

## Independent Auditors Report

### To The Members of North Tukvar Tea Company Limited

### Report on the Audit of the Ind AS Financial Statements

#### Opinion

We have audited the accompanying Ind AS Financial Statements of North Tukvar Tea Company Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, and the statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and statement of Cash Flows for the year then ended, and notes to the Ind AS Financial Statements, including 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 Ind AS Financial Statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit and loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS 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 together with the ethical requirements that are relevant to our audit of the Ind AS Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Material Uncertainty Related to Going Concern

We draw attention to the financial statements, which indicates that the Company incurred a net loss (including OCI) of ₹ 74,98,667/- and accumulated losses (including OCI and capital reserve) of ₹ 3,33,29,375/- during the year ended March 31, 2019 and, as of that date. These events or conditions, along with other matters as set forth in Note 22(iv), indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

#### Information Other than the Ind AS Financial Statements and Auditor's Report Thereon

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

Our opinion on the 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 Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS 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.

#### Responsibilities of Management and Those Charged with Governance for the Ind AS Financial Statement.

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Financial Statements

## Independent Auditors Report *(Contd.)*

that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standard specified under Section 133 of the Act. 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 judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant of the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS Financial Statements, the Board of Directors 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 the Board of Directors 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 Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 decision of user taken on the basis of these Ind AS Financial Statements.

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

- Identify and assess the risks of material misstatement of the Ind AS 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 Ind AS 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS Financial Statements, including the disclosures, and whether the Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

## Independent Auditors Report *(Contd.)*

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.

### 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 Companies Act, 2013, we give in the Annexure 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 Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) The going concern matter prescribed under Material Uncertainty Related to Going Concern paragraph above, in our opinion, may have adverse effect on the functioning of the company.
  - (e) In our opinion, the aforesaid Ind AS Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (f) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure –B".
  - (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, 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 Ind AS Financial Statements – Refer Note 22(i) to the Ind AS Financial Statements.
    - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - (iii) There were no amount which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **SALARPURIA JAJODIA & CO.**  
Chartered Accountants  
(Firm ICAI Reg. No.302111E)

7, C.R. Avenue  
Kolkata – 700072  
Dated, the 27th day of May, 2019.

**ANAND PRAKASH**  
Partner  
(Membership No. 056485)

## Annexure 'A' to the Independent Auditors Report

**The Annexure referred to in our Independent Auditors' Report to the members of the Company on the Ind AS financial statements for the year ended 31st March 2019, we report that:**

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) As per the information and explanations given to us, fixed assets have been physically verified by the Management at reasonable intervals, in our opinion, is reasonable having regard to size of the Company and nature of its business. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- 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.
- ii) Since there is no inventory so clause (ii) of the said order is not applicable.
- iii) According to the information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Hence, comments on sub-clause (a) to (c) of clause 3(iii) the said orders do not arise.
- iv) In our opinion and according to the information and explanation given to us, the company has complied with the provision of Section 185 & 186 of the Act, with respect to the loans and investment made wherever applicable.
- v) According to the information and explanations given to us, there is no such deposits, taken by the company, for which directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under, are required.
- vi) According to the information and explanations given to us, maintenance of cost records under sub section 148(i) of Companies Act, 2013 is not required.
- 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, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues to the appropriate authorities and there were no outstanding statutory dues 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 explanations given to us, the details of disputed statutory dues, against which has not been deposited, is given below:

Nature of Tax	Amount Involved	Relevant Year	Forum(where it is pending)
Sales Tax	₹ 42,854/-	1999-2000	Assistant Commissioner
Sales Tax	₹ 1,24,615/-	2002-2003	West Bengal Taxation Tribunal
Sales Tax	₹ 12,73,057/-	2005-2006	Joint Commissioner
Sales Tax	₹ 3,20,888/-	2007-2008	West Bengal Appellate Board
Sales Tax	₹ 6,48,721/-	2008-2009	West Bengal Appellate Board
Sales Tax	₹ 33,966/-	2009-2010	West Bengal Appellate Board

## Annexure 'A' to the Independent Auditors Report *(Contd.)*

- viii) According to the records of the Company examined by us and the information and explanations provided to us, the Company has not defaulted in repayment of loans or borrowings to a Financial Institutions, Banks or Government or dues to debenture holders.
- ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or Term Loan during the year. Hence the clause 3(ix) of the order is not applicable.
- x) According to the information and explanations given to us, no fraud by the Company or on the Company by its Officer 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, no Management Remuneration has been paid by the Company. Accordingly Paragraph 3(xi) of the said order is not applicable.
- xii) The Company is not a Nidhi Company as specified in the Nidhi Rules, 2014. 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, transaction with the related party are in compliance with section 177 and 188 of the act where applicable and such transaction have been disclosed in the financial statement as required by the applicable accounting standard.
- 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. Accordingly paragraph 3(xiv) of the Order is not applicable to the Company.
- 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 **SALARPURIA JAJODIA & CO.**  
Chartered Accountants  
(Firm ICAI Reg. No.302111E)

7, C.R. Avenue  
Kolkata – 700072  
Dated, the 27th day of May, 2019.

**ANAND PRAKASH**  
Partner  
(Membership No. 056485)

## Annexure 'B' to the Independent Auditors Report

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **North Tukvar Tea Company Limited** (“the Company”) as of 31st March 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘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 the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 Ind AS financial statements, whether due to fraud or error.

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

## Annexure 'B' to the Independent Auditors Report *(Contd.)*

AS 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 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 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, 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 31st 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 the Institute of Chartered Accountants of India.

For **SALARPURIA JAJODIA & CO.**  
Chartered Accountants  
(Firm ICAI Reg. No.302111E)

7, C.R. Avenue  
Kolkata – 700072  
Dated, the 27th day of May, 2019.

**ANAND PRAKASH**  
Partner  
(Membership No. 056485)

Balance Sheet as at 31st March, 2019

	Notes	As At 31.03.2019 ₹	As At 31.03.2018 ₹
<b>ASSETS</b>			
<b>(1) NON-CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	2	6,139,772	6,426,870
(b) Financial Assets			
(i) Investments	3	10,449,425	14,519,575
(c) Deferred Tax Assets (Net)	4	2,888,079	5,674,293
(d) Current Tax Asset (Net)	5	396,898	294,898
(e) Other Non-Current Assets	6	12,990,266	12,937,058
<b>Total Non-Current Assets</b>		<b>32,864,440</b>	<b>39,852,694</b>
<b>(2) CURRENT ASSETS</b>			
(a) Financial Assets			
(i) Cash & Cash Equivalents	7	3,832,656	3,252,165
(ii) Other Financial Asset	8	36,078	121,507
(b) Other Current Assets	9	421,643	796,123
<b>Total Current Assets</b>		<b>4,290,377</b>	<b>4,169,795</b>
<b>Total Assets</b>		<b>37,154,817</b>	<b>44,022,489</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(1) EQUITY</b>			
(a) Equity Share Capital	10A	24,037,500	24,037,500
(b) Other Equity	10B	(33,329,375)	(25,830,708)
<b>Total Equity</b>		<b>(9,291,875)</b>	<b>(1,793,208)</b>
<b>(2) LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	11	10,706,577	9,915,341
(ii) Other Financial Liabilities	12	23,032,233	25,100,000
(b) Provisions	13	8,000,335	9,384,042
<b>Total Non-Current Liabilities</b>		<b>41,739,145</b>	<b>44,399,383</b>
<b>CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Trade Payables	14A		
Total outstanding dues of Micro & Small Enterprises		-	-
Total outstanding dues of enterprises other than Micro & Small Enterprises		90,900	11,000
(ii) Other Financial Liabilities	14B	3,350,711	83,589
(b) Other Current Liabilities	15	1,265,936	1,297,498
(c) Provisions	16	-	24,227
<b>Total Current Liabilities</b>		<b>4,707,547</b>	<b>1,416,314</b>
<b>Total Liabilities</b>		<b>46,446,692</b>	<b>45,815,697</b>
<b>Total Equity and Liabilities</b>		<b>37,154,817</b>	<b>44,022,489</b>

The accompanying notes are an integral part of the Financial Statements

As per our report of even date annexed

For **SALARPURIA JAJODIA & CO.**

Chartered Accountants

(Firm ICAI Reg. No.: 302111E)

**ANAND PRAKASH**

Partner

(Membership No. : 056485)

7 C.R. Avenue, Kolkata - 700072

Dated, the 27th day of May, 2019

For and on behalf of the Board of Directors

**S.K. JAJODIA**

Director

(DIN : 06842196)

**S. PATODIA**

Director

(DIN : 06562065)

## Statement of Profit and Loss for the year ended 31st March, 2019

Particulars		Notes	For the Year Ended 31.03.2019 ₹	For the Year Ended 31.03.2018 ₹
I.	<b>Income:</b>			
	Other Income	17	3,179,815	3,059,815
	<b>Total Income (I)</b>		<b>3,179,815</b>	<b>3,059,815</b>
II.	<b>Expenses:</b>			
	Employees Benefit Expenses	18	408,845	408,594
	Finance Costs	19	2,685,599	2,955,239
	Depreciation and Amortization Expense	20	287,098	287,098
	Other Expenses	21	440,575	221,835
	<b>Total Expenses (II)</b>		<b>3,822,117</b>	<b>3,872,766</b>
III.	<b>Profit/(Loss) before Tax (I-II)</b>		<b>(642,302)</b>	<b>(812,951)</b>
IV.	<b>Tax Expense:</b>			
	Deferred Tax		2,269,499	191,424
V.	<b>Profit/(Loss) for the year (III-IV)</b>		<b>(2,911,801)</b>	<b>(1,004,375)</b>
VI.	<b>Other Comprehensive Income for the period</b>			
	(A) Item that will not be reclassified to Profit or Loss			
	(i) Fair Value of equity instruments through OCI		(4,070,150)	3,425,625
	Income Tax effect thereof		(516,716)	1,334,781
	<b>Other comprehensive income for the year, net of tax (VI)</b>		<b>(4,586,866)</b>	<b>4,760,406</b>
VII.	<b>Total Comprehensive Income for the period (V+VI)</b>		<b>(7,498,667)</b>	<b>3,756,031</b>
	Earnings per Equity Share (for Continuing Operation):	22.xii		
	(1) Basic		(1.21)	(0.42)
	(2) Diluted		(1.21)	(0.42)

The accompanying notes are an integral part of the Financial Statements

As per our report of even date annexed

For **SALARPURIA JAJODIA & CO.**

Chartered Accountants

(Firm ICAI Reg. No.: 302111E)

**ANAND PRAKASH**

Partner

(Membership No. : 056485)

7 C.R. Avenue, Kolkata - 700072

Dated, the 27th day of May, 2019

For and on behalf of the Board of Directors

**S.K. JAJODIA**

Director

(DIN : 06842196)

**S. PATODIA**

Director

(DIN : 06562065)

## STATEMENT OF CASH FLOW for the year ended 31 March 2019

PARTICULARS	For the year ended 31.03.2019 ₹	For the year ended 31.03.2018 ₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before Tax	(642,302)	(812,951)
<b>Adjustment for :</b>		
Depreciation	287,098	287,098
Provision for Capital Advances	17,736	17,500
Lease Rental Income - Ind AS Impact	(1,906,065)	(1,906,065)
Dividend Received	(253,750)	(253,750)
Interest Expenses	2,685,599	2,955,239
<b>Operating Profit before Working Capital Changes</b>	<b>188,316</b>	<b>287,071</b>
<b>Movements In Working Capital :</b>		
(Increase) in Other Non Current Assets	(70,944)	(70,000)
Decrease in Other Financial Assets	85,429	1,149,237
(Increase)/Decrease in Other Current Assets	374,479	(100,000)
Increase/(Decrease) in Trade Payables	79,900	(26,232)
Increase/(Decrease) in Other Current Liabilities	(31,562)	125,845
Increase/(Decrease) in Provisions	(46,877)	-
Increase in Other Financial Liabilities	-	83,589
<b>Cash generated from/(used in) Operations</b>	<b>578,741</b>	<b>1,449,510</b>
Direct Taxes Paid (Net)	(102,000)	(90,000)
<b>Net Cash from Operating Activities (A)</b>	<b>476,741</b>	<b>1,359,510</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Dividend Received	253,750	253,750
<b>Net Cash from Investing Activities (B)</b>	<b>253,750</b>	<b>253,750</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Interest paid	(150,000)	(150,000)
<b>Net Cash from Financing Activities (C)</b>	<b>(150,000)</b>	<b>(150,000)</b>
<b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>580,491</b>	<b>1,463,260</b>
Cash and Cash Equivalents at the beginning of the year	3,252,165	1,788,905
Cash and Cash Equivalents at end of the year	<b>3,832,656</b>	<b>3,252,165</b>
<b>Cash &amp; Cash Equivalents :</b>		
Balances with Bank		
- Current account	22,173	2,280,012
- Cheque in hand	3,810,221	972,000
Cash on hand	262	153
Total	<b>3,832,656</b>	<b>3,252,165</b>

**Note :**

- (a) Previous year's figures have been regrouped/recasted wherever necessary.
- (b) The above cash flow has been prepared under "Indirect Method" as prescribed under Indian Accounting Standard (Ind AS) - 7 "Statement of Cash Flow".

As per our report of even date annexed

For **SALARPURIA JAJODIA & CO.**

Chartered Accountants

(Firm ICAI Reg. No.: 302111E)

**ANAND PRAKASH**

Partner

(Membership No. : 056485)

7 C.R. Avenue, Kolkata - 700072

Dated, the 27th day of May, 2019

For and on behalf of the Board of Directors

**S.K. JAJODIA**

Director

(DIN : 06842196)

**S. PATODIA**

Director

(DIN : 06562065)

## Statement of Changes in Equity for the year ended 31st March, 2019

(Amount in ₹)

<b>A. Equity share capital</b>					
	Notes	No. of Shares	Amount		
<b>As at 1 April 2017</b>		<b>2,403,750</b>	<b>24,037,500</b>		
Changes in equity share capital	10A	-	-		
<b>As at 31 March 2018</b>		<b>2,403,750</b>	<b>24,037,500</b>		
Changes in equity share capital	10A	-	-		
<b>As at 31 March 2019</b>		<b>2,403,750</b>	<b>24,037,500</b>		

  

<b>B. Other equity</b>					
Particulars	Notes	Reserves and surplus		Items of OCI	Total other equity
		Capital Reserve	Retained earnings	FVOCI Equity Instruments	
<b>Balance at 1 April 2017</b>	<b>10B</b>	<b>710,814</b>	<b>(31,667,514)</b>	<b>1,369,961</b>	<b>(29,586,739)</b>
Profit/(Loss) for the year		-	(1,004,375)	-	(1,004,375)
Changes in equity share capital		-	-	4,760,406	4,760,406
<b>Total comprehensive income for the year</b>		-	<b>(1,004,375)</b>	<b>4,760,406</b>	<b>3,756,031</b>
<b>Balance at 1 April 2018</b>	<b>10B</b>	<b>710,814</b>	<b>(32,671,889)</b>	<b>6,130,367</b>	<b>(25,830,708)</b>
Profit/(Loss) for the year		-	(2,911,801)	-	(2,911,801)
Net Gain / (Loss) on FVTOCI Investments		-	-	(4,586,866)	(4,586,866)
<b>Total comprehensive income for the year</b>		-	<b>(2,911,801)</b>	<b>(4,586,866)</b>	<b>(7,498,667)</b>
<b>Balance at 31 March 2019</b>		<b>710,814</b>	<b>(35,583,690)</b>	<b>1,543,501</b>	<b>(33,329,375)</b>

As per our report of even date annexed  
For **SALARPURIA JAJODIA & CO.**

*Chartered Accountants*

(Firm ICAI Reg. No.: 302111E)

**ANAND PRAKASH**

Partner

(Membership No. : 056485)

7 C.R. Avenue, Kolkata - 700072

Dated, the 27th day of May, 2019

For and on behalf of the Board of Directors

**S.K. JAJODIA**

Director

(DIN : 06842196)

**S. PATODIA**

Director

(DIN : 06562065)

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

### Corporate Information

North Tukvar Tea Company Limited having CIN No.U51218WB1965PLC026362 and registered office at Industry House, 10, Camac Street, Kolkata- 700017, India is a Public Limited Company incorporated and domiciled in India.

### 1 SIGNIFICANT ACCOUNTING POLICIES

#### 1.1 Basis of Preparation

##### 1.1.1 Compliance with Ind AS

The financial statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') [Companies (Accounting Standards) Rules, 2015] and other provisions of the Act.

##### 1.1.2 Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments) that is measured at fair value.
- Defined benefit plans - plan assets measured at fair value.

##### 1.1.3 Current Versus Non-Current Classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

- a) expected to be realised or intended to be sold or consumed in the normal operating cycle,
- b) held primarily for the purpose of trading,
- c) expected to be realised within twelve months after the reporting period, or
- d) cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- a) it is expected to be settled in the normal operating cycle,
- b) it is held primarily for the purpose of trading,
- c) it is due to be settled within twelve months after the reporting period, or
- d) there is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current.

#### 1.2 Revenue Recognition

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

## Notes to the Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

### 1.2.1 Dividend

Dividend is recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

### 1.3 Property, Plant and Equipment

Freehold land is carried at historical cost. All other items of Property, Plant and Equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item 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 derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

#### Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1st April, 2016 measured as per the Previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

#### Depreciation Method, Estimated Useful Lives and Residual Values

Depreciation is calculated on a pro-rata basis using the straight-line method to allocate their cost, net of their estimated residual values, over their estimated useful lives in accordance with Schedule II to the Act. Each component of an item of property, plant and equipment with a cost that is significant in relation to the cost of that item is depreciated separately if its useful life differs from the other components of the item.

#### Estimated useful lives of the assets are as follows:

Buildings	30 to 60 years
Plant and Equipments	15 years
Furniture and Fixtures	10 years
Vehicles	8 years
Office Equipments	5 years
Plucking/Pruning/Power Spraying Machine	5 years
Bearer Plants	45 to 70 years

The useful lives, residual values and the method of depreciation of property, plant and equipment are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposal are determined by comparing proceeds with carrying amount and are included in profit or loss within 'Other Income'/'Other Expenses'.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as 'Capital Advances' under other non-current assets and the cost of property, plant and equipment not ready to use are disclosed under Capital Work-in-Progress.

### 1.4 Investments and Other Financial Assets

#### a. Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other

## Notes to the Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

- comprehensive income or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

**b. Measurement**

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

**Debt Instruments**

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised Cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired
- **Fair Value through Other Comprehensive Income (FVTOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in the profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in 'Other Income'
- **Fair Value through Profit or Loss:** Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the Statement of Profit and Loss within 'Other Income' in the period in which it arises

**Equity Instruments**

The Company subsequently measures all equity investments at fair value, except investments in associates which are measured at cost. Where the Company's management has elected to present fair value gains and losses on equity investments

## Notes to the Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Changes in the fair value of financial assets at fair value through profit or loss are recognised in 'Other Income' in the Statement of Profit and Loss.

**c. Impairment of Financial Assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets which are not fair valued through profit or loss. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

**d. Derecognition of Financial Assets**

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

**e. Fair Value of Financial Instruments**

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

### 1.5 Financial liabilities

**a. Initial recognition and measurement**

The Company recognises all the financial liabilities on initial recognition at fair value minus, in the case of a financial liability not at fair value through Profit or Loss, transaction costs that are directly attributable to the acquisition or issue of the financial liability.

**b. Subsequent measurement**

All the financial liabilities are subsequently measured at amortised cost, except for those mentioned below-

- **Financial liabilities at fair value through profit or loss**

## Notes to the Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss. For liabilities designated as Fair Value through profit or loss, fair value gains/losses attributable to changes in own credit risk are recognised in Other Comprehensive Income. These gains/losses are not subsequently transferred to Profit or Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss.

- **Financial guarantee contracts**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

### 1.6 Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise 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 respective entities in the Company or the counterparty.

### 1.7 Cash and Cash Equivalents

For the purpose of presentation in the Cash Flow Statement, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### 1.8 Trade Payables

Trade payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

### 1.9 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period

## Notes to the Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as non-current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

### 1.10 **Borrowing Costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

### 1.11 **Employee Benefits**

#### a. **Short-term Employee Benefits**

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as 'Employee Benefits Payable' under 'Other Current Liabilities' in the Balance Sheet.

#### b. **Post-employment Benefits**

##### **Defined Benefit Plans**

The liability or asset recognised 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 defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in Indian Rupee is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. For benefits which are denominated in currency other than Indian Rupee, the cash flows are discounted using market yields determined by reference to high quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms approximating to the terms of the related obligation.

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. This cost is included in 'Employee Benefits Expense' in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. These are included in 'Retained Earnings' in the Statement of Changes in Equity.

## Notes to the Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

**Defined Contribution Plans**

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenses for the period in which the employee has rendered the service.

**d. Other Long-term Employee Benefits**

The liabilities for leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured annually by actuaries as the present value of expected future benefits 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 market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented under 'Provisions' (Current) in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

**1.12 Income Tax**

The income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax credits and to unused tax losses.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences, tax credits and losses.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable

## Notes to the Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax are recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, if any. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

### 1.13 Provisions and Contingencies

Provisions are recognised when there is a present obligation 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 there is a reliable estimate of the amount of the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, 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 where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

### 1.14 Dividend

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

### 1.15 Earnings per Share

#### a. Basic Earnings per Share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Parent Company
- by the weighted average number of equity shares outstanding during the financial year

#### b. Diluted Earnings per Share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

### 1.16 Use of Estimates

The Preparation of financial statements in conformity with the generally accepted accounting principles in India requires the management to make estimates and assumptions that affects the reported amount of assets and liabilities as at the balance sheet date, the reported amount of revenue and expenses for the periods and disclosure of contingent liabilities at the balance sheet date. The estimates and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of financial statements. Actual results could differ from estimates.

### 1.17 Recent Accounting Pronouncements

Ind AS 115 Revenue from Contracts with Customers is applicable for accounting periods beginning on or after 1 April 2018.

There is no major impact of Ind AS 115 on the Company.

## Notes to the Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

### 1.18 *Critical Estimates and Judgements*

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each Balance Sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

This Note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

**The areas involving critical estimates or judgements are:**

- **Provisions and Contingencies —**

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

- **Deferred Taxes –**

Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax bases that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred tax benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned optimising measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

- **Fair Value Measurements —**

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 values are measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

Notes to the Financial Statements as at 31st March, 2019 (Contd.)

**2: PROPERTY, PLANT & EQUIPMENT**

Particulars	Leasehold Land	Building	Plant & Machinery	Furniture & Fixtures	Electrical Installations	Office Equipment	Vehicles	Tea Bushes	Water Installation	Refrigerator	Irrigation Equipment	Computers	Agriculture Tractors	Total
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Gross Block as at 1st April, 2018	25,383	9,122,146	3,997,712	281,597	393,114	52,439	643,973	2,008,919	16,228	74,598	840,459	161,903	522,961	18,141,432
Additions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing Gross carrying amount as at 31st March, 2019	25,383	9,122,146	3,997,712	281,597	393,114	52,439	643,973	2,008,919	16,228	74,598	840,459	161,903	522,961	18,141,432
Opening accumulated depreciation as at 1st April, 2018	-	5,145,090	3,790,801	274,899	373,458	51,354	611,774	104,330	15,416	70,869	625,950	153,808	496,813	11,714,562
Depreciation charge during the year	-	176,224	5,480	-	-	-	-	52,165	-	-	53,229	-	-	287,098
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation as at 31st March, 2019	-	5,321,314	3,796,281	274,899	373,458	51,354	611,774	156,495	15,416	70,869	679,179	153,808	496,813	12,001,660
Net carrying amount as at 31st March, 2019	25,383	3,800,832	201,431	6,698	19,656	1,085	32,199	1,852,424	812	3,729	161,280	8,095	26,148	6,139,772
Deemed Cost As At 1st April, 2017	25,383	9,122,146	3,997,712	281,597	393,114	52,439	643,973	2,008,919	16,228	74,598	840,459	161,903	522,961	18,141,432
Additions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing Gross carrying amount as at 31st March, 2018	25,383	9,122,146	3,997,712	281,597	393,114	52,439	643,973	2,008,919	16,228	74,598	840,459	161,903	522,961	18,141,432
Accumulated depreciation as at 1st April, 2017	-	4,968,866	3,785,321	274,899	373,458	51,354	611,774	52,165	15,416	70,869	572,721	153,808	496,813	11,427,464
Opening accumulated depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation charge during the year	-	176,224	5,480	-	-	-	-	52,165	-	-	53,229	-	-	287,098
Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation as at 31st March, 2018	-	5,145,090	3,790,801	274,899	373,458	51,354	611,774	104,330	15,416	70,869	625,950	153,808	496,813	11,714,562
Net carrying amount as at 31st March, 2018	25,383	3,977,056	206,911	6,698	19,656	1,085	32,199	1,904,589	812	3,729	214,509	8,095	26,148	6,426,870

## Notes to the Financial Statements as at 31st March, 2019 (Contd.)

	As At 31.03.2019 ₹	As At 31.03.2018 ₹
<b>3 INVESTMENTS</b>		
<b>Investment in Equity Instrument measured at fair value through OCI</b>		
<b>Quoted</b>		
101500 Equity Shares of Kiran Vyapar Ltd. (Face Value ₹ 10/-fully paid up)	10,449,425	14,519,575
<b>Total</b>	<b>10,449,425</b>	<b>14,519,575</b>

<b>4 DEFERRED TAX</b>		
<b>Deferred Tax Liabilities</b>		
On Property, Plant & Equipment	746,241	791,180
On Fair valuation of Debentures	1,116,290	-
On Fair valuation of financial liabilities	42,042	-
<b>Gross Deferred Tax Liabilities</b>	<b>1,904,573</b>	<b>791,180</b>
<b>Deferred Tax Assets</b>		
On Fair Valuation of Debentures	-	1,322,011
On Unrealised Gain on FVTOCI Equity Securities	-	516,716
On Carry Forward losses and unabsorbed depreciation	1,586,742	1,065,683
On Expected Credit Losses on other receivable	1,125,823	1,121,212
On items allowable on Payment Basis	2,080,087	2,439,851
<b>Gross Deferred Tax Assets</b>	<b>4,792,652</b>	<b>6,465,473</b>
<b>Net Deferred Tax Assets</b>	<b>2,888,079</b>	<b>5,674,293</b>

	For the Year Ended 31.03.2019 ₹	For the Year Ended 31.03.2018 ₹
<b>RECONCILIATION OF TAX EXPENSES</b>		
<b>Profit before Tax as per Statement of Profit &amp; loss</b>	<b>(642,302)</b>	<b>(812,951)</b>
Effective Tax rate applicable to the company	26.00%	25.75%
<b>Tax at the effective tax rate</b>	<b>(166,998)</b>	<b>(209,335)</b>
<i>Adjustments for -</i>		
Exempt Income & Other Ind AS Adjustments	(65,975)	(65,340)
Expenses not allowable under Income Tax Act	23,652	52,616
Others	2,478,820	465,323
Change in applicable Tax Rate	-	(51,840)
<b>Total Tax Expenses / (Income) Recognised in the statement of P&amp;L</b>	<b>2,269,499</b>	<b>191,424</b>

## Notes to the Financial Statements as at 31st March, 2019 (Contd.)

	As At 31.03.2019 ₹	As At 31.03.2018 ₹
<b>5 CURRENT TAX ASSETS</b>		
Advance payment of Income Tax (Net)	89,905	89,905
Advance Fringe Benefit Tax	114,993	114,993
TDS Receivable	192,000	90,000
<b>Total</b>	<b>396,898</b>	<b>294,898</b>
<b>6 OTHER NON CURRENT ASSETS</b>		
Capital Advances	17,320,354	17,249,410
Less: Provision for Capital Advances	4,330,088	4,312,352
<b>Total</b>	<b>12,990,266</b>	<b>12,937,058</b>
<b>7 CASH AND CASH EQUIVALENT</b>		
Balances with Bank		
- In Current account	22,173	2,280,012
- Cheque in hand	3,810,221	972,000
Cash on hand	262	153
<b>Total</b>	<b>3,832,656</b>	<b>3,252,165</b>
<b>8 OTHER CURRENT FINANCIAL ASSETS</b>		
Subsidy & Incentive Receivable	36,078	121,507
<b>Total</b>	<b>36,078</b>	<b>121,507</b>
<b>9 OTHER CURRENT ASSETS</b>		
<b>Advances Other than Capital Advances</b>		
- Security Deposit	150,000	150,000
- Receivable from Related Parties (Fellow Subsidiary - Jayantika Investment & Finance Limited)	-	374,480
- Advances to Body Corporate	271,643	271,643
<b>Total</b>	<b>421,643</b>	<b>796,123</b>
<b>10A EQUITY SHARE CAPITAL</b>		
<b>Equity Share Capital</b>		
<b>Authorised Shares</b>		
Equity Shares		
30,00,000 shares of ₹ 10/- each	30,000,000	30,000,000
Preference Shares		
5,00,000 shares of ₹ 100/- each	50,000,000	50,000,000
	<b>80,000,000</b>	<b>80,000,000</b>
<b>Issued, Subscribed &amp; Paid-Up Shares</b>		
Equity Shares		
24,03,750 shares of ₹ 10/- each	24,037,500	24,037,500
<b>Total</b>	<b>24,037,500</b>	<b>24,037,500</b>

## Notes to the Financial Statements as at 31st March, 2019 (Contd.)

## a. Reconciliation of Shares outstanding at the beginning &amp; at the end of the reporting period

	Nos.	As At 31.03.2019 ₹	Nos.	As At 31.03.2018 ₹
<b>Equity Shares</b>				
At the beginning of the period	2,403,750	24,037,500	24,037,500	24,037,500
Issued during the period	-	-	-	-
Outstanding at the end of the period	2,403,750	24,037,500	24,037,500	24,037,500

## b. Terms/Rights attached to Equity Shares

The Company has one Class of Shares issued, Equity Shares having a par value of ₹ 10/- each. Each Equity Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to approval of the shareholders at the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity Shareholders are eligible to receive the assets of the Company after distribution of all preferential amounts, in proportion of their shareholding.

## c. Details of Shareholders holding more than 5% of Shares in the Company

Particulars	As at 31.03.2019		As at 31.03.2018	
	Nos.	% Holding in the Class	Nos.	% Holding in the Class
<b>Equity Shares of ₹ 10/- each</b>				
Jay Shree Tea & Industries Ltd. (Holding Company)	2,175,450	90.50	2,175,450	90.50

d. No Shares reserved for issue under options and contract/commitments for the sale of shares/ disinvestment including the terms and amounts.

e. For the period of five years immediately preceding the date as at the Balance Sheet is prepared: No Shares have been allotted as fully paid up pursuant to contract(s) without payment being received in cash.

No Shares have been allotted as fully paid up by way of Bonus Shares.

No Shares has been bought back by the Company.

	As At 31.03.2019 ₹	As At 31.03.2018 ₹
<b>10B OTHER EQUITY</b>		
Capital Reserve	710,814	710,814
Retained Earnings	(35,583,690)	(32,671,889)
Other Comprehensive Income	1,543,501	6,130,367
<b>Total</b>	<b>(33,329,375)</b>	<b>(25,830,708)</b>

## Notes to the Financial Statements as at 31st March, 2019 (Contd.)

**NATURE & PURPOSE OF OTHER EQUITY****Capital Reserve**

The above reserve is restricted reserve and has been created on account of amalgamation.

**Retained Earnings**

Retained Earnings represents accumulated surplus/(deficit).The positive balance of the Retained earning are available for the distribution to its owners.

**FVTOCI Equity Investments**

The Company has elected to recognise changes in the fair value of certain investments in equity instruments through other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

	As At 31.03.2019 ₹	As At 31.03.2018 ₹
<b>11 BORROWINGS</b>		
<b>Non-Current</b>		
<b>Unsecured</b>		
1,50,000, 1% Redeemable Non-Convertible Debentures of ₹ 100/- each fully paid up (Holding Company) *	<b>10,706,577</b>	9,915,341
<b>Total</b>	<b>10,706,577</b>	9,915,341

\*The debentures are redeemable after expiry of 7 years from the date of allotment at par. The debentures may be redeemable by the company on or before 7 years from its date of allotment, i.e., 18.08.2016

<b>12 OTHER FINANCIAL LIABILITIES</b>		
<b>Non-Current</b>		
Security Deposits from Related Party	<b>21,126,168</b>	25,100,000
- Jay Shree Tea & Industries Ltd. (Holding Company)		
Advance Rent (Ind AS Impact)	<b>1,906,065</b>	-
<b>Total</b>	<b>23,032,233</b>	25,100,000

<b>13 PROVISIONS</b>		
<b>Non-Current</b>		
Provision for Employee Benefits		
- Provision for Gratuity	<b>7,876,580</b>	9,237,637
- Provision for Leave Salary	<b>123,755</b>	146,405
<b>Total</b>	<b>8,000,335</b>	9,384,042

## Notes to the Financial Statements as at 31st March, 2019 (Contd.)

	As At 31.03.2019 ₹	As At 31.03.2018 ₹
<b>14A TRADE PAYABLES</b>		
<b>Current</b>		
Total outstanding dues to Micro & Small Enterprises*	-	-
Total outstanding dues of Creditors other than Micro & Small Enterprises	90,900	11,000
<b>Total</b>	<b>90,900</b>	<b>11,000</b>

\* There are no Micro, Small and Medium Enterprises to which the company owes dues as no parties are registered as a Micro, Small and Medium Enterprises.[Refer Note 22(xii)]

<b>14B OTHER FINANCIAL LIABILITIES</b>		
<b>Current</b>		
Interest Accrued on Debt but not Due	83,589	83,589
Payable to Holding Company (Jay Shree Tea & Industries Company)	1,361,057	-
Advance Rent (Ind AS Impact)	1,906,065	-
<b>Total</b>	<b>3,350,711</b>	83,589

<b>15 OTHER LIABILITIES</b>		
<b>Current</b>		
Statutory Dues		
- Tax Deducted At Source	17,888	9,288
- Goods and Service Tax	119,858	160,020
- Sales Tax	1,128,190	1,128,190
<b>Total</b>	<b>1,265,936</b>	1,297,498

<b>16 PROVISIONS</b>		
<b>Current</b>		
Provision for Employee Benefits		
- Provision for Bonus	-	24,227
<b>Total</b>	-	24,227

## Notes to the Financial Statements for the year ended 31st March, 2019 (Contd.)

	For the Year Ended 31.03.2019 ₹	For the Year Ended 31.03.2018 ₹
<b>17 OTHER INCOME</b>		
Lease Rental Income - Ind AS Impact	1,906,065	1,906,065
Lease Rental Income	1,020,000	900,000
Dividend Income	253,750	253,750
<b>Total</b>	<b>3,179,815</b>	<b>3,059,815</b>
<b>18 EMPLOYEE BENEFIT EXPENSES</b>		
Salaries, Wages and Bonus	314,734	308,812
Contribution to Provident Funds and Other Fund	42,631	49,802
Staff Welfare Expenses	51,480	49,980
<b>Total</b>	<b>408,845</b>	<b>408,594</b>
<b>19 FINANCE COSTS</b>		
<b>Interest Expense</b>		
Interest cost on Financial Liabilities measured at amortized cost		
- on debentures	941,236	882,762
- on Security Deposit	1,744,363	2,072,477
<b>Total</b>	<b>2,685,599</b>	<b>2,955,239</b>
<b>20 DEPRECIATION &amp; AMORTISATION EXPENSE</b>		
Depreciation on Property, Plant & Equipment	287,098	287,098
<b>Total</b>	<b>287,098</b>	<b>287,098</b>
<b>21 OTHER EXPENSES</b>		
Rates & Taxes	4,650	4,700
Auditors' Remuneration		
- Audit Fees	11,000	11,000
- Other Services	75,000	-
Bank Charges	354	733
Printing & Stationery	-	7,875
Postage & Courier	1,911	1,026
Professional Charges	298,100	23,200
Provision for Capital Advances	17,736	17,500
Donation & Subscription	11,800	34,800
Miscellaneous Expenses	20,024	121,001
<b>Total</b>	<b>440,575</b>	<b>221,835</b>

## Notes to the Financial Statements for the year ended 31st March, 2019 (Contd.)

**22 OTHER NOTES**

- i. Contingent liability not provided for in respect of Sales Tax pending in appeals ₹ 13,15,911/-; (P.Y. ₹ 13,15,911/-)

Nature of Tax	Amount Involved	Related Year	Forum (where it is pending)
Sales Tax	₹ 42,854/-	1999-2000	Asstt. Comm. of Sales Tax
Sales Tax	₹ 12,73,057/-	2005-2006	Joint. Comm. of Sales Tax

- ii. Contract remaining to be executed on capital account and not provided for (Net of advances paid against such contracts) ₹ 31,66,243/- (₹ 32,37,187/-)
- iii. As the Company is engaged in the business of manufacture and sale of tea only, disclosures as required by Indian Accounting Standard (Ind AS) - 108 (Segment Reporting) are not applicable.
- iv. The accumulated losses of the Company as at 31st March, 2019 amounts to ₹ 3,55,83,690/- against shareholder's fund (total of share capital, capital reserve & other comprehensive income) of ₹ 2,62,91,815/- as on said date. The company is exploring various business opportunities for its operation and is the process of financial restructuring and hence, these accounts has been prepared on a going concern basis.
- v. Property, Plant & Equipment shown under Note 2 has been given on lease to the Holding Company for a period of three years w.e.f. 01.04.2018 at an annual lease charge of ₹ 9,00,000/-  
Lease Rent Receivable :-  
Not Later than 1 Year - ₹ 9,00,000/-  
Later than 1 Year but not later than 5 Year - ₹ 18,00,000/-  
Lease Rent of ₹ 9,00,000/- has been recognised in the statement of Profit and Loss for the year 2018-2019.
- vi. The company had entered into lease agreement with Reliance Jio Infocomm Limited dated 4th of July, 2018 granting right to use the demarcated space and right of way in its North Tukvar Tea Estate situated at P.O. & Dist. Darjeeling - 734101. The tenure of the lease is 3 years and may be renewed after expiry of the initial term for a term equal to the initial term and the Lease Rent is ₹ 15000/- (Rupees Fifteen thousand only) per month. The fee shall be paid monthly in advance subject to an escalation of 10% on the last paid Fee amount after every 3 (three) years.  
Lease Rent Receivable:-  
Not later than 1 year - ₹ 1,80,000/-  
Later than 1 Year but not later than 5 Year - ₹ 2,40,000/-  
Lease Rent of ₹ 1,20,000/- has been recognised in the statement of Profit and Loss for the year 2018-19.

**vii. Disclosure as per Indian Accounting Standard (Ind AS) - 19 (Employees benefits)****Defined benefit plan****Gratuity**

- a. The principal assumptions used in determining gratuity obligations for the Company's plans are as follows:

Significant Actuarial Assumptions	31.03.2019	31.03.2018
Discount Rate	-	-
Salary Escalation Rate	-	-
Mortality Rate	-	-

## Notes to the Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

**b. Amounts recognised in the Balance Sheet consists of:** (Amount in ₹)

Particulars	31.03.2019	31.03.2018
Present value of defined benefit obligation at the year end	7,876,580	9,237,637
Fair Value of the Plan Assets at the year end	-	-
Liability Recognised in the Balance Sheet	7,876,580	9,237,637

Change in the present value of defined benefit obligation is as follows:

Particulars	31.03.2019	31.03.2018
Present value of obligation as at the beginning of year	9,237,637	9,237,637
Current Service Cost	-	-
Past Service Cost	-	-
Interest Cost	-	-
Remeasurements (gains)/losses	-	-
Actuarial (gains)/losses arising from changes in financial assumptions	-	-
Actuarial (gains)/losses arising from changes in experience adjustments	-	-
Benefits Paid	(1,361,057)	-
Settlement Cost	-	-
Present value of obligation as at the end of year	7,876,580	9,237,637

**c. Amount recognised in Statement of Profit or Loss are as follows:**

Particulars	31.03.2019	31.03.2018
Current Service Cost	-	-
Past Service Cost	-	-
Interest Cost	-	-
Settlement Cost	-	-
Components of defined benefit costs recognised in profit or loss	-	-

**d. Amount recognised in other comprehensive income are as follows:**

Particulars	31.03.2019	31.03.2018
Remeasurement of the net defined benefit obligation:-	-	-
Actuarial (gains)/losses arising from changes in financial assumptions	-	-
Actuarial (gains)/losses arising from changes in experience adjustments	-	-
Components of defined benefit costs recognised in OCI	-	-

\*The Salary Escalation and Mortality Rate has been considered in the books of Holding Company.

## Notes to the Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

## viii. Related Party Disclosure (In accordance with Ind AS 24):

(Amount in ₹)

Nature of Transaction	31.03.2019	31.03.2018
<b>a) Holding Company - Jay Shree Tea &amp; Industries Ltd.</b>		
<i>Sale of Services</i>		
i) Lease Rental Income	2,806,065	2,806,065
<i>Interest Expense</i>		
i) On Debentures	941,236	882,762
ii) On Security Deposit	1,744,363	2,072,477
<i>Short Term Borrowings (Cr.)</i>		
i) Opening Balance	-	-
ii) Amount received / credited	6,846,156	3,160,515
iii) Amount paid / debited	5,485,099	3,160,515
iv) Closing Balance	1,361,057	-
<i>Security Deposit at Amortised Cost (Cr.)</i>		
i) Opening Balance	25,100,000	23,027,523
ii) Transferred to Advance Rent	(5,718,195)	-
iii) Interest Expense	1,744,363	2,072,477
iv) Closing Balance	21,126,168	25,100,000
<i>Advance Rent (Cr.)</i>		
i) Opening Balance	-	1,906,065
ii) Transferred from Security Deposit	5,718,195	-
iii) Lease Rental Income	1,906,065	1,906,065
iv) Closing Balance	3,812,130	-
<b>b) Fellow Subsidiary Company - Jayantika Investment &amp; Finance Limited</b>		
i) Opening Balance (Dr.)	374,480	374,480
ii) Amount received	374,480	-
iii) Closing Balance (Dr.)	-	374,480

There is no balance written off during the year in respect of above parties.

## Notes to the Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

**22 OTHER NOTES (contd.)****ix. Financial Instrument-Classification & Fair Value****Accounting classification and fair value**

(Amount in ₹)

March 31, 2019	Carrying amount				Fair value			
	Amortised Cost	FVTPL	FVTOCI	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
<b>Non-Current Financial Assets</b>								
Investments								
- Quoted Equity Instruments	-	-	10,449,425	10,449,425	10,449,425	-	-	10,449,425
<b>Current Financial Assets</b>								
Cash & Cash Equivalent	3,832,656	-	-	3,832,656	-	-	-	-
Other Financial Asset	36,078	-	-	36,078	-	-	-	-
<b>Total financial Assets</b>	<b>3,868,734</b>	<b>-</b>	<b>10,449,425</b>	<b>14,318,159</b>	<b>10,449,425</b>	<b>-</b>	<b>-</b>	<b>10,449,425</b>
<b>Non-Current Financial Liabilities</b>								
Borrowings	10,706,577	-	-	10,706,577	-	-	10,706,577	10,706,577
Other Financial Liabilities	23,032,233	-	-	23,032,233	-	-	23,032,233	23,032,233
<b>Current Financial Liabilities</b>								
Borrowings	-	-	-	-	-	-	-	-
Trade Payable	90,900	-	-	90,900	-	-	-	-
Other Financial Liabilities	3,350,711	-	-	3,350,711	-	-	-	-
<b>Total financial liabilities</b>	<b>37,180,421</b>	<b>-</b>	<b>-</b>	<b>37,180,421</b>	<b>-</b>	<b>-</b>	<b>33,738,810</b>	<b>33,738,810</b>
<b>March 31, 2018</b>								
	Amortised Cost	FVTPL	FVTOCI	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
<b>Non-Current Financial Assets</b>								
Investments								
- Quoted Equity Instruments	-	-	14,519,575	14,519,575	14,519,575	-	-	14,519,575
<b>Current Financial Assets</b>								
Cash & Cash Equivalent	3,252,165	-	-	3,252,165	-	-	-	-
Other Financial Asset	121,507	-	-	121,507	-	-	-	-
<b>Total financial Assets</b>	<b>3,373,672</b>	<b>-</b>	<b>14,519,575</b>	<b>17,893,247</b>	<b>14,519,575</b>	<b>-</b>	<b>-</b>	<b>14,519,575</b>
<b>Non-Current Financial Liabilities</b>								
Borrowings	9,915,341	-	-	9,915,341	-	-	9,915,341	9,915,341
Other Financial Liabilities	25,100,000	-	-	25,100,000	-	-	25,100,000	25,100,000
<b>Current Financial Liabilities</b>								
Borrowings	-	-	-	-	-	-	-	-
Trade Payable	11,000	-	-	11,000	-	-	-	-
Other Financial Liabilities	83,589	-	-	83,589	-	-	-	-
<b>Total financial liabilities</b>	<b>35,109,930</b>	<b>-</b>	<b>-</b>	<b>35,109,930</b>	<b>-</b>	<b>-</b>	<b>35,015,341</b>	<b>35,015,341</b>

## Notes to the Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

**22 OTHER NOTES (contd.)****x. Capital Risk Management**

The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

**xi. Financial Risk Management****Financial risk management objectives and policies**

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Board of Directors.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, equity prices and other market changes that affect market risk sensitive instruments. The Company's market risk is managed by its management, which evaluates and exercises independent control over the entire process of market risk management.

**Market Risk- Interest rate risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises risk such as : interest rate risk , equity price risk. Financial instruments affected by market risk include loans and borrowings, and investments.

**a. Interest rate risk and Sensitivity**

The Company's exposure to the risk of changes in market interest rates relates primarily to the long term debt obligations

The following table demonstrates the sensitivity to a reasonably possible changes in interest rates on that portion of borrowings affected. With all other variables remaining constant, the company's profit before tax and equity before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/ decrease in Basis points	Effect on Profit before tax	Effect on Pre tax Equity
31.03.2019	+50	(53,533)	(53,533)
	-50	53,533	53,533
31.03.2018	+50	(49,577)	(49,577)
	-50	49,577	49,577

The assumed movement in basis points for interest rate sensitivity is based on the currently observable market environment

## Notes to the Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

**b. Equity price risks**

The Company's listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments

Equity price sensitivity

The following table shows the effect of price changes in quoted equity Instrument

Particular	31-03-2019		31-03-2018	
Investment (₹)	10,449,425		14,519,575	
Price change	5%	-5%	5%	-5%
Effect on Total Comprehensive Income (₹)	522,471	(522,471)	725,979	(725,979)

**Credit risk**

Credit risk is the risk that the counter party will not meet its obligation under a financial instruments or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities .

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers.

**Liquidity Risk**

Liquidity Risk is the risk that the company may not be able to meet its present and future cash obligations without incurring unacceptable losses.

The Company monitors its risk to a shortage of funds by managing own sources of fund and short term loans from holding company.

**Maturity Patterns of Borrowings**

(Amount in ₹)

Particulars	31 March, 2019	31 March, 2018
Long-term Borrowings - 1 - 5 years	10,706,577	9,915,341
<b>Total</b>	<b>10,706,577</b>	<b>9,915,341</b>

**Maturity Patterns of other financial liabilities**

(Amount in ₹)

Particulars	31 March, 2019	31 March, 2018
Trade Payables - within 1 Year	90,900	11,000
Financial Liabilities - beyond 12 Months	23,032,233	25,100,000
Financial Liabilities - within 12 Months	1,906,065	—
<b>Total</b>	<b>25,029,198</b>	<b>25,111,000</b>

## Notes to the Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

## xii. Earning Per Share (As per Ind AS-33)

The Computation of Basic/Diluted earning

Particulars	31 March, 2019 ₹	31 March, 2018 ₹
Net Profit/(Loss) attributable to Equity Shareholders	(2,911,801)	(1,004,375)
Weighted Average No. of Equity Shares	2,403,750	2,403,750
Nominal Value of Equity Shares	10	10
Basic / Diluted Earning Per Share	(1.21)	(0.42)

## xiii. Disclosure regarding Micro, Small and Medium Enterprises:

Particulars		As at 31.03.2019	As at 31.03.2018
i)	Principal amount remaining unpaid to any supplier as at the end of the accounting year	NIL	NIL
ii)	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	NIL	NIL
iii)	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 supplier beyond the appointed day during each accounting year.	NIL	NIL
iv)	The amount of interest due and payable for the period of delay in making payment	NIL	NIL
v)	The amount of interest accrued and remaining unpaid at the end of each accounting year	NIL	NIL
vi)	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.	NIL	NIL

xiv. There is no amount outstanding & payable to Investor Education & Protection Fund as on 31.03.2019.

xv. Previous Year figures have been regrouped/rearranged wherever necessary.

As per our report of even date annexed

For **SALARPURIA JAJODIA & CO.**

Chartered Accountants

(Firm ICAI Reg. No.: 302111E)

**ANAND PRAKASH**

Partner

(Membership No. : 056485)

7 C.R. Avenue, Kolkata - 700072

Dated, the 27th day of May, 2019

For and on behalf of the Board of Directors

**S.K. JAJODIA**

Director

(DIN : 06842196)

**S. PATODIA**

Director

(DIN : 06562065)