SPBP TEA (INDIA) LIMITED

Annual Report 2013-2014

ANNUAL GENERAL MEETING

Date : 24th September, 2014

Day : Wednesday

Time : 3.30 P.M.

Place : Registered Office of Company
"CRESCENT TOWER"
4TH FLOOR, ROOM NO. 4E
229, A. J. C. BOSE ROAD
KOLKATA - 700 020

CONTENTS :

DIRECTORS

NARENDRA KUMAR
Chairman (Wholetime Director)

MANISH KUMAR

GOURI SHANKAR KEJRIWAL

ALOK KRISHNA AGARWAL

GIRIJA SANKAR SHARMA

MRS. SHAILJA HALDIA

TEA ESTATE
DURRUNG TEA ESTATE
P.O. BINDUKURI - 784 502
DIST. SONITPUR, TEZPUR
ASSAM

BANKERS
Allahabad Bank

REGISTERED OFFICE
"CRESCENT TOWER"
4TH FLOOR, ROOM NO. 4E
229, A. J. C. BOSE ROAD
KOLKATA - 700 020

AUDITORS
V. SINGHI & ASSOCIATES

CIN NO.
L01132WB1981PLC197045

NOTICE

NOTICE is hereby given that the next Annual General Meeting of Members of SPBP Tea (India) Ltd. will be held on Wednesday the 24th September, 2014 at 3.30 P.M. at the Registered Office of the Company at "CRESCENT TOWER", 229, A. J. C. Bose Road, Kolkata - 700 020 to transact the following business.

AS AN ORDINARY BUSINESS :

1. To receive consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2014, together with the reports of the Board of Directors and Auditors thereon.

2. To appoint a Director in place of Mr. G. S. Sharma (DIN No. : 01196231) who retires by rotation and, being eligible, offers himself for re-appointment.

3. To Consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :

   "RESOLVED THAT in accordance with applicable provisions of the Section 139 of Companies Act 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment thereof), M/s. V. Singhi & Associates (Firm Registration No. 311017E), Chartered Accountants, be and are hereby re-appointed as the auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the nest Annual General Meeting and the Remuneration to be fixed by the Board of Directors."

SPECIAL BUSINESS :

4. To Consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :

   "RESOLVED that pursuant to the provisions of sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Alok Krishna Agarwal, (DIN : 00127273) a Non-executive Director of the Company whose period of office is liable to determination by retirement of Directors by rotation as per provisions of the erstwhile Companies Act 1956 and who, pursuant to the provisions of the Companies Act, 2013 (being an Independent Director) is no longer liable to retire by rotation and who in accordance with the provisions of the Companies Act, 2013 is required to be appointed as an Independent Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation to hold office up to the expiry of five consecutive years till 31st March 2019"

5. To consider and if thought fit, to pass, with or without modification(s) , the following resolution as an Ordinary. Resolution :

   "RESOLVED that pursuant to the provisions of sections 149,150,152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Gouri Shankar Kejriwal, (DIN : 00214084) a Non-executive Director of the Company whose period of office is liable to determination by retirement of Directors by rotation as per provisions of the erstwhile Companies Act 1956 and who, pursuant to the provisions of Companies Act, 2013 (being an Independent Director) is no longer liable to retire

by rotation and who in accordance with the provisions of Companies Act, 2013 is required to be appointed as an Independent Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation to hold office up to the expiry of five consecutive years till 31st March 2019"

6. To consider and if thought fit , to pass, with or without modification(s), the following resolution as an Ordinary Resolution :

   "RESOLVED that pursuant to the provisions of sections 149,150,152 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mrs. Shailja Haldia (DIN : 00371953) who was appointed as an Additional Director on the Board of the Company on 14th August' 2014 and who holds office up to the date of conclusion of the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing from a Member together with a deposit of Rs. 1,00,000/- under Section 160 of the (Companies Act 2013, proposing her candidature for the office of Directorship, be and is hereby appointed as a Non-executive Director liable to retire by rotation, as per the applicable provisions of the Companies Act 2013,

7. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Special Resolution :

   'RESOLVED that pursuant to the provisions of Sections 196,197,203 and any other applicable provisions of the Companies Act 2013 and the rules made thereunder (including any statutory modification(s) or.re enactment thereof for the time being in force) read with Schedule V to the Companies Act 2013, Company hereby approve the appointment of Sri. G. S. Sharma (DIN : 01196231) as a whole time Director of the Company liable to retire by rotation re designated as Director Finance and chief financial officer from the conclusion of this Annual General meeting to the conclusion of the next Annual General Meeting without any remuneration.

   'Further resolved that for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all acts, deeds, matters and things .as it may in its absolute discretion deem necessary proper or desirable and to settle any questions, difficulties and or doubts that may arise in this regard in order to implement and give effect to the forgoing resolution."

8. To consider and thought fit, to pass, with or without modification(s) , the following Resolution as a Special Resolution :

"RESOLVED THAT in supersession of the Resolution passed under Section 293(1) (a) of the Companies Act 1956, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board") pursuant to Section 180(1)(a) of the Companies Act, 2013 ('the Act') to the creation by the Board of mortgages and charges in addition to the existing mortgages and charges created by the Company as the Board may decide on such of the assets of the Company, both present and future and in such manner as the Board may decide to or in favour of any one or more of the financial institutions / banks / any other investing agencies or any other person(s) /bodies corporate or otherwise, to secure rupee loans, or other instruments of an aggregate value not exceeding the borrowing limit available to the Board in terms of Section 180(1)(c) of the Act, together with interest thereon at the respective agreed rates, compound interest, additional interest, liquated damages, commitment charges, costs, charges, expenses and all other monies payable by the Company to the aforesaid parties or any of them under the Agreement / Arrangements entered into / to be entered into by the Company in respect of the said loan and other instruments."

"RESOLVED further that for the purpose of giving effect to this resolution, the Board be and is hereby' authorized to finalize, settle and execute such documents/deeds/writings/papers (agreements as may be required and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or requisite."

9. To consider and thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution :

"RESOLVED THAT in supersession of the Resolution passed under Section 293(1) (d) of the Companies Act 1956, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee thereof) pursuant to Section 180(1)(c) of the Companies Act, 2013 ('the Act') to borrow any sum or sums of money from time to time for the purpose of the Company on such terms and conditions and with or without security as the Board of Directors may in its absolute discretion think fit, notwithstanding that the money or monies to be borrowed together with the monies already borrowed by the Company (apart from the temporary Loans obtained from the Company's Bankers in the ordinary course of business) may exceed the aggregate paid up Share Capital of the Company and its free reserves provided however that the total borrowings outstanding at any one time including the monies already borrowed shall not exceed a sum of Rs 50 Crores"

"RESOLVED further that for the purpose of giving effect to this resolution, the Board be and is hereby authorised to finalize, settle and execute such documents / deeds / writings / papers / agreements as may be required and to do all such acts, deeds, matters and things, as at may in its absolute discretion deem necessary, proper or requisite."

By order of the Board
For SPBP Tea (India) Ltd.
(CIN NO. : L01132WB1981PLC197045)

(G. S. Sharma)
Director
DIN No.: 01196231

Place : Kolkata
Date : The 14th August, 2014

NOTES

1. 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 THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The proxy form duly complete, and signed, should be lodged with the Company, at its registered office at least 48 hours before the commencement of the meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. The related Explanatory Statement, pursuant to Section 102(1) of the Companies Act, 2013 with respect to the Special Business set out in the Notice is annexed hereto.

3. The Register of Members and Share Transfer Books of the Company will remain closed from 19th September, 2014 to 24th September, 2014 (both days inclusive) for the purpose of Annual General Meeting.

4. All documents referred to the notice and the Explanatory Statement requiring the approval of the Members at the meeting and other statutory registers shall be available for inspection by the members at the registered office of the Company during normal business hours on working days up to the date of the Annual General Meeting.

5. Equity Shares of the Company are under compulsory demat trading by all investors. Considering the advantage of scrip less trading, members are encouraged to consider dematerialization of their shareholding so as to avoid inconvenience in future.

6. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide Members additional facility to exercise their right to vote at the forth coming Annual General Meeting by electronic means also and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL). Details instructions for e-voting is annexed with this notice.

7. Members are requested to notify the Registrar of Company M/s. ABS Consultants Pvt. Ltd., Stephen House, 6th floor, Room No. 97, 4, B. B. D. Bag (East), Kolkata - 700 001 any change in their address and other information.

MEMBERS HOLDING EQUITY SHARES IN ELECTRONIC FORM, AND PROXIES THEREOF, ARE REQUESTED TO BRING THEIR DP ID AND CLIENT ID FOR IDENTIFICATION.

INFORMATION AS REQUIRED UNDER CLAUSE 49 (IV) (G) (i) OF THE LISTING AGREEMENT IN RESPECT OF DIRECTORS BEING RE-APPOINTED / APPOINTED:
Re-appointment of Mr. G. S. Sharma (item no. 2)

Mr. G. S. Sharma is a COMMERCE GRADUATE. He has the working experience of handling functional areas of Finance and Commercial administration. He does not hold any shares of the Company.

For the details of Mr. Alok Krishna Agarwal, Mr. G. S. Kejriwal, Mrs. Sailja Haldia and Sri G. S. Sharma please refer to the below mentioned Explanatory Statement in respect of Special Business set out at Item Nos. 4, 5, 6 and 7 of the notice of the AGM pursuant to section 102 of the Companies Act, 2013.

ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013.

ITEM NO. 4

Mr. Alok Krishna Agarwal, is a LAW GRADUATE and is a reputed and leading Supreme Court Lawyer. He does not hold any shares of the Company.

Mr. Alok Krishna Agarwal retires by rotation at the ensuing General Meeting under the erstwhile applicable provisions of Companies Act, 1956. Now in, terms of Section 149 and any other applicable provisions of the Companies Act, 2013. Mr. Alok Krishna Agarwal (DIN No. : 00127273) being eligible and offers himself for re-appointment, is proposed to be appointed as an Independent Director for a period up to the expiry of five consecutive years till 31st March 2019.

In the opinion of the Board, Mr. Alok Krishna Agarwal fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of management. Copy of the draft letter for appointment of Mr. Alok Krishna Agarwal as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the registered office of the Company during normal business hours on any working day. Except Mr. Alok Krishna Agarwal, being an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Resolution set forth in Item No. 4 for the approval of the Members.

ITEM NO. 5

Mr. G. S. Kejriwal, (DIN : 00214084) is an undergraduate and working experience of handling functional areas of finance and business operation of over 25 yrs. He does not hold any shares of the Company.

Mr. G. S. Kejriwal retires by rotation at the ensuing General Meeting under the erstwhile applicable provisions of Companies Act, 1956. Now in terms of Section 149 and any other applicable provisions of the Companies Act, 2013 Mr. G. S. Kejriwal being eligible and offers himself for re-appointment, is proposed to, be appointed as an Independent Director for a period up to the expiry of five consecutive year till 31st March 2019.

In the opinion of the Board, Mr. G. S. Kejriwal fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is Independent of management. Copy of the draft letter for appointment of Mr. G. S. Kejriwal as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the registered office of the Company during normal business hours on any working day. Except Mr. G. S. Kejriwal, being an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Resolution set forth in Item No. 5 for the approval of the members.

ITEM NO. 6

Mrs. Shailja Haldia (DIN : 00371953) was appointed as an Additional Director of the Company by the Board of Directors of the Company with effect from 14th August, 2014 and holds her office up to the conclusion of the ensuing Annual General Meeting.

A Notice under Section 160 of the said Act with the prescribed deposit has been received from a Member of the Company signifying his intention to propose the name of Mrs. Shailja Haldia for appointment as an additional Director of the Company, whose office is liable to retire by rotation. Except Mrs. Shailja Haldia,being an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or Interested, financially or otherwise, in the resolution.

The Board recomrnends the Resolution set forth in Item No. 6 for the approval of the Members.

ITEM NO. 7

As per the requirement of relevant provisions of the Companies Act 2013, all the listed Companies must have certain category of Key Managerial personnel. Sri G. S. Sharma who is at present non-executive Director on the Board has vast and expert knowledge in finance and related field. He handled day to day financial obligations of the Company with Banks and other financial Institutions. So Board recommend keeping in view the long term benefit for the Company that Sri G. S. Sharma should be appointed as Director Finance designated as Director Finance and Chief Financial officer instead of non-executive Director as per relevant provisions of the Companies Act 2013 liable to retire by rotation without any remuneration.

As per provisions of the Act any change in the designation of a person from non-executive Director to executive Director require approval of the Members through special resolution, Mr. Sharma does not hold any share of the Company, and he is a commerce graduate.

The Board recommends the special Resolution at item no 7 for approval of Members.

No Director or Key managerial Personnel of the Company or any of their relatives except Sri G. S. Sharma is concerned or interested, financially or otherwise, in respect of the said Resolution.

ITEM NO. 8

In the normal course of business, the Company is required, from time to time to borrow funds by way of rupee or other instruments from Banks, Financial Institutions and / or other persons / Bodies Corporate etc. To secure such lending's the lenders usually calls for adequate securities which is normally provided in the form of mortgage and charge on certain properties of the Company. In terms of the section 180(1) (a) of the Companies Act 2013 (the Act) besides sale to lease or otherwise disposal of any undertaking or substantially the whole of any undertaking of a Company, a consent of its Members by way of Special Resolution is necessary.

The Assets on which the security may be required to be created may come under the ambit of the definition of "undertaking" or "substantially the whole of any undertaking" as explained 180(1) (a) of the Act, necessitating the members consent by way of passing a Special Resolution. The Resolution set out in item no 8 of the convening Notice is to be considered accordingly and Board recommend the same.

No Director or Key managerial Personnel of the Company or any of their relatives is concerned or interested, financially or otherwise, in respect of the said Resolution.

ITEM NO. 9

For the purpose of additional fund requirements for the existing business operations and future growth plans of the Company. It is proposed to increase borrowing limits of the Board of Directors of the Company to 50 Crore.

Section 180(1) (c) of the Companies Act 2013 effective from September 12, 2013 provides that the Board of Directors shall not borrow money in excess of the Company's Paid -Up Share Capital and its free reserves apart from temporary Loans obtained from the Company's bankers in the Ordinary course of business except with the consent of the Company recorded by way of Special Resolution. Accordingly consent of Members by way of Special Resolution is required under section 180(1)(c) and other applicable provisions of the Companies Act 2013, for as set out in item No. 9 of the notice, to empower the Board of Directors to borrow in excess of the aggregate of the Paid-Up Share Capital and free reserves of the Company. The Board recommends the special Resolution at item No. 9 for approval of members.

No Director or Key managerial Personnel of the Company or any of their relatives is concerned or interested, financially or otherwise, in respect of the said Resolution.

By order of the Board
For SPBP Tea (India) Ltd.
(CIN NO. : L01132WB1981PLC197045)

(G. S. Sharma)
Director
DIN No. : 01196231

Place : Kolkata

Date : The 14th August, 2014

Instruction for Voting through electronic means

I. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide Members holding shares either in physical form or in dematerialized form the facility to exercise their right to vote at the Ensuing Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL). The instructions for e-voting are as under :

The notice of the Annual General Meeting (AGM) of the Company inter alia indicating the process and manner of e-Voting process along with printed Attendance Slip and Proxy Form is being dispatched to all the Members. The e-Voting particulars are provided at the bottom of the Attendance Slip for the Annual General Meeting (AGM) :

a. Log on to the e-volting website : www.evotingindia.com during the voting period.
b. Click on "Shareholders" lab.
c. Now, select Electronic Voting Sequence No. as mentioned in the Attendance Slip along with **"SPBP TEA (INDIA) LIMITED"** from the drop down menu and click on "SUBMIT."
d. Now Enter your User ID (as mentioned in the Attendance Slip) :
   i. For CDSL : 16 digits beneficiary ID,
   ii. For NSDL : 8 Character DP ID followed by 8 Digits Client ID,
   iii. Members holding shares in Physical Form should enter Folio Number registered with the Company.
e. Next enter the Image Verification as displayed and Click on Login.
f. 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.
g. However, if you are a first time user, please use the e-Voting particular provided in the Attendance Slip and fill up the same in the appropriate boxes :
h. After entering these details appropriately, Click on " SUBMIT" tab.
i. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field.

   Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
j. For Members holding shares in physical form; the **details in Attendance Slip** can be used only for e-voting on the resolutions contained in this Notice.
k. Click on the relevant EVSN **"SPBP TEA (INDIA) LIMITED"** for which you choose to vote.
l. 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.
m. Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
n. 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.
o. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
p. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
q. If Demat account holder has forgotten the **changed password** then enter the User ID and image verification code click on Forgot Password & enter the details as prompted by the system.

r. • "Institutional shareholders (i.e. other than Individuals, HUF, and NRI etc.) are required to log on to **https://www.evotingindia.co.in** and register themselves as Corporates.
• They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
• After receiving the login details they have to create a user who would be able to link the account(s) 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.
• They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Authorized Person/Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

II. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com. You can also contact the helpdesk on the toll free number : 1800-200-5533.

III. The e-voting period begins from17thSeptember 2014 at 9.30 a.m. and ends on 19th September, 2014 at 6.00 p.m. During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off / entitlement date of 22nd August, 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

Once the vote on a resolution is cast by the shareholder by electronic means, the shareholder shall not be allowed to change it subsequently or cast his vote by another means.

IV. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off/entitlement date of 22nd **August, 2014.**

V. Mr. Pravin Kumar Drolia, Company Secretary (Membership No. 2366) of Drolia & Co. has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

VI. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favors or against, if any, forthwith to the Chairman of the Company.

The Results shall be declared on or after the Annual General Meeting (AGM) of the Company. This Notice as well as the Results declared along with the Scrutinizer's Report shall be placed on the website of CDSL within two (2) days of passing of the resolutions at the Annual General Meeting (AGM) of the Company on **24th September, 2014** and communicated to the **The Calcutta Stock Exchange Association Limited.**

2. Members desirous of getting any information on account of operations of the Company is requested to forward his queries to the Company's Registered Office **at least seven days prior** to the Meeting so that the required information can be made available at the Meeting.

By order of the Board
For SPBP Tea (India) Ltd.
(CIN NO. : L01132WB1981PLC197045)

(G. S. Sharma)
Director
DIN No. : 01196231

Place : Kolkata
Date : The 14th August, 2014

DIRECTOR'S REPORT

Your Directors have pleasure in presenting their Annual Report together with Audited Accounts for the year ended 31st March, 2014.

Financial Results :	**For the year ended 31st March, 2014 (Rs. in Lacs)**	For the year ended 31st March, 2013 (Rs. in Lacs)
Profit before interest, Depreciation and Taxation	**187.32**	160.20
Deduct		
Finance Cost	**115.63**	84.74
Depreciation	**49.29**	50.56
Profit before Taxation	**22.40**	24.90
Deduct Tax Expenses :		
Current tax :		
For the year	**4.13**	3.60
For Earlier Years	**0.24**	–
Fringe Benefit tax :		
For earlier year	**(0.26)**	–
Deferred tax	**(2.07)**	10.83
Profit after Taxation	**20.36**	10.47
Profit Brought forward From earlier year	**48.55**	38.08
Profit carried forward to next year	**68.91**	48.55

DIVIDEND

To conserve the resources, your directors do not recommend payment of any dividend for the year ended 31st March, 2014.

AUDITOR'S REPORT

The Auditors have drawn your attention towards certain notes appearing in the notes to financial statement. The same are, however, self-explanatory.

PERFORMANCE AND PROSPECTS

TEA BUSINESS	**For the year 2013-2014 (Kg.)**	For the year 2012-2013 (Kg.)
Tea made from own leaf	**5,91,870**	5,60,406
Tea made from bought leaf	**5,56,410**	5,44,705
Total Production	**11,48,280**	11,05,111

DIRECTOR'S REPORT (CONTD.)

PROSPECTS

Dry weather at the beginning of season throughout Assam has affected the production and also supply of outsourced leaf. Although the prices of tea are steady, the cost of production including employee cost and other store items etc. has sharply increased. Your Directors expect reasonable results which will however depend on weather conditions in the remaining season and tea prices.

DEVELOPMENT PROGRAMME

The Company continued its modernization programme in the factory and the field. Irrigation facility has been extended and arrangements made for electricity supply for the same.

LABOUR AND STAFF WELFARE

Considerable sums were spent on maintenance of buildings, hospitals for the workers and for the supply and maintenance of other facilities for workers welfare.

ENVIRONMENT PROTECTION

The Company has continued its programme of afforestation by planting fuel and other trees on areas which are available and/or suitable.

COMPLIANCE CERTIFICATE

Compliance Certificate u/s 383A of the Companies Act, 1956 from a Company Secretary in whole time practice is annexed herewith.

DIRECTORS

As per the provisions of Articles of Association of the Company and as per the provisions of the Companies Act, 1956 Mr. G. S. Sharma (DIN : 01196231), who retire by rotation in the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Companies Act, 2013 provides for appointment of Independent Director's on the Board. Section 149 (10) of the Companies Act, 2013 provides that Independent Directors shall hold office for a maximum term of five consecutive years on the Board of a Company and such appointment shall not be more than two consecutive terms of five years each. Sub Section 13 of section 149 states that the provision of retirement by rotation (section 152 (6) (7)) of the Act shall not apply to such Independent Directors. Such Independent Directors shall be eligible for re-appointment after expiry of their term by passing of a Special Resolution by the shareholders of the Company.

Our Directors Mr. Alok Krishna Agarwal (DIN : 00127273) and Mr. G. S. Kejriwal (DIN : 00214084) were appointed as Directors liable to retire by rotation under the provisions of the erstwhile Companies Act, 1956. The Board of Directors has been advised that the Directors so appointed would continue to serve the term that was ascertained at the time of appointment as per resolution pursuant to which they were appointed. Therefore Mr. Alok Krishna Agarwal and Mr. G. S. Kejriwal are hereby appointed as independent Directors for five consecutive years for a term up to March 31, 2019 as per provisions of section 149 and other applicable provisions of Companies Act, 2013.

Necessary resolutions for the appointment/re-appointment of the aforesaid Directors have been included in the notice convening the ensuing Annual General Meeting and details of the proposal for appointment/re-appointment are mentioned in the Explanatory Statement of the notice.

Your Directors recommend their appointment / re-appointment.

All the Directors of the Company have confirmed that they are not disqualified from being appointed as Directors.

FORMATION OF VARIOUS COMMITTEES AS PER PROVISIONS OF COMPANIES ACT 2013.

The Board of Directors have re- constituted / formed the following committee of Board as per new provisions inserted by the Companies Act 2013 with proper composition of its Members as recommended by the relevant Act,

a. Remuneration and nomination committee

b. Audit Committee

c. Shareholders Grievance Committee

APPOINTMENT OF WOMAN DIRECTOR, CHIEF EXECUTIVE DIRECTOR AND CHIEF FINANCIAL OFFICER

The Board of Directors have appointed Mrs. Shailja Haldia (DIN :00371953) as an additional Director to meet the requirement of having a woman Director on the Board in their meeting held on 14th August' 2014 and also propose the appointment of Sri. G. S. Sharma a non-executive Director of the Company as Whole time Director and Chief Financial officer liable to retire by rotation under the category of KMP to meet the requirements of necessary provisions of the Companies Act 2013 applicable to all the listed Companies. The appointment of Sri G. S. Sharma as a CFO will be subject to the approval of Members through special resolution at the ensuing Annual General meeting. The Board recommends passing the said resolution with requisite majority required for special resolution. The Board of Directors in their meeting held on 14th August' 2014 also approved to re-designate the office of Sri. Narendra Kumar from whole time Director to whole-time Director and chief executive officer.

PASSING OF THE RESOLUTIONS AT ANNUAL GENERAL MEETING THROUGH E-VOTING AND APPOINTMENT OF SCRUTINIZER

The Company has adopted the procedure of passing of all the resolutions at the ensuing Annual General meeting through e voting and detailed instructions along with notice will be sent to all the members within stipulated time period. Mr. Pravin Kumar Drolia (M/N : FSC 2366) a practicing company secretary of Kolkata has been appointed as a Scrutinizer to conduct the e-voting process in a fair and transparent manner.

AUDITORS

Mr. V. Singhi & Associates, Chartered Accountants, statutory auditors of the Company having firm registration number 311017E retire at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.
The Company has received a certificate from the Statutory Auditors to the effect that their re-appointment, if made, would be within the limits prescribed. The Statutory Auditors have also confirmed that they hold a valid certificate issued by the "Peer Review Board" of The Institute of Chartered Accountants of India.

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

The information pursuant to Section 217(1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the Report of the Directors) Rules, 1988, is set out in Annexure-I.

PARTICULARS OF EMPLOYEES U/S 217 (2A) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES 1975 AS AMENDED.

There was no employee during the year who was in the receipt of remuneration exceeding the prescribed limit.

THE DIRECTORS' RESPONSIBILITY STATEMENT

As required under section 217 (2AA) of the Companies Act 1956, your Directors confirm that :

(i) In preparation of the Annual Financial Statements the applicable accounting standards have been followed along

With proper explanations relating to material departures, if any.

(ii) Appropriate accounting policies have been selected and applied consistently and judgment and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit or Loss of the Company for that year.

(iii) Proper and sufficient care have been taken for the maintenance of adequate accounting records inaccordance with provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

(iv) The Financial Statements have been prepared on a going concern basis.

COMPLIANCE OF VARIOUS PROVISIONS OF THE COMPANIES ACT 2013

Your Company is in process of compliance of various provisions as prescribed and notified by the new Companies Act 2013

ACKNOWLEDGMENT

Your Directors take this opportunity to place on records their appreciation to all employees for their hard work, spirited efforts, dedication and loyalty to the Company. The employees have, worked based on principles of honesty, integrity and fair play and this has helped the Company in maintaining its growth. The Directors also place on record their appreciation to shareholders, depositors, referral associates, finance institutions and banks for their continuous support.

For and on behalf of the Board

NARENDRA KUMAR
Chairman
DIN NO. 00121320

Place : Kolkata
Date : The 14th August, 2014

ANNEXURE 1 TO THE DIRECTORS REPORT

Statement of particulars with respect to the conservation of energy, technology absorption and foreign exchange earnings and outgo forming part of Director's Report for the year ended 31st March, 2014. Necessary information required by the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 for conservation of energy, technology absorption and foreign exchange earnings and outgo enumerated below :

FORM A

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

A. POWER AND FUEL CONSUMPTION Particulars	Current year 2013 - 2014	Previous year 2012 - 2013
1. Electricity :		
a) Purchase unit	11,54,755	11,12,162
Total Amount (Rs.)	83,48,208	76,42,165
Rate/Unit (Rs.)	7.22	6.87
b) Own Generation		
i) Through Diesel (Unit)	1,08,692	98,031
Unit per litre of Diesel (Rs.)	3.19	3.06
Cost/Unit (Rs.)	16.78	14.08
2. Coal :		
Quantity (Tonnes)	11,87,431	11,86,115
Total Cost (Rs.)	64,80,108	76,46,738
Average Rate (Rs.)	5.46	6.45
B. CONSUMPTION PER UNIT OF PRODUCTION :		
Products - Tea (Kg.)	11,48,280	11,05,111
Electricity (KWH)	1	1.01
Furnace Oil (Ltrs.)	—	—
Coal (Kg.)	1.03	1.07

ANNEXURE 1 TO THE DIRECTORS REPORT (CONTD.)

FORM B

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

1.	Specified areas in which R & D carried out by the Company		–
2.	Benefits derived as a result of The R & D	:	The Company subscribed to Tea Research Association which is Registered under Section 35(i) (ii) of the Income Tax Act, 1961.
3.	Future plan of Action		–
4.	Expenditure on R & D		
	a) Capital		–
	b) Recurring		–
	c) Total		–
	d) Total R & D expenditure as a percentage of total turnover.		–

Technology Absorption, Adaptation and Innovation.

1. Efforts in brief, made towards Technology Absorption, Adaptation and Innovation	:	Continuous efforts are made towards Technology Absorption by maintaining close liaison with advisory Officers to Tocklai Experimental Station.
2. Benefit derived as a result of the above efforts e.g. Products improvement, Cost reduction, Product Development import	:	Continuous yield improvements and corresponding cost control have been achieved by application of intensive cultivation Practices. substitution etc.

Foreign Exchange Earnings and Outgo

1. Foreign Exchange earned (FOB)	:	Rs. NIL
2. Foreign Exchange Used	:	Rs. 4,84,445

For and on behalf of the Board

NARENDRA KUMAR
Chairman
DIN NO. 00121320

Place : Kolkata
Date : The 14th August, 2014

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SPBP TEA (INDIA) LIMITED

Report on the Financial Statements

We have audited the accompanying Financial Statements of **SPBP TEA (INDIA) LIMITED** ("the Company) which comprise the Balance Sheet as at 31st March, 2014, and the Statement of Profit and Loss and also the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Attention is drawn to the following :

1) **Note No. 27 regarding non-provision of accrued gratuity liability of Rs. 158.99 Lacs in accordance with Accounting Standard-15 "Accounting for Retirement Benefits in the financial statements".**

2) **Note No. 28 regarding non-provision of leave salary (amount not ascertained) in accordance with Accounting Standard - 15 "Accounting for Retirement Benefits in the financial statements".**

We report that without considering item mentioned at point (2) of above para, the effect of which could not be ascertained and had the impact of the item referred in point (1) of above para, been considered in the financial statements, the loss for the year would have been Rs. 1,38,62,821/- as against reported profit of Rs. 20,35,892/- in Statement of Profit & Loss and deficit would have been Rs. 90,07,460/- as against reported surplus of Rs. 68,91,253/- under the head Reserve and Surplus and Provision for Gratuity would have been Rs. 1,58,98,713/- as against reported figure of Rs. Nil.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and subject to our above comments, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :

(i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;

(ii) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

(iii) In the case of the Cash Flow Statement, on the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

2. As required by section 227(3) of the Act, we report that :

   a) we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;

   b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

   c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   d) except to the effects of the matter described in point 1 & 2 of para below to the Auditors Responsibility, in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act read with the General Circular 15/2013, dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013; and

   e) On the basis of written representations received from the Directors as on 31st March, 2014 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014, from being appointed as a director in terms of clause(g) of sub-section (1) of section 274 of the Act.

For V. SINGHI & ASSOCIATES
Chartered Accountants
Firm Registration No. 311017E
(V. K. SINGHI)
Partner
Membership No. 50051

Four Mangoe Lane,
Surendra Mohan Ghosh Sarani
Kolkata - 700 001
Dated : 28th May, 2014

Annexure to the Auditor's Report

(Referred in Paragraph-1 of Report on other Legal and Regulatory Requirements of our Report of even date)

1. a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

   b) As informed to us, the fixed assets have been physically verified by the management during the year and there is regular programme of verifications which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

   c) During the year, the Company has not disposed off any substantial / major part of fixed assets.

2. a) The stocks of finished products, raw materials and stores & spare parts (excluding stock lying with third parties) have been physically verified by the management at reasonable intervals. In respect of stocks lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.

   b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

   c) The Company is maintaining proper records of inventories. The discrepancies noticed on physical stocks and the books records were not material and the same have been properly dealt with in the books of account;

3. a) According to the information and explanations given to us, the Company has granted unsecured loan of Rs. 226 Lakhs to a Company and received back the same during the year covered in the register maintained under Section 301 of the Act. The maximum amount of loan involved during the year was Rs. 196 Lakhs and the yearend balance was Rs. Nil

   b) The rate of interest and other terms and conditions of such loan is not, *prima facie,* prejudicial to the interest of the Company.

   c) The principal amount and interest thereon have already been received.

   d) Since the principal and interest thereon have already been received question of overdue amount does not arise.

   e) According to the information and explanations given to us, the Company has taken unsecured loans of Rs. 3.5 Lakhs from two Companies and Rs. 10 Lakhs from one Director during the year covered in the register maintained under section 301 of the Act. The maximum amount involved during the year was Rs. 3.50 Lakhs of Companies and Rs. 10.00 Lakhs of a director and the yearend balance of such loans were Rs. 10.00 Lakhs and Rs. 3.5 Lakhs respectively.

   f) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions of such loans are not prima facie prejudicial to the interest of the Company.

   g) The interest payments are regular and the principal amount is repayable on demand.

4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory, fixed assets and for sale of goods. During the course of our audit, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control procedure.

5. a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section.

   b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts and arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

6. The Company has not accepted any deposits from the public during the year within the meaning of Sections 58A and 58AA or any other relevant provisions of the Act and the rules framed thereon.

7. In view of adequacy of Internal control procedures commensurate with the size of the Company and nature of its business, the Company has no separate Internal Audit System.

8. We have reviewed the cost records as required under clause (d) of sub-section (1) of section 209 of the Act, 1956 and are of the opinion that prima facie, the prescribed records have been maintained by the Company. We have, however, not made a detailed examination of such records with a view to determine whether they are accurate or complete.

9. a) As per records of the Company and according to the information and explanations given to us, the Company is generally regular in depositing undisputed applicable statutory dues including Provident Fund, Investors Education and Protection Fund, Income-tax, Wealth-tax, Service-tax, Custom-duty, Excise-duty, Cess, Sales tax and any other statutory dues with the appropriate authorities and there are no undisputed amount payable in respect of Provident Fund, Investor Education and Protection Fund and Sales-tax, Income-tax, Wealth-tax, Service-tax, Customs-duty, Excise-duty, and Cess which were in arrears as on 31st March, 2014 for a period of more than six months from the date they became payable.

   b) According to the information and explanation given to us, there are no dues outstanding on accpunt of any dispute.

10. Subject to as stated in Auditors Responsibility paragraph, the Company has no accumulated losses at the end of the financial year and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

11. Based on our audit procedures and on the basis of our information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of the dues to banks.

12. As explained to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

13. The provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund / societies are not applicable to the Company. According, clause 4(xiii) of the Order is not applicable.

14. In our opinion, the Company is not dealing or trading in Shares and other securities. According, clause 4(xiv) of the Order is not applicable.

15. As per information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.

16. According to the information and explanations given to us and on an overall examination of the Balance Sheet, the term loans taken by the Company during the year has been applied for the purpose for which the same was obtained.

17. According to the Information and explanations given to us and on an overall examination of the Balance Sheet, we report that funds raised on short-term basis have been utilised for working capital requirements.

18. The Company has not made any preferential allotment of shares to parties and Companies covered in the register maintained under section 301 of the Act during the year.

19. The Company has not issued any debentures during the year.

20. The Company has not raised any money by way of public Issue during the year.

21. Based upon the audit procedures performed for the purpose of reporting true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For V. SINGHI & ASSOCIATES
Chartered Accountants
Firm Registration No. 311017E
(V. K. SINGHI)
Partner
Membership No. 50051

Four Mangoe Lane,
Surendra Mohan Ghosh Sarani
Kolkata - 700 001
Dated : 28th May, 2014

BALANCE SHEET AS AT 31ST MARCH, 2014

	Notes No.	Rs.	As at 31st March, 2014 Rs.	Rs.	At at 31st March, 2013 Rs.
EQUITY AND LIABILITIES					
Shareholders' Funds					
Share Capital	2	93,72,000		93,72,000	
Reserves and Surplus	3	2,67,00,400	3,60,72,400	2,46,64,509	3,40,36,509
Non-Current Liabilities					
Long-Term Borrowings	4	1,07,90,731		1,39,86,427	
Deferred Tax Liabilities (Net)	5	30,81,993	1,38,72,723	32,88,606	1,72,75,033
Current Liabilities					
Short-Term Borrowings	6	7,45,88,724		6,92,45,408	
Trade Payables	7	79,26,200		1,08,77,087	
Other Current Liabilities	8	1,05,22,241		89,61,631	
Short-Term Provisions	9	—	9,30,37,165	10,432	8,90,94,558
TOTAL			14,29,82,289		14,04,06,100
ASSETS					
Non-Current Assets					
Fixed Assets	10				
Tangible Assets		6,43,56,644		6,69,71,581	
Intangible Assets		22,53,495		22,53,495	
Non-Current Investments	11	16,00,000		16,00,000	
Long-Term Loans and Advances	12	24,34,296	7,06,44,436	24,13,195	7,32,38,271
Current Assets					
Inventories	13	2,08,78,183		1,71,75,790	
Trade Receivables	14	14,25,481		8,81,840	
Cash and Cash Equivalents	15	4,98,660		6,24,223	
Short-Term Loans and Advances	16	4,38,78,622		4,23,37,122	
Other Current Assets	17	56,56,907	7,23,37,853	61,48,854	6,71,67,829
TOTAL			14,29,82,289		14,04,06,100

Significant Accounting Policies 1
The accompanying notes 1 to 34 form an integral part of the financial statements

As per our report annexed
For V. SINGHI & ASSOCIATES
Chartered Accountants
Firm Registration No. 311017E
(V. K. SINGHI)
Partner
Membership No. 050051
Place : Kolkata
Date : 28th May, 2014

For and on behalf of the Board
NARENDRA KUMAR
(DIN No. 00121320) *Chairman*
GOURI SHANKAR KEJRIWAL
(DIN No. 00214084) *Director*
GIRIJA SANKAR SHARMA
(DIN No. 01196231) *Director*

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

	Notes No.	Rs.	For the year ended 31 March 2014 Rs.	Rs.	For the year ended 31 March 2013 Rs.
Revenue from Operations	18		15,70,11,654		16,38,65,282
Other Income	19		41,31,002		36,24,213
			16,11,42,656		16,74,89,495
Expenses :					
Cost of Materials Consumed	20		4,57,72,025		5,35,93,049
Changes in Inventories of Finished Goods Work in Progress and Stock-in-Trade	21		(40,49,385)		(31,05,654)
Employee Benefits Expense	22		5,48,06,318		5,31,23,724
Finance Costs	23		1,15,63,472		84,73,917
Depreciation and Amortization Expense			49,28,871		50,56,499
Other Expenses	24		4,58,81,009		4,78,58,567
			15,89,02,310		16,50,00,102
Profit before tax			22,40,346		24,89,393
Tax expenses					
Current Tax :					
For the year		4,13,000		3,60,000	
For Earlier year		23,618		—	
Fringe Benefit Tax :					
For Earlier year		(25,551)		—	
Deferred Tax		(2,06,613)	2,04,454	10,82,673	14,42,673
Profit for the year			20,35,892		10,46,720
Earnings per share :					
Basic			2.17		1.12
Diluted			2.17		1.12
(Also Refer Note No. 33)					

Significant Accounting Policies 1

The accompanying notes 1 to 34 form an integral part of the financial statements

As per our report annexed
For V. SINGHI & ASSOCIATES
Chartered Accountants
Firm Registration No. 311017E
(V. K. SINGHI)
Partner
Membership No. 050051
Place : Kolkata
Date : 28th May, 2014

For and on behalf of the Board
NARENDRA KUMAR
(DIN No. 00121320) *Chairman*
GOURI SHANKAR KEJRIWAL
(DIN No. 00214084) *Director*
GIRIJA SANKAR SHARMA
(DIN No. 01196231) *Director*

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	For the year ended 31st March, 2014 Rs.	Rs.	For the year ended 31st March, 2013 Rs.	Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit / (Loss) before tax		22,40,346		24,89,393
Adjustments for :				
Depreciation (Net)	49,28,871		50,56,499	
Interest Charged	1,15,63,472		84,73,917	
(Profit)/Loss on Sale of Fixed Assets	(1,13,390)		(30,27,296)	
Interest Income	(33,84,778)		(3,026)	
Sundry Balances Written-off	—		7,43,953	
Liabilities Written Back	—	1,29,94,175	(12,212)	1,12,31,835
Operating Profit/(Loss) before Working Capital Changes		1,52,34,521		1,37,21,228
Adjustments For Changes In Working Capital :				
Trade & Other Receivables	(15,10,274)		(2,21,24,146)	
Inventories	(37,02,393)		(42,05,794)	
Trade & Other Payables	(21,73,317)	(73,85,984)	28,46,123	(2,34,83,817)
Net Cash Flow/(Outflow) Before Tax		78,48,537		(97,62,590)
Tax Refund/(Paid)		(1,12,521)		(7,37,500)
Net Cash Inflow/(Outflow) from Operating Activities (A)		77,36,016		(1,05,00,090)
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Fixed Assets		(25,96,624)		(51,54,783)
Sale of Fixed Assets		3,96,080		36,18,075
Interest Received		33,84,778		3,026
Net Cash Inflow/(Outflow) Investing Activities (B)		11,84,233		(15,33,682)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014, (CONTD.)

	For the year ended 31st March, 2014 Rs.	For the year ended 31st March, 2013 Rs.
C. CASH FLOW FROM FINANCIAL ACTIVITIES :		
Borrowings Taken	1,40,51,235	2,72,78,537
Borrowings Repaid	(1,13,93,854)	(1,89,09,633)
Interest Paid	(1,17,03,193)	(84,76,361)
Net Cash Inflow/(Outflow) Financing Activities (C)	(90,45,812)	(1,07,457)
Net Increase / (Decrease) in Cash & Cash Equivalents (A + B + C)	(1,25,562)	(1,21,42,228)
Cash & Cash Equivalents Opening Balance	6,24,223	1,27,65,453
Cash & Cash Equivalents Closing Balance	4,98,660	6,24,223
Cash & Cash Equivalents consists of :		
Cash in hand	1,62,215	1,82,821
Balances with Bank (including Fixed Deposits)	3,36,445	4,41,402
	4,98,660	6,24,223

Note : Figures in bracket represent outflow.

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.

Previous years figures have been regropued / rearranged wherever found necessary

This is the Cash Flow statement referred to in our Report of even date.

As per our report annexed
For V. SINGHI & ASSOCIATES
Chartered Accountants
Firm Registration No. 311017E
(V. K. SINGHI)
Partner
Membership No. 050051
Place : Kolkata
Date : 28th May, 2014

For and on behalf of the Board
NARENDRA KUMAR
(DIN No. 00121320) *Chairman*
GOURI SHANKAR KEJRIWAL
(DIN No. 00214084) *Director*
GIRIJA SANKAR SHARMA
(DIN No. 01196231) *Director*

Notes forming part of the financial Statements for the year ended 31st March, 2014

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Financial Statements have been prepared under the historical cost convention method and in accordance with Generally Accepted Accounting Principles in India. The Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956.

b) USE OF ESTIMATES

The preparation of the financial statements in conformity with the Indian GAAP requires the management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of reporting period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumption and estimates could result in the outcomes requiring a material adjustment to the carrying amount of assets or liabilities in future periods.

c) INVENTORIES

Inventories are valued at lower of Cost or Net Realizable Value. Stores and Spares are valued at cost.

d) REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition shall also be met before revenue is recognised.

SALE OF PRODUCTS

Revenue from sale of goods is recognised when all significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of goods. Sales are net of returns.

INTEREST

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other Income" in the Statement of Profit and Loss.

e) FIXED ASSETS AND DEPRECIATION

i) Fixed Assets are stated at cost. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the assets to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving the purchase price.

Notes forming part of the financial Statements for the year ended 31st March, 2014

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (contd.)

ii) Depreciation on Fixed Assets acquired on or after 01/04/1991 has been provided on straight line method at the rates prescribed in Schedule XIV to the Companies Act, 1956. Depreciation on all other Fixed Assets is provided on written down value method as per the rates prescribed in Schedule XIV to the Companies Act, 1956.

f) GOVERNMENT GRANTS

Government Grant related to specific fixed assets are deducted from Gross Value of related assets in arriving at their Book Value.
Government Grant related to revenue are recognized in the Statement of Profit and Loss.

g) INVESTMENTS

Long term investments are stated at cost unless there is a permanent diminution in value.

h) RETIREMENT BENEFITS

i) Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the Statement of Profit and Loss for the year when the contributions are due. The company has no obligation, other than the contributions payable to the provident fund.

ii) Accrued liability in respect of retirement gratuities are actuarially ascertained at the year end.

iii) Liability for leave encashment benefits are accounted for on Cash Basis.

i) BORROWING COSTS

Borrowing cost is recognised as an expense in the year in which it is incurred.

j) EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

k) TAXES ON INCOME

Tax expense comprises Current and Deferred Tax. Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act.

Deferred tax is calculated at current statutory Income Tax rates as applicable and is recognised on timing difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period. Deferred tax assets subject to consideration of prudence are recognised and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Notes forming part of the financial Statements for the year ended 31st March, 2014

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (contd.)

l) IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS

The Company identifies impairable assets at the year end in accordance with the guiding principles of Accounting Standard-28 issued by the Institute of Chartered Accountants of India, for the purpose of arriving at impairment loss thereon, being the difference in the book value and the recoverable value of the relevant assets. Impairment loss, when crystallizes, are charged against revenues for the year.

m) PROVISIONS

A provision is recognised when the Company has a present obligation as a result of past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting period. These estimates are reviewed at each reporting date and adjusted to reflect the current based estimate.

n) CONTINGENT LIABILITIES

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. The company does not recognise a contingent liability but discloses its existence in the financial statements.

Notes forming part of the financial statements for the year ended 31st March, 2014 (Contd.)

	Rs.	As at 31st March, 2014 Rs.	Rs.	As at 31st March, 2013 Rs.
NOTE - 2				
SHARE CAPITAL				
a) Authorised				
Equity Shares of Rs. 10/- each	10,00,000	1,00,00,000	10,00,000	1,00,00,000
b) Issued, Subscribed and Paid Up				
Equity Shares of Rs. 10/- each fully Paid Up	9,37,200	93,72,000	9,37,200	93,72,000
		93,72,000		93,72,000

c) Reconciliation of Number of Shares

	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Opening Balance	9,37,200	93,72,000	9,37,200	93,72,000
Changes during the year	—	—	—	—
Closing Balance	9,37,200	93,72,000	9,37,200	93,72,000

d) The shareholders have the right to declare and approve dividends, as proposed by the Board of Directors for any financial year, to be paid to the members according to their rights and interest in the profits. However, no larger dividend shall be declared than is recommended by the Board of Directors. Each holder of Equity Shares is entitled to one vote per share.

e) In the events of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

d) Name of the Shareholders holding shares more than 5%

Name of Shareholders	As at 31st March 2014		As at 31st March 2013	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Mrs. Pramod Rani	1,63,388	17.43	1,63,388	17.43
Mrs. Ritika Kumar	2,17,155	23.17	2,17,155	23.17
Aryavrat Trading Pvt. Ltd.	3,03,627	32.40	3,03,627	32.40
Aquatech Projects Pvt. Ltd.	1,12,055	11.96	66,460	7.09
The Ashoka Trading Co. Pvt. Ltd.	50,145	5.35	50,145	5.35
Chieftain Engg. India (P) Ltd.	59,900	6.39	59,900	6.39

As per records of the Company, including its register of shareholders/members and other declaration received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Notes forming part of the financial statements for the year ended 31st March, 2014 (Contd.)

	Rs.	As at 31st March, 2014 Rs.	Rs.	As at 31st March, 2013 Rs.
NOTE - 3				
RESERVES AND SURPLUS				
Capital Reserve				
As per last Financial Statement		28,31,823		28,31,823
General Reserve				
As per last Financial Statement		1,69,77,324		1,69,77,324
Surplus				
As per last Financial Statement	48,55,362		38,08,642	
Add : Profit for the current year as per Statement of Profit and Loss	20,35,892	68,91,253	10,46,720	48,55,362
		2,67,00,400		2,46,64,509
NOTE - 4				
LONG TERM BORROWINGS				
SECURED				
a) Term Loans				
From Allahabad Bank [Refer Note 4(b) and (c)]				
Gross Amount	60,00,000		90,00,000	
Less : Repayable within one year	30,00,000	30,00,000	30,00,000	60,00,000
From Tea Board under SPTF Scheme [Refer Note 4(d)				
(i) Loan I [Refer Note 4(e)]	37,42,525		37,42,525	
(ii) Loan II [Refer Note 4(f)]	18,71,262		18,71,262	
(iii) Loan III [Refer Note 4(g)]	14,83,666	70,97,453	14,83,666	70,97,453
Car Loan from HDFC Bank Ltd. [Refer Note 4(h)]				
Gross Amount	—		3,68,560	
Less : Account Foreclose	—	—	3,68,560	—
Car Loan from HDFC Bank Ltd. [Refer Note 4(h)(iii)]				
Gross Amount	12,07,919		—	
Less : Repayable within one year	6,57,904	5,50,015	—	—
Car Loan from AXIS Bank [Refer Note 4(h)(i)]				
Gross Amount	5,27,918		7,84,459	
Less : paid during the year	83,040		—	
Less : Repayable within one year	3,77,880	66,998	2,56,541	5,27,918
Car Loan from HDFC Bank Ltd. [Refer Note 4(h)(ii)]				
Gross Amount	3,61,056		4,72,528	
Less : paid during the year	74,241		—	
Less : Repayable within one year	2,10,550	76,265	1,11,472	3,61,056
		1,07,90,731		1,39,86,427

Notes forming part of the financial statements for the year ended 31st March, 2014 (Contd.)

b) The Term Loan and Cash Credit from Allahabad Bank are secured by Equitable Mortgage of Land and Buildings (leasehold property) and hypothecation of Plant & Machineries, Furniture & Fixtures and Vehicles of Durrung Tea Estate and hypothecation / charge over entire Stocks, Book Debts and all other Current Assets of the Company, both present and future and personal guarantees of Mr. Manish Kumar and Mr. Narendra Kumar, Directors of the Company. The above loan is further secured by second mortgage / hypothecation of immovable and movable assets and Corporate guarantees of Ritspin Synthetics Limited and Wearit Global Limited.

c) The Term Loan from Allahabad Bank is repayable in equal half yearly installments of Rs. 15 lacs each ending on 31.12.2015

d) The loans from Tea Board under SPTF Scheme are secured by second charge by way of Equitable Mortgage of the Immovable property and hypothecation of stock (tea crops). The loan has a moratorium period of five years from the date of disbursement, repayable in sixteen equal half yearly installments commencing from the sixth year.

e) Eighty percent of the loan amounting to Rs. 30,06,151/- is repayable in sixteen equal half yearly installments of Rs.1,87,885/- each beginning from June, 2015. Remaining portion of the loan amounting to Rs. 7,36,374/- is repayable in sixteen equal half yearly installments of Rs. 46,023/- each beginning from August, 2015.

f) Eighty percent of the loan amounting to Rs. 14,97,010/- is repayable in sixteen equal half yearly installments of Rs. 93,563/- each beginning from November, 2015. Remaining portion of the loan amounting to Rs. 3,74,252/- is repayable in sixteen equal half yearly installments of Rs. 23,391/- each beginning from February, 2016.

g) This loan is repayable in sixteen equal half yearly installments of Rs. 92,729/- each beginning from August, 2016.

h) Secured by way of hypothecation of motor cars purchased there against.

From Axis Bank Limited :

i) Repayable in 36 equal monthly installments of Rs. 33,950 each ending on 15th May, 2015.

From HDFC Bank Limited :

ii) Repayable in 36 equal monthly installments of Rs. 19,570 each ending on 5th July, 2015.

iii) Repayable in 24 equal monthly installments of Rs. 64,341 each ending on 5th December, 2015.

Notes forming part of the financial statements for the year ended 31st March, 2014 (Contd.)

	Rs.	As at 31st March, 2014 Rs.	Rs.	As at 31st March, 2013 Rs.
NOTE - 5				
DEFERRED TAX LIABILITY				
Deferred Tax Liability				
- On account of Accumulated Depreciation	52,99,583		51,77,787	
Less : Deferred Tax Assets				
- For Accumulated Carry forward losses	22,17,590	30,81,993	18,89,181	32,88,606
		30,81,993		32,88,606
NOTE - 6				
SHORT TERM BORROWINGS				
SECURED				
Cash Credits				
From Allahabad Bank [Refer Note 4(b)]		6,82,38,724		6,17,45,408
UNSECURED				
Loans from Related Parties [Refer Note No. 30]				
- Body Corporates		3,50,000		—
- Director		10,00,000		—
From Other Body Corporates		50,00,000		75,00,000
		7,45,88,724		6,92,45,408
NOTE - 7				
TRADE PAYABLES				
Sundry Creditors		79,26,200		1,08,77,087
		79,26,200		1,08,77,087

Notes forming part of the financial statements for the year ended 31st March, 2014 (Contd.)

	Rs.	As at 31st March, 2014 Rs.	Rs.	As at 31st March, 2013 Rs.
NOTE - 8				
OTHER CURRENT LIABILITIES				
Current Maturities of Long Term Debt				
From Allahabad Bank [Refer Note 4(a)]	30,00,000		30,00,000	
Car Loan from HDFC Bank Ltd. [Refer Note 4(h & i)]	8,68,455		4,80,032	
Car Loan from Axis Bank [Refer Note 4(j)]	3,77,880	42,46,335	2,56,541	37,36,573
Advance from Customers		10,63,763		4,43,281
Interest accrued and due on term loans		78,061		1,08598
Interest accrued and due on Unsecured Loan taken from Body Corporates		—		1,09,184
Other Liabilities				
- Payable to Statutory Authorities		8,09,446		6,91,067
- Other Payables		43,24,636		38,72,927
		1,05,22,241		89,61,631
NOTE - 9				
SHORT - TERM PROVISIONS				
For Income Tax (Net)*		—		10,432
		—		10,432

*Net of advance tax amounting to Rs. Nil (Previous year Rs. 7,37,500/-)

Notes forming part of the financial statements for the year ended 31st March, 2014 (Contd.)

NOTE - 10
FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost as at 31/03/2013	Additions	Disposal/ Adjustments	Cost upto 31/03/2014	Upto 31/03/2013	For the year	On Disposal/ Adjustments	Upto 31/03/2014	As at 31/03/2014	As at 31/03/2013
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
a) Tangible Assets										
Leasehold Land and Boundary Wall	13,29,983	—	—	13,29,983	—	—	—	—	13,29,983	13,29,983
Plantation	1,25,71,157	—	2,46,078	1,23,25,079	—	—	—	—	1,23,25,079	1,25,71,157
Buildings	1,13,64,634	—	—	1,13,64,634	25,16,870	3,44,324	—	28,61,194	85,03,440	88,47,764
Furniture and Fixtures	16,85,163	31,665	—	17,16,828	6,70,346	94,968	—	7,65,314	9,51,514	10,14,817
Plant and Machineries	6,40,93,628	25,07,221	12,69,773	6,53,31,076	2,66,64,296	35,74,095	12,33,162	2,90,05,230	3,63,25,846	3,74,29,332
Vehicles	1,09,93,511	57,737	13,45,147	97,06,101	52,14,982	9,15,484	13,45,147	47,85,319	49,20,782	57,78,529
Total	10,20,38,076	25,96,623	28,60,998	10,17,73,701	3,50,66,494	49,28,871	25,78,308	3,74,17,057	6,43,56,644	6,69,71,581
Figures for Privious Year	9,91,48,925	51,54,784	22,65,633	10,20,38,076	3,16,84,849	50,56,499	16,74,854	3,50,66,494	6,69,71,581	
b) Intangible Assets										
Goodwill	22,53,495	—	—	22,53,495	—	—	—	—	22,53,495	22,53,495
TOTAL	22,53,495	—	—	22,53,495	—	—	—	—	22,53,495	22,53,495
Previous Year	22,53,495	—	—	22,53,495	—	—	—	—	22,53,495	

Notes forming part of the financial statements for the year ended 31st March, 2014 (Contd.)

	No. of Shares	As at 31st March, 2014 Rs.	No. of Shares	As at 31st March, 2013 Rs.
NOTE - 11				
NON - CURRENT INVESTMENTS				
Long Term (Other than Trade - At Cost)				
Unquoted Fully paid - up Equity Shares of Rs. 10/- each				
Associates				
Wearit Global Limited	16,000	16,00,000	16,000	16,00,000
		16,00,000		16,00,000
NOTE - 12				
LONG TERM LOANS AND ADVANCES				
Unsecured, considered good by the management				
Security and Other Deposits		24,34,296		24,13,195
		24,34,296		24,13,195
NOTE - 13				
INVENTORIES				
(As taken, valued and certified by the management)				
a) Finished Goods (at Net Realisable Value or Cost - whichever is lower				
Tea*		87,44,145		46,94,760
b) Stores and Spare parts (at cost)		1,21,34,038		1,24,81,031
		2,08,78,183		1,71,75,790

*Includes Rs. 34,25,341/- lying with third parties (Previous Year Rs. 20,59,020/-)

	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
NOTE - 14		
TRADE RECEIVABLES		
Unsecured and considered good by the management		
Other Debts	14,25,481	8,81,840
	14,25,481	8,81,840

Notes forming part of the financial statements for the year ended 31st March, 2014 (Contd.)

	Rs.	As at 31st March, 2014 Rs.	Rs.	As at 31st March, 2013 Rs.
NOTE - 15				
CASH & CASH EQUIVALENTS				
Balances with Scheduled Banks				
In Current Accounts	2,81,445		3,86,402	
Fixed Deposit having maturity more than 12 months	55,000	3,36,445	55,000	4,41,402
(Pledged with a Bank)				
Cash in hand (As certified by the management)		1,62,215		1,82,821
		4,98,660		6,24,223
NOTE - 16				
SHORT TERM LOANS AND ADVANCES				
UNSECURED (Considered good by the management)				
Advances				
To Related Parties [Refer Note No. 30]		3,96,50,000		3,84,00,000
To Other Parties				
Advance to Suppliers	12,12,925		13,30,367	
Advances to Employees	1,71,095		39,000	
Advances to Contractors	54,281		1,29,541	
Prepaid Expenses	18,966		—	
Others	24,57,661	39,14,928	24,27,838	39,26,746
Advance payment of Fringe Benefit Tax (Net)*		4,716		10,376
Advance payment of Income Tax (Net)*		3,08,978		
		4,38,78,622		423,37,122

*Advance payment of Fringe Benefit Tax has been stated net of Provision for Tax Rs. 1,66,000/- (Previous Year Rs. 2,10,340/-)

*Advance payment of Income Tax has been stated net of Provision for Tax amounting to Rs. 10,06,000/- (Previous Year Rs. 7,47,932/-)

	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
NOTE - 17		
OTHER CURRENT ASSETS		
(Unsecured, Considered good by the management)		
Insurance Claim Receivable	11,031	11,031
Subsidy Receivable	50,07,429	51,98,389
Interest Receivable	6,38,447	9,39,433
	56,56,907	61,48,854

Notes forming part of the financial statements for the year ended 31st March, 2014 (Contd.)

	For the year ended 31st March, 2014 Rs.	Rs.	For the year ended 31st March, 2013 Rs.	Rs.
NOTE - 18				
REVENUE FROM OPERATIONS				
Sale of Products				
Tea	15,75,76,845		16,44,26,597	
Less : Excise Duty	5,65,191	15,70,11,654	5,61,315	16,38,65,282
		15,70,11,654		16,38,65,282
NOTE - 19				
OTHER INCOME				
Tea Board Upgradation Subsidy		—		5,69,708
Interest (Gross)				
(Tax deducted at Source Rs. 3,38,478/-) (Previous year Rs. Nil)				
On Fixed Deposit		1,005		3,026
On Loan		33,84,778		—
On Income Tax and FBT Refund		3,099		—
Profit on sale of Fixed Assets (Net)		1,13,390		30,27,296
Liabilities written back		—		12,212
Insurance Claim Received		6,22,472		—
Miscellaneous Income		6,258		11,971
		41,31,002		36,24,213
NOTE - 20				
COST OF RAW-MATERIAL CONSUMED				
(as certified by the management)				
Green Leaf Purchased [100% Indigenous]		4,57,72,025		5,35,93,049
		4,57,72,025		5,35,93,049
NOTE - 21				
CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE				
Finished Goods				
Opening Stock	46,94,760		15,89,106	
Less : Closing Stock	87,44,145	(40,49,385)	46,94,760	(31,05,654)
		(40,49,385)		(31,05,654)
NOTE - 22				
EMPLOYEE BENEFIT EXPENSE				
Salaries and Wages*		4,68,72,056		4,48,97,978
Contributions to Provident and Other Funds		50,23,174		49,12,538
Staff and Labour Welfare expenses (Including Subsidy on food stuff Rs. 19,52,065/-, Previous Year Rs. 19,95,529/-)		29,11,088		33,13,208
		5,48,06,318		531,23,724

*Include Remuneration to Whole time Directors

Notes forming part of the financial statements for the year ended 31st March, 2014 (Contd.)

	For the year ended 31st March, 2014 Rs.	Rs.	For the year ended 31st March, 2013 Rs.	Rs.
NOTE - 23				
FINANCE COST				
Interest Expense				
To Banks				
On Cash Credit	77,65,258		55,95,700	
On Term Loans	10,63,891		13,18,671	
To Others	12,02,709		6,11,008	
To Tea Board on SPTF	7,26,780	1,07,58,638	7,26,779	82,52,158
Other Borrowing Cost		8,04,834		2,21,759
		1,15,63,472		84,73,917
NOTE - 24				
OTHER EXPENSES				
Stores and spare parts consumed (as Certified) [100% Indigenous]		57,05,941		81,04,252
Power and Fuel		1,70,23,738		1,78,69,677
Rent		65,820		1,85,050
Repairs & Maintenance :				
To Building	25,62,734		8,95,244	
To Machineries	34,08,227		40,90,042	
To Vehicles	14,78,080		21,85,767	
To Others	24,51,402	99,00,443	16,16,813	87,87,865
Insurance		2,87,319		2,57,421
Rates and Taxes		16,01,720		14,49,925
Packing and Despatch Expenses		13,07,647		12,50,902
Brokerage & Commission		27,31,622		26,34,468
Tea Selling Expenses		41,46,123		35,50,170
General Charges		29,35,890		26,03,206
Legal & Professional Fees		94,520		3,34,439
Payment to Auditors :				
As Auditor	64,124		44,944	
For Taxation matters	8,160		7,451	
For Management Services	6,144		8,314	
For Other Services	1,798	80,226	14,045	74,754
Sundry Balances written off		—		7,43,953
Miscellaneous Expenses		—		12,486
		4,58,81,009		4,78,58,567

Notes forming part of the financial statements for the year ended 31st March, 2014 (Contd.)

NOTE - 25

Contingent Liabilities and Commitments

Contingent Liabilities not provided for in the Financial Statements in respect of :

	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
(i) Guarantee issued by a Bank on behalf of the Company	55,000	55,000
(ii) Income Tax matter under dispute	—	6,67,761
(iii) Agriculture Tax matters under dispute	—	4,83,815

NOTE - 26

In the opinion of the management, the value of the realization of Long Term Loans and Advances and current assets in the ordinary cource of business would not be less than the amount at which they are stated in the Balance Sheet.

NOTE - 27

Employee Benefits : Gratuity

The Company's gratuity scheme, a defined benefit plan, covers the eligible employees and is administered through a gratuity fund. Such gratuity fund, whose investments are managed by trustees themselves, make payments to vested employees or their nominees upon retirement, death, incapacitation or cessation of employment, of an amount based on the respective employee's salary and tenure of employment subject to maximum limit of Rs. 10 lakhs. Vesting occurs upon completion of 5 years of service.

a) Liability in respect of Gratuity upto 31st March, 2014 comes to Rs. 164.72 Lacs as per Actuarial valuation against which the fund accumulation as on 31st March, 2014 is Rs. 5.73 Lacs. Net Liability of Rs. 158.99 Lacs including Rs. 18.37 Lacs for the current year remained unprovided in this Financial Statements.

b) The following Table sets forth the particulars in respect of Defined Benefits Plan of the Company.

Changes in Present Value of defined benefit obligation — **For the year ended**

Sl.	Description	31st March 2014 Rs. (lakhs)	31st March 2013 Rs. (lakhs)
i.	Present Value of defined benefit obligation at 31.03.2013	163.71	138.74
ii.	Employer Service Cost	11.45	11.00
iii.	Interest Cost	14.78	11.61
iv.	Benefits Paid	(18.04)	(1.45)
v.	Actuarial Loss/(Gain) on obligation	(7.18)	3.81
vi.	Present Value of Obligation at 31.03.2014	164.72	163.71

Notes forming part of the financial statements for the year ended 31st March, 2014 (Contd.)

Change in Fair value of plan assets

i.	Fair Value of Plan Assets at the beginning of the year	**5.56**	6.68
ii.	Actual return on Plan Assets	**.48**	0.33
iii.	Actual Company Contribution	—	—
iv.	Benefit Payments	**(18.04)**	(1.45)
v.	Fair Value of Plan Assets at the 31.03.2014	**5.73**	5.56

Amount Recognised in Balance Sheet

i.	Present Value of Obligation at end of the year	**164.72**	163.71
ii.	Fair Value of Plan Assets at the end of the period	**5.73**	5.56
iii.	Funded Status [Surplus/(Deficit)]	**(158.99)**	(158.15)
iv.	Unrecognised Past Service Cost	—	—
v.	Net Asset/(Liability)	**(158.99)**	(158.15)
vi.	Liability recognised in the Balance Sheet	—	—

Expenses Recognised in Statement of Profit and Loss

i.	Current Service Cost (including risk premium for fully insured benefits)	**11.45**	11.00
ii.	Interest Cost	**14.78**	11.61
iii.	Expected Return of Asset	**0.48**	0.42
iv.	Actuarial (Gain)/Loss	**(7.38)**	(3.90)
v.	Total Employer Expenses	**18.37**	18.29
vi.	Recognised in Profit & Loss	**25.77**	26.09

Principal Actuarial Assumptions

i.	Mortality	LIC (2006-08), ultimate table
ii.	Morbidity	No explicit allowance
iii.	Withdrawal	2% to 1%, depending on the age and length of service.
iv.	Discount Rate	9% p.a. being consistent with yield on long term Govt. bonds.
v.	Salary Increase	7% p.a.
vi.	Normal Age of Retirement	58 years

The experience adjustment on account of acturial assumptions of the Gratuity Scheme is as follows:

	Experience History	2013-14 Rs. (lakhs)	2012-13 Rs. (lakhs)	2011-12 Rs. (lakhs)	2010-11 Rs. (lakhs)	2009-10 Rs. (lakhs)
i.	Defined Benefit Obligation at end of the period	164.72	163.71	138.74	137.95	131.58
ii.	Plan Assets at the end of the year	5.73	5.56	6.68	6.04	18.43
iii.	Surplus / (Deficit)	(158.99)	(158.15)	(132.06)	(131.91)	(113.15)
iv.	Experience Adjustments on Plan Liabilities	7.18	(3.81)	9.77	(6.96)	(4.04)
v.	Experience Adjustments on Plan Assets	—	—	—	—	—

NOTE - 28

No Provision has been made for leave salary (amount unascertained) payable to employees of the Company. The same is being accounted for on cash basis.

Notes forming part of the financial statements for the year ended 31st March, 2014 (Contd.)

NOTE - 29

Based on the guiding principles given in the "Accounting Standards 17" on Segmental Reporting issued by The Institute of Chartered Accountants of India, the Company is a single segment Company mainly engaged in the manufacturing and selling of Tea and therefore Segment Reporting is not applicable.

NOTE - 30

Information required in accordance with "Accounting Standards - 18" on Related Party Disclosures issued by The Institute of Chartered Accountants of India is as given below :-

i) **Relationships**

1) **Associated Companies :**

Ritspin Synthetics Limited

Wearit Global Limited

Wearit Tea Trading Private Limited

SPBP Holdings Private Limited

SPBP Investments Private Limited

2) **Key Management Personnels :**

Mr. Narendra Kumar - Whole Time Director
Mr. Manish Kumar - Director
Mr. Gouri Shankar Kejriwal - Director
Mr. Girija Sankar Sharma - Director
Mr. Alok Krishna Agarwal - Director

ii) Disclosure of transactions with related parties are as under :

Key Management Personnel	**Nature of Transaction**	**For the year ended 31st March, 2014**	For the year ended 31st March, 2013
Mr. Narendra Kumar	Remuneration	9,16,907	9,43,508
Mr. Gouri Shankar Kejriwal	Interest Paid	83,836	—
Mr. Gouri Shankar Kejriwal	Unsecured Loan Taken	10,00,000	—
Associates			
SPBP Investment Pvt. Ltd.	Interest paid	18,247	—
Wearit Global Limited	Interest Received	2,41,107	—
SPBP Holding Pvt. Ltd.	Interest paid	13,685	—
Wearit Tea Trading Pvt. Ltd.	Interest Received	31,43,671	—
SPBP Holding Pvt. Ltd.	Unsecured Loan Taken	1,50,000	—
SPBP Investment P Ltd.	Unsecured Loan Taken	2,00,000	—
Wearit Global Limited	Unsecured Loan Given	2,26,00,000	—
Wearit Global Limited	Refund Received	2,26,00,000	—
Wearit Tea Trading Pvt. Ltd.	Advance Given	3,46,43,761	3,50,00,000
Wearit Tea Trading Pvt. Ltd.	Advance Refund	3,33,93,671	1,00,00,000

Notes forming part of the financial statements for the year ended 31st March, 2014 (Contd.)

ii) The amounts or appropriate proportions of outstanding items pertaining at the Balance Sheet date :

Associates	Nature of Transaction	For the year ended 31st March, 2014	For the year ended 31st March, 2013
SPBP Holding Pvt. Ltd.	Unsecured Loan Taken	1,50,000	—
SPBP Investment Pvt. Ltd.	Unsecured Loan Taken	2,00,000	—
Wearit Tea Trading Pvt. Ltd.	Advance Given	3,96,50,000	3,84,00,000
Wearit Global Limited	Investment	16,00,000	16,00,000
Key Management Personnel			
Mr. Gouri Shankar Kejriwal	Unsecured Loan Taken	10,00,000	—
Associates			
Wearit Global Limited Ritspin Synthetics Limited **Key Management Personnel** Mr. Narendra Kumar Mr. Manish Kumar	Guarantee against Long Term Borrowings availed by the Company	7,42,38,724	8,05,00,000

NOTE - 31

Expenditure in Foreign Currency for Travelling : Rs. 4,84,445/- (Previous Year : Rs. Nil)

NOTE - 32

The proportionate cost of leasehold building has not been amortised in the financial statement for the year as well as for earlier years.

NOTE - 33

Earnings per Share	For the year ended 31st March, 2014	For the year ended 31st March, 2013
Numerator		
Profit after Tax	Rs. 20,35,892	Rs. 10,46,720
Denominator		
Weighted average number of Equity Shares	9,37,200	9,37,200
Earning per Share		
(Basic and Diluted)	Rs. 2.17	Rs. 1.12

NOTE - 34

Previous year figures have been regrouped and / or rearranged wherever necessary.

Signature to Notes 1 to 34

As per our report annexed
For V. SINGHI & ASSOCIATES
Chartered Accountants
Firm Registration No. 311017E
(V. K. SINGHI)
Partner
Membership No. 050051
Place : Kolkata
Date : 28th May, 2014

For and on behalf of the Board
NARENDRA KUMAR
(DIN No. 00121320) *Chairman*
GOURI SHANKAR KEJRIWAL
(DIN No. 00214084) *Director*
GIRIJA SANKAR SHARMA
(DIN No. 01196231) *Director*