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JAY SHREE TEA & INDUSTRIES LIMITED



73rd ANNUAL REPORT 20¹⁸₁₉



The Group Logo

As represented by the 21st Century Atlas



Our Chairman Syt. B. K. Birla

Atlas, the Titan - Collective Strength

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

The Sun - Enlightenment and Growth

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

The Earth Segments - Diversified Activities

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

The Globe - Global Vision

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

The Base - Solid Foundations

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

The Symmetry - The Resilience, Versatility and Stability

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

Strong Foundation

Sustained Growth

Proven Leadership



JAY SHREE TEA & INDUSTRIES LIMITED

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

BOARD OF DIRECTORS

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

EXECUTIVES

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

SOLICITORS

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

STATUTORY AUDITORS

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

REGISTRARS

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

BANKERS

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

SHARE DEPTT.

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

STOCK EXCHANGES WHERE SHARES ARE LISTED

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

AUDIT COMMITTEE

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

STAKEHOLDERS RELATIONSHIP COMMITTEE

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

NOMINATION AND REMUNERATION COMMITTEE

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

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mrs. Jayashree Mohta (Chairperson)
Mr. S.K. Tapuriah
Mr. Vikash Kandoi
Mr. D.P. Maheshwari

REGISTERED & HEAD OFFICE

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

MUMBAI OFFICE

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

AHMEDABAD OFFICE

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

NEW DELHI OFFICE

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

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NOTICE

To the Shareholders

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

ORDINARY BUSINESS:

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

SPECIAL BUSINESS:

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

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

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

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

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

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

Registered & Head Office :

“Industry House”

10, Camac Street, Kolkata 700 017

Date : 28th May, 2019

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

NOTICE (Contd.)**NOTES:**

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

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

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

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

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

NOTICE (Contd.)

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

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

Mr. Vikash Kandoi

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

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

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

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

e-voting services provided by CDSL.

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

e-Voting Procedure

The instructions for shareholders voting electronically are as under:

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

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

NOTICE (Contd.)

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

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

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

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

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

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

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

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

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

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

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

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

(xix) Note for Institutional Shareholders

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

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

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

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

NOTICE (Contd.)

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

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

Item No. 4

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

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

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

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

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

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

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

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

Item No. 5

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

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

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

The Board recommends the resolution for your approval.

Registered & Head Office :

"Industry House"

10, Camac Street, Kolkata 700 017

Date : 28th May, 2019

By Order of the Board

For **JAY SHREE TEA & INDUSTRIES LIMITED**

R. K. Ganeriwala

(President, CFO & Secretary)

REPORT of the Directors

Dear Shareholders,

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

FINANCIAL RESULTS

(₹ in Lakhs)

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

EQUITY DIVIDEND

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

SHARE CAPITAL

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

REVIEW OF PERFORMANCE

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

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

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

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

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

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

Tea Estates

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

REPORT of the Directors (Contd.)

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

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

The Jay Shree Chemicals & Fertilisers, Khardah

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

The figures of production and despatches are as under:

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

The Jay Shree Chemicals & Fertilizers, Gurugram

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

The figures of production and despatches are as under:

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

Export of Tea

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

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

SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS

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

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

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