trade receivables that do not constitute a financing transaction using expected credit loss model, which involves use of a provision matrix constructed on the basis of historical credit loss experience. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

3.12.2. Financial Liabilities

- **Recognition and Initial Measurement:**

Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings, payables or as derivatives, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

- **Subsequent Measurement:**

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

- **Derecognition:**

  A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

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3.12.3. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

3.13. Earnings Per Share

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year .Diluted EPS amounts are calculated by dividing the profit attributable to equity holders adjusted for the effects of potential equity shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

3.14. Impairment of Non-Financial Assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units – CGU).

An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

3.15. Provisions, Contingent Liabilities and Contingent Assets

3.15.1. Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

3.15.2. Contingent Liabilities

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Group discloses the existence of contingent liabilities in Other Notes to Financial Statements.

3.15.3. Contingent Assets

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

3.16. Non-Current Assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets are not depreciated or amortised.

3.17. Intangible Assets

3.17.1. Recognition and Measurement

Software which is not an integral part of related hardware, is treated as intangible asset and are stated at cost on initial recognition and subsequently measured at cost less accumulated amortization and accumulated impairment loss, if any.

3.17.2. Subsequent Expenditure

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Group and the cost of the item can be measured reliably. All other expenditure is recognized in the Statement of Profit & Loss.

3.17.3. Amortization

➢ Softwares are amortized over a period of five years.

➢ The amortization period and the amortization method are reviewed at least at the end of each financial year. If the expected useful life of the assets is significantly different from previous estimates, the amortization period is changed accordingly.

3.18. Biological Assets and Agricultural Produce

3.18.1. Biological Assets

Biological assets of the group comprises of un-harvested green tea leaves, unpicked cherries, latex on tree, timber and other minor produce are measured at fair value less cost of sales. The gain or loss arising from a change in fair value less cost to sell of biological assets is included in Statement of Profit and Loss for the period in which it arises.

3.18.2. Agricultural Produce

Agricultural produce harvested from the Group's biological assets are valued at fair value less cost to sell at the point of harvest. A gain or loss arising on initial recognition of agricultural produce at fair value less cost to sell shall be included in Statement of Profit & Loss for the period in which it arises.

3.19. Operating Segment

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker of the Group is responsible for allocating resources and assessing performance of the operating segments and accordingly is identified as the chief operating decision maker.

The Group has identified three reportable segment "Tea", "Coffee" and "Rubber" based on the information reviewed by the CODM.

3.20. Business Combination

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Company. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. The Company recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are recognised in the Statement of Profit and Loss. Transaction costs are expensed as incurred, other than those incurred in relation to the issue of debt

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or equity securities. Any contingent consideration payable is measured at fair value at the acquisition date. Subsequent changes in the fair value of contingent consideration are recognised in the Statement of Profit and Loss.

4. SIGNIFICANT JUDGEMENTS AND KEY SOURCES OF ESTIMATION IN APPLYING ACCOUNTING POLICIES

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances. Information about Significant judgements and Key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- **Recognition of Deferred Tax Assets:** The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Group's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.
- **Useful lives of depreciable/ amortisable assets (tangible and intangible):** Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.
- **Classification of Leases:** The Group enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.
- **Defined Benefit Obligation (DBO):** Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Group considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.
- **Provisions and Contingencies:** The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.
- **Impairment of Financial Assets:** The Group reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.
- **Allowances for Doubtful Debts:** The Group makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.
- **Fair value measurement of financial Instruments:** When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The input to these models are taken from observable markets where possible, but where this not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.
- **Fair Value of Biological Assets and Agricultural Produce:** The fair value of Biological Assets and Agricultural Produce is determined based on recent transactions entered into with third parties or available market price. Fair valuation of Biological Asset and Agriculture Produce are based on the market rates published by the industrial body for various grades from which the fair value of Biological asset and Agriculture Produce are derived.

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(Amount in ₹)

5 PROPERTY, PLANT AND EQUIPMENT

Particulars	Year Ended 31st March 2019									
	Gross Carrying Amount				Accumulated Depreciation					
	As at 31st March 2018	Additions	Disposals	As at 31st March 2019	As at 31st March 2018	Depreciation charged during the year	Deductions	Disposals	As at 31st March 2019	Net Carrying Amount
Leasehold Land	423,443,501	-	-	423,443,501	-	-	-	-	-	423,443,501
Freehold Land	253,292,497	-	-	253,292,497	-	-	-	-	-	253,292,497
Buildings	325,981,919	2,223,336	-	328,205,255	163,948,634	14,367,596	-	-	178,316,230	149,889,025
Plant and Machinery	397,046,789	13,207,821	1,499,466	408,755,144	284,738,661	23,535,922	1,164,619	-	307,109,964	101,645,180
Furniture and Fittings	19,606,702	854,166	45,355	20,415,513	17,193,697	473,821	37,817	-	17,629,701	2,785,812
Vehicles	60,884,283	2,513,516	4,829,707	58,568,092	48,438,547	3,638,302	4,518,484	-	47,558,365	11,009,727
Office Equipments	8,077,610	1,618,365	109,999	9,585,976	6,842,759	706,994	100,207	-	7,449,546	2,136,430
Bearer Plant	634,729,032	13,373,055	-	648,102,087	57,108,850	31,350,719	-	-	88,459,569	559,642,518
Total	**2,123,062,333**	**33,790,259**	**6,484,527**	**2,150,368,065**	**578,271,148**	**74,073,354**	**5,821,127**	-	**646,523,375**	**1,503,844,690**

Particulars	**Year Ended 31st March 2018**									
	Gross Carrying Amount				**Accumulated Depreciation**					
	As at 31st March 2017	**Additions**	**Disposals/ adjustment**	**As at 31st March 2018**	**As at 1st April 2017**	**Depreciation charged during the year**	**Deductions**	**Disposals/ adjustment**	**As at 31st March 2018**	**Net Carrying Amount**
Leasehold Land	423,443,501	-	-	423,443,501	-	-	-	-	-	423,443,501
Freehold Land	365,998,456	-	112,705,959	253,292,497	-	-	-	-	-	253,292,497
Buildings	353,926,245	3,715,411	31,659,737	325,981,919	161,632,398	16,107,276	2,247	13,788,793	163,948,634	162,033,285
Plant and Machinery	378,570,496	21,642,668	3,166,375	397,046,789	261,358,014	26,106,634	2,099,942	626,045	284,738,661	112,308,128
Furniture and Fittings	20,012,812	150,045	556,155	19,606,702	17,054,462	569,345	10,951	419,159	17,193,697	2,413,005
Vehicles	61,045,770	1,771,489	1,932,976	60,884,283	45,574,124	4,700,749	1,836,326	-	48,438,547	12,445,736
Office Equipments	7,666,544	567,011	155,945	8,077,610	6,064,507	863,267	76,950	8,065	6,842,759	1,234,851
Bearer Plant	644,158,799	-	9,429,767	634,729,032	28,864,449	28,761,158	516,757	-	57,108,850	577,620,182
Total	**2,254,822,623**	**27,846,624**	**159,606,914**	**2,123,062,333**	**520,547,954**	**77,108,429**	**4,543,173**	14,842,062	**578,271,148**	**1,544,791,185**

a) Adjustments during the year 2017 - 2018 , relates to Cowcoody Builders Pvt.Ltd (Gross Value of Assets ₹ 14,59,38,680/- and Accumulated Depreciation ₹ 1,48,42,062/-) - Refer Note.59

b) The Group has elected to measure bearer plants at the date of transition at its Fair Value and we treat it as its deemed cost at that date. The fair valuation has been done by external parties based on valuation technique permitted under IndAS. Other component of Property, Plant & Equipment has been valued by applying IndAS retrospectively.

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(Amount in ₹)

6 INTANGIBLE ASSETS

Particulars	Year Ended 31st March 2019								
	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount
	As at 31st March 2018	Additions	Disposals	As at 31st March 2019	As at 31st March 2018	Depreciation charged during the year	Deductions	As at 31st March 2019	
Computer Software	1,506,392	215,000	-	1,721,392	673,598	364,581	-	1,038,179	683,213
Total	1,506,392	215,000	-	1,721,392	673,598	364,581	-	1,038,179	683,213

Particulars	Year Ended 31st March 2018								
	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount
	As at 1st April 2017	Additions	Disposals	As at 31st March 2018	As at 1st April 2017	Depreciation charged during the year	Deductions	As at 31st March 2018	
Computer Software	1,506,392	-	-	1,506,392	336,799	336,799	-	673,598	832,794
Total	1,506,392	-	-	1,506,392	336,799	336,799	-	673,598	832,794

7 INVESTMENT ACCOUNTED FOR USING EQUITY METHOD

	Face Value (₹)	As at 31st March 2019		As at 31st March 2018	
(Fully Paid-up unless otherwise stated)		**Qty**	**Amount**	**Qty**	**Amount**
Equity investments valued at cost					
Quoted - In trade					
Investment in Associate					
The Cochin Malabar Estates & Ind. Ltd.	10	437,294	-	437,294	-
Total			-		-
Aggregate amount of quoted investments			-		-

8 NON - CURRENT INVESTMENTS

	Face Value (₹)	As at 31st March 2019		As at 31st March 2018	
		Qty	**Amount**	**Qty**	**Amount**
INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME/ PROFIT & LOSS					
Investments in Equity Instruments					
Quoted					
The Phosphate Co. Ltd.	10	138,680	8,071,176	138,680	3,859,645
			8,071,176		**3,859,645**
Aggregate amount of quoted investments(At book value)			8,071,176		3,859,645

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

9 LOANS

	Refer Note No.	Non-Current As at 31st March 2019	Non-Current As at 31st March 2018	Current As at 31st March 2019	Current As at 31st March 2018
Security Deposit					
Unsecured, considered good		21,101,277	21,125,479	-	-
		21,101,277	21,125,479	-	-
Other Loans and Advances, unsecured, considered good unless otherwise mentioned					
Loan to Employees	9.1	2,177,632	2,084,000	6,582,381	4,114,755
		2,177,632	2,084,000	6,582,381	4,114,755
		23,278,909	**23,209,479**	**6,582,381**	**4,114,755**

9.1 No Loans are due from directors or other officers of the company either severally or jointly with any other person. Nor any loan are due from firms or private companies respectively in which any director is a partner, a director or a member other than disclosed in Note no. 46.2

10 OTHERS FINANCIAL ASSETS

	Non-Current As at 31st March 2019	Non-Current As at 31st March 2018	Current As at 31st March 2019	Current As at 31st March 2018
Deposit with Nabard	-	-	107,065	412,465
Deposit with Assam Financial Corporation	-	-	223,652	267,040
Interest accrued on Fixed deposit / Loan	-	-	-	2,516,544
Other Receivables	-	-	245,256	1,424,794
	-	**-**	**575,973**	**4,620,843**

11 NON CURRENT TAX ASSETS (NET)

	As at 31st March 2019	As at 31st March 2018
Advance Income Tax & TDS	31,325,355	36,204,569
Income Tax Refundable	1,232,903	1,233,337
	32,558,258	**37,437,906**

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

12 OTHER ASSETS

	Refer Note No.	Non-Current		Current	
		As at 31st March 2019	As at 31st March 2018	As at 31st March 2019	As at 31st March 2018
Capital Advances		1,262,363	910,900	370,000	-
Advances other than Capital Advances					
Advances to Suppliers & Service Providers		2,618,356	2,618,356	3,153,765	3,600,134
Balances with Government & Statutory Authorities		-	-	5,912,621	3,841,710
Prepaid Expenses		-	-	2,793,047	2,594,742
Subsidy Receivable				8,043,149	6,992,832
Other Assets	12.1	23,788,678	23,788,678	563,458	600,525
		27,669,397	27,317,934	20,836,040	17,629,943
Less : Provision for Doubtful Advances		2,618,356	2,618,356	-	-
		25,051,041	**24,699,578**	**20,836,040**	**17,629,943**

12.1 Represents payment under protest in respect of lease rent and Seigniorage Charges ₹ 23,788,678/- (Previous Year 2018- ₹ 23,788,678/-)

13 INVENTORIES (As valued and certified by the Management)

	As at 31st March 2019	As at 31st March 2018
Finished Goods	91,466,752	154,734,754
Semi Finished Goods	-	167,492
Stores and Spares (net of obsolescence)	35,622,771	37,983,245
	127,089,523	**192,885,491**

13.1 Details of Inventories - Finished Goods :

	As at 31st March 2019	As at 31st March 2018
Tea	57,157,357	84,214,118
Coffee	26,203,008	30,794,780
Rubber - Semi-Finished	-	167,492
Rubber - Finished	5,114,569	28,858,338
Minor Produce	2,991,818	10,867,518
	91,466,752	**154,902,246**

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

14 BIOLOGICAL ASSET OTHER THAN BEARER PLANT

	Non-Current		Current	
	As at 31st March 2019	As at 31st March 2018	As at 31st March 2019	As at 31st March 2018
As at Opening date	329,670,482	340,834,000	3,102,487	1,960,722
Increase due to purchases / physical changes / Net change in fair value less estimated costs to sell	2,039,452	(5,230,197)	3,303,677	3,102,487
Decreases due to harvest / physical changes	-	-	3,102,487	1,960,722
Decreases due to sales / write off	4,010,934	5,933,321	-	-
As at Closing date	**327,699,000**	**329,670,482**	**3,303,677**	**3,102,487**

15 TRADE RECEIVABLES

	As at 31st March 2019	As at 31st March 2018
Trade Receivables	18,851,785	79,863,288
Less: Allowance for expected Credit loss	363,068	363,068
Total Trade Receivables	**18,488,717**	**79,500,220**
Break Up of Security Details		
Trade Receivables considered good-Secured	-	-
Trade Receivables considered good-Unsecured	18,488,717	79,863,288
Trade Receivables which have been significant increase in Credit Risk: and	-	-
Trade Receivables -credit impaired	363,068	-
	18,851,785	79,863,288
Less: Allowance for expected Credit loss	363,068	363,068
Total Trade Receivables	**18,488,717**	**79,500,220**

16 CASH AND CASH EQUVALENTS

	As at 31st March 2019	As at 31st March 2018
Balances With Banks :		
In Current Account	2,996,661	8,089,575
In Cash Credit Account	-	18,927,748
Cash in Hand	452,564	1,384,947
	3,449,225	**28,402,270**

17 BANK BALANCES (Other than note: 16)

	Refer Note No.	As at 31st March 2019	As at 31st March 2018
Balance in Unpaid Dividend Account		1,705,399	2,061,121
Fixed Deposit with Banks	17.1	57,668	197,736
		1,763,067	**2,258,857**

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

17.1 Includes deposits marked lien in favour of Govt. Authorities, deposits having maturity of more than three month but less than twelve months.	57,668	197,736

18 EQUITY SHARE CAPITAL

18.1 Authorised Share Capital

	As at 31st March 2019		As at 31st March 2018	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares:				
Equity Shares of ₹ 10/- each	11,249,000	112,490,000	11,249,000	112,490,000
Equity Shares of ₹ 100/- each	35,000	3,500,000	35,000	3,500,000
Preference Shares:				
Redeemable Cumulative Shares of ₹ 10/- each	50,000	500,000	50,000	500,000
13.5% Redeemable Cumulative Shares of ₹ 100/- each	100	10,000	100	10,000
		116,500,000		**116,500,000**

18.2 Issued Share Capital

	As at 31st March 2019		As at 31st March 2018	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares of ₹ 10/- each	4,142,201	41,422,010	4,142,201	41,422,010
	4,142,201	**41,422,010**	**4,142,201**	**41,422,010**

18.3 Subscribed and Paid-up Share Capital

	As at 31st March 2019		As at 31st March 2018	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares of ₹ 10/- each fully paid-up	4,142,201	41,422,010	4,142,201	41,422,010
	4,142,201	**41,422,010**	**4,142,201**	**41,422,010**

18.4 Reconciliation of the number of shares at the beginning and at the end of the year

There has been no change/ movements in number of shares outstanding at the beginning and at the end of the year.

18.5 Terms/ Rights attached to Equity Shares :

The Company has only one class of issued shares i.e. Equity Shares having par value of Rs.10/- per share. Each holder of Equity 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 equity shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

18.6 Shareholding Pattern with respect of Holding or Ultimate Holding Company

The Company does not have any Holding Company or Ultimate Holding Company.

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

18.7 Details of Equity Shareholders holding more than 5% shares in the Company

	As at 31st March 2019		As at 31st March 2018	
	No. of Shares	% Holding	No. of Shares	% Holding
Equity Shares of ₹ 10/- each fully paid				
Pushpa Devi Bangur	642,928	15.52%	642,928	15.52%
The Oriental Company Limited	593,643	14.33%	593,643	14.33%
Gloster Ltd (Formerly- Kettlewell Bullen & Company Limited)	538,838	13.01%	538,838	13.01%
Hemant Bangur	426,729	10.30%	426,729	10.30%
Madhav Trading Corporation Limited	424,130	10.24%	424,130	10.24%
Life Insurance Corporation of India	246,493	5.95%	246,493	5.95%

18.8 No ordinary shares have been reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.

18.9 No Ordinary 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.

18.10 No securities convertible into Equity/ Preference shares have been issued by the Company during the year.

18.11 No calls are unpaid by any Director or Officer of the Company during the year.

19 OTHER EQUITY

	Refer Note No.	As at 31st March 2019	As at 31st March 2018
Capital Reserve	19.1	788,807,004	788,807,004
Capital Redemption Reserve	19.2	41,600	41,600
Securities Premium	19.3	24,701,440	24,701,440
General Reserve	19.4	310,269,187	310,269,187
Retained Earnings	19.5	234,054,311	403,637,819
Other Comprehensive Income	19.6	3,790,378	-
		1,361,663,920	**1,527,457,050**

a) Capital Reserve & Capital Reserve in the nature of Security Premium: During amalgamation / merger / acquisition, the excess of net assets taken, over the consideration paid, if any, is treated as capital reserve.

b) Capital Redemption Reserve: The Company has recognised Capital Redemption Reserve on redemption of preference shares from its retained earnings. The amount in Capital Redemption Reserve is equal to nominal amount of the preference shares redeemed.

c) Securities Premium: The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. This reserve is utilised in accordance with the provisions of the Companies Act 2013.

d) General Reserve: The reserve arises on transfer portion of the net profit pursuant to the earlier provisions of Companies Act 1956.

e) Retained Earnings: Retained earnings represent accumulated profits earned by the Companies and remaining undistributed as on date.

f) Other Comprehensive Income (OCI) : Other Comprehensive Income (OCI) represent the balance in equity for items to be accounted under OCI and comprises of the following:

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

i) Equity Instruments through OCI: The Company has elected to recognise changes in the fair value of certain investment in equity instrument in other comprehensive income.

ii) Remeasurement of defined benefit obligations: The actuarial gains and losses arising on defined benefit obligations have been recognised in OCI.

		As at 31st March 2019	As at 31st March 2018
19.1	**Capital Reserve**		
	Balance at the beginning and at the end of the year	**788,807,004**	**788,807,004**
19.2	**Capital Redemption Reserve**		
	Balance at the beginning and at the end of the year	**41,600**	**41,600**
19.3	**Securities Premium**		
	Balance at the beginning and at the end of the year	**24,701,440**	**24,701,440**
19.4	**General Reserve**		
	Balance at the beginning and at the end of the year	**310,269,187**	**310,269,187**

		As at 31st March 2019	As at 31st March 2018
19.5	**Retained Earnings**		
	Balance at the beginning of the year	403,637,819	543,032,991
	Add: Profit / (Loss) for the year	(161,273,246)	(143,955,715)
	Add: Other Comprehensive Income arising from remeasurement of defined benefit obligation and Financial Instruments (net of tax)	(5,813,440)	9,546,000
		236,551,133	**408,623,276**
	Less: Appropriation		
	Final Dividend	2,071,100	4,142,201
	Dividend Distribution Tax on Final Dividend	425,721	843,256
		2,496,821	**4,985,457**
	Balance at the end of the year	**234,054,312**	**403,637,819**
	Total Reserve & Surplus	**1,357,873,543**	**1,527,457,050**

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

	As at 31st March 2019	As at 31st March 2018
19.6 Other Comprehensive Income		
Remeasurement of Defined Benefit Obligations		
Balance at the beginning of the year	-	-
Add/(Less): Changes during the year (net of tax)	(5,813,440)	9,546,000
Add/(Less): Transferred to Retained Earnings	5,813,440	(9,546,000)
Balance at the end of the year	-	-
Fair value of Equity Instruments		
Balance at the beginning of the year	-	-
Add/(Less): Changes during the year (net of tax)	3,790,378	-
Balance at the end of the year	**3,790,378**	-
Total Reserve & Surplus	**1,361,663,921**	**1,527,457,050**

20 NON CONTROLLING INTEREST

	As at 31st March 2019	As at 31st March 2018
For Cowcoody Builders Pvt. Ltd.		
Balance at the beginning of the year	74,051,809	-
In lien of sale of Investment	71,770,549	73,682,958
Profit for the period attributable to Non Contolling Interest	2,281,260	368,851
	-	**74,051,809**

21 BORROWINGS

	Non-Current	
	As at 31st March 2019	As at 31st March 2018
Secured		
Term Loan from banks	180,000,000	240,000,000
Less: Current Maturities of Long term Borrowings	60,000,000	60,000,000
Total Secured Borrowings	**120,000,000**	**180,000,000**
Amount disclosed under the head "Other Financial Liability"	60,000,000	60,000,000
Break Up of Security Details		
Secured	180,000,000	240,000,000
Unsecured	-	-
	180,000,000	**240,000,000**

21.1 Details of Security Given for Loan

a. Term Loan from a Bank amounting to ₹ 11,00,00,000/- together with working capital facility from the same Bank is secured by exclusive charge on the title deeds of Jamirah Tea Estate. Loan is repayable in 11 quarterly installments of ₹ 1,00,00,000/-. Interest is payable on quarterly basis at 9.85%

b. Term Loan from a Bank amounting to Rs. 7,00,00,000/- together with working capital facility from the same Bank is secured by exclusive charge on the title deeds of Nilmoni Tea Estate and the current assets of Karnataka division both, present and future. Loan is repayable in 14 quarterly installments of ₹ 50,00,000/-. Interest is payable on monthly basis at 11.45%.

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

21.2 Refer note no. 41 for information on the carrying amounts of financial and non-financial assets pledged as security for the non-current borrowings.

22 PROVISIONS

	Non-Current		Current	
	As at 31st March 2019	As at 31st March 2018	As at 31st March 2019	As at 31st March 2018
Provision for Employee Benefits				
Gratuity	58,696,957	37,502,957	-	-
Bonus	-	-	22,083,343	24,558,420
Leave	-	-	3,010,699	1,964,699
	58,696,957	**37,502,957**	**25,094,042**	**26,523,119**

23 DEFERRED TAX LIABILITIES (NET)

	Refer Note No.	As at 31st March 2019	As at 31st March 2018
Deferred Tax Liabilities			
Arising on account of :			
Property, Plant & Equipments & Intangible Assets		160,971,286	163,956,086
Other temporary differences		11,699,767	16,117,867
Remeasurment of Financial Instruments		421,153	-
		173,092,206	**180,073,953**
Less: Deferred Tax Assets			
Arising on account of :			
Unused tax credit		1,833,953	1,833,953
Section 43B of Income-tax Act		17,557,047	11,869,027
Unabsorbed Depreciation/ Carried Forward Losses	23.1	15,109,750	10,258,152
		34,500,750	**23,961,132**
Deferred Tax Liabilities (Net)		**138,591,456**	**156,112,821**

23.1 The recognition of deferred tax asset on unabsorbed depreciation/business losses has been restricted to the extent of reversal of deferred tax liability on account of temporary differences in respect of depreciation.

23.2 Movement in deferred tax liabilities/ (asset) during the year ended 31st March, 2018 and 31st March, 2019.

	As at 31st March, 2017	Charge/(Credit) in Statement of Profit & Loss	Charge/(Credit) in Other Comprehensive Income	As at 31st March, 2018
Deferred Income Tax Liabilities / (Assets)				
Property, Plant & Equipments & Intangible Assets	186,227,400	(22,271,314)	-	163,956,086
Other temporary differences	9,279,404	6,838,463	-	16,117,867
Unused tax credit	(1,833,953)	-	-	(1,833,953)
Items u/s 43B of the Income Tax Act, 1961	(12,781,157)	(2,441,870)	3,354,000	(11,869,027)
Unabsorbed Depreciation/ Carried Forward Business Losses	(7,458,956)	(2,799,196)	-	(10,258,152)
Deferred Tax Liabilities/(Assets)	**173,432,738**	**(20,673,917)**	**3,354,000**	**156,112,821**

Notes to Consolidated Financial Statements
as at and for the year ended 31st March, 2019

(Amount in ₹)

	As at 31st March, 2018	Charge/(Credit) in Statement of Profit & Loss	Charge/(Credit) in Other Comprehensive Income	As at 31st March, 2019
Deferred Income Tax Liabilities / (Assets)				
Property, Plant & Equipments & Intangible Assets	163,956,086	(2,984,800)	-	160,971,286
Other temporary differences	16,117,867	(4,418,100)	-	11,699,767
Remeasurment of Financial Instruments	-	-	421,153	421,153
Unused tax credit	(1,833,953)	-	-	(1,833,953)
Items u/s 43B of the Income Tax Act, 1961	(11,869,027)	(3,645,460)	(2,042,560)	(17,557,047)
Unabsorbed Depreciation/ Carried Forward Business Losses	(10,258,152)	(4,851,598)	-	(15,109,750)
Deferred Tax Liabilities/(Assets)	**156,112,821**	**(15,899,958)**	**(1,621,407)**	**138,591,456**

23.3 For the Financial year ended 31.03.2019 Charged/Credit in Statement of Profit/Loss exclude ₹ 29,334/-(P.Y. ₹ 406/-) in respect of Cowcoody Builders Pvt.Ltd.

23.4 Deferred Tax Assets and Deferred Tax Liabilities have been offset wherever the Company has a legally enforceable right to sell off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax laibilities relate to income tax levied by the same taxation authority.

24 NON CURRENT TAX LIABILITY (NET)

	As at 31st March 2019	As at 31st March 2018
Provision for tax (Net of Advance Tax)	-	2,059,938
	-	**2,059,938**

25 CURRENT BORROWINGS

	As at 31st March 2019	As at 31st March 2018
Secured		
Loan from Banks		
Working Capital loans repayable on demand	129,073,545	43,092,365
Short Term Loan	70,000,000	170,000,000
Unsecured		
Loan from Banks		
Short Term Loan	121,002,148	196,550,000
	320,075,693	**409,642,365**

25.1 Details of Security Given for Loan

a. Working Capital Loan and Short Term Loan from a bank amounting to ₹ 8,28,41,412/- is secured by way of exclusive charge on the title deeds of Nilmoni Tea Estate and the Current Assets of the Karnataka Division, both present and future.

b. Working Capital Loan from a Bank of ₹ 4,12,40,472/- is secured by equitable mortgage of Jamirah Tea Estate and Pullikanam Tea Estate and also by way of hypothecation of current assets of Kerala Division.

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

c. Working Capital Loan from a Bank of ₹ 4,32,43,612/- is secured by equitable mortgage of Joonktollee Tea Estate.

d. Working capital loan from Bank of Rs.3,17,48,049/- is secured by equitable mortgage of Azizbagh Tea Estate and also by way of hypothecation of standing tea crop, tea in process, finished tea in factory etc. and book debts of the company. The same carries interest @ 9.60% p.a.

25.2 Refer note no. 41 for information on the carrying amounts of financial and non-financial assets pledged as security for current borrowings.

26 TRADE PAYABLES

	As at 31st March 2019	As at 31st March 2018
Trade Payables for goods and services		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditor other than micro enterprises and small enterprises	53,122,363	51,705,216
	53,122,363	**51,705,216**

27 OTHER CURRENT FINANCIAL LIABILITIES

	Refer Note No.	As at 31st March 2019	As at 31st March 2018
Current maturities of Long Term Debt		60,000,000	60,000,000
Employee Related Liability		29,290,486	14,608,919
Interest accrued but not due on Borrowings		2,350,028	7,631,818
Interest accrued and due on Borrowings		2,128,808	3,409,288
Unpaid and unclaimed dividends	27.1	1,705,399	2,061,121
Security deposit		521,717	467,241
Amount payable for Capital Goods		4,620,853	-
		100,617,291	**88,178,387**

27.1 There are no amounts due for payment to the Investor Education and Protection Fund at the end of the year.

28 OTHER CURRENT LIABILITIES

	As at 31st March 2019	As at 31st March 2018
Statutory Dues Payable	15,348,280	16,258,299
Advances Received from Customers	2,731,879	1,997,373
	18,080,159	**18,255,672**

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

29 REVENUE FROM OPERATIONS

	For the year ended 31st March 2019	For the year ended 31st March 2018
Sale of Finished Goods	991,247,206	1,047,062,780
	991,247,206	**1,047,062,780**
Other Operating Revenues		
Sale of Minor Produce / Timber	13,390,472	15,894,301
Incentives & Subsidies	3,171,485	722,521
Insurance and Other Claims (Net)	221,264	1,289,020
	16,783,221	**17,905,842**
	1,008,030,427	**1,064,968,622**
Details of Sale of Finished Goods :		
Tea	837,271,382	845,950,800
Rubber	107,029,574	162,554,341
Coffee	46,946,250	38,557,639
	991,247,206	**1,047,062,780**
Geographical Sales		
In India	991,247,206	1,047,062,780
Outside India	-	-
	991,247,206	**1,047,062,780**

Effective April 1, 2018, the Company has adopted Ind AS 115 - Revenue from Contracts with Customers, using the cumulative effect method and the comparative information is not restated. The adoption of the standard did not have any material impact on the financial statements of the Company.

30 OTHER INCOME

	For the year ended 31st March 2019	For the year ended 31st March 2018
Interest Income at amortised cost		
On Bank Deposits	10,766	17,745
On Inter Corporate Deposits	1,374,544	16,874,624
From Others	5,170,415	-
Other Non Operating Income		
Rent	8,215,993	9,405,812
Excess Liabilities and Unclaimed Balances written back	807,904	829,283
Miscellaneous Income	1,807,078	2,271,591
Profit on Sale of Non Current Investment	51,385,956	31,411,178
	68,772,656	**60,810,234**

31 COST OF MATERIALS CONSUMED

	Refer Note No.	For the year ended 31st March 2019	For the year ended 31st March 2018
Purchase of Green Leaf		**186,385,031**	**199,848,945**

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(Amount in ₹)

32 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

	For the year ended 31st March 2019	For the year ended 31st March 2018
Inventories at the end of the year		
Tea	57,157,357	84,214,118
Rubber	5,114,569	29,025,830
Coffee	26,203,008	30,794,780
Minor Produce	2,991,818	10,867,518
	91,466,752	**154,902,246**
Inventories at the beginning of the year		
Tea	84,214,118	97,710,739
Rubber	29,025,830	75,816,221
Coffee	30,794,780	30,128,825
Minor Produce	10,867,518	1,648,459
	154,902,246	**205,304,244**
	63,435,494	**50,401,998**

Total changes in inventories of work-in-progress, stock-in-trade and finished goods

33 EMPLOYEE BENEFITS EXPENSE

	For the year ended 31st March 2019	For the year ended 31st March 2018
Salaries & Wages	474,777,568	472,795,571
Contribution to Provident Funds and Others	46,786,225	46,699,221
Contribution to Gratuity Fund	14,438,000	14,745,000
Contribution to Superannuation Fund	1,176,900	3,894,905
Staff Welfare Expenses	42,831,241	43,282,267
	580,009,934	581,416,964
Less: Amount Capitalised	7,513,083	16,678,410
	572,496,851	**564,738,554**

34 FINANCE COST

	Refer Note No.	For the year ended 31st March 2019	For the year ended 31st March 2018
Interest Expenses			
To Banks on Term Loans		21,606,123	30,066,230
To Banks On Working Capital Loans		43,724,680	48,076,843
To Inter Corporate Deposits		269,631	2,585,099
To Others		635,679	-
Other Borrowing Costs			
Other Financial Charges		2,507,860	1,645,156
		68,743,973	82,373,328
Less: Amount Capitalised	34.1	736,589	1,395,605
		68,007,384	**80,977,723**

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(Amount in ₹)

34.1 The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the entity's general borrowings during the year, in this case 10.44% - 12.06% (31 March 2018 – 10.96%).

35 DEPRECIATION AND AMORTIZATION EXPENSES

	Refer Note No.	For the year ended 31st March 2019	For the year ended 31st March 2018
On Property, Plant and Equipment	35.1	74,882,593	78,155,402
On Intangible Assets		364,581	336,799
		75,247,174	**78,492,201**

35.1 For the Financial year ended 31.03.2019 depreciation includes ₹ 8,09,239/-(P.Y. ₹ 10,46,973/-) in respect of Cowcoody Builders Pvt. Ltd.

36 OTHER EXPENSES

	For the year ended 31st March 2019	For the year ended 31st March 2018
Manufacturing Expenses		
Stores, Spare Parts & Packing Materials Consumed	18,432,780	19,344,554
Power & Fuel	97,010,069	88,747,610
Cultivations	71,505,156	78,044,913
Repairs to Buildings	7,793,442	8,622,745
Repairs to Machinery	10,024,334	9,474,972
Repairs to Other Assets	194,862	420,561
Tea Cess	-	437,309
	204,960,643	205,092,664
Less: Amount Capitalised	3,878,438	7,572,341
	201,082,205	**197,520,323**
Selling and Administration Expenses		
Freight & Cartage	11,831,014	16,790,406
Commission & Brokerage	7,825,883	9,052,146
Rent	3,040,937	3,112,901
Rates & Taxes	7,981,767	7,802,365
Insurance	5,615,667	5,857,899
Vehicle Running & Maintenance Expense	13,821,433	14,637,554
Charity & Donation	15,000	106,340
Corporate Social Responsibility Expenses	61,950	90,300
Auditors' Remuneration -		
Statutory Auditors -		
Audit Fees	1,254,883	1,258,760
Issue of Certificates	1,050,000	1,000,000
Reimbursement of Expenses	32,211	21,880

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as at and for the year ended 31st March, 2019

(Amount in ₹)

36 OTHER EXPENSES

	For the year ended 31st March 2019	For the year ended 31st March 2018
Cost Auditors' Remuneration -		
Audit Fees	150,000	150,000
Legal & Professional Fees	3,129,958	5,040,212
Advances written off	37,459	170,179
Profit/(Loss) on Sale/discard of Property, Plant and Equipment	34,099	8,371,573
Changes in Fair value of Biological assets	1,770,290	19,188,954
Travelling Expenses	2,262,341	1,737,619
Director Sitting Fees	628,333	541,000
Other Miscellaneous Expenses	20,279,407	21,796,418
	80,822,634	**116,726,506**
	281,904,841	**314,246,829**

37 TAX EXPENSE

	For the year ended 31st March 2019	For the year ended 31st March 2018
Current Tax	1,475,000	1,333,792
Income Tax for Earlier Years	2,772,587	-
Deferred Tax	(15,929,292)	(20,674,323)
	(11,681,705)	**(19,340,531)**

37.1 Reconciliation of estimated Income tax expense at Indian statutory Income tax rate to income tax expense reported in statement of Profit & Loss

	For the year ended 31st March 2019	For the year ended 31st March 2018
Profit from before income tax expense	(170,673,692)	(162,927,395)
Indian Statutory Income Tax rate*	26.000%	34.608%
Estimated Income Tax Expense	(44,375,160)	(56,385,913)
Tax effect of adjustments to reconcile expected Income tax expense to reported Income tax expense		
Exempt Income	378,247	(8,231,041)
Non Deductible expenses under Income tax Act	16,107	49,652
Adjustments due to change in tax rates	13,438,192	24,075,395
Unrecognized tax credit on losses	(24,923,336)	(37,276,017)
Others	(18,830,078)	(15,663,371)
	(29,920,868)	**(37,045,382)**
Income tax expense in Statement of Profit & Loss	**(14,454,292)**	**(19,340,531)**

* Applicable Indian Statutory Income Tax rate for Fiscal Year 2019 & 2018 is 26% & 34.60% respectively.

Notes to Consolidated Financial Statements

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(Amount in ₹)

38 OTHER COMPREHENSIVE INCOME

	For the year ended 31st March 2019	For the year ended 31st March 2018
Items that will not be reclassified to profit or loss		
Remeasurement of the defined benefit plans	(7,856,000)	12,900,000
Remeasurement of Financial Instruments	4,211,531	-
Less: Tax expense on defined benefit obligation	(2,042,560)	3,354,000
Less: Tax expense on Financial Instruments	421,153	-
	(2,023,062)	**9,546,000**

39 EARNING PER SHARE

	For the year ended 31st March 2019	For the year ended 31st March 2018
Nominal Value of Equity Shares (₹)	10.00	10.00
Profit attributed to the Equity shareholders of the Company	(158,991,987)	(143,586,864)
Weighted average number of equity shares	4,142,201	4,142,201
Basis and diluted earning per shares (₹)	(38.38)	(34.66)

There are no dilutive equity shares in the Company.

40 CONTINGENT LIABILITIES, CONTINGENT ASSETS & COMMITMENT TO THE EXTENT NOT PROVIDED FOR:

40.1 Contingent Liabilities

Sl. No.	Particulars	As at 31st March 2019	As at 31st March 2018
A	Claims/Disputes/Demands not acknowledged as debts -		
i.	Income Tax under appeal [Note 1]	27,368,823	33,855,215
ii.	Karnataka Agriculture Income Tax under Appeal (Advance paid ₹ 73,538/-)	2,844,818	2,844,818
iii.	Claims of Creditors & workers	2,581,921	2,227,395
iv.	Seigniorage Charges (KERALA Forest Dept.)	17,702,033	17,702,033
v.	Provident Fund Damages	5,179,844	5,179,844
vi.	Lease Rent [Note 2]	13,086,095	11,686,205
vii.	Other claims not acknowledged as debts	8,436,848	8,436,848
viii.	Plantation Tax	2,649,689	-

Note 1 ₹ 17,835,354/- (2018: ₹ 11,865,666/-) paid under protest / adjusted for appeal.

Note 2 The Government of Kerala has increased the Lease Rent payable in respect of Chemoni and Pudukad Estates from ₹ 2/- per Acre to ₹ 1300/- per Hectare with effect from 25th November, 2009. The Parent Company filed Writ Petition before the Hon'ble Court of Kerala challenging the increase and the case is subjudice.

In respect of above matters, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgements pending at various forums/ authorities.

Notes to Consolidated Financial Statements

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(Amount in ₹)

40.2 Commitments

Sl. No.	Particulars	As at 31st March 2019	As at 31st March 2018
i.	Estimated amount of contracts remaining to be executed on Capital Account (net of advances)	4,651,064	Nil

41 ASSETS PLEDGED AS SECURITY

The carrying amounts of assets pledged as security for current and non current borrowings are as follows :

	As at 31st March 2019	As at 31st March 2018
Current		
Financial assets	**29,176,329**	**103,981,114**
Trade Receivables	20,537,058	79,500,221
Cash and cash equivalents	2,050,867	12,196,934
Other Current Assets	6,588,404	12,283,959
Non-financial assets	**127,089,523**	**195,551,042**
Inventories	127,089,523	195,551,042
Total current assets pledged as security	**156,265,852**	**299,532,156**
Non-current		
Freehold land & Plantation	798,302,848	812,262,019
Freehold buildings	127,999,345	138,883,598
Furniture, fittings and equipment	61,637,010	74,002,398
Total non-currents assets pledged as security	**987,939,203**	**1,025,148,015**
Total assets pledged as security	**1,144,205,055**	**1,324,680,171**

42. DISCLOSURE AS REQUIRED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006, TO THE EXTENT ASCERTAINED, AND AS PER NOTIFICATION NUMBER GSR 679 (E) DATED 4TH SEPTEMBER, 2015.

Sl. No.	Particulars	As at 31st March 2019	As at 31st March 2018
i	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each financial year.	–	–
ii	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	–	–
iii	The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	–	–
iv	The amount of interest accrued and remaining unpaid at the end of each accounting year.	–	–
v	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	–	–

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

43. OPERATING LEASES (OTHER THAN LAND LEASES)

The Parent Company has operating lease for an office permise which is a non-cancellable lease for a period of 5 years. With respect to non-cancellable operating lease, the future minimum lease payment at the balance sheet date is as under.

43.1 Future Minimum Lease Payments

At 31st March 2019, the future minimum lease payments to be made under non-cancellable operating leases are as follows:

Particulars	As at 31st March 2019	As at 31st March 2018
Payables within one year	1,800,000	-
Payables later than one year but not later than five years	5,400,000	-
Payables later than five years	-	-

43.2 Amounts recognized in Profit or Loss

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Minimum lease payments	2,911,906	3,112,901
Total rental expense relating to operating leases	2,911,906	3,112,901

44. DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD - 19 'EMPLOYEE BENEFITS'

44.1 Defined Contribution Plan:

The Group makes contribution towards provident fund and superannuation fund to a defined contribution retirement plan for qualifying employees. The Provident fund plan is operated by statutory authorities. Under the said scheme 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.

The Parent Company operates a superannuation scheme for certain employees and contributions by the Parent Company under the scheme, is charged against revenue every year.

The amount recognized as an expense for the Defined Contribution Plans are as under:

Sl. No.	Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
a.	Provident Fund	41,616,606	41,493,964
b.	Superannuation Fund	1,176,900	3,894,905

44.2 Defined Benefit Plan:

The following are the types of defined benefit plans

44.2.1 Gratuity Plan

The Group makes annual contribution of gratuity to gratuity funds duly constituted and administered by independent trustees and funded with Birla Sun Life Insurance Company Limited/ independent trust and Life Insurance Corporation for the qualifying employees. The scheme provides for a lump sum 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.

Notes to Consolidated Financial Statements

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(Amount in ₹)

The present value of defined obligation and related current cost are measured using the projected unit credit method with actuarial valuation being carried out at each balance sheet date.

44.2.2 Leave

The employees of the Company are also eligible for encashment of leave upon retirement up to 30 days for each year (maximum 120 days). The benefit obligation related to leave liability are funded with Life Insurance Corporation of India.

44.2.3 Risk Exposure

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

Interest rate risk	The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation with tend to increase.
Salary Inflation risk	Higher than expected increases in salary will increase the defined benefit obligation.
Demographic risk	This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compare to long service employee.

44.2.4 Reconciliation of the net defined benefit (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset)/ liability and its components:

(₹ in lacs)

Particulars	Gratuity	
	2018-19	2017-18
Net defined benefit asset/(liability) at the beginning of the year	(375.03)	(361.58)
Service Cost	(116.31)	(121.96)
Net interest on net defined benefit (liability)/asset	(28.07)	(25.49)
Amount recognised in OCI	(78.56)	129.00
Employer contributions	11.00	5.00
Net defined benefit asset/(liability) at the end of the year	(586.97)	(375.03)

44.2.5 Reconciliation of Defined Benefit Obligations

The following table shows a reconciliation to defined benefits obligations:

(₹ in lacs)

Particulars	Gratuity	
	2018-19	2017-18
Defined Benefit Obligation at the beginning of the year	1,937.27	1,957.68
Current Service Cost	116.31	121.96
Interest Cost on the defined benefit obligation	140.98	133.37
Actuarial (gain)/loss-experience	80.51	(39.10)
Actuarial (gain)/loss-financial assumptions	16.82	(78.22)
Benefits paid from plan assets	(164.33)	(158.42)
Defined Benefit Obligation at the end of the year	2,127.56	1,937.27

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(Amount in ₹)

44.2.6 Reconciliation of the Plan Assets

The following table shows a reconciliation from the opening balances to the closing balances for the Plan Assets and its components:

(₹ in lacs)

Particulars	Gratuity	
	2018-19	2017-18
Fair Value of Plan Assets at the beginning of the year	1,562.25	1,596.10
Interest Income on Plan Assets	112.91	107.88
Return on plan assets greater/ (lesser) than discount rate	18.77	11.69
Employer Contributions	11.00	5.00
Benefits Paid	(164.33)	(158.42)
Fair Value of Plan Assets at the end of the year	1,540.60	1,562.25

44.2.7 Expenses recognized in profit or loss

(₹ in lacs)

Particulars	Gratuity	
	2018-19	2017-18
Current Service Cost	116.31	121.96
Interest Cost	140.98	133.29
Interest Income on Plan Assets	112.91	107.88

44.2.8 Remeasuremets recognzied in other comprehensive income

(₹ in lacs)

Particulars	Gratuity	
	2018-19	2017-18
Actuarial (gain)/ Loss on defined benefit obligation	97.33	(117.32)
Return on plan assets greater/ (lesser) than discount rate	(15.11)	(4.13)

44.2.9 Major Categories of Plan Assets

The Gratuity Scheme is invested in a Group Unit Linked Gratuity Plan managed by Birla Sun Life Insurance Company Limited / the Independent Administered Gratuity Fund and Life Insurance Corporation. The information on the allocations of fund managed by Birla Sun Life Insurance Company Limited and Life Insurance Corporation into major assets classes and expected return on each major classes are not readily available. In case of company's administered trust, 100% allocation of fund has been made towards government securities. The expected rate of return on plan assets is based on the assumed rate of return provided by Company's actuary.

Notes to Consolidated Financial Statements

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(Amount in ₹)

44.2.10 Actuarial Assumptions

(₹ in lacs)

Particulars	Gratuity	
	2018-19	2017-18
Financial Assumptions		
Discount Rate	7.50	7.60
Salary Escalation Rate- Management	8.00	8.00
Salary Escalation Rate- Non- Management	6.00	6.00
Demographic Assumptions		
Mortality Rate	Indian Assured Lives Mortality (2006-08) Ult	Indian Assured Lives Mortality (2006-08) Ult
Withdrawal Rate	Age from 20-40 : 2.00% Age from 40-60 : 1.00%	Age from 20-40 : 2.00% Age from 40-60 : 1.00%

44.2.11 The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

44.2.12 At 31st March 2019, the weighted average duration of the defined benefit obligation was 9 years (previous year 9). The distribution of the timing of benefits payment i.e., the maturity analysis of the benefit payments is as follows:

(₹ in lacs)

	2018-19	2017-18
Expected benefits payment for the year ending on	**Gratuity**	**Gratuity**
Within 1 year	255.40	263.42
1-2 Year	147.05	128.04
2-3 Year	150.01	156.82
3-4 Year	188.63	145.04
4-5 Year	186.15	189.61
5-9 Years	1,378.77	1,226.26

44.2.13 The Group expects to contribute ₹ Nil (previous year ₹ 11,00,000/-) to its gratuity fund in 2019-20

44.2.14 Sensitivity Analysis

The sensitivity analyses below have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occuring at the end of the reporting period. Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below: (₹ in lacs)

Particulars	Gratuity	
	2018-19	2017-18
Effect on DBO due to 1% increase in Discount Rate	(157.95)	(140.40)
Effect on DBO due to 1% decrease in Discount Rate	182.49	162.50
Effect on DBO due to 1% increase in Salary Escalation Rate	183.02	162.60
Effect on DBO due to 1% decrease in Salary Escalation Rate	(161.15)	(143.50)

Notes to Consolidated Financial Statements

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

45 IN ACCORDANCE WITH THE GUIDANCE NOTE ON ACCOUNTING FOR EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES, THE REQUISITE DISCLOSURE AS AS FOLLOWS:

(₹ in lacs)

45.1 Particulars	Gratuity	
	2018-19	2017-18
Gross Amount Required to be spent by the company during the year	–	–
Provision made in relation to CSR expenditure	–	–

(₹ in lacs)

45.2 Particulars	2018-19		2017-18	
	In Cash	Yet to be paid in cash	In Cash	Yet to be paid in cash
Amount spent during the year on :				
Construction/ Acquisition of any asset	–	–	–	–
On purpose other than above	0.62	–	0.90	–
Unspent Amount	–	–	–	–

46 RELATED PARTY DISCLOSURES

46.1 Name of the related parties and description of relationship

A Key Management Personnel

- Hemant Bangur- Chairman
- Pushpa Devi Bangur- Non Executive Director
- Manoj Kumar Daga-Independent Director
- Mihir Mohan Pyne-Independent Director
- Jay Kumar Surana-Independent Director
- K. C. Mohta - Executive Director & C.E.O (till 30.04.2018)
- Mukundan Raman - Chief Operating Officer (w.e.f. 01.11.2018)
- Sayansiddha Das - Chief Financial Officer
- Sharad Bagree - Company Secretary

B Enterprises/Individual having control over the Company

- Credwyn Holdings (I) Private Limited (CHPL)
- The Oriental Company Limited (TOCL)
- Madhav Trading Corporation Limited (MTCL)
- Wind Power Vinimay Private Limited (WPVPL)
- Gopal Das Bangur (HUF)
- PDGD Investment & Trading Private Limited
- Mugneeram Bangur & Company LLP (MB)
- The Cambay Investment Corporation Limited (TCICL)

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C Post Employement Benefit Plan

- Bangur Superannuation Fund
- Joonktollee Tea & Industries Limited Gratuity Fund

46.2 Summary of transactions with the related parties

Particulars	Associate of the Company	Entities over which Key Management Personnels are able to exercise control/ joint control	Key Management Personnel	Post Employement Benefit Plan
Loan/Advances Given (Net)	-	-	520,000	-
Previous Year	3,500,000	7,500,000	290,000	-
Loan/Advances Refunded	-	-	-	-
Previous Year	3,500,000	7,500,000		
Loan Received		10,000,000	-	-
Previous Year		35,000,000		
Loan Repaid		10,000,000	-	-
Previous Year		35,000,000		
Interest Income/ (Paid)	-	(401,096)	-	-
Previous Year	185,261	(581,918)		
Rent Paid	-	1,800,000	-	-
Previous Year		1,867,500		
Purchase of Goods	-	-	-	-
Previous Year			-	
Dividend Paid	-	903,046	534,829	-
Previous Year		2,256,091	744,657	
Sale of Investment	-	45,281,514	124,390,000	-
Previous Year		48,649,500	43,528,500	
Sitting Fees	-	-	555,000	-
Previous Year		-	445,000	
Remuneration	-	-	7,013,917	-
Previous Year			11,108,547	-
Contribution towards post employement benefit plan	-	-	-	1,176,900
Previous Year				3,911,206

Notes to Consolidated Financial Statements

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(Amount in ₹)

46.3 Summary of Closing Balance Outstanding with the related parties

Particulats	Associate of the Company	Enterprises/ Individual having control over the Company	Key Management Personnel	Post Employement Benefit Plan
Security Deposit Receivable				
2019	-	7,500,000	-	-
2018	-	7,500,000	-	-
Loan/ Advances Receivable				
2019	-	-	520,000	-
2018	-	-	290,000	-

46.4 Key Management Personnel compensation

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Short-term employee benefits	7,013,917	11,108,547
*Post-employment benefits	-	6,717,324
*Long-term employee benefits	-	1,200,000
Sitting Fees	555,000	445,000
Total compensation	**7,568,917**	**19,470,871**

* Post-employment benefits and other long-term benefits is being disclosed based on actual payment made on retirement/ resignation of services, but does not includes provision made on actuarial basis as the same is available for all the employees together.

46.5 Major terms and conditions of transactions with related parties

Transactions with related parties are carried out in the normal course of business and are made on terms equivalent to those that prevail in arm's length transactions.

47 SEGMENT REPORTING

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Based on the management approach as defined in Ind AS 108, the Chief Operating Decision Maker evaluates the Company's performance based on only three segment i.e. Tea, Coffee and Rubber which have been identified taking into account the organizational structure as well as the differing risks and returns of these segments. The segment wise revenue, assets and liabilities relate to the respective amounts directly identifiable with each other of the segments. There is no inter-segment revenue. The company does not have any secondary/geographical segments.

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(Amount in ₹)

Particulars	2018-19	2017-18
Segment Revenue		
Tea	843,695,469	848,964,581
Coffee	48,565,265	43,488,720
Rubber	107,089,994	162,554,341
Others	8,679,699	9,960,980
Total	**1,008,030,427**	**1,064,968,622**
Segment Results		
Tea	(107,545,740)	(77,995,043)
Coffee	4,755,900	(11,684,672)
Rubber	(37,566,640)	(22,856,423)
Others	(2,699,418)	6,786,616
Total	**(143,055,898)**	**(105,749,522)**
Interest Expenses	68,007,384	80,977,723
Interest Income	6,555,725	16,892,369
Other Unallocated Income (net of Unallocated Expenses)	33,833,865	6,907,481
Total Profit before Tax	(170,673,692)	(162,927,395)
Less : Income Taxes	(11,681,705)	(19,340,531)
Total Profit/(Loss) after Tax	**(158,991,987)**	**(143,586,864)**

Particulars	31-03-2019		31-03-2018	
Segment Assets & Segment Liabilities	**Assets**	**Liabilities**	**Assets**	**Liabilities**
Tea	1,320,591,042	164,551,178	1,462,740,800	122,031,940
Coffee	378,829,592	3,058,271	377,987,806	2,802,443
Rubber	184,783,541	19,384,092	219,171,415	15,873,672
Others	2,991,818	-	2,253,044	-
Unallocable	350,167,898	147,208,725	550,758,277	179,630,053
Total	**2,237,363,891**	**334,202,266**	**2,612,911,342**	**320,338,108**
Capital Expenditure & Depreciation/ Amortisation	**Capital Expenditure**	**Depreciation/ Amortisation**	**Capital Expenditure**	**Depreciation/ Amortisation**
Tea	29,645,039	56,175,717	46,118,899	59,826,653
Coffee	1,904,071	5,068,900	4,906,980	4,794,268
Rubber	1,924,732	12,348,387	4,438,887	11,546,889
Unallocable	7,549,647	1,654,170	-	2,324,391
Total	**41,023,489**	**75,247,174**	**55,464,766**	**78,492,201**

No customer individually accounted for more than 10% of the revenues from external customers during the years.

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

48 FAIR VALUE MEASUREMENT

Categories of Financial Assets & Financial Liabilities as at 31st March 2019 and 31st March 2018

Particulars	31st March 2019			31st March 2018		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
Financial Assets						
Investment						
- Equity Instruments	-	8,071,176	-	-	3,859,645	-
Trade Receivables	-	-	18,488,717	-	-	79,500,220
Cash and Cash Equivalents	-	-	3,449,225	-	-	28,402,270
Bank Balance other than above	-	-	1,763,067	-	-	2,258,857
Loans to Employees	-	-	8,760,013	-	-	6,198,755
Loans to Companies/ Firm	-	-	-	-	-	-
Security Deposits	-	-	21,101,277	-	-	21,125,479
Other Financial Assets	-	-	575,973	-	-	4,620,843
Total Financial Assets	**-**	**8,071,176**	**54,138,272**	**-**	**3,859,645**	**142,106,424**
Financial Liabilities						
Borrowings	-	-	440,075,693	-	-	589,642,365
Trade Payables	-	-	53,122,363	-	-	51,705,216
Other Financial Libilities	-	-	100,617,291	-	-	88,178,387
Total Financial Liabilities	**-**	**-**	**593,815,347**	**-**	**-**	**729,525,968**

49 FAIR VALUES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES MEASURED AT AMORTISED COST

49.1 The following is the comparison by class of the carrying amounts and fair value of the Group financial instruments that are measured at amortized cost:

49.2 The management assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, short term borrowings, and other financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

49.3 The management considers that the carrying amounts of Financial assets and Financial liabilities recognised at nominal cost/amortised cost in the Financial statements approximate their fair values.

49.4 Non current borrowings has been contracted at floating rates of interest, which are reset at short intervals. Fair value of floating interest rate borrowings approximates their carrying value subject to adjustments made for transaction cost.

50 FAIR VALUE HIERARCHY

50.1 Financial Instrument

The following are the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair value are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels of fair value measurement as prescribed under the Ind AS 113 “Fair Value Measurement”. An explanation of each level follows underneath the tables.

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

Assets and Liabilities measured at Fair Value - recurring fair value measurements

As at 31st March 2019 and 31st March 2018

Particulars	31st March 2019			31st March 2018		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets						
Investment						
- Equity Instruments	8,071,176	-	-	-	-	3,859,645
Total Financial Assets	**8,071,176**	**-**	**-**	**-**	**-**	**3,859,645**

50.2 Biological assets other than bearer plants

This section explains the judgements and estimates made in determining the fair values of the biological assets other than bearer plants that are recognised and measured at fair value in the financial statements. The Group uses a Valuation technique that is appropriate in the circumstances and for which sufficient data are available to measure the fair value, maximising the use of relevant observable inputs.

Biological Assets measured at Fair Value less cost to sell

As at 31st March 2019 and 31st March 2018

Particulars	31st March 2019			31st March 2018		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Non Financial Assets						
Biological Assets other than Bearer Plant						
- Unharvested Tea Leaf & Other Minor Produce	-	3,303,677	-	-	3,102,487	-
- Timber Plantation	-	327,699,000	-	-	329,670,482	-
Total Non Financial Assets	**-**	**331,002,677**	**-**	**-**	**332,772,969**	**-**

50.2.1 Valuation Technique

Unharvested Tea Leaf: Fair value is being arrived at based on the observable market prices of made tea adjusted for manufacturing costs. The same is applied on quantity of the tea leaves unharvested using plucking averages of various estates.

Timber Plantation: Fair value is being arrived at based on the observable market prices of timber.

50.3 During the year ended March 31, 2019 investment in The Phosphate Co.Ltd has been shifted to level 1 from level 3 due to listing of the shares with BSE and at March 31, 2018 there were no transfers between level 1, level 2 and level 3.

50.4 Explanation to the fair value hierarchy

The Group measures Financial instruments, such as, equity investments and non financial instruments, such as, unharvested tea leaf and timber plantation, at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The valuation of equity instruments are based on level 1 inputs and valuation of unharvested tea leaf and timber plantation are based on level 2 inputs as per the hierarchy mentioned in the Accounting Policies.

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

51 FINANCIAL RISK MANAGEMENT

Financial management of the Group has been receiving attention of the top management of the Group. The management considers finance as the lifeline of the business and therefore, financial management is carried out meticulously on the basis of detailed management information systems and reports at periodical intervals extending from daily reports to long-term plans. Importance is laid on liquidity and working capital management with a view to reduce over-dependence on borrowings and reduction in interest cost.

51.1 Credit Risk

Credit risk is the risk that counterparty will not meet its obligations leading to financial loss. The Group has an established credit policy and a credit review mechanism. Credit exposure is undertaken only with large reputed business houses and with no history of default against payments. Based on the business model, macro economic enviroment of the business and past trends, the management has determined nil percentage for any class of financial asset under expected credit loss.

51.2 Liquidity Risk

The Group determines its liquidity requirement in the short, medium and long term. This is done by drawings up cash forecast for short term and long term needs.

The Group manage its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity monitoring future cash flow and liquidity on a regular basis. Surplus funds not immediately required are invested in certain mutual funds and fixed deposit which provide flexibility to liquidate. Besides, it generally has certain undrawn credit facilities which can be assessed as and when required; such credit facilities are reviewed at regular basis.

51.2.1 Maturity Analysis for financial liabilities

a. The following are the remaining contractual maturities of financial liabilities as at 31st March 2019

Particulars	**On Demand**	**Less than 6 months**	**6 months to 1 year**	**More than 1 year**	**Total**
Borrowings					
Term loan from banks	-	30,000,000	30,000,000	120,000,000	180,000,000
Working Capital loans repayable on demand	129,073,545	-	-	-	129,073,545
Short term loan	-	191,002,148	-	-	191,002,148
Trade payables	-	53,122,363	-	-	53,122,363
Other financial liabilities	2,227,116	33,769,322	-	-	35,996,438
Total	**131,300,661**	**307,893,833**	**30,000,000**	**120,000,000**	**589,194,494**

b. The following are the remaining contractual maturities of financial liabilities as at 31st March 2018

Particulars	**On Demand**	**Less than 6 months**	**6 months to 1 year**	**More than 1 year**	**Total**
Borrowings					
Term loan from banks	-	30,000,000	30,000,000	180,000,000	240,000,000
Working Capital loans repayable on demand	43,092,365	-	-	-	43,092,365
Short term loan	-	366,550,000	-	-	366,550,000
Trade payables	-	51,705,216	-	-	51,705,216
Other financial liabilities	2,528,362	25,650,025	-	-	28,178,387
Total	**45,620,727**	**473,905,241**	**30,000,000**	**180,000,000**	**729,525,968**

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

c. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements (if any). The interest payments on variable interest rate loans in the tables above reflect market forward interest rates at the respective reporting dates and these amounts may change as market interest rates change. Except for these financial liabilities, it is not expected that cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts. When the amount payable is not fixed, the amount disclosed has been determined with reference to conditions existing at the reporting date.

51.3 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group business primarily agricultural in nature, exposes it to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of adverse weather conditions and lack of future markets. The Company closely monitors the changes in market conditions and select the sales strategies to mitigate its exposure to risk. Market risk comprises two type of risks: Interest Rate Risk, Commodity Risk and Foreign Currency Risk.

51.3.1 Commodity Risk

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

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

i) Sufficient inventory levels of chemicals, fertilisers and other inputs are maintained so that timely corrective action can be taken in case of adverse weather conditions.

ii) Slightly higher level of consumable stores viz. packing materials, coal and HSD are maintained in order to mitigate financial risk arising from logistics problems.

iii) Sufficient working-capital-facility is obtained from banks in such a way that cultivation, manufacture and sale of tea is not adversely affected even in times of adverse conditions.

51.3.2 Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates. The Parent exposure to the risk of changes in market interest rate relates primarily to Parent borrowing with floating interest rates. The Parent do not have any significant interest rate risk on its current borrowing due to their short tenure. The Parent is also exposed to interest rate risk on surplus funds parked in loans. To manage such risks, such loans are granted for short durations with fixed interest rate in line with the expected business requirements for such funds.

a Exposure to interest rate risk

Particulars	31st March 2019	31st March 2018
Borrowings at floating rate	379,073,545	453,092,365
Borrowings at fixed rate	121,002,148	196,550,000
	500,075,693	**649,642,365**

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

b Sensitivity Analysis

Profit or loss is sensitive to higher/ lower interest expense from borrowings as a result of changes in interest rates. This analysis assumes that all other variables, in particular exchange rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	31st March 2019			31st March 2018		
	Sensitivity Analysis	Impact on		Sensitivity Analysis	Impact on	
		Profit before tax	Other Equity		Profit before tax	Other Equity
Interest Rate Increase by	0.50%	(2,500,378)	(1,850,280)	0.50%	(3,248,212)	(2,244,514)
Interest Rate Decrease by	0.50%	2,500,378	1,850,280	0.50%	3,248,212	2,244,514

51.3.3 Foreign Currency Risk

The Group has no exposure to foreign currency during the financial year. There were no foreign exchange derivative contracts dealt by the Group.

52 CAPITAL MANAGEMENT

The Group objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic Investments. Sourcing of capital is done through judicious combination of equity/internal accruals and borrowings, both short term and long term. Net debt (total borrowings less investments and cash and cash equivalents) to equity ratio is used to monitor capital.

Particulars	31st March 2019	31st March 2018
Net Debt	496,626,468	621,240,095
Total Equity	1,403,085,930	1,568,879,060
Net Debt to Equity Ratio	0.35	0.40

53 Information pursuant to Regulation 34(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015.

Loan to subsidiary/associate company are as under :

Particulars	Balance Outstanding		Maximum Outstanding	
	As at 31st March 2019	As at 31st March 2018	For the year ended 31st March 2019	For the year ended 31st March 2018
The Cochin Malabar Estates and Industries Ltd. (Associate)	-	-	-	3,500,000

Note: The loan was given for the general business purpose of the associate.

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

54 The Parent Company's entitlement of Rs. 17,560,442/- (2018: Rs. 17,560,442/-) under section 80-IC of the Income Tax Act, 1961 in respect of income generated from facilities situated in North East states is pending before Hon'ble High Court since assessment year 2004-05 to 2013-14. The management of the Company does not foresee any additional liability of the income tax at this point.

55 Transfer of certain assets/liabilities from/to transferor companies/demerged units under the scheme of arrangement/ amalgamations carried out in earlier years are still in the process of completion.

56 Trade Receivables, Loans, Other Financial Assets and Other Assets include certain overdue and unconfirmed balances. However, in the opinion of the management, these current assets would, in the ordinary course of business, realize the value stated in the accounts.

57 Miscellaneous Expenditure includes revenue expenditure on research and development ₹ 8,77,616/- (2018: ₹ 8,23,156/-) incurred towards subscription to Tea Research Association.

58 In view of approval dated 30th January, 2018 by the shareholders of the company through postal ballot, the company has disposed off its holding in subsidiary "Cowcoody Builders Pvt Ltd" to its promoters/promoter group companies. Necessary accounting impact has been given during the year.

59 Non Current Asset held for sale of Cowcoody Builders Pvt.Ltd as on 31.03.2019 :

	Particulars	2018-2019		2017-2018	
		Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)
1	**NON-CURRENT ASSETS**				
a	Property, Plant and Equipment	-	-	130,049,644	-
b	Capital Work-In-Progress	-	-	-	-
c	Other Intangible Assets	-	-	-	-
d	Investment Property	-	-	-	-
e	Financial Assets				
	i Investments	-	-	46,738,902	-
	ii Loans	-	-	449,915	-
	iii Others	-	-	-	-
	Non-Current Tax Assets	-	-	5,915,405	-
f	Other Non-Current Assets	-	-	47,900	183,201,766
2	**CURRENT ASSETS**				
a	Financial Assets				
	i Trade Receivables	-	-	5,219,977	-
	ii Cash & Cash equivalents	-	-	876,896	-
	iii Bank balances other than Note ii	-	-	131,715	-
	iv Loans	-	-	11,068,163	-
	v Others	-	-	-	-
b	Other Current Assets	-	-	-	17,296,751
	Total Assets	**A**	**-**	**A**	**200,498,517**

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

Particulars	2018-2019		2017-2018	
	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)
LIABILITIES				
1 NON-CURRENT LIABILITIES				
a Financial Liabilities				
I Borrowings	-	-	-	-
ii Other financial liabilities	-	-	-	-
b Provisions	-	-	-	-
c Deferred Tax Liabilities	-	-	-	-
d Non-Current Tax Liabilities	-	-	4,255,000	4,255,000
2 CURRENT LIABILITIES				
a Financial Liabilities				
I Borrowings	-	-	-	-
ii Trade Payables	-	-	-	-
iii Other Financial Liabilities	-	-	-	-
b Provisions	-	-	-	-
c Other Current Liabilities	-	-	7,239,410	7,239,410
Total Current and Non Current Liabilities	**B**	**-**	**B**	**11,494,410**
Total Non Current Asset held for Sale	**A - B**	**-**	**A - B**	**189,004,107**

60 Additional Information, as required under Schedule III to the Companies Act 2013 of enterprises consolidated as Subsidiary / Associates :

Name of Enterprise	Net Assets, i.e. total assets minus total liabilities			
	As at 31st March 2019		As at 31st March 2018	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
Parent				
Joonktollee Tea & Industries Limited	103.81%	1,456,518,298	95.65%	1,571,545,479
Subsidiaries - Indian				
1. Cowcoody Builders Pvt.Ltd	-	-	11.50%	189,004,107
2. Pranav Infradev Co.Pvt.Ltd	14.21%	199,349,622	12.18%	200,065,047
3. Keshava Plantations Pvt.Ltd	10.57%	148,364,797	10.53%	172,923,492
Sub Total	128.59%	1,804,232,717	129.86%	2,133,538,125
Inter Company elimination and consolidation adjustment	(28.59%)	(401,146,787)	(29.86%)	(564,659,065)
Total	**100.00%**	**1,403,085,930**	**100.00%**	**1,568,879,060**

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2019

(Amount in ₹)

Name of Enterprise	Nature of Business	Place of Business	Share in Profit & Loss			
			As at 31st March 2019		As at 31st March 2018	
			As % of consolidated Profit & Loss	Amount	As % of consolidated Profit & Loss	Amount
Parent						
Joonktollee Tea & Industries Limited	Cultivation & Manufacturing of Tea,Coffee & Rubber	India	(68.91%)	(112,530,360)	(81.04%)	(108,926,247)
Subsidiaries - Indian						
1. Cowcoody Builders Pvt.Ltd	Real Estate	India	2.17%	3,541,251	3.93%	5,279,709
2. Pranav Infradev Co.Pvt.Ltd	Real Estate	India	(0.44%)	(715,425)	(0.47%)	(633,084)
3. Keshava Plantations Pvt.Ltd	Cultivation & Manufacturing of Tea	India	(15.04%)	(24,558,695)	(10.47%)	(14,068,668)
Associate (Investment as per equity method)						
The Cochin Malabar Estates And Industries Limited (24.68%)	Rubber	India	-	-	-	-
Sub Total			(82.22%)	(134,263,229)	(88.05%)	(118,348,290)
Inter Company elimination and consolidation adjustment			(17.78%)	(29,033,079)	(11.95%)	(16,061,425)
Total			(100.00%)	(163,296,308)	(100.00%)	(134,409,715)

61 The wage agreements with workers in Assam and Kerala are under negotiation. Interim wage increase has been announced in Assam and the basic wage has been increased by Rs 30/-. In absence of final agreement, the wages have been accounted for on the basis of interim order for the period from March,2018 to July,2018. Further, in absence of any new agreement in Kerala, the wages have been accounted for on basis of wages as per last agreement.

62 The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal. The Company is awaiting the outcome of the review petition, and also directions from EPFO, if any, to assess any potential impact on the Company and consequently no adjustments have been made in the books of account.

63 Previous year figures have been regrouped / rearranged wherever necessary, to confirm to the current period's classification.

As per our report of even date annexed.
For and on behalf of
J K V S & CO
Chartered Accountants
Firm Registration No. 318086E

Utsav Saraf
Partner
Membership No. 306932

Place : Kolkata
Dated: 15th May, 2019

For and on behalf of Board of Directors

Hemant Bangur
Chairman
(DIN 00040903)

Manoj Kumar Daga
Director
(DIN 00123386)

Sayansiddha Das
Chief Financial Officer

Sharad Bagree
Manager (Finance) & Company Secretary

Notes to Consolidated Financial Statements
as at and for the year ended 31st March, 2019

Form AOC - 1

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

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A" : Subsidiaries

Name of the subsidiary	Keshava Plantations Pvt. Ltd.	Pranav Infradev Co. Pvt. Ltd.
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31st March, 2019	31st March, 2019
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	INDIAN RUPEES	INDIAN RUPEES
Share Capital	8,000,000	2,122,710
Reserves & Surplus	140,364,797	197,226,912
Total Assets	256,136,812	205,223,366
Total Liabilities	256,136,812	202,223,366
Investments	-	-
Turnover	60,254,461	1,408,366
Profit / (Loss) before taxation	(24,132,215)	(670,552)
Provision for taxation	(16,780)	44,873
Profit after taxation	(24,115,435)	(715,425)
Proposed Dividend	-	-
% of shareholding	100%	100%

Part "B" : Associate

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

Name of Associate	The Cochin Malabar Estates And Industries Limited
Latest audited Balance Sheet Date	**31st March, 2019**
Shares of Associate held by the Company on the year end	
No.	437294
Amount of Investment in Associate	₹42,366,029/-
Extend of Holding %	24.68
Description of how there is significant influence	By virtue of holding more than 20% equity shares
Reason why the associate is not consolidated	Consolidated
Networth attributable to Shareholding as per latest audited Balance Sheet	(2,627,233)
Profit / (Loss) for the year	(974,672)
i. Considered in Consolidation	-
ii. Not Considered in Consolidation	(974,672)

If undelivered, please return to:

Joonktollee Tea & Industries Ltd.
CIN : L01132WB1900PLC000292
Registered Office : 21, Strand Road, Kolkata - 700001

Creative and Print Consultants : Manjari Enterprises
print@manjari.net

JOONKTOLLEE TEA & INDUSTRIES LIMITED

Regd. Office : 21, Strand Road
Kolkata - 700 001, Phone : 033 2230 9601
Website : www.joonktolleetea.in, E-mail : info@joonktolleetea.in
CIN : L01132WB1900PLC000292

NOTICE

NOTICE is hereby given that the 145th Annual General Meeting (AGM) of the Members of Joonktollee Tea & Industries Limited will be held on **Monday, the 9th September, 2019 at 10:30 A.M.** IST at Shripati Singhania Hall, Rotary Sadan, 94/2, Chowringhee Road, Kolkata-700 020 to transact the following Business :

ORDINARY BUSINESS :

Item No.1 – Adoption of accounts

To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the financial year ended 31st March, 2019, along with the Reports of the Auditors and Directors thereon.

Item No.2 – Re-appointment of Mrs. Pushpa Devi Bangur

To appoint a Director in place of Mrs. Pushpa Devi Bangur (DIN 00695640), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS :

Item No.3 – Re-appointment of Mr. M.K. Daga as an Independent Director of the Company for a second term w.e.f. 1st April, 2019.

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 Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities And Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactments thereof for the time being in force) and based on the recommendations of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, Mr. M.K. Daga, (DIN: 00123386) holding office as an Independent Director and being eligible to be re-appointed for second term under the provisions of the Companies Act, 2013 and Rules made thereunder, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation w.e.f. 1st April, 2019 for the second term of five consecutive years.

RESOLVED FURTHER THAT the Board of Directors and/ or Company Secretary of the Company, be and are hereby authorized severally to do and perform all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

Item No.4 – Re-appointment of Mr. J.K. Surana as an Independent Director of the Company for a second term w.e.f. 1st April, 2019.

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 Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities And Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactments thereof for the time being in force) and based on the recommendations of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, Mr. J.K. Surana, (DIN: 00582653) holding office as an Independent Director and being eligible to be re-appointed for second term under the provisions of the Companies Act, 2013 and Rules made thereunder, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation w.e.f. 1st April, 2019 for the second term of five consecutive years.

RESOLVED FURTHER THAT the Board of Directors and/ or Company Secretary of the Company, be and are hereby authorized severally to do and perform all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

Item No.5 – Appointment of Mr. Mukundan Raman as Manager

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

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 & other applicable provisions if any, of the Companies Act, 2013 read with Schedule V to the Act and the Companies (Appointment & Remuneration of managerial personnel) Rules, 2014 as amended from time to time, applicable clauses of Articles of Association of the Company and subject to other approvals if any, the approval of the Company be and is hereby accorded for the appointment and terms of remuneration of Mr. Mukundan Raman as Manager in the category of Key Managerial Personnel of the Company for a period of three years commencing from 1st November, 2018 upon the terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this meeting (including the remuneration to be paid in the event of loss or inadequacy of profits during the tenure of his appointment) with the authority to the Board of Directors to alter and vary the terms and conditions of his appointment in such manner as may be agreed to between the Board and Mr. Raman.

RESOLVED FURTHER THAT the Board of Directors and/ or Company Secretary of the Company, be and are hereby authorized severally to do and perform all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

Item No.6 – Ratification of Cost Auditors' Remuneration

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

"**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactments thereof for the time being in force), the Company hereby accords its approval and consent for the payment of remuneration of ₹ 1,50,000/- (Rupees One Lakh Fifty Thousand Only) plus applicable taxes and re-imbursement of travelling and out of pocket expenses payable to Messrs. D. Sabyasachi & Co., Cost Accountants (Firm Registration No.000369) who have been appointed by the Board of Directors as the Cost Auditors of the Company, for the Financial Year ending 31st March, 2020."

May 15, 2019 By Order of the Board

Registered Office:
21, Strand Road,
Kolkata-700 001
Phone : 033 2230 9601
CIN : L01132WB1900PLC000292

S. Bagree
Company Secretary

NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

   A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT 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.

   A PROXY CAN VOTE ONLY IF THE MEMBER HIMSELF IS NOT PRESENT AT THE MEETING. THE PROXY-HOLDER SHALL PROVE HIS IDENTITY AT THE TIME OF ATTENDING THE MEETING. PROXIES ARE REQUESTED TO CARRY A PHOTO-IDENTIFICATION TO THE AGM VENUE.

2. **Book Closure Period :** Notice is also given under section 91 of the Companies Act, 2013 read with regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("SEBI-LODR") that the Register of Members and Share Transfer Books of the Company will remain closed from **3rd September, 2019 to 9th September, 2019** (both days inclusive) in connection with the AGM.

3. **Cut Off Date :** Notice is also given that the Cut Off Date has been fixed as 2nd September, 2019 to determine the Members entitled to undertake voting electronically on the business and all resolutions set forth in this Notice by remote e-Voting.

4. Any person who is not a Member as on the cut off date should treat this notice for information purpose only.

5. Explanatory Statement pursuant to Section 102(1) of the Act relating to the Special Business to be transacted at the Meeting is annexed hereto.

6. All documents referred to in the notice requiring the

approval of the Members at the Meeting and other statutory registers shall be available for inspection by the Members at the Registered Office of the Company during office hours on all working days between 11.00 a.m. and 1.00 p.m. except Saturdays, Sundays and public holidays, from the date hereof up to the time of the AGM.

7. Members holding shares in physical form are requested to promptly notify in writing any changes in their address/ bank account details to the Secretarial Department of the Company at its Registered Office at 21, Strand Road, Kolkata-700 001 or the Registrar & Share Transfer Agent (RTA), M/s. Maheshwari Datamatics Pvt. Ltd. at 23, R.N. Mukherjee Road, 5th Floor, Kolkata-700 001. Members holding shares in electronic form are requested to notify the changes in the above particulars, if any, directly to their Depository Participants (DP).

8. Equity Shares of the Company are under compulsory demat trading by all investors. The ISIN Number allotted is INE574G01013.

   SEBI vide its Circular No.SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018, amended Regulation 40 of Listing Regulations pursuant to which from 1st April, 2019, onwards securities can be transferred only in dematerialized form except in case of transmission or transposition of securities.

   However, it is clarified that, members can continue holding shares in physical form. Transfer of securities in demat form will facilitate convenience and ensure safety of transactions for investors.

   Members holding shares in physical form are requested to convert their holding(s) to dematerialized form to eliminate all risks associated with physical shares.

9. Members can avail the facility of nomination in respect of shares held by them in physical form in accordance with the provisions of Section 72 of the Act. Members desiring to avail this facility may send their nomination in the prescribed Form SH-13 duly filled in to the RTA at 23, R.N. Mukherjee Road, 5th Floor, Kolkata – 700 001.

10. In terms of the provisions of Section 124 of the Companies Act, 2013, the amount of dividend not encashed or claimed within 7 (seven) years from the date of its transfer to the unpaid dividend account, will be transferred to the Investor Education and Protection Fund established by the Government. Accordingly, the unclaimed dividend in respect of Financial Year 2011-12 is due for transfer to the said Fund in December, 2019. The Company has transferred the unpaid or unclaimed dividend declared upto the financial year ended 31st March, 2011 to the Investor Education and Protection Fund (IEPF) established by the Central Government.

    Pursuant to the provisions of Investor Education & Protection Fund (uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 31st August, 2018 (date of last AGM) on the website of the Company and also on the website of the Ministry of Corporate Affairs.

11. (a) Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has, during the financial year 2018-19, transferred to the IEPF Authority all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more. Details of shares transferred to the IEPF Authority are available on the website of the Company.

    (b) Members are informed that once the unclaimed / unpaid dividend is transferred to the designated account of IEPF and shares are transferred to the Demat Account of the IEPF Authority, no claim shall lie against the Company in respect of such dividend/shares. The eligible Members are entitled to claim such unclaimed/unpaid dividend and shares including benefits, if any, accruing on such shares from the IEPF Authority by making an application in prescribed Form IEPF-5 online and sending the physical copy of the same duly signed (as per the specimen signature recorded with the Company) along with requisite documents at the Registered Office of the Company for verification of their claim.

12. **Voting through electronic means**

I. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of SEBI (LODR) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the 145th AGM by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):

The instructions for e-voting are as under:

(i) The voting period begins on **6th September, 2019 at 9 A.M.** and ends on **8th September, 2019 at 5 P.M.** During this period Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e. **2nd September, 2019** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) The Shareholders should log on to the e-voting website www.evotingindia.com.

(iv) Click on "Shareholders" tab.

(v) 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.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) 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.

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

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters e.g. if your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend, Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. • If both the details are not recorded with the depository or Company please enter the Member ID / Folio Number in the Dividend Bank details field as mentioned in instruction (v).

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) 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 is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

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

(xii) Click on the EVSN for the Company.

(xiii) 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.

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

(xv) 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.

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

(xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

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

(xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xx) Note for Non – Individual Shareholders and Custodians

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

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

II. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date.

III. Any person who becomes a Member of the Company after dispatch of the Notice of the meeting and holding shares as on the cut-off date may obtain the Sequence No. from RTA.

IV. Ms. Sweety Kapoor, Practicing Company Secretary, (Membership No. FCS:6410) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

V. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, would count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours of conclusion of the meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.

VI. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website http://www.joonktolleetea.in and on the website of CDSL www.evoting.cdsl.com immediately after the result is declared. The Company shall simultaneously upload the results on the BSE Listing Portal and forward them to The Calcutta Stock Exchange Limited ("CSE").

VII. Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of AGM i.e. on Monday, 9th September, 2019.

13. The facility for voting, through ballot paper, will also be made available at the AGM and the Members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again.

14. Corporate Members are requested to send to the Company/RTA, a duly certified copy of the Board Resolution / Power of Attorney authorizing their representative to attend and vote at the AGM.

15. Members are requested to produce the attendance slip duly signed as per the specimen signature recorded with the Company for admission to the Meeting hall.

16. Members who hold shares in dematerialized form are requested to furnish their Client ID and DP ID Nos. for easy identification of attendance at the Meeting.

17. In all correspondence with the Company or the RTA, Members are requested to quote their Folio Number and in case their shares are held in the dematerialized form, they must quote their DP ID and Client ID Number.

18. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their DP with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/RTA.

19. Members who wish to obtain any information on the Company or the Accounts for the financial year ended 31st March, 2019 may send their queries at the Registered Office of the Company at least 10 days before the Annual General Meeting.

20. Members who are holding Shares in identical order of names in more than one folio are requested to send to the Company the details of such folios together with the Share Certificates for consolidating their holding into one folio. The Share Certificates will be returned to the Members after incorporating requisite changes thereon.

21. Electronic copy of the Annual Report 2019 and Notice are being sent to the members whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the Annual Report and Notice 2019 are being sent in the permitted mode. To support the "Green Initiative", Members who have not registered their email addresses are requested to register the same with the Company's Registrar & Share Transfer Agent / their Depository Participants, in respect of shares held in physical / electronic mode, respectively.

22. The Annual Report of the Company for the year 2018-19 is available on the Company's website www.joonktolleetea.in.

23. A Route map showing directions to reach the venue of the 145th AGM is given at the end of this Notice for the ready reference of the Members.

Members are requested to bring their copies of Annual Report and Attendance Slip to the Meeting. Please note that duplicate Attendance Slips will not be issued.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT

Item No.3 & 4

Mr. M.K. Daga (DIN: 00123386) & Mr. J.K. Surana (DIN: 00582653) were appointed as Independent Directors on the Board of the Company pursuant to the provisions of Section 149 of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 by the members of the Company for five consecutive years.

Mr. M.K. Daga (56), holds a Bachelor's degree in Commerce and has been associated with the Company since 1992. He has more than 35 years of wide and varied experience in Tea industry. The Board considered and decided to continue his directorship in terms of Regulation 17(1)(a) of the SEBI (LODR) Regulations, 2015. Mr. M.K. Daga does not hold any shares in the Company.

Mr. M.K. Daga is a director in Norben Tea & Exports Ltd., Tongani Tea Company Ltd., Daga & Company Pvt. Ltd. & Cowcoody Builders Pvt. Ltd. He is also a director in unlisted material subsidiary of the Company, Keshava Plantations Pvt. Ltd. He is the Chairman of the Audit Committee and also a member of Nomination and Remuneration Committee and Corporate Social Responsibility Committee of the Company.

Mr. J.K. Surana (66), holds a Bachelor's degree in Science and has been associated with the Company since 2002. He has wide and varied experience in various business. The Board considered and decided to continue his directorship in terms of Regulation 17(1)(a) of the SEBI (LODR) Regulations, 2015. Mr. J.K. Surana does not hold any shares in the Company.

Mr. J.K. Surana is a director in Port Shipping Co. Ltd., Pranav Infradev Company (P) Ltd. and The Cambay Investment Corporation Ltd. He is the Chairman of the Nomination and Remuneration Committee of the Company and also a member of Audit Committee of the Company.

The Nomination and Remuneration Committee of the Company, on the basis of report of performance evaluation of Independent Directors, has recommended re-appointment of Mr. M.K. Daga and Mr. J.K. Surana as Independent Directors for a second term of five consecutive years w.e.f. 1st April, 2019 on the Board of the Company, not liable to retire by rotation.

The Board, based on the performance evaluation of the Independent Directors as per the recommendation of the

Nomination and Remuneration Committee, considers that given their background, experience and contribution made by them during their tenure, the continued association of Mr. M.K. Daga and Mr. J.K. Surana would be of immense benefit to the Company and it is desirable to continue to avail their services as Independent Directors. They shall be paid remuneration by way of sitting fees for attending Board and Committee Meetings.

Requisite notices under Section 160 of the Act proposing re-appointment of Mr. M.K. Daga and Mr. J.K. Surana have been received by the Company.

Mr. M.K. Daga and Mr. J.K. Surana have submitted their declaration that they meet the criteria of independence under sub-section 6 of section 149 of the Act and under Regulation 16 of the Listing Regulations and consent have been filed pursuant to Section 152 of the Act.

Consent of the members by way of Special Resolution is required pursuant to Section 149(10) of the Act for re-appointment of Mr. M.K. Daga and Mr. J.K. Surana.

Except Mr. M.K. Daga and Mr. J.K. Surana, none of the Directors and Key Managerial Personnel (KMP) of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out in Items No.3 & 4.

Additional information in respect of Mr. M.K. Daga and Mr. J.K. Surana pursuant to the Listing Regulations and the Secretarial Standards are set out as the Annexure to this notice.

Item No.5

Mr. Mukundan Raman, Chief Operating Officer, has been associated with the Company since 31st July, 2018. The Nomination and Remuneration Committee of the Board in its meeting held on 3rd October, 2018 recommended his appointment as Manager in the category of Key Managerial Personnel of the Company with effect from 1st November, 2018 for a period of 3 (Three) years which was approved by the Board in its meeting held on 13th November, 2018.

Brief Profile of Mr. Mukundan Raman and Disclosure required in accordance with Clause (B) of Section II of Part II of Schedule V of the Companies Act, 2013 and Secretarial Standard – 2 are set out as the annexure to this Notice.

Except Mr. Mukundan Raman and his relatives, no other Director and Key Managerial Personnel of the Company and their relatives is concerned or interested financially or otherwise, in the said resolution set out at Item No.5.

Looking at the vast experience and expertise of Mr. Mukundan Raman, the Board of Directors of the Company recommends the resolution for your approval.

Item No.6

The Company is required under Section 148 of the Act to have the audit of its cost records conducted by a Cost Accountant in practice. The Board of Directors of the Company has on the recommendation of the Audit Committee, approved the appointment and remuneration of Messrs D. Sabyasachi & Co., Cost Accountants (Firm Registration No.000369), the Cost Auditors of the Company to conduct audit of cost records of the Company for products covered under the Companies (Cost Records and Audit) Rules, 2014 for the Financial Year ending 31st March, 2020, at a remuneration of ₹ 1,50,000/- plus taxes and reimbursement of out-of-pocket expenses.

In accordance with the provisions of Section 148 of the Act read with Companies (Cost Records and Audit) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the members of the Company.

Accordingly, the consent of the members is sought for passing an Ordinary Resolution as set out at Item No.6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending 31st March, 2020.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No.6 of the Notice.

The Board recommends the resolution set forth in Item No.6 for the approval of the Members.

Details of Directors seeking Re-appointment at the 145th AGM [Pursuant to Regulation 26 and 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2 – Secretarial Standards of General Meeting]

Name of Director	Mrs. Pushpa Devi Bangur	Mr. M.K. Daga	Mr. J.K. Surana
Director Identification Number (DIN)	00695640	00123386	00582653
Date of Birth	30th May, 1952	6th January, 1963	3rd October, 1953
Nationality	INDIAN	INDIAN	INDIAN
Date of first appointment on Board	14th November, 2011	28th November, 1992	31st July, 2002
Designation	Non-Executive Director	Independent Director	Independent Director
Qualifications	Graduate	Commerce Graduate	Science Graduate
Expertise in specific functional areas	She gained experience in various family business.	He has more than 35 years of wide and varied experience in Tea industry.	He has wide and varied experience in diverse businesses and expertise in overall business management.
Directorships held in other listed companies	Gloster Ltd. Port Shipping Co. Ltd.	Tongani Tea Company Ltd. Norben Tea & Exports Ltd.	Port Shipping Co. Ltd.
Memberships / Chairmanships of committees of other listed companies *	Audit Committee Port Shipping Co. Ltd. (Member) Stakeholders Relationship Committee Port Shipping Co. Ltd. (Member)	Audit Committee - Stakeholders' Relationship Committee Tongani Tea Company Ltd (Chairman) Norben Tea & Exports Ltd. (Member)	Audit Committee Port Shipping Co. Ltd. (Chairman) Stakeholders' Relationship Committee Port Shipping Co. Ltd. (Chairman)
Inter-se relationship with other Directors and Key Managerial Personnel	Related to Mr. Hemant Bangur (Director of the Company) being his mother.	-	-
Number of shares held in the Company	642928	-	-

* Committee positions only of Audit Committee and Stakeholders Relationship Committee in public companies have been considered.

May 15, 2019
Registered Office:
21, Strand Road,
Kolkata-700 001
Phone : 033 2230 9601
CIN : L01132WB1900PLC000292

By Order of the Board

S. Bagree
Company Secretary

DISCLOSURES REQUIRED IN ACCORDANCE WITH CLAUSE (B) OF SECTION II OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013 IN RELATION TO ITEM NO.5 OF THE NOTICE

I. General Information

1. Nature of the Industry : Plantation.
2. Date of commencement of commercial production : 07-08-1874
3. In case of new companies expected date of commencement of activities as per project approved by the financial institutions appearing in the prospectus : Not applicable
4. Financial Performance based on given indicators. : As per Audited Financial Results for the year ended.

Financial Performance	31st March, 2019	31st March, 2018	31st March, 2017
Total Revenue from operations (Net)	9,501.64	10,012.84	8,821.08
Profit/(Loss) before Interest, Depreciation & Tax (PBIDTA)	33.19	50.72	(134.44)
Profit/(Loss) before Depreciation & Tax (PBDT)	(608.68)	(702.81)	(891.24)
Profit/(Loss) before Tax (PBT)	(1,241.06)	(1,346.42)	(1,579.60)
Profit/(Loss) after Tax (PAT)	(1,109.51)	(1,176.62)	(1,415.14)

5. Foreign Investments or Collaborators, if any : Nil

II. Information about the appointee

1. Background details : Mr. Mukundan Raman, aged about 58 years holds a Bachelors degree in Commerce. He started his career in the year 1984 and held various positions in Sales & Marketing in Plantation industry. He has been associated with the Company since 31st July, 2018.
2. Past Remuneration : Appointed as Chief Operating Officer on 31-07-2018.
3. Recognition or awards : Nil
4. Job Profile and suitability : Mr. Mukundan Raman is a Manager in the category of Key Managerial Personnel since 01-11-2018.

   He has perfect palate for tea tasting which guides in proper valuation of high value teas and improved tea sales realisation. He is having adequate experience in plantation industry with respect to planning, executing long term business plans, directing, overseeing and managing all aspects of marketing and sales process including forecasting and budgets and as such shall be beneficial to the Company.
5. Remuneration Proposed : The proposed remuneration is within the limit set out under Sections 196, 197, 203 read with Schedule V of the Companies Act, 2013.

6. Comparative Remuneration profile with respect to industry, size of the industry, size of the Company, profile of the position position and person (in case of expatriates, the relevant details with reference to the country of his/her origin)	:	The proposed remuneration to Mr. Mukundan Raman is as per industry standard and is purely based on merits.
7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	:	Except Mr. Mukundan Raman, no other Director and Key Managerial Personnel of the Company and their relatives is concerned or interested financially or otherwise.

III. Other Information

1. Reason for loss or inadequate profit	:	Plantation industry is passing through a difficult phase. Wage costs and prices of other inputs have gone up substantially without any corresponding increase in sale price due to factors beyond the control of the management.
2. Steps taken or proposed to be taken for Improvement.	:	The Company is taking continuous steps for improving the quality which would help in better price realization.
3. Expected increase in productivity and profits in measurable terms	:	Both productivity and profitability are expected to increase by 5 – 10% over the tenure.

IV. Disclosures

1. The following disclosures shall be mentioned in the Board of Directors' report under the heading Corporate Governance, if any, attached to the Annual Report :

i) All elements of remuneration package such as salary, benefits, bonus, stock options, pension, etc., of all the directors :	:	Yes, given in the Corporate Governance Report annexed to the Directors' Report
ii) Details of fixed components and performance linked incentives along with performance criteria	:	Nil
iii) Service Contracts, notice period, Severance fees	:	The period of appointment and remuneration is as per approval of the AGM Resolution.
iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable	:	Nil

May 15, 2019
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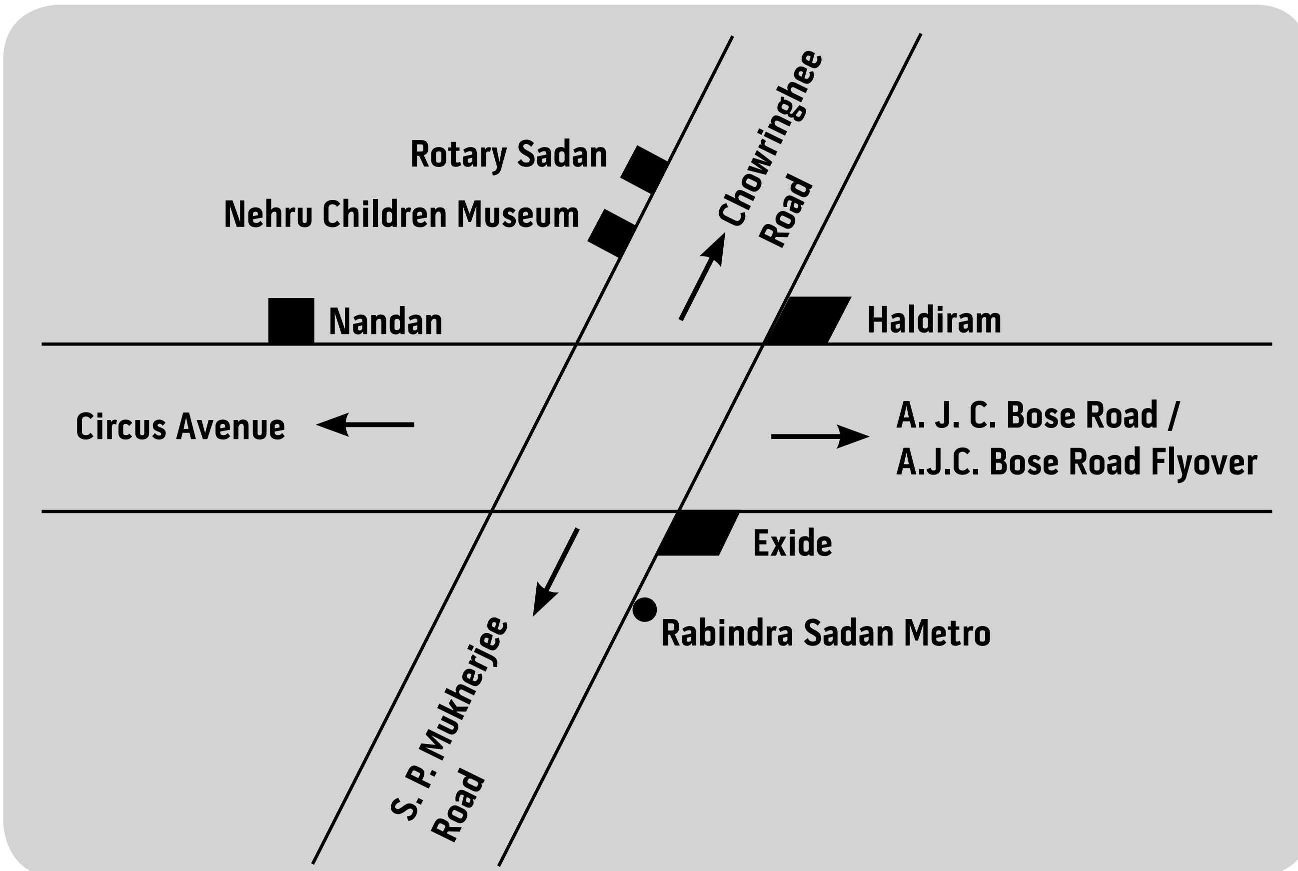
Phone : 033 2230 9601
CIN : L01132WB1900PLC000292

By Order of the Board

S. Bagree
Company Secretary

Route Map


Rotary Sadan
Nehru Children Museum
Chowringhee Road
Nandan
Haldiram
Circus Avenue
A. J. C. Bose Road /
A.J.C. Bose Road Flyover
Exide
Rabindra Sadan Metro
S. P. Mukherjee Road

Joonktollee Tea & Industries Limited

Corporate Identity Number (CIN): L01132WB1900PLC000292
Registered Office: 21, Strand Road, Kolkata – 700 001
Phone: (033) 2230 9601, **Fax:** (033) 2230 2105, **E-mail:** info@joonktolleetea.in, **Website:** www.joonktolleetea.in

ATTENDANCE SLIP	**Folio No/DP ID & Client ID :**
I/We hereby record my/our presence at the **145th Annual General Meeting** (AGM) of **Joonktollee Tea & Industries Limited** being held at **Shripati Singhania Hall, Rotary Sadan, 94/2, Chowringhee Road, Kolkata – 700 020** on **Monday, 9th September, 2019** at **10.30 A.M.**	**Share Holding :**
	Serial No :
	Name :
	Name(s) of Joint Holder(s), if any :
	Address :

Proxy's Name in Block Letters ________________________   Shareholder's/Proxy's Signature ________________________

Note: Please bring the duly signed Attendance Slip at the meeting and hand it over at the Entrance of the Meeting Hall. Duplicate slips will not be issued at the venue of the AGM.

ELECTRONIC VOTING PARTICULARS

EVSN (Electronic Voting Sequence Number)	User ID	PAN/SEQUENCE NUMBER

The e-voting facility will be available during the following voting period:

Commencement of e-voting	From 9:00 A.M. (IST) on September 6, 2019
End of e-voting	Upto 5:00 P.M. (IST) on September 8, 2019

Note: Please refer AGM Notice for e-voting instructions.

Joonktollee Tea & Industries Limited

Corporate Identity Number (CIN): L01132WB1900PLC000292
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PROXY FORM – MGT 11

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

Name of the Member(s): ....
Registered Address: ....
E-mail ID: ....
Folio No/DP ID & Client ID: ....
I/We, being the Member(s) of Joonktollee Tea & Industries Limited, holding..............................Equity Shares of the above named Company, hereby appoint :

1) Name : ....Address : ....
   E-mail ID :....................................Signature : ....or failing him/her;
2) Name : ....Address : ....
   E-mail ID :....................................Signature : ....or failing him/her;
3) 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 the 145th Annual General Meeting (AGM) of the Company, to be held on Monday, 9th September, 2019 at Shripati Singhania Hall, Rotary Sadan, 94/2, Chowringhee Road, Kolkata – 700 020 or at any adjournment thereof in respect of following resolutions :

Resolution No.	Resolutions	Optional *	
		For	Against
Ordinary Business			
1.	Consider and adopt the Standalone and Consolidated Audited Financial Statements for the Financial Year ended 31st March, 2019, Reports of the Board of Directors and Auditors thereon.		
2.	Re-appointment of Mrs. Pushpa Devi Bangur (DIN : 00695640), who retires by rotation.		
Special Business			
3.	Re-appointment of Mr. M.K. Daga (DIN : 00123386) as an Independent Director of the Company for a second term w.e.f. 1st April, 2019.		
4.	Re-appointment of Mr. J.K. Surana (DIN : 00582653) as an Independent Director of the Company for a second term w.e.f. 1st April, 2019.		
5.	Appointment of Mr. Mukundan Raman as Manager		
6.	Ratification of the remuneration of the Cost Auditors for the Financial Year ending 31st March, 2020.		

Signed this ....day of 2019

Signature of Shareholder(s)..   Signature of Proxyholder(s)..

Affix Revenue Stamp of ₹ 1/- here

Notes :
1. This form of proxy in order to be effective should be duly completed and deposited at the Company's Registered Office not less than 48 hours before the commencement of the AGM.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of 145th Annual General Meeting of the Company.
3. *It is optional to put a 'X' in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.