

**ANNUAL REPORT  
2012 - 2013**



**B&A LIMITED**



***"We congratulate our beloved Chairman, Dr. H. P. Barooah on being conferred with the National Distinction of 'Padma Shree' by Government of India."***



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## CORPORATE INFORMATION

### ***BOARD OF DIRECTORS***

Dr. Hemendra Prasad Barooah, Chairman  
Mr. Latifur Rahman  
Mr. P. K. Datta  
Mr. Basant Kumar Goswami  
Mr. Sudipto Sarkar  
Mr. Amit Chowdhuri  
Mr. Anjan Ghosh  
Mr. Rajkamal Bhuyan  
Mr. Somnath Chatterjee, Managing Director

### ***AUDITORS***

P. K.Nandy & Associates  
Chartered Accountants

### ***BANKERS***

United Bank of India  
State Bank of Hyderabad

### ***REGISTRAR & SHARE TRANSFER AGENT***

MCS Share Transfer Agent Ltd.  
12/1/5 Manohorpukur Road  
Ground Floor  
Kolkata - 700 026

### ***REGISTERED OFFICE***

Indu Bhawan  
Mahatma Gandhi Road  
Jorhat - 785 001

### ***CORPORATE OFFICE***

113, Park Street, 9th Floor  
Kolkata - 700 016

## NOTICE

Notice is hereby given that the Annual General Meeting of the Members of **B & A LIMITED** will be held at Indu Bhawan, Mahatma Gandhi Road, Jorhat, Assam- 785001 on Tuesday, 27th August 2013 at 10.30 am to transact the following business:

### ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at 31st March 2013 and the Profit & Loss Account for the year ended as on that date together with the reports of the Directors and the Auditors thereon.
2. To declare dividend on the equity shares of the company.
3. To appoint a Director in place of Mr. Amit Chowdhuri, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. R.K Bhuyan, who retires by rotation, and being eligible, offers himself for re-appointment.
5. To appoint Auditor in place of M/s. P.K. Nandy & Associates, Chartered Accountants, Kolkata, who retire by rotation, and being eligible, offer themselves for re-appointment, who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, at a remuneration fixed by the Board of Directors.

### SPECIAL BUSINESS

To pass with or without modification the following Ordinary Resolutions.

#### 6. Appointment of Director

“**RESOLVED THAT** pursuant to Section 257 of the Companies Act’ 1956, Mr. P.K.Datta be and is hereby appointed a Director liable to retire by rotation.”

#### 7. Reappointment of Managing Director

“**RESOLVED THAT** pursuant to Sections 198, 269, 309, 317 and other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII of the Act, the company hereby approves the appointment and payment of remuneration of Mr. Somnath Chatterjee as Managing Director of the company for a period of five years with effect from 1st April 2013 to 31st March 2018 upon terms and conditions set out in the Agreement entered into between the company and Mr. Somnath Chatterjee on 13th March 2013 , a copy whereof initialed by the Chairman for the purpose of identification has been placed before the meeting, which Agreement be and is hereby specifically approved. “

“**RESOLVED FURTHER THAT** the Board/ Remuneration Committee of the company be and are hereby authorized to vary and increase remuneration and perquisites thereof as specified in the said Agreement to the extent the Board / Remuneration Committee may consider appropriate, as may be permitted or authorized in accordance with any provisions under the said Act for the time being in force provided, however, that the remuneration and perquisites to be provided to Mr. Somnath Chatterjee shall be within the limits set out in the said Act including the said Schedule XIII to the Act or any amendments thereto or any modification or statutory re-enactments thereof and/or any rules or regulations framed there under and for the time being in force and the terms of this aforesaid Agreement between the company and Mr. Somnath Chatterjee shall be suitably modified to give effect to such variation or increase as the case may be, without further reference to Shareholders in the General Meeting.”



“**RESOLVED FURTHER THAT** notwithstanding anything to the contrary herein contained in the event of loss or inadequacy of profits in any financial year of the company during the tenure of office of Mr. Somnath Chatterjee as “Managing Director”, the remuneration and perquisites set out in the aforesaid agreement be paid or granted to Mr. Somnath Chatterjee as minimum remuneration and perquisites subject to the ceiling provided in Section II of Part II of the Schedule XIII of the said Act.”

## 8. Increase in Borrowing Limits

“**RESOLVED THAT** in supersession of Resolution No.10 passed in the Annual General Meeting of the company held on 30th July 2010, consent be and is hereby accorded in terms of section 293 (1) (d) of the Companies Act’ 1956 and other applicable provisions, if any, to the Board of Directors of the company for borrowing from time to time from any All India Financial Institutions, State Level Institutions, Nationalized Banks, Scheduled Commercial Banks or any Other Financial Institutions including any non-banking financial companies registered with the Reserve Bank of India or any other entity, any sum or sums of monies, which together with the monies already borrowed by the company (apart from temporary loans obtained or to be obtained from the company’s Bankers in the ordinary course of business) that may exceed the aggregate of the paid up share capital of the company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount so borrowed shall not at any time, exceed the limit of Rs.100,00,00,000 (Rupees One Hundred Crores only).

## 9. Mortgage in Favour of Lender

“**RESOLVED THAT** the consent of the company be and is hereby accorded under Section 293(1) (a) of the Companies Act’ 1956, and other applicable provisions if any, to the Board of Directors of the company for Mortgaging/ Charging in favour of any All India Financial Institutions, State Level Institutions, (hereinafter collectively referred to as ‘financial institutions’) Nationalized Banks, Scheduled Commercial Banks (hereinafter collectively referred to as ‘banks’) or any other financial institutions including any non-banking financial companies registered with the Reserve Bank of India (hereinafter referred to as ‘nbfc’s’), all the immovable and movable properties of the company both present and future and the whole of the undertakings of the company or such of them as may be agreed to between the Board and the financial institutions or banks or nbfc’s to secure any loan from such financial institutions, banks or nbfc’s together with interest, commitment charges, processing fees and other expenses incurred in connection with such loan and payable by the company to such financial institutions, banks or nbfc’s in terms of any loan agreement to be entered into between the company and such financial institutions, banks or nbfc’s, however, the overall ceiling of such loan including interest payable from all such financial institution, banks, or nbfc’s should not exceed an aggregate amount of Rs. 100,00,00,000 (Rupees One Hundred Crores only) or such higher sum as may be prescribed by the general body of shareholders from time to time.”

Kolkata  
The 29th May, 2013

By Order of the Board  
**D. Chowdhury**  
Company Secretary

## Notes :

1. A member entitled to attend and vote is also 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 instrument appointing proxy should, however, be deposited at the registered office of the company not less than forty eight hours before the commencement of the meeting. A proxy so appointed shall not have any right to speak at the meeting. The blank proxy form is enclosed with this Annual Report.
2. The Register of Members and the Share Transfer Books of the company shall remain closed from 17th August to 27th August 2013 (both days inclusive).
3. The dividend, as recommended by the Board, if declared at the Annual General Meeting, will be paid, subject to the provisions of Section 206A of the companies Act, 1956 to those member or their mandates whose names stand registered on the company's Register of Members.
  - a) As Beneficial owners as at the end of business hours on 16th August 2013 as per prelist to be furnished by NSDL and CDSL with respect to shares held in Electronic Form.
  - b) As members in the Register of Members of the company after giving effect to valid share transfers in physical form lodged with the company or the Share Transfer agents M/s. MCS Share Transfer Agent Ltd ,12/1/5, Monhorpukur Road, Kolkata-700 026 on or before 16th August 2013.
4. Members are requested to notify immediately any change in their address, to their DP in respect of their Electronic Share Accounts and to the Registrar in respect of their physical shares, as the case may be.
5. The dividend shall be distributed vide ECS or direct credit to the Members' bank account. Members are requested to furnish details of ECS Mandate as per details attached at the end of the Annual Report 2012-13.
6. **Members who have not so far encashed their Dividend Warrants for the Accounting Years ended 31st March 2009, 2010, 2011 and 2012 may immediately approach the Registrars for revalidation of unclaimed Dividend Warrants.**
7. Members are requested to note in the change in Registrar and Share Transfer Agent of the company.  
From :  
**MCS Ltd.,**  
77/2A, Hazra Road, Ground Floor  
Kolkata- 700029, Ph- 033-2454-1892/93  
Fax- 033 2454-1961  
Email- mcs@cal2.vsnl.net.in  
To :  
**MCS Share Transfer Agent Ltd.**  
12/1/5, Manhorpukur Road  
Kolkata- 700026  
Ph- 033 4072-4051 (3 lines)  
Fax- 033 4072 4050  
Email- mcssta@rediffmail.com
8. Shareholders who are interested in making nominations in respect of their shareholding in the company in physical form as permitted under Section 109-A of the Companies Act, 1956 are requested to submit the form 2B to the Registrar & Share Transfer Agent of the company.



## 9. Appointment/Reappointment of Director

In the ensuing Annual General Meeting Mr. Amit Chowdhuri and Mr.R.K. Bhuyan, retire by rotation and being eligible, offer themselves for re-appointment. Mr. P. K. Datta retires in the ensuing general meeting and proposal has been received from a member to appoint him as Director in the said meeting. Mr. Somnath Chatterjee has been re-appointed as Managing Director by the Board of Directors. His reappointment requires approval of the shareholders in the ensuing general meeting.

The information or details pertaining to them pursuant to Clause 49 (IV) (E) & (G) of the Listing Agreement with the Stock Exchange(s) are furnished in the statement on Corporate Governance published in the Annual Report.

10. Pursuant to a direction issued by Ministry of Corporate Affairs vide General Circular No. 2/2011 dated 8th February 2011 under section 212 (8) of the Companies Act' 1956, Annual Report for the financial year 2012-13 is sent to the shareholders without attaching the Balance Sheet and other documents as required under section 212 (1) of the Act' with respect of the company's subsidiary 'B& A Packaging India Ltd'. Any shareholder seeking detailed information on the above-mentioned documents can write to the company asking hard copy of the same. Published Annual Accounts for the financial year 2012-13 of the subsidiary 'B&A Packaging India Ltd' is available for inspection by any shareholder at the corporate office of the company, 113, Park Street, 9th Floor, Kolkata- 700016 between 11 a.m. to 1 p.m on any working day and is also available in the website of the company.

## ANNEXURE TO NOTICE

### Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956

#### Item no. 6. APPOINTMENT OF DIRECTOR

Mr. P. K. Datta was appointed Additional Director with effect from 29th May 2013. Mr. P. K. Datta holds office up to this Annual General Meeting. Pursuant to Section 257 of the Companies Act' 1956 the company has received notice from a member to reappoint him as Rotational Director in the company.

Mr. P. K. Datta is deemed to be concerned and interested this resolution. Your Directors propose this resolution to be passed by the members in the best interest of the company.

#### Item no. 7. REAPPOINTMENT OF MANAGING DIRECTOR

Mr. Somnath Chatterjee was reappointed as Managing Director with effect from 1st April, 2013 by the Board of Directors in its meeting held on 8th February 2013 upon expiry of his previous tenure of such office on 31st March 2013. The terms and conditions of his appointment including remuneration payable in the capacity of Managing Director which was recommended by the Remuneration Committee in its meeting held on 8th February 2013, is subject to the approval of the members in this general meeting. An agreement was executed by the company with Mr. Chatterjee on 13th March 2013 ascribing to the following terms and conditions including remuneration payable to him.

- (1) Mr. Chatterjee will be appointed Managing Director for five years with effect from 1st April 2013; i.e. from 1st April 2013 to 31st March 2018.



- (2) Mr. Chatterjee will be entitled to a Basic Salary of Rs. 71,000 per month. The annual increments will be effective from 1st April each year, and will be decided by the Remuneration Committee and/or Board of Directors and will be merit based.
- (3) Perquisites and allowances -
- (a) House Rent Allowance : House rent allowance at actuals, subject to the maximum limit of Rs. 25,500 per month.
  - (b) Ex-gratia : As per rules of the company.
  - (c) Medical : Reimbursement of actual cost for self and family including medical insurance.
  - (d) Leave Travel Assistance : For self and family as per Rules of the company.
  - (e) Soft Furnishing : As per rules of the company.
  - (f) Provision for use of chauffer driven company maintained car for official duties attended, provision for telephone at office, residence and mobile phones, including long distance calls and monthly subscription fees for Clubs, shall not be included in the computation of limits for the remuneration and shall be grouped under perquisites or allowances given to Mr. Chatterjee.
  - (g) Leave : As per Rules of the company.
  - (h) Contribution to Provident Fund and Gratuity : As per rules of the company.
  - (i) Children's education allowance: As per rules of the company.
  - (j) Electricity & Gas : Actual cost will be borne by the Company subject to a ceiling of Rs. 70,000 per annum.
- (4) Minimum Remuneration: If in any financial year, during the currency of the tenure of Mr. Chatterjee as the Managing Director, the company has no profits or its profits are inadequate, the company will pay Mr. Chatterjee the above remuneration as the minimum remuneration so far such remuneration does not exceed the limit laid down in Section II of Part II of Schedule XIII to the Act.
- (5) Mr. Chatterjee will not retire by rotation till he continues to hold office of Managing Director; his office of Managing Directorship will mature if he ceases to hold office of director for any reason. Mr. Chatterjee will cease to be a Director if he ceases to be in employment of the company as Managing Director.
- (6) Mr. Chatterjee will work under the superintendence, control and direction of the Board of Directors of the company.
- (7) Mr. Chatterjee is entrusted with substantial powers of management of the affairs of the company except those powers exercisable exclusively by the Board in terms of Companies Act' 1956 or Articles of Association of the company.
- Your Directors recommend this resolution to be passed by the Members for the best interest of the company. None of the Directors except Mr. Somnath Chatterjee is concerned or interested in this resolution.



## ITEM NO.8 INCREASE IN BORROWING LIMITS

As per provisions of section 293 (1) (d) of the Companies Act' 1956, the Board of Directors of the company, cannot except with the permission of the Shareholders in General Meeting, borrow monies in excess of the aggregate of the paidup share capital of the company and its free reserves.

The Shareholders of the company in the Annual General Meeting held on 30th July 2010 , approved, inter alia, borrowings in terms of Section 293 (1) (d) of the Companies Act' 1956 up to Rs. 60 crores.

The increasing business operations and future growth plans of the company would necessitate restructuring of the borrowing limits by authorizing the Board of Directors to borrow monies which may exceed at any time aggregate of the paid up capital of the company and its free reserves but limited to a sum not exceeding Rs. 100 cores. Your Directors recommend this resolution for your approval.

None of the Directors of the company is concerned or interested in this resolution.

## ITEM NO. 9 MORTGAGE IN FAVOUR OF LENDER

As per provisions of section 293 (1) (a) of the Companies Act' 1956, the Board of Directors of the company, cannot except with the permission of the shareholders in General Meeting, sell, lease or otherwise dispose off the undertaking or undertakings of the company. It is connoted that executing mortgage over company's business assets or units under other than equitable mortgages will operate as disposing off the undertaking or undertakings of the company.

The increasing business operations and future growth plans of the company would necessitate gearing of additional funds from Financial Institutions and Banks in form of secured loans which would deduce such terms inter alia mortgaging moveable and immovable assets of the company in favour of the lenders. The instant resolution in the accompanying notice is proposed to authorise the Board of Directors to approve and execute mortgages in favour of such financial institutions or banks to secure any money borrowed by the company from such lenders. Your Directors recommend this resolution for your approval.

None of the Directors of the company is concerned or interested in this resolution.

Kolkata  
The 29th May, 2013

By Order of the Board  
**D. Chowdhury**  
Company Secretary



## DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the Annual Report together with the audited accounts of the company for the year ended March 31, 2013.

### FINANCIAL RESULTS

(Rs. In lacs)

PARTICULARS	Year ended 31st March, 2013	Year ended 31st March, 2012
Profit before Depreciation And Interest	1972.34	1723.60
Less: Finance Charge	635.10	541.46
Profit after finance charge	1337.24	1182.14
Less: Depreciation	186.36	166.36
Profit before tax	1150.88	1015.78
Less: Provision for Tax		
Current Tax	230.00	218.00
Deferred Tax	37.86	50.61
Profit After Tax	883.02	747.17
<b>APPROPRIATIONS</b>		
Proposed Dividend	77.50	62.00
Corporate Dividend Tax	13.17	10.06
Amount carried to General Reserve	88.30	56.04
Balance carried to Balance Sheet	704.05	619.07

### PERFORMANCE

Your company achieved operational revenue of Rs. 100.75 cr. from sale of tea this financial year as against Rs. 83.22 cr. for the previous year ended on 31st March 2012. This being the highest turnover registered by the company and the gross revenue has touched a **hundred crore mark**. The profits of your company before providing for tax were Rs. 11.51 cr. as compared to the 10.15 cr. in the last financial year ended on 31st March 2012.

### OPERATIONS

The company registered higher crop at 55.34 lacs kgs. this year compared to 52.33 lacs kgs. during last financial year. While the company's own crop suffered marginally due to adverse weather conditions, the total quantum was made up to some extent by outsourcing bought leaf. During this financial year there was a crop loss at around 4.14% compared to previous year due to prolonged drought and erratic weather conditions in



Assam which has impacted the expected growth in crop and overall profitability of the company. However, crop loss was compensated with a consistent increase in the tea prices. This year, the market has been selectively buoyant for quality teas and price realizations for Assam teas were encouraging. Your company's tea fetched premium over the auction averages throughout the year. The average price realization for the company, during the period was Rs. 182.13 per kg, as against Rs. 161.94 per kg, in the last year and the company's tea attracted a premium over the auction averages. These indicators support good prospect of the tea industry. However, normal increase in wages and substantial increase in all input costs during peak season had taken the overall cost higher by Rs. 22 per kg.

During the year there have been significant changes in the climatic conditions in Assam including acute shortage in rainfall which has adversely effected the crop. Your Directors are taking sustainable program to meet these challenges. The detailed analysis of your company's operations and industry vis-à-vis company's performance is covered under 'Management Discussion and Analysis Report'.

## **DIVIDEND**

Your Board of Directors is pleased to recommend a dividend of 25% on equity share capital of the company for the financial year 2012-13. The distribution of dividend will result in payout of Rs.77,50,000 excluding tax on dividend.

## **FUTURE PROSPECTS**

As per revised methodology of Tea Board of India

adopted for compiling tea statistics the CY 2012 crop is expected to be lower at 1112 million kgs compared to 1116 million kgs in CY 2011. This shortfall has resulted limited carryover and is expected to raise domestic demand of Indian Teas. This will also lead to escalating prices of CTCS.. The demand at the auctions and private sales will also continue to fetch premium prices for quality teas.

The company is expected to strengthen its position in terms of revenue and liquidity in coming years barring unforeseen adverse weather conditions. Your Directors feel that better yield in the production and higher price realization by increasing quality will be key factors for sustainable growth.

The Scheme of Amalgamation with Burgohain Tea Company Ltd which operates Govindapur Tea Estate in Golaghat District, Assam, is awaiting confirmation from Hon'ble High Court, and on implementation, will bring the Eighth Tea Estate under the company's banner. Govindapur, which is known for its quality tea will further boost the revenue and liquidity of the company upon merger being effective.

## **CORPORATE SOCIAL RESPONSIBILITY**

Your Directors are aware of the social responsibilities of the company and the environment in which it operates. The welfare policies adopted by the Board operates in the following domains-

- Health & Safety of the Workforce and family
- Waste Management • Cultural • Environmental

The Company has continued with its welfare activities by improving health, education and safety

of its workforce and employees and to improve the standard of living in and around the tea estates. Medical care is provided to the work force through well equipped estate hospital. With the company's continued support Kamal Kumari National Award is being felicitated every year. Scholarships were provided to meritorious students from North East and were funded by Kamal Kumari Foundation.

#### **FIXED DEPOSITS**

2 deposits of Rs. 4,47,363 remained unclaimed and unpaid as on 31st March, 2013.

#### **DIRECTORS**

By virtue of Section 255 of the Companies Act, 1956 and the Articles of Association of the company, Mr. A. Chowdhuri and Mr.R.K.Bhuyan retire by rotation in the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

Mr. P.K.Datta was introduced in the directorate as Additional Director. He retires in the ensuing Annual General Meeting. Company has received proposal under section 257 of the Companies Act' 1956 to reappoint him as Director.

A brief resume, expertise, shareholding in your Company and details of other directorship of each of these directors to be appointed/ reappointed, are given in the Corporate Governance Report. Suitable resolutions for the approval of shareholders are incorporated in the notice convening the Annual General Meeting.

With profound grief the Directors places on record the sad demise of Mr. T.C.Dutt, Director and Chairman of Audit Committee on 2nd March 2013. Mr. Dutt an ex-IAS from West Bengal Cadre was a stalwart in the Corporate World and represented

several reputed companies in their board as Independent Director. The Board recalls his regular attendance in meetings, inquisitiveness in business issues and impeccable deliberations during the meetings. The Directors pray for the departed soul to rest in peace and wish for sufficient fortitude to the bereaved family members to withstand the irreparable loss.

Mr.R.RoyChoudhury, Director resigned from Directorship on 29th April 2013. The Board places on record the valuable contributions made by Mr.RoyChoudhury, while in Directorship and wishes him his good health and success in all his future endeavours.

#### **COST AUDIT**

The Ministry of Corporate Affairs, Government of India by an order directed audit of the Cost Accounts maintained by the company under section 209(1) (d) of the Companies Act' 1956 with respect to the Plantation Products. In terms of the said order Cost Audit is being conducted by a firm of Cost Accountants appointed by the Board of Directors with the approval of the Ministry of Corporate Affairs every year.

#### **MANAGEMENT DISCUSSION AND ANALYSIS AND CORPORATE GOVERNANCE**

In terms of the listing agreement with Bombay Stock Exchange, Report on Management Discussion & Analysis and the Report on Corporate Governance along with the Certificate from the Statutory Auditors certifying the compliance of Corporate Governance have been attached and forms part of Annual Report.



## DIRECTORS RESPONSIBILITY STATEMENT

Your Directors confirm that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed;
- ii) They have selected such accounting policies and applied them consistently, and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at 31st March 2013 and of the profit of your Company for the financial year ended 31st March 2013.
- iii) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act' 1956 for safeguarding the assets of the Company for preventing and detecting fraud and other irregularities.
- iv) They have prepared the accounts on a 'going concern' basis.

## AUDITORS

M/s. P. K. Nandy & Associates, Chartered Accountants, Kolkata will retire at the conclusion of the forthcoming Annual General Meeting as auditors of the company and being eligible offer themselves for reappointment.

## AMALGAMATION

The Scheme of Amalgamation of Buragohain Tea Company Ltd into your company has received necessary approval from the respective shareholders of both the Companies in meetings held on 23rd March 2013 and is awaiting

confirmation from the Hon'ble High Court at Gauhati.

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

The reports on conservation of energy, or technology absorption and foreign exchange earning and outgo as required under section 217 (1)(e) of the Companies Act, 1956 are enclosed as Annexure-A and forms part of the Directors Report.

## EMPLOYEE RELATIONS

The Company has a large work force employed in the tea estates. The welfare and well being of the workers are monitored closely and harmonious relations with its employees are being maintained. The employee relations has remained cordial throughout the year and your Board of Directors wishes to place on record its appreciation for the dedicated services rendered by the executives, staff and workers at all levels.

None of the employees employed throughout the year or part of the year was in receipt of remuneration the aggregate of which exceeds the limit as prescribed under 217(2A) of the Companies Act, 1956 for disclosure in the report of Board of Directors.

Place-Kolkata  
The 29th May 2013

For and on behalf  
of the Board of Directors  
**H.P.Barooah**  
Chairman



**ANNEXURE ‘A’  
TO THE DIRECTORS’ REPORT**

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as per section 217 (1) (a) of the Companies Act’ 1956 read with Companies (Disclosure of Particulars in the report of Directors) Rules, 1988 for the year ended 31st March, 2013.

**1. CONSERVATION OF ENERGY**

The Company is committed to and continues its efforts towards conservation of energy. The audit committee continued its study into further possible and feasible means and methods by which the company optimizes the use of energy. The Committee is dedicated towards implementation of strategy for superior energy management with tools and resources to help each step of the way.

- a) Energy conservation measures taken:
  - i) Replacement of old electrical motors by new energy efficient motors in phased manner. These energy efficient motors consume less current compared to conventional motors.
  - ii) Replacement of incandescent lamps, halogen and sodium vapor lamps with CFLs and LEDs.
  - iii) Installation of energy efficient equipments and Battery Charging Systems at all offices.
  - iv) Adoption of policy of having our heating and cooling equipment serviced regularly.
  - v) Phased replacement of old gensets.
  - vi) Optimizing factory running hours and machinery usage to achieve high load factor and avail minimum tariff rates.

- b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy.
  - i) Replacement of old and damaged capacitors
  - ii) Replacement of old air conditioners with new air conditioners.
  - iii) Replacement of old transport utilities with new fuel efficient vehicles.
- c) Energy usage has been controlled due to above mentioned efforts being undertaken and groups power cost has stayed within permissible limits.
- d) Total energy consumption & energy consumption per unit of production is enclosed in Form A.

**2. TECHNOLOGY ABSORPTION**

Technology Absorption is enclosed in Form B.

**3. FOREIGN EXCHANGE EARNINGS AND OUTGO**

- a) **Activities relating to export, initiatives taken to increase exports, development of new export markets for products and services and export plans:** Company is making efforts for marketing of its products in overseas markets. Effective steps have been taken in this regard.
- b) **Total Foreign Exchange used and earned**

	(Rs. In lacs)	
	FY ended 31.03.2013	FY ended 31.03.2012
Total Foreign Exchange earned (FOB)	0.32	Nil
Total Foreign Exchange used	32.01	24.11

**FORM – A****Disclosure of particulars with respect to conservation of energy**

<b>A. Power and Fuel Consumption</b>	<b>Unit</b>	<b>FY ended 31.03.2013</b>	<b>FY ended 31.03.2012</b>
<b>1. Electricity</b>			
a) Purchased			
Unit	KWH	<b>24,97,389</b>	24,65,335
Total amount	Rs.	<b>1,83,51,905</b>	1,66,45,095
Rate/Unit	Rs./KWH	<b>7.35</b>	6.75
b) Own Generation (through diesel generator)			
Units	KWH	<b>19,71,850</b>	19,28,939
Unit/Ltr. Of Diesel Oil	Rs.	<b>3.51</b>	3.56
Rate/Unit (Average)	Rs./KWH	<b>14.60</b>	11.60
<b>2. Furnace Oil</b>			
Quantity	K. LTR	<b>6.85</b>	1.65
Total Amount	Rs.	<b>3,04,305</b>	60,382
Average Rate	Rs./K.LTR	<b>44,450</b>	36,595
<b>3. Natural Gas</b>			
Quantity	CUM	<b>19,90,081</b>	20,33,425
Total amount	Rs.	<b>1,45,95,362</b>	1,96,70,506
<b>B. Consumption per Unit of Production</b>			
Product- Tea (Gross)	Kgs. *	<b>55,34,462</b>	52,33,657
Electricity	KWH/KG	<b>0.81</b>	0.84
Furnace Oil	LTR/KG	<b>0.00</b>	0.00
Natural Gas	Rs./KG	<b>2.64</b>	3.76





**FORM – B**

**Disclosure of particulars with respect to technology absorption**

**RESEARCH & DEVELOPMENT**

**a) Specific areas in which R & D is carried out by the company.**

The Company subscribes to Tea Research Association (TRA) which is registered under Section 35 (1) (ii) of the Income Tax Act, 1961. TRA's findings are experimentally tried out under local conditions for final adoption by the Company.

**b) Benefits derived as a result of R&D.**

Efficiency and yield improvement, loss reduction, improving quality and modernization program.

**c) Future Plan of Action.**

Present programs are proposed to be continued.

**d) Expenditure on R&D**

	<u>Year ended 31.03.2013</u> Rs.	<u>Year ended 31.03.2012</u> Rs.
Capital	Nil	Nil
Recurring	6,01,936	5,74,043
Total R & D Expenditure	6,01,936	5,74,043
As a percentage of total turnover	0.06	0.06

**Technology absorption, adoption and innovation**

- a) Efforts, in brief, made towards technology absorption, adoption and innovation: Seminar and training programs were held for the managerial staff in additions to periodic discussion with Advisors.
- b) Benefits derived as a result of the above efforts: Increase in productivity and cost reduction by optimization of input.
- c) No import of technology was carried out during the last 5 years from the beginning of financial year.

For and on behalf  
of the Board of Directors  
**H.P.Barooah**  
Chairman

Place : Kolkata  
The 29th May 2013



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### 1. STATE OF INDIAN ECONOMY

The Indian Economy has experienced its worst slowdown in nearly a decade on the back of global contractionary headwinds, domestic macro-economic imbalances and policy reversal on the fiscal front. In overall, 2012 has been a challenging year for the economy. The year started with news that the previous fiscal's GDP has dropped to 5.5% which coupled with low growth, macro economic issues such as high fiscal deficit, expansionary subsidies and worsening current account balance has added to the slowdown. In the second half of the fiscal, the Government proactively intervened with phased reforms to stabilize the economy. Measures were taken to reduce subsidies, increase FDI and strengthen the rupee. In face of a perceivably weak macro-economic climate, a well planned economic revival policy is required to steer the Indian Economy back on the growth path. Even though the long term prospects of the economy look promising, cautious optimism is the tone in the short to medium term.

#### Indian Tea Industry

- 1.1 **Structure:** India is the second largest producer as well as the largest consumer of black tea in the world. It is significant to note that more than 80% of total tea production is consumed within the country. Indian tea commands second position in the world with regard to the area under tea cultivation. India is the fourth largest exporter of tea in the world after Kenya, China and Sri Lanka. The situation in India is different from the major exporting countries like Kenya and Sri Lanka as these countries have very little domestic demand and have to necessarily export more than 95% to 98% of their respective total production. As regards production, India is the second largest tea producing country in

the world with a share of 23% of the total world production after China which contributes about 32% of the total world production.

India has been the market leader in the world tea trade until mid-1980s. This pre-eminent position was gradually taken over by Sri Lanka after disintegration of erstwhile USSR. The export share of Indian tea has declined significantly over the years from 48% in 1950 to 20% in 2012. India is now fourth after Sri Lanka, Kenya and China, with a world share of around 12 per cent. The reason for this decline in export quantum was due to the increasing domestic demand which accounts for more than 80% of the total tea produce in the country. The domestic consumption which used to be around 70 million kgs in the early 50s had grown manifold over the last six decades and in 2012 it was around 890 million kgs against the total production of 1112 million kgs. The domestic demand is growing on an average at the rate of 20 to 25 million kgs per annum.

- 1.2 **Developments:** The Global tea industry in CY 2012 witnessed lower crop in major tea producing countries except Bangladesh. All major global producers of Kenya, Malawi, Sri Lanka and Indonesia had a decline in crop of varying degrees. In the home front, as per tea statistics the CY 2012 crop is expected to be lower at 1112 million kgs compared to 1116 million kgs in CY 2011 in India. Uneven rainfall resulting lower crop in Assam and South India, coupled with stagnant crop in Dooars hindered a decent growth. This shortfall has resulted limited carryover and rising domestic demand of Indian Teas. As a result prices were firmer and exports went lower. In Assam, the season started with drought and crop loss. There were recovery in July but substantial deficit in rainfall was recorded during September. During CY 2012 Assam and Darjeeling teas witnessed encouraging



and escalating prices while others failed to keep pace with only nominal firming up. The market was selectively buoyant for quality teas. Teas from non quality areas continued to be lower priced with preference for better teas. Your company's teas attracted a premium over the auction averages. The Industry wise wage agreements effective from 1st January 2012 in Assam gardens and higher input cost have brought in further escalation in garden costs which full impact is felt in this financial year.

**1.3 Opportunities:** The Company has seven tea estates in Assam producing Black Tea (CTC). Globally, India, Kenya and Sri Lanka are the main producers of black tea. India is also largest consumer of black tea with a growth rate of 3.5% per annum in consumption pattern. Decrease in production of CTC in the Global front, specially substantial reduction of crop in Kenya, Malawi and Sri Lanka has lead to successive price escalations of black tea, the trend, which is expected to sustain. The all India average of CTC prices in CY 2012 which peaked in July remained buoyant at the year end for Assam gardens, fetching premium for your company's teas. Average price realisation for your company's made tea from own leaf was Rs. 199.77 per kg. for CY 2012 as against Rs. 176.66 per kg. for the CY 2011.

**1.4 Threats:** Due to deforestation and other environmental degradation rainfall has been erratic in several tea areas in Assam. This has lead to substantial crop loss in Assam for last three seasons. This change in climatic conditions has been the major challenge being faced by the tea industry. To meet these challenges substantial program on water harvesting, large scale planting of fuel trees, reduction of carbon emission and streamlining of marginal resources are required. Further, Tea industry being largely labour intensive, employee cost is the major input cost for any tea unit and any appreciable rise

in the labour cost affects margins. The Industry wise wage agreements effective from 1st January 2012 in Assam gardens and higher input cost have brought in sharp escalation in operative costs.

**2. PRODUCT WISE OPERATIONAL PERFORMANCE**

Your Company operates through seven high yield tea estates in Upper Assam producing quality teas and some of the gardens are grouped in the top category. The saleable production of Black Tea for the current year was 53,91,296 Kgs, as against 51,26,402 Kgs, for the previous financial year ended 31st March 2012. Sales stood to 55,06,684 Kgs, of tea this year as against 51,36,761 Kgs, for the previous year. Average price realisation of made tea from own leaf has been quite ahead of industry average this year and the comparative chart given below shows how the Company's teas command premium in the market:

<b>(Average Prices - Rs / Kg)</b>			
<b>Tea Areas</b>	<b>B&amp;A Ltd.</b>	<b>Other Premium Tea Companies</b>	<b>Consolidated Auction</b>
Assam	199.77	181	153

*Note : Moving average till Dec'12 of Company's teas excluding sale of teas produced from brought leaf*

**3. OUTLOOK**

**3.1 Tea:** CY 2011 and CY 2012 have witnessed a market which has been selectively buoyant for quality teas. Teas from non quality areas continued this CY to be lower priced with preference for better teas. The demand of the made tea from own crop your company remained buoyant throughout the year. A comparative chart below shows the growth trends of the Company for its own crop and bought leaf for the last four financial years.



Particulars	2009-10	2010-11	2011-12	2012-13
Production (lac kgs)	49.36	51.52	52.33	55.34
Sales (lac kgs)	47.93	50.27	51.36	55.06
Average Price realisation (Rs/Kg)	140	152	162	182

*Note - Average Price from own and bought leaf.*

Though there is significant growth in the prices of tea, production and sales volume registered minor growth (4% CAG) during last four years, this was due to non availability of fresh capacity. As a part of your company's serge for negotiated acquisitions, the group has been able to acquire 'Govindapur Tea Estate' having an annual capacity of 2 lacs kgs of made tea. Your company continues to uproot and replant @ 2% of total area under tea, resulting in higher yield. For this purpose, two subsidy schemes of Tea Board of India continue to provide useful support to the garden development efforts. The company has availed Tea Board's Plantation Development Scheme (PDS) for replanting / rejuvenation of the old tea bushes and for improvement in irrigation, drainage and transportation facility at gardens and Quality Upgradation & Product Diversification Scheme (QUPDS) for modernization of factory machineries and buildings.

The market is expected to witness the followings in CY 2013:

- Good black tea to fetch further premium in the coming season
- Industry to witness CTC price crossing Rs.300 barrier
- Medium blends to do well in next season
- Demand will be driven by the domestic market and exporters will continue to be prominent

- 3.2 **Leisure Resort:** The leisure resort project initiated by the company is now equipped with 14 cottage rooms and becoming a major tourist attraction in Assam. Several top level tournaments have been organized in the resort with ample support from golfers in and around the country. The resort is now being boosted with a state of the art conference hall and is expected to generate more revenue for the company

- 3.3. **Subsidiary Company:** B & A Packaging India Ltd, the subsidiary company, is engaged in the production of high quality paper sacks and flexible laminates in its manufacturing outfit located at Balasore, Orissa. The company's new flexible packaging unit was commissioned on 1st April 2012. The production for the FY 13 was 104.10 lacks pieces of paper sacks and 5.63 lacks kgs of flexible laminates. The company registered a turnover of Rs. 30.89 cr. and achieved a pre tax profit of Rs. 0.45 cr. for the year ended 31st March 13. The Management is looking new avenues for better marketing of its products.

## 4. RISKS AND CONCERNS

### 4.1 Business Risks :

Tea Industry being an agricultural industry is largely dependant on nature. Tea cultivation requires wet and humid weather with high rainfall and strong sunshine for better production. With changing climatic conditions across the Globe, rainfall in several areas in Assam has become scarce with long dry spells. Such dependency poses a serious risk. Further, Tea industry being highly labour intensive and subject to stringent labour laws, increasing employee and social commitment costs, as well as high infrastructure cost are becoming a major concern to the company.

### 4.2 Risk Mitigation System :

The company has established a risk management strategy that comprise reasonable use of insurance products primarily to manage its exposure to financial risks resulting from natural calamities and operational adversities. Further, electronic auctions and payment settlement systems in Kolkata and Guwahati Auction centre has not only improvised price discovery mechanism in a transparent manner but also completely removed the risk relating to payment defaults by buyers. The risk analysis report is reviewed by the Management from time to time and the analysis covers the garden operations, rainfall, marketing, financial, regulatory and geographical risks. Based on this analysis suitable corrective actions are suggested by the Audit Committee. These are being

evaluated to ensure that all identified risks are provided adequately and unidentified risks are guarded against to the extent feasible.

#### 5. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Internal Control system continues to be prime focus area for the Company. Currently all the operations of the company are carried out in conformity with the defined process. The Company also has policy of periodic internal audits and reviews of all business activities viz. purchase, stores, marketing, personnel, production, maintenance, finance and accounts, IT systems, through independent audit firm of repute. The reports of audit finding and action taken are tabled at each Audit Committee meeting. Further, the Enterprise Resource Plan has added stringent system checks in overall operating procedures.

#### 6. FINANCIAL PERFORMANCE & ANALYSIS

##### 6.1 Capital Structure :

The total shareholders fund as at March 31, 2013 aggregated Rs. 58.33 cr. of which equity capital was Rs. 3.1 cr. comprising of 31,00,000 equity shares of Rs. 10 each.

##### 6.2 Dividend :

Board of Directors has recommended an equity dividend of 25% i.e. Rs. 2.50 per share of Rs. 10 each. The Dividend outflow will aggregate to Rs. 77.50 lacs (excluding dividend tax).

##### 6.3 Revenue, Profits and Cash Flows :

During the year under review, the company's gross revenue aggregated Rs.100.75cr. compared to Rs. 83.52cr.in the previous financial year. Profit before tax and provisions stood to Rs. 11.50 cr. compared to similar profit of Rs. 10.15 cr. in the previous financial year. Though company has been projecting positive cash flows for the last four financial years, increased wages and the sharp inflation in power, fertilizers and chemicals have impacted the overall liquidity position of the Company. The company has restructured its debt pattern in this financial year replacing all high cost debts by term borrowings from

banks. This has resulted in major curb on the incidence of finance cost.

#### 7. HUMAN RESOURCES

The company being a labour intensive unit, human resource management and development has been the prime thrust area and the company considers it as ongoing and continuing process. The company being one of the largest employers in Assam employed 3,423 employees including executives and managers during the year. It has laid down its policies on Health & Safety, Waste Management, Cultural and Environment. Despite of isolated and remote locations of its gardens the Company has been able to keep the morale of its managerial personnel as well as its workforce high throughout the year. Garden Managerial Personnel were inspired to undertake participation in various vocational courses and seminars organized by trade bodies, chamber of commerce and management institutions. Group activities like sports, outdoor visits and cultural events were organized in gardens and Kolkata to instigate fellowship and team building. The Management is happy to report that in course of the year there was no major disruption among the workforce and the company has been able to keep the employee attrition at its minimum level.

#### 8. CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the company's objectives, projections, estimates, and expectations may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include economic conditions affecting demand / supply and price conditions in the domestic and overseas markets in which the company operates, changes in the Government regulations, tax laws, certain presumptions on which estimates are based and other incidental factors.



## CORPORATE GOVERNANCE REPORT

### PHILOSOPHY OF THE COMPANY

The company's core business is the cultivation and production of Black Tea and its' produce ranks one of the finest in Assam as well as India. The company strives to produce black teas of premium quality, which are acceptable to the tea feternity. Likewise, the company endeavours to care for all its employees by providing medical, educational and welfare facilities way beyond the basic requirements. The company's overall philosophy is excellence in all spheres of its operations.

In B & A Ltd, Corporate Governance philosophy stems from our abovementioned belief of striving excellence and that corporate governance is a key element in improving efficiency and growth in all underlying sectors as well as enhancing investor confidence. The Corporate Governance philosophy is scripted as :

*“As a good corporate citizen, the Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability in building confidence of its various stakeholders in it thereby paving the way for its long term success.”*

### I. BOARD OF DIRECTORS

The Board of Directors as on 31st March 2013 consists of two Whole Time Directors and Seven Non-Executive Directors. Six Non-Executive Directors are also independent Directors. Dr. H.P. Barooah is the Chairman and Managing Director. During the FY 2012-13 seven Board Meetings were held on 25th May 2012, 11th August 2012, 15th September 2012, 3rd November 2012, 22nd January 2013, 8th February 2013 and 1st March 2013. The composition of the Board of Directors, attendance of the Directors in Board or Annual General Meeting and their shareholding details in the Company are as follows :-

Name	Designation	Board Meetings Attended	Whether attended AGM	Directorship in other Companies ▲	Committee Membership & (Chairmanships) in other Indian Companies ▲	No of Shares held in the Company
Dr. H.P. Barooah	Executive Chairman & Managing Director	6	–	1	1	8,61,918
Mr. B.K. Goswami *	Non-Executive Director	4	–	10	5	–
Mr. T.C. Dutt *	Non-Executive Director	5	–	3	1	–
Mr. Sudipto Sarkar *	Non-Executive Director	3	–	7	6	–
Mr. Latifur Rahman *	Non-Executive Director	1	–	–	–	–
Mr. A. Chowdhuri *	Non-Executive Director	5	–	–	–	–



Name	Designation	Board Meetings Attended	Whether attended AGM	Directorship in other Companies ▲	Committee Membership & (Chairmanships) in other Indian Companies ▲	No of Shares held in the Company
Mr. R. Roy Choudhury	Non-Executive Director	6	–	2	1	–
Mr. R.K. Bhuyan *	Non-Executive Director	3	–	1	1	–
Mr. Somnath Chatterjee	Managing Director	7	Yes	2	–	–
Mr. Anjan Ghosh *	Non-Executive Director	6	–	1	1	–

★ Independent Directors as defined in Clause 49 of Listing Agreement.

▲ The Directorship / Committee Membership/Chairmanship in other Companies excludes private limited cos foreign cos' and section 25 cos'.

● Mr.T.C.Dutt has expired on 2nd of March, 2013 ● Mr. R.RoyChoudhury has resigned from the Board on 29th April, 2013 ● Mr. Somnath Chatterjee was appointed an Additional Director in B & A Packaging India Ltd on 30th April 2013.

## DIRECTORS WITH MATERIALLY SIGNIFICANT, PECUNIARY OR BUSINESS RELATIONSHIP WITH THE COMPANY

As required under Accounting Standard 18 transactions with related parties are furnished under clause 13 of Note 28 to the Notes to the Accounts appended to the Balance Sheet for the year ended 31st March 2013, there were no transactions of material nature with the Promoters, Directors or their relatives, etc. that may have potential conflict with the interest of the company, other than those, disclosed in the said note with regards to payment of remuneration to whole time directors, payment of interest on fixed deposits and pension to a family member of a deceased director.

## II. COMMITTEES OF THE BOARD

### 1. Audit Committee

The Company has an Audit Committee constituted in accordance with the requirements of Section 292A of the Companies Act' 1956 and clause 49 of the Listing Agreement entered into with the Stock Exchange. The pri-

mary objective of the Audit Committee of the Board of Directors of your Company is to discharge responsibilities relating to accounting and reporting of financial practices adopted by the Company, surveillance of internal controls as well as accounting and audit activities. The terms of reference of the Audit Committee include:

1. Review of the Company's financial reporting process and the disclosure of its financial information.
2. Recommending the appointment and removal of external, internal and cost auditor.
3. Reviewing with the management, the periodical financial statements.
4. Reviewing with the management, external and internal auditors, the adequacy of internal control systems, frequency of internal audit, significant findings by internal auditors and follow up there on.
5. Discussion with the external auditors, nature and scope of audit as well as have post audit discussions.



6. Reviewing the company's financial and risk management policies.
7. Reviewing Whistle Blower Mechanism.
8. Reviewing Management Discussion and Analysis Report, Statement of significant Related Party transactions, Internal Audit Reports.
9. Reviewing of financial statements and investments made by the company.

### Composition and Meetings

Audit Committee comprises of four Directors, three of them are independent. Mr. T.C. Dutt remained Chairman of the audit committee till his demise on 2nd March 2013. The Board in its meeting held on 29th May 2013 has appointed Mr. Anjan Ghosh, Chartered Accountant, as Chairman of the Committee, a Non-Executive Independent director having adequate accounting and management expertise. The Company Secretary acts as the Secretary to the Committee. Audit Committee met four times during FY 2012-13 on 25th May 2012, 11th August 2012, 3rd November 2012 and 8th February 2013. The composition of the Audit Committee and attendance at committee meetings are as follows:

Name	Category	Number of meetings attended
Mr. T.C. Dutt	Non-Executive Independent	4
Mr. B.K. Goswami	Non-Executive Independent	4
Dr. H. P. Barooah	Executive Director	3
Mr. Anjan Ghosh	Non-Executive Independent	3
Mr. Latifur Rahman	Non-Executive Independent	—

### 2. REMUNERATION COMMITTEE

The Remuneration Committee of the Board lays down remuneration payable to the Executive Directors of the Company. The purpose of the Committee is to discharge Board's responsibilities relating to compensation of the Company's Executive Directors.

#### Composition and Meetings

The Committee comprises of three directors, all of them are independent. Mr. Anjan Ghosh acts as the Chairman of the Committee. The other members are Mr. A. Chowdhuri and Mr. B.K. Goswami. In the FY 2012-13 one meeting was held on 8th February 2013.

#### Details of Remuneration Paid to the Directors

Currently the Non-Executive Directors of the Company are being paid sitting fees of Rs. 5,000/- for attending each meeting of the Board of Directors and Audit Committee and Rs. 2,000/- for attending meetings of Investor Grievances Committee and Remuneration Committee. Besides sitting fees, the Non-Executive Directors of the Company were not paid any other remuneration or commission except reimbursement of conveyance expenses. Managing Directors are being paid remuneration as approved by the shareholders. The details of the payments made to the directors during the year ended 31st March 2013 are as follows :



Name	Designation	Sitting fees (Rs.)	Salary & Perks (Rs.)	Commission (Rs.)	Total (Rs.)
Dr. H.P. Barooah	Executive Chairman & Managing Director	–	36,22,032	–	36,22,032
Mr. T.C. Dutt	Non-Executive Director	47,000	–	–	47,000
Mr. B.K. Goswami	Non-Executive Director	42,000	–	–	42,000
Mr. A. Choudhuri	Non-Executive Director	27,000	–	–	27,000
Mr. Sudipto Sarkar	Non-Executive Director	15,000	–	–	15,000
Mr. R. K. Bhuyan	Non-Executive Director	15,000	–	–	15,000
Mr. Latifur Rahman	Non- Executive Director	–	–	–	–
Mr. R. RoyChoudhury	Non-Executive Director	–	–	–	–
Mr. Anjan Ghosh	Non-Executive Director	45,000	–	–	45,000
Mr. Somnath Chatterjee	Managing Director	–	14,10,708	–	14,10,708

**Note :** ● Mr. R. RoyChoudhury has remained Managing Director of Subsidiary Company, did not receive any sitting fees for attending the Board Meetings of the Holding Company.  
● Mr. Latifur Rahman waived his sitting fees during FY 2012-13.

### 3. INVESTOR GRIEVANCES COMMITTEE

Investor Grievances Committee comprises of Mr. Amit Chowdhuri (Chairman) and Mr. Somnath Chatterjee (Committee Member). The committee oversees the performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement of the quality of investor services. The Committee meets as and when required to look into complaints of the shareholders/ investors relating to non-receipt of annual reports, notices, transfer of shares, dematerialization of shares and other grievances. In the financial year 2012-13, no committee meeting was held.

### 4. SHARE TRANSFER COMMITTEE

The Board has delegated the share transfer power to a Committee consisting of Dr. H.P. Barooah and Mr. Somnath Chatterjee, directors of the company. The Committee meets once in a fortnight to attend to share transfer formalities.

### III. PROFILE OF DIRECTORS REAPPOINTED/ NEWLY APPOINTED

A. **Mr. Amit Chowdhuri**, born in 1949, is a Hons. Graduate from St. Edmunds College, Shillong. In his 39 years of career he has served J.Thomas&Co.Pvt.Ltd, a Calcutta based reputed tea auction house, in several



capacity, including Chairman & Managing Director. He has been associated with various committee connected with Tea and Tea Auction throughout India. He has represented various tea delegations in India and abroad. He has served the Board of Tengpani Tea Co. Ltd and GrobTea Co. Ltd. He does not hold any shares in the company.

**B. Mr. Raj Kamal Bhuyan**, born in 1956, is a Post Graduate in Economics and a Chartered Accountant. He promoted M/s Liv' in Apartments (P) Ltd., which has completed 28 residential projects in Guwahati under his stewardship. Presently Mr. Bhuyan is holding charge as a Government Director of Assam Financial Corporation Ltd., and is a Member of the Assam State Construction Workers' Welfare Board. He does not hold any shares in the company.

**C. Mr. Somnath Chatterjee**, born in 1962, is a commerce graduate and besides being certified in Effective Personal Productivity by LMI, USA, was trained in production of packaging products in United Kingdom. He has more than twenty eight years of extensive experience in commercial matters, finance and production mainly in tea plantation and packaging business. He is also a director in Super Packaging Limited and B&A Packaging India Ltd. Currently, he does not hold any shares in the Company.

**D. Mr. Prabir K. Datta**, born in 1943, holds Post Graduate in Economics and diploma in Labour Laws. Mr. Dutta a retired IAS officer has served in different capacities including Chief Secretary to the Government of Assam. He does not hold any shares in the company.

**List of Companies where the proposed appointee is also a Director/Member of Committee of Directors**

Name	Name of the Company	Directorship	Committee Membership
Mr. Amit Chowdhuri	Rockland Realty Pvt. Ltd	Director	
Mr. Raj Kamal Bhuyan	Hacienda Properties Pvt. Ltd Liv'in Apartments Pvt. Ltd Ruchira Arts Pvt. Ltd Four Seasons Garden Resorts P. Ltd Amerigog Hotels & Holdings P. Ltd Kaziranga Holdings Pvt. Ltd Assam Financial Corporation	Director Managing Director Director Director Director Director Director	Audit Committee
Mr. Somnath Chatterjee	Kaziranga Golf Club Pvt. Ltd Heritage North East Pvt. Ltd Super Packaging Ltd B & A Packaging India Ltd	Director Director Director Director	
Mr. Prabir K. Datta does not hold any Directorship or Committee Membership in any other company			

**IV. DISCLOSURES**

**i) Disclosures on materially significant related party transactions**

There were no transactions of material nature

with the promoters, the directors or the management or their subsidiaries or relatives during the period, which would have potential conflict with the interest of the company at large.

**ii) Details of noncompliance**

No penalties/strictures have been imposed on the Company by Bombay Stock Exchange or Securities and Exchange Board of India or any other authority, on any matter related to capital markets, during the last three years.

iii) The Company has adopted a 'Whistle Blower Policy' which has been communicated to all the employees at all level along with Code of Conduct. The Whistle Blower Policy is the mechanism to help the employees to raise their concerns about any malpractice, impropriety, abuse or wrongdoing at an early stage and in the right way, without fear of victimization, subsequent discrimination or

disadvantage. The employees can directly contact the Managing Director or report directly to the Audit Committee of any concern in this regard.

iv) The Company has complied with the entire mandatory requirement to Clause 49 of the Listing Agreement executed with Bombay Stock Exchange. Comments on adoption of non-mandatory requirements are given at the end of this report.

v) The CEO/CFO certificate as required under clause 49(V) of the Listing Agreement was laid before the Board of Directors and was taken on record by the Board.

**V. GENERAL SHAREHOLDERS INFORMATION**

**i) Details of last three Annual General Meetings**

Date	Location	Time	Special Resolutions Passed
30th July 2010	Indu Bhawan Mahatma Gandhi Road, Jorhat- 785001	10.30 am	No Special Resolution was passed
14th July 2011	Indu Bhawan Mahatma Gandhi Road, Jorhat- 785001	10.30 am	No Special Resolution was passed
6th August 2012	Indu Bhawan Mahatma Gandhi Road, Jorhat- 785001	10.30 am	1. Appointment of Executive Chairman and Managing Director. 2. Payment of Family Pension to the Ex-Managing Director's wife. 3. Amendment to the Articles of Association of the Company.

**ii) Postal Ballot**

No Special resolution was passed through Postal Ballot during the financial year ended 31st March 2012, as per the procedures prescribed in the Companies (Passing of Resolutions by Postal Ballot) Rules, 2001.

Special Resolution proposed through Postal Ballot: No Special Resolution is proposed to be passed through postal ballot.

**iii) Means of Communication**

◆ Quarterly, Half Yearly and Annual Financial Results are published in English in 'Business Standard', Kolkata Edition, and in Assamese, in 'Dainik Agradoot'. The results are also available in the website of the company at [www.barooahs.com](http://www.barooahs.com) and disseminated regularly in the web portal of Bombay Stock Exchange. Investors can directly contact



the Company Secretary via email at bandaltd@vsnl.net

- ◆ No formal presentation has been made to any Institutional Investors and Analysts during the year.
- ◆ Management Discussion & Analysis is a part of Annual Report.

#### iv) **Implementation of Code of Conduct**

The Company has adopted the 'Code of Conduct' for its employees at all levels including Senior Management and Directors. The code has been circulated among all employees. As required under clause 49 of the listing agreement, the affirmation as regards compliance with the Code from Directors and Senior Management personnel has been obtained for FY 2012-13.

#### v) **Compliance with SEBI (Prohibition of Insider Trading Regulations) 2002.**

In pursuance of these regulations, the company has formulated Insider Trading Code for it's employees and directors for dealing in shares of the company. Various forms have been designed for the purpose of receiving information from the employees and directors of the company. Further, the Trading Window for dealing in shares of the company has been closed for the directors and employees of the company as per the insider Trading Code in force in the company.

#### vi) **Annual General Meeting**

Day & Date-	Tuesday, 27th August 2013
Time -	at 10.30 a.m.
Venue-	Registered office of the company at Indu Bhawan, Mahatma Gandhi Road, Jorhat- 785 001.

#### vii) **Financial Calendar for FY 2013-14**

First Quarter Results : Within 2nd Week of August, 2013

Half yearly Results : Within 2nd Week of November, 2013

Third Quarter Results: Within 2nd Week of February 2014

Fourth Quarter/  
Annual Results : End of May 2014

viii) **Book Closure Dates** : 17th August 2013 to 27th August 2013 (Both days inclusive)

ix) **Dividend Payment Dates** : The dividend as recommended by the Board of Directors, if declared in the Annual General Meeting, will be paid on or after 2nd September 2013 .

#### x) **Listing of shares on Stock Exchanges**

The equity shares of the Company is listed on Bombay Stock Exchange Limited (BSE). Listing fees as well as Custodian Fees with National Securities Depository Ltd (NSDL) and Central Depository Services Ltd (CDSL) for Company's demat shares for the FY. 2013-14 has been paid to the respective stock exchange and depositories. The stock code of the exchanges is **508136**. The shares are regularly traded in B segment of the exchange. The monthly volume of turnover of stocks in BSE remained around 2.13 lacs on an average for the FY 2013.

## xi) Stock Price Data

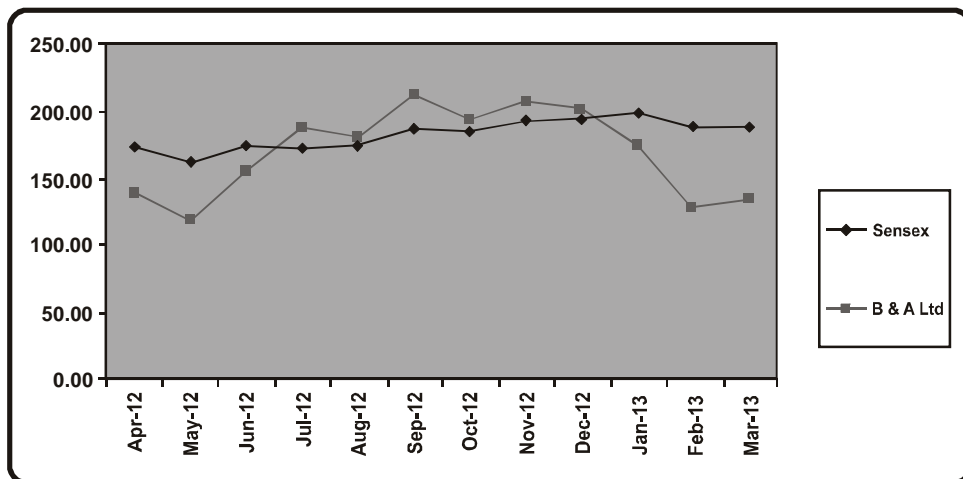
Stock Price data for the period 1st April 2012 to 31st March 2013 are detailed below :-

Month	Monthly high (Rs)	Monthly low (Rs)	Month	Monthly high (Rs)	Monthly low (Rs)
April 12	150.00	97.00	Oct 12	255.00	188.50
May 12	143.90	114.00	Nov 12	228.00	193.00
June 12	163.00	110.10	Dec 12	215.40	190.00
July 12	218.35	156.50	Jan 13	210.00	169.00
Aug 12	214.70	175.00	Feb 13	181.00	123.35
Sept 12	246.80	175.25	Mar 13	144.00	120.00

**Sources :** Data Compiled from BSE official website.

## xii) Stock Performance

**B & A's Share performance compared to BSE Sensex for FY 2012-2013**



**Note :** Both Sensex and B & A share prices are indexed to 100 at the beginning of the year.



### xiii) Distribution of Shareholding as at 31st March, 2013 :

Share Range	No. of shareholders	% As to total No. of holders	No. of shares held	% As to total No. of shares
1-500	2852	88.11	416459	13.43
501-1000	195	6.02	156119	5.04
1001-2000	92	2.84	136971	4.42
2001-3000	32	0.99	78512	2.53
3001-4000	19	0.59	66753	2.15
4001-5000	10	0.31	45106	1.46
5001-10000	18	0.56	125348	4.04
10001-50000	12	0.37	213867	6.90
50001-100000	2	0.06	156826	5.06
100001 & above	5	0.15	1704039	54.97
<b>Total</b>	<b>3237</b>	<b>100.00</b>	<b>31,00,000</b>	<b>100.00</b>

### xiv) Equity Shareholding pattern as at 31st March, 2013 :

Category	No of Shares	%
<b>A) Promoter</b>		
(i) Individuals/HUF	14,21,348	45.86
(ii) Bodies Corporate and trust	2,89,091	9.32
<b>B) Public Shareholding</b>		
(i) Mutual funds/UTI	115	0.01
(ii) FI/Banks/Insurance Cos'.	1,200	0.03
(iii) Bodies Corporate	2,47,420	7.98
(iv) Others (NRI and Trusts)	15,254	0.49
(v) Individuals		
a) Holding upto Rs.1 lac	9,08,461	29.31
b) Rs. 1 lac & above	2,17,111	7.00
<b>Total</b>	<b>31,00,000</b>	<b>100.00</b>



**xv) Dematerialization of Shares and Liquidity**

The Company's equity shares are compulsarily traded in the electronic form. As on 31st March 2013, 28,95,828 shares representing 93.41% of total equity capital was held in electronic form. The shareholders can hold the shares in demat form either through NSDL or CDSL. The ISIN number allotted to the Company is INE489D01011.

**xviii ) Investor Grievance Redressal System**

The Investor Grievances against the company are handled by the Company's Registrar and ShareTransfer Agent, M/s. MCS Share Transfer Agent Ltd, Kolkata, in consultation with the secretarial department of the company. The registrars have adequate skilled staff with professional qualifications and advanced computer systems for speedy redressal of the investor grievances. The total process of settlement of a complaint right from its receipt to disposal is fully computerized to ensure timely settlement. It normally takes 15 days from the date of receipt of the complaint for disposal of investor grievances.

Further any kind of grievances may be specifically addressed to Company Secretary and sent to the corporate office of the company at 113, Park Street, 9th Floor, Kolkata- 700 016 for speedy redress. Alternatively investors can mail to Company Secretary at **bandaltd@vsnl.net**

**xix) Registrar & Share Transfer Agent :**

MCS Share Transfer Agent Ltd  
12/1/5, Manhorpukur Road,  
(Ground Floor)  
Kolkata- 700026  
Ph: 033 4072-4051 (3 lines)  
Fax: 033 4072 4050  
Email- mcssta@rediffmail.com

xx) **Registered Office :** Indu Bhawan, Mahatma Gandhi Road, Jorhat, Assam- 785001

xxi) **Tea Estates :** The particular of the company's seven tea estates and also of the Govindapur Tea Estate of Buragohain Tea Co. Ltd awaiting merger, are given below :-

Salkathoni Tea Estate P.O. Sapekhati Dist. Sibsagar Assam	Mokrung Tea Estate P.O. Furkating Assam	Samaguri Tea Estate P.O. Gatonga Assam	Gatonga Tea Estate P.O. Gatonga Assam
Barasali Tea Estate P.O. Borhat Dist. Sibsagar, Assam	Kuhum Tea Estate P.O. Titabar Assam	Sangsua Tea Estate P.O. Gatonga Assam	Govindapur Tea Estate P.O. Latekujan Golaghat Assam



## xxii) Non-mandatory requirements of Corporate

### Governance

As required under non-mandatory requirements the Company has constituted Remuneration Committee. The Company's policies as regards to adoption of other nonmandatory requirements shall be disclosed in this report from time to time.

Place : Kolkata  
The 29th May, 2013

## xxiii) Declaration

As provided under Clause 49 of the Listing Agreement of the Stock Exchanges, all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company during the year ended March 31, 2013.

For B&A Ltd.  
**H.P. Barooah**  
*Chairman & Managing Director*





## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members of  
B&A LIMITED

We have examined the compliance of conditions of Corporate Governance by **B&A Limited**, for the year ended **31st March, 2013** as stipulated in Clause 49 of the Listing Agreement of the said Company with the Bombay Stock Exchange Limited.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For P. K. Nandy & Associates**  
*Chartered Accountants*  
Registration No. 307043E  
**P. K. NANDY**  
*Proprietor*  
Membership No. 11505

Kolkata, The 29th May, 2013



## INDEPENDENT AUDITORS' REPORT

To  
The Members of  
B & A LIMITED

### Report on the Financial Statements

1. We have audited the accompanying financial statements of **B & A LIMITED ('the Company')**, which comprise the Balance Sheet as at **31st March, 2013**, the Statement of Profit and Loss and 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

2. The Company's 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 Section 211(3C) of the Companies Act, 1956 ('the Act') and in accordance with the accounting principles generally accepted in India. These 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.

### Auditors' Responsibility

3. 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 of material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and the 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. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appreciate to provide a basis for our audit opinion.

### Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, 2013**;
  - (ii) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
  - (iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

**Report on other Legal and Regulatory Requirements**

7. As required by the Companies ( Auditor's Report ) Order, 2003, ('the Order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act,1956, We give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
8. 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 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 appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;**
  - d) In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards referred to in sub - section ( 3C ) of Section 211 of the Companies Act, 1956;
  - e) On the basis of written representations received from the Directors as on 31st March,2013 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March,2013 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;

**For P. K. Nandy & Associates**

*Chartered Accountants*

Registration No. 307043E

**P. K. NANDY**

*Proprietor*

Membership No. 11505

Kolkata, The 29th May, 2013

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**ANNEXURE TO INDEPENDENT AUDITORS' REPORT**

**(Referred to in Paragraph 7 under the heading of 'Report on Other Legal Regulatory Requirements' of our report of even date)**

1. In respect of its fixed assets :
  - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets on the basis of available information.
  - (b) As represented by the Management to us, the Fixed Assets have been physically verified by the Management during the year in a phased manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - (c) In our opinion, the fixed assets disposed of during the year, do not constitute a substantial part of the fixed assets of the Company and such disposal has not affected the going concern status of the Company.



2. In respect of its inventories :
  - (a) As explained to us, inventories have been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable.
  - (b) In our opinion and according to the information and explanations given to us, 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 has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to the book records.
3. The Company has neither granted nor taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act,1956 and as such clauses (iii)(b) to (iii)(d) of the Order are not applicable.
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 and fixed assets and for the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. In respect of contracts and arrangements entered in the register maintained in pursuance of Section 301 of the Companies Act,1956:
  - (a) To the best of our knowledge and belief and according to the information and explanations given to us, particulars of contracts or arrangement that needed to be entered into the register maintained under the said section have been so entered.
  - (b) According to the information and explanations given to us, where the transactions made in pursuance of such contracts of arrangements during the year are in excess of Rs.5,00,000/-, they have been made at prices, which are, *prima facie*, reasonable having regard to the prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, directives issued by the Reserve Bank of India and the provisions of Sections 58A and 58AA of the Companies Act,1956 and the rules framed there-under, to the extent applicable, have been complied with.
7. In our opinion, the internal audit system of the Company is commensurate with its size and nature of its business.
8. We have broadly reviewed the books of account maintained by the Company pursuant to the Order made by the Central Government for the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that *prima facie* the prescribed accounts and records have been made and maintained. We have not, however, carried out a detailed examination of the same.
9. (a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion the Company is generally

regular in depositing with the appropriate Authorities undisputed statutory dues such as Provident Fund, Investor Education and Protection Fund, Central Sales Tax, Wealth-tax, Customs Duty, Value Added Tax, Service Tax, Cess and other statutory dues applicable to it.

- (b) According to the information and explanations given to us there was no disputed dues of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Excise Duty and Cess as on 31st March, 2013 *except* an amount of Rs.11,27,944/- (Previous Year Rs.11,27,944/-) on account of CENVAT Credit disallowed by the excise authority, for which an appeal is pending before the Central Excise Appellate Tribunal.
10. The Company earned cash profit in this financial year and in the immediately Preceding financial year and there is no accumulated losses at the end of this financial year.
  11. The Company has not defaulted in repayment of dues to any financial institutions or banks.
  12. The Company has not granted loans and advances on the basis of security by way of pledge of equity shares and other securities.
  13. In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi/mutual benefit fund/societies.
  14. The Company is not dealing or trading in equity shares, securities and other investments.
  15. During the period under audit, the company has not given any guarantee for loan taken by others from bank or financial institutions.
  16. In our opinion, the term loans have been applied for the purpose for which they were obtained.
  17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we report that the company has not used funds raised on short-term basis for long-term investment.
  18. The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956.
  19. The Company has not issued any debentures during the year.
  20. The Company has not raised any money through a public issue during the year.
  21. Based upon the audit procedures performed and 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 P. K. Nandy & Associates**

*Chartered Accountants*

Registration No. 307043E

**P. K. NANDY**

*Proprietor*

Membership No. 11505

Kolkata, The 29th May, 2013

**BALANCE SHEET AS AT 31ST MARCH, 2013**

	Note No.	As at 31st March, 2013		As at 31st March, 2012	
		Rs.	Rs.	Rs.	Rs.
<b>I. EQUITY AND LIABILITIES</b>					
<b>(1) Shareholder's Funds</b>					
Share Capital	2	3,10,00,000		3,10,00,000	
Reserves and Surplus	3	54,32,20,759		46,70,70,597	
			57,42,20,759		49,80,70,597
<b>(2) Non-Current Liabilities</b>					
Long-term Borrowings	4	6,67,60,024		13,37,45,791	
Deferred tax Liabilities (Net)	5	1,72,77,685		1,34,90,785	
Other Long Term Liabilities	6	10,67,984		10,67,984	
Long-term Provisions	7	5,62,32,391		6,00,85,263	
			14,13,38,084		20,83,89,823
<b>(3) Current Liabilities</b>					
Short-term Borrowings	8	15,90,47,770		19,07,36,108	
Trade Payables	9	11,82,17,266		10,92,36,136	
Other current Liabilities	10	5,81,59,187		4,07,57,198	
Short-term Provisions	11	10,84,98,918		7,77,06,788	
			44,39,23,141		41,84,36,230
<b>TOTAL</b>			<b>1,15,94,81,984</b>		<b>1,12,48,96,650</b>
<b>II. ASSETS</b>					
<b>(1) Non-current assets</b>					
<i>Fixed Assets</i>					
(i) Tangible Assets	12	81,55,82,831		75,55,85,068	
(ii) Intangible Assets	12	6,52,515		10,82,398	
(iii) Capital work-in-progress		19,24,304		—	
		81,81,59,650		75,66,67,466	
Non-current Investments	13	3,81,45,480		3,81,45,480	
Long Term Loans and Advances	14	17,84,10,502		10,75,08,003	
			1,03,47,15,632		90,23,20,949
<b>(2) Current Assets</b>					
Inventories	15	4,62,69,196		5,97,54,242	
Trade Receivables	16	1,23,80,387		1,18,59,826	
Cash and Cash Equivalents	17	2,14,34,920		5,76,79,086	
Short-term Loans and Advances	18	3,98,42,827		8,17,44,716	
Other Current Assets	19	48,39,022		1,15,37,831	
			12,47,66,352		22,25,75,701
<b>TOTAL</b>			<b>1,15,94,81,984</b>		<b>1,12,48,96,650</b>
Significant Accounting Policies	1				
Notes to the Accounts	28				

The Notes to the Accounts referred to above form an integral part of the Balance Sheet

This is the Balance Sheet referred to in our Report of even date.

**For P.K. NANDY & ASSOCIATES**

Chartered Accountants

Registration No. 307043E

**P.K. Nandy**

Proprietor

Membership No. 11505

Kolkata, 29th May, 2013

**D. Chowdhury**  
Company Secretary

**Anjan Ghosh**  
Director

**For and on behalf of the Board**

**H.P. Baroah**

Chairman & Managing Director

**Somnath Chatterjee**  
Managing Director

**STATEMENT OF PROFIT AND LOSS**

	Note No.	For the year ended 31.03.2013	For the year ended 31.03.2012
		Rs.	Rs.
Revenue from Operations	20	1,00,29,48,057	83,18,67,060
Other Income	21	45,61,653	33,60,714
<b>Total Revenue</b>		<b>1,00,75,09,710</b>	<b>83,52,27,774</b>
<b>Expenses</b>			
Cost of Material Consumed	22	22,53,59,509	14,91,36,367
Change in Inventories (Stock of Tea)	23	1,39,67,876	65,764
Employee Benefit Expenses	24	28,82,12,106	25,94,54,450
Financial Cost	25	6,35,10,898	5,41,46,222
Depreciation and Amortization Expenses	26	1,86,36,737	1,66,35,681
Other Expenses	27	28,27,34,405	25,42,09,358
		<b>89,24,21,531</b>	<b>73,36,47,842</b>
Profit/(Loss) before Taxation		11,50,88,179	10,15,79,932
Provision for Income Tax		(2,30,00,000)	(2,18,00,000)
Provision for Deferred Taxation		(37,86,900)	(50,62,160)
<b>Profit/(Loss) after Taxation Carried Forward</b>		<b>8,83,01,279</b>	<b>7,47,17,772</b>
<b>Earnings per Share(Basic &amp; Diluted)</b>		<b>28.48</b>	<b>24.10</b>
Significant Accounting Policies	1		
Notes to the Accounts	28		

The Notes to the Accounts referred to above form an integral part of the Statement of Profit & Loss

This is the Statement of Profit and Loss referred to in our Report of even date.

**For P.K. NANDY & ASSOCIATES**

Chartered Accountants

Registration No. 307043E

**P.K. Nandy**

Proprietor

Membership No. 11505

Kolkata

29th May, 2013

**D. Chowdhury**  
Company Secretary

**Anjan Ghosh**  
Director

**For and on behalf of the Board**

**H.P. Barooah**

Chairman & Managing Director

**Somnath Chatterjee**  
Managing Director



## SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS

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### 1. SIGNIFICANT ACCOUNTING POLICIES

#### a) Fixed Assets

Tangible assets:-

- i) Free hold Land, Lease hold Land & Plantations, Buildings, Plant & Machinery, Electrical Installations and Vehicles situated at the Company's tea estates were revalued as at 31st December, 1993, at net of replacement cost by approved valuers appointed for the purpose. The resultant incremental effect in the value of the related fixed assets arising from the aforesaid revaluation over and above the increase which had arisen as a result of prior revaluation of the Company's Free Hold Land and lease Hold Land & Plantations, Buildings and Plant and Machinery at the tea estates on 1.4.85 at net of replacement cost was transferred to Revaluation Reserve.
- ii) Other Fixed Assets items [ i.e. items not covered by revaluation referred to in (i) above] are stated at cost.
- iii) Additions to assets [ referred to in (i) above] subsequent to the date of revaluation are stated at cost.
- iv) Assets acquired on hire purchase are capitalised at cash cost.
- v) Expenditure on Replanting and Replacement are capitalised under Lease Hold Land & Plantations as per consistent policy of the Company and Tea Board Replanting and Extension Planting Subsidy are deducted from the value of Lease Hold Land & Plantations as and when received.
- vi) Capital subsidy received from Statutory Authorities is treated as capital receipt and shown under Capital Reserve.
- vii) Loss on account of Impairment of Assets is to be recognised if and when the carrying amount of Fixed Assets exceeds the recoverable amount i.e higher of net selling price and value in use.

Intangible assets :-

The expenses of computer software installed at the company's gardens, corporate office and Regd. office have been capitalised.

#### b) Capital work-in-progress

These are stated at cost which includes payments for availing facilities in connection with the work -in-progress.- Nil

#### c) Depreciation

- i) Depreciation on Fixed Assets upto 31.3.85 has been provided for on Written Down Value Method.
- ii) From 1.4.85, depreciation on Fixed Assets covered by revaluation referred to in a(i) above is calculated at their revalued amounts on the Straight Line Method at rates specified in Schedule



## SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS

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XIV to the Companies Act,1956 and accordingly includes additional depreciation charge. An amount equivalent to the aforesaid additional depreciation charge is transferred to the credit of the year's Profit & Loss Account from Revaluation Reserve :-

- iii) From 1.4.85, depreciation on other assets items [i.e. not covered by revaluation referred to in (a)(i)above] is calculated on Straight Line Method at rates specified in Schedule XIV to the Companies Act,1956
- iv) Depreciation on Lease Hold Land used for Tea Plantation has not been provided since on expiry of Lease period when lease rent is paid the Lease Hold Land is renewed for similar period on which lease was granted. During the year under audit the free-hold and lease- hold land and plantation have been separately shown.

### **d) Investments**

Investments in Shares are stated at cost less adjustment for permanent diminution in value thereof to the extent determined. Profit /Loss on disposals of such investment are recognised as income/expenditure.

### **e) Inventories**

Inventories are valued as under:

- Stores and Spare Parts : At lower of cost (determined under weighted average method) and net realisable value.
- Stock of tea : Valued at average cost or net realisable value, whichever is lower.

### **f) Foreign Currency Transactions**

Sales and expenditure in foreign currency are translated at rupee value at rates ruling on the date of transactions.

### **g) Retirement Benefits**

- i) Gratuity is accounted for on the basis of actuarial valuation.
- ii) Provident funds are accounted for on accrual basis with contribution to recognised funds.

### **h) Sales**

Sales are recognised on passing of property in goods i.e. delivery as per terms of sale or an completion of auction in case of auction sale.

### **i) Recognition of Income and Expenditure**

- i) Items of Income are recognised on accrual basis except Dividend,refund of government dues, Taxes and sundry receipts which are treated on cash basis.
- ii) Items of Expenditure are recognised on accrual basis.

### **j) Research and Development**

Contribution made to approved Research & Development Associations is charged as revenue on accrual basis.



## NOTES TO THE ACCOUNTS

	<u>As at</u> <u>31.03.2013</u> Rs.	<u>As at</u> <u>31.03.2012</u> Rs.
<b>2. SHARE CAPITAL</b>		
<b>Authorised</b>		
50,00,000 Equity Shares of Rs. 10/- each	<b>5,00,00,000</b>	5,00,00,000
5,00,000 Redeemable Cumulative Preference, Shares of Rs 100/- each	<u>5,00,00,000</u>	<u>5,00,00,000</u>
	<b>10,00,00,000</b>	<b>10,00,00,000</b>
<b>Issued, Subscribed and Fully Paid-up</b>		
31,00,000 Equity Shares of Rs. 10/- each fully Subscribed and paid up	<u>3,10,00,000</u>	<u>3,10,00,000</u>

### Of the above Shares-

- (1) Shares in the Company held by each Shareholder holding more than 5 percent Shares:
  - 8,61,918 Shares by Mr. H.P Barooah
  - 3,16,200 Shares by Mrs. S.Shetty
  - 2,42,430 Shares by Mrs. Gargi Barooah
- (2) 1,43,210 Equity Shares of Rs. 10/- each fully paid up have been allotted as Bonus shares by Capitalisation of Reserves. ( Previous Year -Same)
- (3) Final Call on 30,000 Equity Shares amounting to Rs.1,48,425/- were fully paid up by way of Capitalisation of Reserves. (Previous Year -Same)
- (4) 6,47,763 Equity Shares of Rs. 10/-each fully paid up have been allotted for consideration other than cash pursuant to Schemes of Amalgamation (Previous Year- Same)
- (5) There is no change in Share Capital during the year

## 3. RESERVES AND SURPLUS

	<u>Balance as at</u> <u>01.04.2012</u> Rs.	<u>Additions</u> Rs.	<u>Deductions</u> Rs.	<u>Balance as at</u> <u>31.03.2013</u> Rs.
Capital Reserve	1,24,27,906	-	-	<b>1,24,27,906</b>
Securities Premium Reserve	10,01,49,818	-	-	<b>10,01,49,818</b>
Revaluation Reserve	23,67,62,843	-	30,84,004	<b>23,36,78,839</b>
General Reserve	1,13,23,179	88,30,128	-	<b>2,01,53,307</b>
Surplus in Profit & Loss Statement	<u>10,64,06,851</u>	<u>7,04,04,038</u>	-	<b>17,68,10,889</b>
<b>(See note below)</b>	<u>46,70,70,597</u>	<u>7,92,34,166</u>	<u>30,84,004</u>	<b>54,32,20,759</b>

### Note:-

	<u>31.03.2012</u> Rs.	<u>31.03.2013</u> Rs.
Opening Surplus	4,44,98,874	<b>10,64,06,851</b>
Surplus as per Profit & Loss Statement	7,47,17,772	<b>8,83,01,279</b>
Less: Proposed Dividend on Equity Shares	(62,00,000)	<b>(77,50,000)</b>
Provision for Tax on Proposed Dividend	(10,05,795)	<b>(13,17,113)</b>
Transfer to General Reserve	(56,04,000)	<b>(88,30,128)</b>
	<u>10,64,06,851</u>	<b>17,68,10,889</b>

**NOTES TO THE ACCOUNTS**

	As at <u>31.03.2013</u> Rs.	As at <u>31.03.2012</u> Rs.
<b>4. LONG TERM BORROWINGS</b>		
<b>SECURED</b>		
<b>Term Loans</b>		
From United Bank of India	4,26,19,212	5,24,13,269
Secured by hypothecation of existing and future tangible assets (Excluding the assets purchased under hire purchase Scheme of Tea Board) including tea crop, with United Bank of India and additionally secured by Equitable Mortgage of Fixed Assets situated at the Tea Estates and at Kolkata (2/C,Hastiings Park Road,Kolkata-27) of the Company, besides the personal guarantee of a director. (Re-payable within, 2020)		
<b>From Tea Board</b>	48,76,980	1,25,10,870
Secured / to be secured by assets purchased under the Tea Board Hire Purchase Scheme. (Re-payable within December, 2013)		
<b>Loan from Companies</b>	–	5,19,35,017
Secured by mortgage of certain immovable properties situated at Kolkata (113, Park Street, Kolkata -16 )		
<b>UNSECURED</b>		
<b>From Public</b>	1,92,63,832	1,68,86,635
By way of Fixed Deposits		
	<u>6,67,60,024</u>	<u>13,37,45,791</u>
<b>5. DEFERRED TAX LIABILITY (NET)</b>		
<b>Deferred Tax Liabilities</b>	3,76,38,679	3,36,22,537
Being Tax Impact on difference between W D V of Block of Assets as per Income Tax Laws and book W D V of Fixed Assets.		
<b>Deferred Tax Assets</b>	–	–
Being Tax Impact on Unabsorbed losses and/or depreciation carried forward as per income tax laws, recognised on the basis of estimated Taxable income for future years as per existing provisions of law.		
Expenses charged in the books but allowance deferred under Income tax laws	2,03,60,994	2,01,31,752
<b>Net Deferred Tax Liability</b>	<u>1,72,77,685</u>	<u>1,34,90,785</u>



## NOTES TO THE ACCOUNTS

	<b>As at 31.03.2013 Rs.</b>	<b>As at 31.03.2012 Rs.</b>
<b>6. OTHER LONG TERM LIABILITIES</b>		
Trade Payable	<b>10,67,984</b>	10,67,984
	<b><u>10,67,984</u></b>	<u>10,67,984</u>
<b>7. LONG TERM- PROVISIONS</b>		
Provision for Gratuity	<b>5,62,32,391</b>	6,00,85,263
	<b><u>5,62,32,391</u></b>	<u>6,00,85,263</u>
<b>8. SHORT-TERM BORROWINGS</b>		
<b>Working Capital Loan</b>		
United Bank of India (Cash Credit Accounts)	<b>15,90,47,770</b>	19,07,36,108
Secured by hypothecation of existing and future current assets including tea crop, with United Bank of India and additionally secured by Equitable Mortgage of Fixed Assets situated at the Tea Estates, besides personal guarantee of a director.		
	<b><u>15,90,47,770</u></b>	<u>19,07,36,108</u>
<b>9. TRADE PAYABLES</b>		
Short Term Liabilities (including micro,small and medium enterprises Rs.1,18,451 P. Year Rs. 1,80,432)	<b>11,62,23,742</b>	10,54,30,275
Other payable	<b>19,93,524</b>	38,05,861
	<b><u>11,82,17,266</u></b>	<u>10,92,36,136</u>

**NOTES TO THE ACCOUNTS**

	As at <u>31.03.2013</u> Rs.	As at <u>31.03.2012</u> Rs.
<b>10. OTHER CURRENT LIABILITIES</b>		
<b>Current Liabilities on Long-Term Debts</b>		
From United Bank of India	<b>3,02,25,000</b>	3,00,68,358
Secured by hypothecation of existing and future tangible assets (Excluding the assets purchased under hire purchase Scheme of Tea Board) including tea crop, with United Bank of India and additionally secured by Equitable Mortgage of Fixed Assets situated at the Tea Estates and at Kolkata (2/C, Hastiings Park Road, Kolkata-27) of the Company, besides the personal guarantee of a director.		
From Indusind Bank	<b>1,80,00,000</b>	—
Secured by hypothecation of a Flat of the company situated at kolkata (6, Dover Road, Flat No. 4B, Kolkata- 700019). (repayable within, 2014)		
Loan From Others	<b>10,801</b>	10,801
Loan For Vehicles (Instalments not yet due)	<b>94,41,792</b>	1,03,87,194
Unclaimed Dividend	<b>4,81,594</b>	2,90,845
	<b><u>5,81,59,187</u></b>	<b><u>4,07,57,198</u></b>
<b>11. SHORT TERM-PROVISIONS</b>		
Provision for Gratuity	<b>1,08,32,805</b>	49,01,993
Provision for Income Tax	<b>8,85,99,000</b>	6,55,99,000
Proposed Dividend	<b>77,50,000</b>	62,00,000
Provision for tax on Proposed Dividend	<b>13,17,113</b>	10,05,795
	<b><u>10,84,98,918</u></b>	<b><u>7,77,06,788</u></b>



**NOTES TO THE ACCOUNTS**

**12. FIXED ASSETS**

Description of Assets	GROSS BLOCK		DEPRECIATION			NET BLOCK				
	Original/ Revalued Cost as at 01.04.2012 Rs.	Additions during the Year Rs.	Sale/ Adjustment during the Year Rs.	Total as at 31.03.2013 Rs.	Up to 31.03.2012 Rs.	For the Year Rs.	Disposal/ Adjustment during the Year Rs.	Total as at 31.03.2013 Rs.	As at 31.03.2012 Rs.	As at 31.03.2013 Rs.
<b>TANGIBLE ASSETS</b>										
FREE HOLD LAND	33,14,431	-	-	33,14,431	-	-	-	-	33,14,431	33,14,431
LEASE HOLD LAND & PLANTATIONS	35,76,67,380	2,76,90,397	-	38,53,57,777	-	-	-	-	38,53,57,777	35,76,67,380
BUILDINGS	32,42,87,832	3,07,13,022	-	35,50,00,854	7,79,07,248	70,64,708	-	8,49,71,956	27,00,28,898	24,63,80,584
PLANT & MACHINERY	18,65,95,103	52,86,470	-	19,18,81,573	9,24,59,976	76,64,326	-	10,01,24,302	9,17,57,271	9,41,35,127
ELECTRICAL INSTALLATION	3,61,09,536	64,97,252	20,000	4,25,85,788	1,97,81,388	17,21,766	15,203	2,14,87,951	2,10,97,837	1,63,27,148
VEHICLES	5,06,29,598	68,88,999	7,41,258	5,67,77,339	2,80,05,511	33,37,388	7,04,196	3,06,38,703	2,61,38,636	2,26,24,087
OFFICE EQUIPMENT	27,97,819	2,47,187	-	30,45,006	16,42,554	1,07,460	-	17,50,014	12,94,992	11,55,265
COMPUTER	44,45,561	13,38,761	-	57,84,322	28,28,905	4,14,639	-	32,43,544	25,40,778	16,16,665
FURNITURE & FITTINGS	2,26,48,323	26,68,401	-	2,53,16,724	1,00,75,290	11,89,223	-	1,12,64,513	1,40,52,211	1,25,73,033
<b>INTANGIBLE ASSETS</b>										
COMPUTER SOFTWARE	14,30,689	-	-	14,30,689	5,56,943	2,21,231	-	7,76,174	6,52,515	8,73,746
<b>TOTAL</b>	98,99,25,272	8,13,30,489	7,61,258	1,07,04,94,503	23,32,57,815	2,17,20,741	7,19,399	25,42,59,157	81,62,35,346	75,66,67,466
Previous Year	90,27,41,099	8,84,61,519	12,77,346	98,99,25,272	21,42,77,194	1,97,20,520	7,39,908	23,32,57,806	75,66,67,466	-

**Notes :**

- Additions during the year to Lease Hold Land & Plantations include Rs. 2,03,28,498/- (Previous year Rs.1,54,48,251/-) on account of Replanting & Replacement.
- Furniture & Fittings includes Silverware, Original Cost Rs.5,13,430/- on which no depreciation has been Charged.
- A Revaluation (at net of replacement cost) of Land and Plantations, certain Buildings, Plant & Machinery, Electrical Installations and Vehicles situated at Company's Tea Estates carried out by an approved valuer as at 31st December 1993 has resulted in an increase in value by Rs.2134.64 lacs (Land & Plantations Rs.13,25,55,536/-, Buildings Rs.5,32,34,797/-, Plant & Machinery Rs.1,66,74,540/-, Electrical Installations Rs.75,70,432/- and Vehicles Rs.34,28,697/-) over and above Rs.335.28 lacs increase which had arisen as a result of a revaluation of the Company's Land & Plantations, Buildings and Plant & Machinery at Tea Estate on 1.4.85 at net of replacement basis.
- Land & Plantation, Buildings, Plant & Machinery, Vehicles, Electrical Installation, Furniture & Fittings and Office Equipments include Rs.3,47,38,831, Rs.48,51,415, Rs.1,40,42,977, Rs. 5,19,594, Rs.7,86,303, Rs 52,220 and Rs.15,37,619 respectively on account of development of land and other assets to be used for golf game.

**NOTES TO THE ACCOUNTS**

	<u>As at 31.03.2013 Rs.</u>	<u>As at 31.03.2012 Rs.</u>
<b>13. NON CURRENT INVESTMENTS</b>		
<b>LONG TERM INVESTMENTS</b>		
<b>Other Investments</b>		
<b>Shares (Quoted at Cost)</b>		
91 Equity Shares of Rs.10/-each fully paid up in ICICI Bank Ltd. (Previous year same)	<b>4,980</b>	4,980
<b>Shares (Unquoted at Cost)</b>		
250 Equity Shares of Rs.100/-each fully paid up in Assam Financial Corporation (P.Year same)	<b>25,000</b>	25,000
18,000 Equity Shares of Rs.10/-each fully paid up in Heritage North East Pvt. Ltd (P.Year same)	<b>3,60,000</b>	3,60,000
National Savings Certificate (VI Issue) (Lodged With Excise Authorities) (P.year same)	<b>1,000</b>	1,000
9,800 Equity Shares of Rs.10/-each fully paid up in Kaziranga Golf Club Pvt. Ltd. (P.Year same)	<b>98,000</b>	98,000
<b>Investments in Subsidiary Company</b>		
<b>Shares (Quoted at Cost)</b>		
35,54,829 Equity Shares of Rs.10/-each fully paid up in B & A Packaging India Ltd. (P.Year same)	<b>3,76,56,500</b>	3,76,56,500
	<b><u>3,81,45,480</u></b>	<b><u>3,81,45,480</u></b>
Quoted Investments- Market value of Rs.6,40,79,837/- (Previous Year Rs. 6,40,64,822/-)	<b>3,76,61,480</b>	3,76,61,480
Other Unquoted Investments	<b>4,84,000</b>	4,84,000
	<b><u>3,81,45,480</u></b>	<b><u>3,81,45,480</u></b>
<b>14. LONG-TERM LOANS AND ADVANCES</b>		
(Unsecured, Considered good)		
Advance Income Tax	<b>6,41,60,622</b>	4,12,71,003
Other Loans and Advances	<b>11,08,43,825</b>	6,25,49,067
Security Deposits	<b>34,06,055</b>	36,87,933
	<b><u>17,84,10,502</u></b>	<b><u>10,75,08,003</u></b>



## NOTES TO THE ACCOUNTS

	As at <u>31.03.2013</u> Rs.	As at <u>31.03.2012</u> Rs.
<b>15. INVENTORIES</b>		
[For valuation of Inventories refer to note 1(e) on Note No.27]		
Stock of Tea	73,92,000	2,13,59,876
Stock of Stores at Garden	3,88,77,196	3,83,94,366
	<u>4,62,69,196</u>	<u>5,97,54,242</u>
<b>16. TRADE RECEIVABLES</b>		
(Unsecured, Considered good)		
Outstanding for a period exceeding six months	77,43,376	79,42,621
Others	46,37,011	39,17,205
	<u>1,23,80,387</u>	<u>1,18,59,826</u>
<b>17. CASH AND CASH EQUIVALENTS</b>		
Cash on Hand	8,76,089	6,94,270
Balance with Scheduled Banks-		
In Current Accounts	1,39,22,753	3,54,29,101
In Marginal Deposit Accounts	93,266	1,55,676
In Unpaid Dividend Accounts	5,92,271	4,01,523
Other Bank Balances-		
In Fixed Deposits (incl. accrued int.) less than three months maturity	-	1,56,62,603
In Fixed Deposits (incl. accrued int.) more than twelve months maturity	51,13,270	45,34,569
In Other Term Deposit Account	8,37,271	8,01,344
	<u>2,14,34,920</u>	<u>5,76,79,086</u>
<b>18. SHORT-TERM LOANS AND ADVANCES</b>		
(Unsecured, Considered good)		
Other Loans and Advances	3,98,42,827	8,17,44,716
	<u>3,98,42,827</u>	<u>8,17,44,716</u>
<b>19. OTHER CURRENT ASSETS</b>		
Subsidies receivable from Government	-	65,47,010
Deffered Expenditure (Interest on Hire Purchase)	12,83,541	14,35,340
Balance with Central Excise Authorities (Duty Drawback)	35,55,481	35,55,481
	<u>48,39,022</u>	<u>1,15,37,831</u>



**NOTES TO THE ACCOUNTS**

	For the year ended 31.03.2013 Rs.	For the year ended 31.03.2012 Rs.
<b>20. REVENUE FROM OPERATION</b>		
Sales-(Gross)	1,00,29,48,057	83,18,67,060
	<u>1,00,29,48,057</u>	<u>83,18,67,060</u>
<b>21. OTHER INCOME</b>		
Interest Received	8,98,567	8,34,057
Sundry Receipts	3,35,692	2,65,815
Insurance Claims	9,03,952	11,01,776
Sale of Green Leaf	5,28,412	-
Replanting Subsidy	8,32,092	-
Rent Received	3,42,830	4,11,660
Profit on sale of Assets	1,04,139	5,41,562
Liabilities no longer required written back	6,15,969	2,05,844
	<u>45,61,653</u>	<u>33,60,714</u>
<b>22. COST OF MATERIAL CONSUMED</b>		
Purchase of Green Leaf	22,53,59,509	14,91,36,367
	<u>22,53,59,509</u>	<u>14,91,36,367</u>
<b>23. CHANGE IN INVENTORIES</b>		
Opening Stock of Tea	2,13,59,876	2,14,25,640
Less: Closing Stock of Tea	(73,92,000)	(2,13,59,876)
	<u>1,39,67,876</u>	<u>65,764</u>
<b>24. EMPLOYEE BENEFITS EXPENSES</b>		
Salaries,Wages, Bonus and Gratuity	23,07,96,738	21,04,95,248
Contribution to Provident & Other Fund	2,35,24,980	1,84,04,496
Labour and Staff Welfare	3,38,90,388	3,05,54,706
	<u>28,82,12,106</u>	<u>25,94,54,450</u>
<b>25. FINANCIAL COST</b>		
Interest and Financial Charges	6,35,10,898	5,41,46,222
	<u>6,35,10,898</u>	<u>5,41,46,222</u>



## NOTES TO THE ACCOUNTS

	For the year ended 31.03.2013	For the year ended 31.03.2012
	Rs. Rs.	Rs. Rs.
<b>26. DEPRECIATION &amp; AMORTIZATION EXPENSES</b>		
Depreciation	2,17,20,741	1,97,20,520
Less: Transferred from Revaluation Reserve	<u>(30,84,004)</u>	<u>(30,84,839)</u>
	<u>1,86,36,737</u>	<u>1,66,35,681</u>
<b>27. OTHER EXPENSES</b>		
Manufacturing Expenses –		
Consumption of Stores and Spares parts	4,50,62,930	3,89,88,065
Repairs to Buildings	89,25,547	93,46,096
Repairs to Machinery	1,34,61,704	1,14,61,174
Power and Fuel	7,32,84,487	6,08,34,157
Cess on Tea	<u>28,79,586</u>	<u>24,89,477</u>
	14,36,14,254	12,31,18,969
Selling and Distribution Expenses –		
Freight, Brokerage & Selling Expenses	5,55,25,806	5,97,01,731
Establishment Expenses –		
Rent,Hire & Service Charges	21,49,719	22,08,970
Rates,Taxes & Association Subscription	1,08,15,131	86,28,051
Travelling & Conveyance	1,24,41,965	1,11,11,643
Professional Charges	1,02,59,669	77,12,016
Vehicle Running & Maintenance	1,65,98,587	1,29,74,148
Insurance	32,93,159	29,57,350
Miscellaneous Expenses	2,76,45,115	2,54,32,480
Directors Fees and Expenses	1,91,000	1,64,000
Auditors Remuneration	<u>2,00,000</u>	<u>2,00,000</u>
	8,35,94,345	7,13,88,658
	<u>28,27,34,405</u>	<u>25,42,09,358</u>

## NOTES TO THE ACCOUNTS

<b>NOTE NO. 28</b>	<b>31.03.2013</b>	<b>31.03.2012</b>
	<b>Rs.</b>	<b>Rs.</b>
1. Other liabilities in Note No. 9 include Rs.4,81,594/- (Previous year Rs.2,90,845/-) in respect of unclaimed dividends.		
<b>2. Disclosure regarding Micro,Small and Medium Enterprises</b>		
i) The principal amount and interest due thereon remaining unpaid to any supplier as at the end of the year:		
Principal	1,18,451	1,80,432
Interest	Nil	Nil
ii) The amount of interest accrued and remaining unpaid at the end of the year	Nil	Nil
iii) The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond appointed day during the year		
Principal	Nil	Nil
Interest	Nil	Nil
iv) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the Micro and Small Enterprises	Nil	Nil
3. Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. Nil (Previous year Rs.Nil)		
4. The Company has only one business segment of manufacture and Sale of black tea, hence AS 17 of Companies accounting Rules, 2006 do not apply.		
	<b>Current Year</b>	<b>Previous Year</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>5. Amount paid and /or payable to Auditors:</b>		
Audit Fees	1,50,000	1,50,000
Tax Audit Fees	50,000	50,000
Other Services	1,01,500	1,31,500
	<b>3,01,500</b>	<b>3,31,500</b>
<b>6. Contingent Liabilities</b>		
– Liability for Excise Duty	11,27,944	11,27,944
– Liability for Provident Fund (for ration to employees)	NIL	29,68,948
– Liability for Arrear Land Revenue	14,20,304	14,20,304
– Liability for Interest on Green Leaf Cess	NIL	71,36,198
– Liability for Interest on Employees Provident Fund	NIL	1,00,61,000



## NOTES TO THE ACCOUNTS

	<u>Current Year</u> Rs.	<u>Previous Year</u> Rs.
<b>7. Quantitative information in respect of tea</b>		
i) Capacity		
a) Licensed	Not Applicable	Not Applicable
b) Installed ( As certified by Management)	Not Applicable	80 lac Kg.
	<u>Kgs.</u>	<u>Kgs.</u>
ii) Production	<b>55,34,462</b>	52,33,657
iii) Staff & Labour Tea	<b>82,260</b>	59,255
iv) Tea Waste	<b>60,906</b>	48,000
v) Saleable Production	<b>53,91,296</b>	51,26,402
vi) Opening Stock	<b>1,68,188</b>	1,78,547
vii) Sales	<b>55,06,684</b>	51,36,761
viii) Closing Stock	<b>52,800</b>	1,68,188
ix) Green Leaf Plucked, Purchased & Consumed	<b>2,48,39,397</b>	2,33,86,786
<b>8. a) Value of stores and spare parts consumed:</b>	<b>Current Year</b>	<b>Previous Year</b>
	<u>Value (Rs.)</u> <u>Percentage</u>	<u>Value (Rs.)</u> <u>Percentage</u>
i) Indigenous	<b>4,50,62,930</b> <b>100%</b>	3,89,88,065    100%
ii) Imported	<b>Nil</b> <b>Nil</b>	Nil    Nil
<b>b) Raw Materials</b>		
i) Green leaf plucked (Value cannot be attributed as the same is produced in the Company's own gardens)		
ii) Green leaf purchased (inclusive of Carrying charges)	<b>22,53,59,509</b>	14,91,36,367
<b>9. Earning in Foreign exchange</b>		
– Value of Export at F.O.B (Net)	<b>32,838</b>	Nil
<b>10. Expenditure in Foreign Currency</b>		
– Foreign Travel	<b>32,01,398</b>	24,11,028

**NOTES TO THE ACCOUNTS**

11. Company's Long Term benefit Scheme presently consist of Gratuity only. Following are the details of amount recognised in the Financial Statements in respect of gratuity as per actuarial valuation:

**TABLE-1**

Actuarial calculation for AS 15 (Rev,2005) for the purpose of Net Assets/Liability, Recognised in the Balance Sheet .

Sl.	Description	1st April,2012	31st March,2013
i)	Present Value of Defined Benefit Obligation	(6,49,87,256)	<b>(6,70,65,195)</b>
ii)	Fair value of Plan Assets	-	-
iii)	Fund Status[Surplus/(Defecit)]	(6,49,87,256)	<b>(6,70,65,195)</b>
iv)	Unrecognised Past Service Cost	-	-
iv)	Net Assets/(Liability) recognized in the Balance Sheet	(6,49,87,256)	<b>(6,70,65,195)</b>

**REVISED SCHEDULE VI OF THE COMPANIES ACT**

Sl.	Description	31.03.2012	31.03.2013
<b>a)</b>	<b>Current Liability</b>		
	i) Current I / Liability on Retirement	63.96,064	<b>69,51,830</b>
	ii) Current Liability on Attrition	17.57.736	<b>18,03,401</b>
	<b>Total Current Liability</b>	<u>81,53,800</u>	<u><b>87,55,231</b></u>
<b>b)</b>	<b>Non Current Liability</b>	5,68.33,456	<b>5,83,09,964</b>

**TABLE-2**

**GRATUITY FUND**

Actuarial calculation for AS 15 (Rev,2005) for the purpose of Disclosure of Employer Expense for the period ending 31st March,2013.

SL.	Description	Year 2012-13
i)	Current Service Cost (including risk permium for fully insured benefits)	<b>38,42,587</b>
ii)	Interest Cost	<b>52,83,098</b>
iii)	Expected Return of Assets (-)	-
iv)	Curtailment Cost (+)	-
v)	Settlement Cost(+)	-
vi)	Past Service Cost	-
vii)	Actuarial Gains(-)/Loss(+)	<b>(+) 36,22,040</b>
viii)	Appreciation/Depreciation of Plain Assets	-
	<b>Total</b>	<b>1,27,46,725</b>

**Total employer expenses recognized in P & L**

**1,27,46,725**



## NOTES TO THE ACCOUNTS

### TABLE-3

#### GRATUITY FUND

Actuarial calculation for AS 15 (Rev,2005) for the purpose change in obligation/assets in the period ending 31.03.2013.

#### A. Change in Obligation in the year ended 31.03.2013

SL.	Description	Year 2012-2013
i)	Present value of Defined Benefit Obligation at the beginning of the year	6,49,87,256
ii)	Employee Service Cost (+)	38,42,587
iii)	Interest Cost (+)	52,82,098
iv)	Curtailment Cost (+)	—
v)	Settlement Cost(+)	—
vi)	Plan Amendments	—
vii)	Acquisitions	—
viii)	Actuarial Gains(-)/Loss(+)	(+) 36,22,040
ix)	Benefit Payments (-)	(-) 1,06,68,786
x)	Present Value of DB obligations at the end of the year	6,70,65,195

#### B. Change in Assets

SL.	Change in Assets	Year 2012-2013
i)	Fair value of Plan Assets at the beginning of the year	—
ii)	Acquisition Adjustments	—
iii)	Actual return of Plan Assets (+)	—
iv)	Actual Company Contribution (+)	—
v)	Benefit Payments (-)	—
vi)	Appreciation/Depreciation of Plan Assets	—
vii)	Fair value Plan Assets at the end of the period	—

## NOTES TO THE ACCOUNTS

**TABLE-4**

**GRATUITY FUND**

**Reconciliation of Net Assets / (Liability) recognised in the Balance Sheet as at 31st March, 2013**

SL.	Change in Assets	Year 2012-2013
i)	Net Assets /(Liability) recognised in the Balance Sheet at the beginning of the year	(6,49,87,256)
ii)	Employer Expenses	1,27,46,725
iii)	Employer Contribution	1,06,68,786
iv)	Acquisitions	-
v)	Net Assets /(Liability) recognised in the Balance Sheet at the end of the year	(6,70,65,195)

**Summary of Membership Date**

SL.	Active Members	31st March 2012	31st March 2013
1)	Number of Employees	3,556	3,423
2)	Total Monthly Salaries (Rs.)	23,21,201	25,33,359
3)	Total Daily Salaries (Rs.)	2,25,583	2,71,361
4)	Avg. Monthly Salary per employees	5,789	6,810
5)	Avg. Daily Salary Per employees (Rs)	71.50	89.00
6)	Average Past Services (yrs.)	16.94	17.06
7)	Average Future Services (yrs.)	16.76	16.37
8)	Average Age at Valuation Date (yrs.)	41.24	40.90

**12. Earnings Per Share as per AS 20 of Companies (Accounting Standards) Rules 2006.:**

	As on 31.03.2013	As on 31.03.2012
<b>(1) Basic</b>		
(a) Numbers of Equity Shares at the beginning of the year	31,00,000	31,00,000
(b) Numbers of Equity Shares at the end of the year	31,00,000	31,00,000
(c) Weighted average number of Equity Shares outstanding during the year	31,00,000	31,00,000
(d) Face Value of each Equity Shares (Rs)	10	10
(e) Profit /(Loss) for the year (Rs)	8,83,01,279	7,47,17,772
(f) Basic Earnings per Share (Rs)	28.48	24.10
<b>(2) Diluted</b>		
(a) Dilutive Potential Equity Shares	31,00,000	31,00,000
(b) Diluted Earnings per Share-[Same as (l)(f) above] (Rs)	28.48	24.10



## NOTES TO THE ACCOUNTS

### 13. Related Party Disclosures - pursuant to AS 18 of Companies (Accounting Standards) Rules 2006:

#### (a) Where control exists:

Related Parties

Name:

B & A Packaging India Ltd.

Relationship :

Subsidiary Company

#### (b) Others

Dr. H. P. Barooah

Mr. Somnath Chatterjee

Mrs. Gargi Barooah

Heritage North East Pvt.Ltd.

Key Management Personnel

Key Management Personnel

Relative of Key Management Personnel

Associate Company

### Particulars of transaction during the year ended 31st March, 2013:

Sl. No.	Particulars	Subsidiary Company Rs.	Key Management Personnel Rs.	Relatives of Key Management Personnel Rs.	Associate Company Rs.
(a)	Purchase of Paper Sacks	58,95,615	–	–	–
(b)	Interest on Fixed Deposits	–	17,44,356	–	–
(c)	Directors Remuneration	–	50,32,740	–	–
(d)	Pension	–	–	4,20,000	–
(e)	Advance Given	–	–	–	–
(f)	Received for Rent & Other Services	2,46,895	–	–	2,00,000
(g)	Balance outstanding at the year end				
i)	Sundry Creditors	5,57,990	–	–	–
ii)	Receiveable	–	–	–	3,90,000
iii)	Loan from Others	–	10,801	–	–



**NOTES TO THE ACCOUNTS**

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14. Value of Green Leaf produced in the Company's own tea estates is not ascertainable. However, cost of material consumed represents only cost of green leaf purchased from other tea growers.
15. Green leaf purchased and consumed during the year 1,00,74,693 kgs. (P.Year - 86,04,224 Kgs.)
16. Previous year's figures have been regrouped and rearranged, wherever considered necessary.

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**For P.K. NANDY & ASSOCIATES***Chartered Accountants*

Registration No. 307043E

**(P.K. Nandy)***Proprietor*

Membership No. 11505

Kolkata, 29th May, 2013

**D. Chowdhury**  
*Company Secretary***Anjan Ghosh**  
*Director***For and on behalf of the Board****H.P. Barooah***Chairman & Managing Director***Somnath Chatterjee**  
*Managing Director*

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013**

	For the Year ended 31.03.2013	For the Year ended 31.03.2012
	Rs.	Rs.
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and extraordinary items	11,50,88,179	10,15,79,932
<b>Adjustments for:</b>		
Depreciation	1,86,36,737	1,66,35,681
Profit/Loss on Sale of Fixed Assets	1,04,139	5,41,562
Interest Received	(8,98,567)	(8,34,057)
Liabilities no longer required written back	(6,15,969)	(2,05,844)
Interest Paid / Payable	6,35,10,898	5,41,46,222
Operating Profit before Working Capital Changes	19,58,25,417	17,18,63,496
<b>Adjustments for:</b>		
Trade and other Receivables	(2,28,22,362)	(6,28,83,049)
Inventories	1,34,85,046	(20,49,139)
Trade Payable	44,69,244	2,52,19,051
<b>Cash Generated from Operations</b>	19,09,57,345	13,21,50,359
Interest Paid	6,35,10,898	5,41,46,222
Cash Flow before Extraordinary Items	12,74,46,447	7,80,04,137
Extraordinary Items	-	-
<b>Net Cash from Operating activities</b>	<u>12,74,46,447</u>	<u>7,80,04,137</u>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(8,32,54,785)	(8,84,61,519)
Sale of Fixed Assets	(62,279)	(4,124)
Interest Received	8,98,567	8,34,057
<b>Net Cash used in Investing Activities</b>	<u>(8,24,18,497)</u>	<u>(8,76,31,586)</u>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long Term Borrowing	(6,69,85,767)	(15,06,143)
Proceeds from Short Term Borrowing	(1,42,86,349)	4,59,46,982
<b>Net Cash used in Financing Activities</b>	<u>(8,12,72,116)</u>	<u>4,44,40,839</u>
<b>Net increase in Cash and Cash Equivalents (A+B+C)</b>	(3,62,44,166)	3,48,13,390
Cash and Cash Equivalents (Opening)	5,76,79,086	2,28,65,696
Cash and Cash Equivalents (Closing)	2,14,34,920	5,76,79,086

This is the Cash Flow Statement referred to in our report of even date.

**For P.K. NANDY & ASSOCIATES**

Chartered Accountants

Registration No. 307043E

**P.K. Nandy**

Proprietor

Membership No. 11505

Kolkata, 29th May, 2013

**D. Chowdhury**  
Company Secretary

**Anjan Ghosh**  
Director

**For and on behalf of the Board**

**H.P. Barooah**

Chairman & Managing Director

**Somnath Chatterjee**

Managing Director



## INDEPENDENT AUDITORS' REPORT

### TO THE BOARD OF DIRECTORS OF B & A LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS OF B & A LIMITED AND ITS SUBSIDIARY

#### Report on the Financial Statements

1. We have audited the accompanying Consolidated financial statements of **B & A LIMITED** ('the Company') and **its Subsidiary** ('the Group'), which comprise the Balance Sheet as at **31st March, 2013**, the Consolidated Statement of Profit and Loss and the Consolidated 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

2. The Company's Management is responsible for the preparation of these Consolidated financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance and Consolidated cash flows of the Company in accordance with the Accounting Standards referred to in Section 211 ( 3C ) of the Companies Act, 1956 ('the Act') and in accordance with the accounting principles generally accepted in India. These 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.

#### Auditors' Responsibility

3. Our responsibility is to express an opinion on these Consolidated 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 Consolidated financial statements are free of material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and fair presentation of the Consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Consolidated financial statements.



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

**Opinion**

6. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements of the Subsidiary 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 Consolidated Balance Sheet, of the state of affairs of the Group as at **31st March, 2013**;
- (ii) in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date;

and

- (iii) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

**Other Matter**

7. We did not audit the financial statements of Subsidiary, whose financial statements reflect the Group's share of total assets of Rs.3545.76 Lakhs as at 31st March, 2013 and the Group's share of total revenues of Rs.3125.65 Lakhs for the year ended on that date, and net cash inflows amounting to Rs.22.74 Lakhs for the year ended on that date and the Group's share of profit of Rs.1.46 Lakhs for the year ended that date as considered in the Consolidated Financial Statements. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the reports of the other auditors. Our opinion is not qualified in respect of this matter.

**For P. K. Nandy & Associates**

*Chartered Accountants*

Registration No. 307043E

**P. K. Nandy**

*Proprietor*

Membership No. 11505

Kolkata, 29th May, 2013



**BALANCE SHEET AS AT 31ST MARCH, 2013**

	Note No.	As at 31st March, 2013		As at 31st March, 2012	
		Rs.	Rs.	Rs.	Rs.
<b>I. EQUITY AND LIABILITIES</b>					
<b>Shareholder's Funds</b>					
Share Capital	2	3,10,00,000		3,10,00,000	
Reserves and Surplus	3	58,12,34,798		50,48,47,426	
			61,22,34,798		53,58,47,426
Forfeited Shares			1,97,500		1,97,500
<b>Non-Current Liabilities</b>					
Long-term Borrowings	4	13,40,72,879		20,30,38,422	
Deferred tax Liabilities (Net)	5	2,36,56,727		1,63,43,959	
Other Long Term Liability	6	10,67,984		10,67,984	
Long-term Provisions	7	5,89,33,697		6,16,43,329	
			21,77,31,287		28,20,93,694
<b>Current Liabilities</b>					
Short-term Borrowings	8	24,39,05,536		25,74,51,834	
Trade Payables	9	17,89,30,991		13,99,72,717	
Other current Liabilities	10	7,56,51,981		5,73,36,783	
Short-term provisions	11	12,44,95,606		9,39,75,838	
			62,29,84,114		54,87,37,172
Minority Interest			2,78,74,316		2,78,61,231
<b>TOTAL</b>			<b>1,48,10,22,015</b>		<b>1,39,47,37,023</b>
<b>II. ASSETS</b>					
<b>Non-current Assets</b>					
<b>Fixed Assets</b>					
Tangible Assets	12	96,58,74,398		79,43,34,746	
Intangible Assets	12	6,52,524		9,73,746	
		96,65,26,922		79,53,08,492	
<b>Capital work-in-Progress</b>					
Non-current Investments	13	55,41,059		10,96,96,039	
Long Term Loans and Advances	14	17,84,10,502		10,75,08,003	
			1,15,09,67,463		1,01,30,01,514
<b>Current Assets</b>					
Inventories	15	13,44,36,807		12,32,88,990	
Trade Receivables	16	8,36,64,800		6,75,75,735	
Cash and Cash Equivalents	17	3,21,58,856		6,61,28,954	
Short-term Loans and Advances	18	7,23,64,056		11,06,63,988	
Other Current Assets	19	74,30,033		1,40,77,842	
		33,00,54,552		38,17,35,509	
<b>TOTAL</b>			<b>1,48,10,22,015</b>		<b>1,39,47,37,023</b>
Significant Accounting Policies	1				
Notes to the Accounts	28				

The Schedules referred to above form an integral part of the Balance Sheet

This is the Balance Sheet referred to in our Report of even date.

**For P.K. NANDY & ASSOCIATES**

Chartered Accountants  
Registration No. 307043E

**P.K. Nandy (Proprietor)**

Membership No. 11505  
Kolkata, 29th May, 2013

**D. Chowdhury**  
Company Secretary

**Anjan Ghosh**  
Director

**For and on behalf of the Board**

**H.P. Barooah**  
Chairman & Managing Director

**Somnath Chatterjee**  
Managing Director



**STATEMENT OF PROFIT AND LOSS**

	Note No.	<b>For the year ended 31.03.2013</b> Rs.	For the year ended 31.03.2012 Rs.
Revenue from operations	20	<b>1,30,59,91,935</b>	1,11,93,21,021
Other Income	21	<b>79,40,481</b>	53,50,792
<b>Total Revenue</b>		<b>1,31,39,32,416</b>	1,12,46,71,813
<b>Expenses</b>			
Cost of material Consumed	22	<b>44,95,99,427</b>	36,27,12,506
Change in Inventories of Finished Goods and Work - in Progress	23	<b>94,71,194</b>	(89,75,631)
Employee benefit Expenses	24	<b>31,41,98,231</b>	28,02,64,393
Financial Cost	25	<b>8,53,72,667</b>	6,58,39,134
Depreciation and Amortization Expenses	26	<b>2,55,24,183</b>	1,82,68,264
Other Expenses	27	<b>31,01,42,067</b>	27,98,96,504
		<b>1,19,43,07,769</b>	99,80,05,170
Profit/(Loss) before Taxation		<b>11,96,24,647</b>	12,66,66,643
Provision for Income Tax		<b>(2,38,64,424)</b>	(2,96,00,000)
Tax Adjustment for Earlier Years		–	5,38,859
Provision for Deferred Taxation		<b>(73,12,768)</b>	(52,07,477)
Profit/(Loss) after Taxation		<b>8,84,47,455</b>	9,23,98,025
Add/(Less) Minority Interest		<b>(41,422)</b>	(50,38,441)
Add/(Less) Stock Reserve		<b>1,32,456</b>	(2,13,782)
		<b>8,85,38,489</b>	8,71,45,802
<b>Earnings per Share(Basic &amp; Diluted)</b>		<b>28.56</b>	28.11
Significant Accounting Policies	1		
Notes to the Accounts	28		

The Notes to Accounts referred to above form an integral part of the Statement of Profit & Loss

This is the Statement of Profit and Loss referred to in our Report of even date.

**For P.K. NANDY & ASSOCIATES**

Chartered Accountants  
Registration No. 307043E

**P.K. Nandy** (Proprietor)  
Membership No. 11505  
Kolkata, 29th May, 2013

**D. Chowdhury**  
Company Secretary

**Anjan Ghosh**  
Director

**For and on behalf of the Board**

**H.P. Barooah**  
Chairman & Managing Director

**Somnath Chatterjee**  
Managing Director

**SIGNIFICANT ACCOUNTING POLICES AND NOTES TO THE ACCOUNTS**

---

**NOTE NO. 1****a) FIXED ASSETS****Tangible Assets:-**

- i) Land & Plantations, Buildings, Plant & Machinery, Electrical Installations and Vehicles situated at the B & A Ltd's tea estates were revalued as at 31st December, 1993, at net replacement cost by approved valuers appointed for the purpose. The resultant incremental effect in the value of the related fixed assets arising from the aforesaid revaluation over and above the increase which had arisen as a result of prior revaluation of the Company's Land and Plantations, Buildings and Plant & Machinery at the tea estates on 1.4.85 at net replacement cost was transferred to Revaluation Reserve.
- ii) Fixed Assets of B&A Packaging India Limited have not been revalued.
- iii) Other Fixed Assets items [ i.e. items not covered by revaluation referred to in (i) above] are stated at cost.
- iv) Additions to assets [ referred to in (i) above] subsequent to the date of revaluation are stated at cost.
- v) Assets acquired on hire purchase are capitalised at cash cost.
- vi) Expenditure on Replanting and Replacement are capitalised under Land & Plantations as per consistent policy of the Company.

**Intangible Assets :-**

The expenses of computer software installed at the company's gardens, corporate office and head office have been capitalised.

**b) CAPITAL WORK- IN- PROGRESS**

These are stated at cost which includes payments for availing facilities in connection with the Work-in-progress

**c) DEPRECIATION**

- i) Depreciation on Fixed Assets of B & A Ltd, upto 31.3.85 has been provided for on Written Down Value Method.
- ii) From 1.4.85, depreciation on Fixed Assets covered by revaluation referred to in a(i) above is calculated on their revalued amounts on the Straight Line Method at rates specified in Schedule XIV to the Companies Act, 1956 and accordingly includes additional depreciation charge. An amount equivalent to the aforesaid additional depreciation charge is transferred to the credit of the year's Profit and Loss Account from Revaluation Reserve.

**SIGNIFICANT ACCOUNTING POLICES AND NOTES TO THE ACCOUNTS**

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- iii) Depreciation on other assets [i.e. items not covered by revaluation referred to in a (i) above] is calculated on Straight Line Method at rates specified in Schedule XIV to the Companies Act, 1956.

**d) INVESTMENTS**

Investments in Shares are stated at cost less adjustment for permanent diminution in value thereof to the extent determined. Profit /Loss on disposals of such investment are recognised as income/ expenditure.

**e) INVENTORIES**

Inventories are valued as under:

- Stores and Spare Parts : At lower of cost (determined under weighted average method) and net realisable value.
- Work-in-Progress : Valued at a percentage of the cost or realisable price whichever is lower.
- Finished Goods : Valued at cost or realisable price whichever is lower.

**f) FOREIGN CURRENCY TRANSACTIONS**

Sales and expenditure in foreign currency are translated at rupee value at rates ruling on the date of transactions.

**g) RETIREMENT BENEFITS**

- i) Gratuity accounted for on the basis of actuarial valuation.
- ii) Provident funds payments are accounted for on accrual basis with contribution to recognised funds.

**h) SALES**

Gross Sales are inclusive of excise duty and sales tax and recognised on passing of property in goods i.e. delivery as per terms of sale or on completion of auction in case of auction sales.

**i) RECOGNITION OF INCOME AND EXPENDITURE IN CONSOLIDATED ACCOUNTS**

- i) Items of Income are recognised on accrual basis except Dividend, Refund of Government dues, Taxes and sundry receipts which are treated on cash basis.
- ii) Items of Expenditure are recognised on accrual basis.

**j) RESEARCH AND DEVELOPMENT**

Contribution made to approved Research & Development Associations are charged on accrual basis.





NOTES TO THE ACCOUNTS

	As at <u>31.03.2013</u> Rs.	As at <u>31.03.2012</u> Rs.
<b>2. SHARE CAPITAL</b>		
<b>Authorised</b>		
50,00,000 Equity Shares of Rs. 10/- each	<b>5,00,00,000</b>	5,00,00,000
5,00,000 Redeemable Cumulative Preference Shares of 100/- each	<b>5,00,00,000</b>	5,00,00,000
	<b><u>10,00,00,000</u></b>	<u>10,00,00,000</u>
<b>Issued, Subscribed and Fully Paid</b>		
31,00,000 Equity Shares of Rs. 10/- each fully Subscribed and paid up	<b><u>3,10,00,000</u></b>	<u>3,10,00,000</u>

**3. RESERVES AND SURPLUS**

	Balance as at <u>01.04.2012</u> Rs.	Additions Rs.	Deductions Rs.	Balance as at <u>31.03.2013</u> Rs.
Capital Reserve	1,24,27,906	-	-	<b>1,24,27,906</b>
Securities Premium	10,01,49,818	-	-	<b>10,01,49,818</b>
Revaluation Reserve	23,67,62,843	-	30,84,004	<b>23,36,78,839</b>
General Reserve	1,13,23,179	88,30,128	-	<b>2,01,53,307</b>
Profit & Loss Account	14,41,83,680	7,06,41,248	-	<b>21,48,24,928</b>
<b>(See note below)</b>	<b><u>50,48,47,426</u></b>	<b><u>7,94,71,376</u></b>	<b><u>30,84,004</u></b>	<b><u>58,12,34,798</u></b>

<b>Note:-</b>	31.03.2012 Rs.	31.03.2013 Rs.
Opening Surplus	6,98,47,673	<b>14,41,83,680</b>
Surplus as per Profit & Loss Statement	8,71,45,802	<b>8,85,38,489</b>
Less : Proposed Dividend	(62,00,000)	<b>(77,50,000)</b>
Provision Tax on Proposed Dividend	(10,05,795)	<b>(13,17,113)</b>
Transfer to General Reserve	<u>(56,04,000)</u>	<b><u>(88,30,128)</u></b>
	<b><u>14,41,83,680</u></b>	<b><u>21,48,24,928</u></b>

**NOTES TO THE ACCOUNTS**

	<b>As at 31.03.2013 Rs.</b>	<b>As at 31.03.2012 Rs.</b>
<b>4. LONG TERM BORROWINGS</b>		
<b>SECURED</b>		
<b>Term Loans</b>		
From United Bank Of India Secured by hypothecation of existing and future current assets including tea crop, with United Bank of India and additionally secured by Equitable Mortgage of Fixed Assets situated at the Tea Estates and at Kolkata (2/C, Hatsings Park Road,Kolkata-27) of the Company, besides the personal guarantee of a director. (re-payable within ,2019)	<b>4,26,19,212</b>	5,24,13,269
<b>State Bank of India :</b>	<b>4,13,76,837</b>	4,33,13,384
(i) Secured by 1st charge over the entire Plant and Machinery and other fixed Assets pertaing to the Flexi Packaging Material project and also collaterally secured by : a) Extension of charge over Factory Land,Building, Plant & Machinery b) Equitable mortgage of Flat no.1 & 2 3rd Floor at 55/24 Bimannagar, Rajarhat, North 24 Parganas in the name of Barooahs & Associates Pvt.Ltd. c) Personal gurantee of Shri H.P.Barooah,Director & Corporate Gurantee of Barooahs & Associates Pvt.Ltd.		
ii) Term of Repayment in Quarterly Instalments each of Rs.34.50 Lac		
<b>From Tea Board</b>	<b>48,76,980</b>	1,25,10,870
Secured / to be secured by assets purchased under the Tea Board Hire Purchase Scheme. (re-payable within December,2014)		
<b>Auto Loans</b>	<b>1,36,018</b>	1,79,247
Secured by hypothecation of vehicles purchased.		
<b>Loan from Companies</b>	—	5,19,35,017
Secured by mortgage of certain immovable properties situated at Kolkata (113,Park Street,Kolkata-16)		
<b>UNSECURED</b>		
From Public by way of Fixed Deposits	<b>1,92,63,832</b>	1,68,86,635
Loan from a Company	<b>2,04,00,000</b>	2,04,00,000
From a Director	<b>54,00,000</b>	54,00,000
	<b><u>13,40,72,879</u></b>	<b><u>20,30,38,422</u></b>



**NOTES TO THE ACCOUNTS**

	As at 31.03.13 Rs.	As at 31.03.12 Rs.
<b>5. DEFERRED TAX (LIABILITY)</b>		
Deferred Tax (Liabilities)	4,53,42,335	3,75,62,768
Being Tax Impact etc.		
Deferred Tax (Assets)		
Being Tax Impact etc.	(2,14,50,046)	(2,12,18,809)
<b>Net Deferred Tax Liability</b>	<u>2,36,56,727</u>	<u>1,63,43,959</u>
<b>6. OTHER LONG TERM LIABILITIES</b>		
Trade Payable	10,67,984	10,67,984
	<u>10,67,984</u>	<u>10,67,984</u>
<b>7. LONG TERM PROVISIONS</b>		
Provision for Gratuity	5,89,33,697	6,16,43,329
	<u>5,89,33,697</u>	<u>6,16,43,329</u>
<b>8. SHORT-TERM BORROWINGS</b>		
<b>Working Capital Loan-</b>		
United Bank of India (Cash Credit and O.D Accounts)	15,90,47,770	19,07,36,108
Secured by hypothecation of existing and future current assets including tea crop, with United Bank of India and additionally secured by Equitable Mortgage of Fixed Assets situated at the Tea Estates, besides personal guarantee of a director.		
<b>State Bank of India :</b>	7,94,56,451	6,67,15,726
(Secured by hypothecation of Company's entire stocks and book debts.)		
<b>Buyer's Credit</b>	54,01,315	-
(Secured by hypothecation of Company's current assets)		
	<u>24,39,05,536</u>	<u>25,74,51,834</u>
<b>9. TRADE PAYABLES</b>		
Short Term Liabilities	17,14,57,143	12,42,58,032
Other Payable	74,73,848	1,57,14,685
	<u>17,89,30,991</u>	<u>13,99,72,717</u>



**NOTES TO THE ACCOUNTS**

	<u>As at 31.03.13 Rs.</u>	<u>As at 31.03.12 Rs.</u>
<b>10. OTHER CURRENT LIABILITIES</b>		
<b>Current Liabilities on Long - Term Debts</b>	<b>3,02,25,000</b>	3,00,68,358
<b>From United Bank of India</b>		
Secured by hypothecation of existing and future current assets including tea crop, with United Bank of India and additionally secured by Equitable Mortgage of Fixed Assets situated at the Tea Estates and at Kolkata (2/C,Hatsings Park Road,Kolkata-27) of the Company, besides the personal guarantee of a director.		
<b>State Bank of India :</b>	<b>1,45,26,010</b>	1,38,00,000
(i) Secured by 1st charge over the entire Plant and Machinery and other fixed Assets pertaining to the Flexi Packaging Material project and also collaterally secured by :		
a) Extension of charge over Factory Land,Building, Plant & Machinery		
b) Equitable mortgage of flat no.1 & 2 3rd Floor at 55/24 Bimannagar, Rajarhat, North 24 Parganas in the name of Barooahs & Associates Pvt.Ltd.		
c) Personal guarantee of Shri H.P.Barooah,Director & Corporate Guarantee of Barooahs & Associates Pvt.Ltd.		
ii) Term of Repayment in Quarterly Instalments each of Rs.34.50 Lac		
<b>From Indusind Bank</b>	<b>1,80,00,000</b>	—
Secured by hypothecation of a Flat of the Company situated at Kolkata (6,Dover Road, Flat No.4B, Kolkata - 700019).		
Loan From Others	<b>10,801</b>	10,801
Deferred Sales Tax	<b>8,23,134</b>	8,23,134
Other Statutory Dues	<b>20,89,282</b>	17,83,037
Loan For Vehicles (Instalments not yet due)	<b>94,96,160</b>	1,05,60,608
Unclaimed Dividend	<b>4,81,594</b>	2,90,845
	<u><b>7,56,51,981</b></u>	<u>5,73,36,783</u>
<b>11. SHORT TERM-PROVISIONS</b>		
Provision for Gratuity	<b>1,08,32,805</b>	60,38,779
Provision for Income Tax	<b>10,45,95,688</b>	8,07,31,264
Proposed Dividend	<b>77,50,000</b>	62,00,000
Provision for tax on Proposed Dividend	<b>13,17,113</b>	10,05,795
	<u><b>12,44,95,606</b></u>	<u>9,39,75,838</u>



**NOTES TO THE ACCOUNTS**

**11. FIXED ASSETS**

Description of Assets	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	Original/ Revalued Cost as at 01.04.2012 Rs.	Additions during the year Rs.	Sale/ Adjustments during the year Rs.	Total as at 31.03.2013 Rs.	Up to 01.04.2012 Rs.	For the year Rs.	Disposal/ Adjustments during the year Rs.	Total as at 31.03.2013 Rs.	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
<b>TANGIBLE ASSETS</b>										
GOODWILL	66,37,551	-	-	66,37,551	-	-	-	-	66,37,551	66,37,551
LEASEHOLD LAND	33,14,431	-	-	33,14,431	-	-	-	-	33,14,431	33,14,431
LAND & PLANTATIONS	35,88,69,236	2,76,90,397	-	38,65,53,633	-	-	-	-	38,65,53,633	35,88,69,236
BUILDINGS	33,44,46,524	5,97,92,898	-	39,42,39,422	8,24,66,694	83,54,506	-	9,08,21,200	30,34,18,222	25,19,79,830
PLANT & MACHINERY	30,73,39,552	8,16,56,433	-	38,89,95,985	19,12,89,348	1,22,67,082	-	20,35,56,430	18,54,39,555	11,60,50,204
ELECTRICAL INSTALLATION	3,86,45,156	1,76,00,115	20,000	5,62,25,271	2,07,55,728	23,29,957	15,202	2,30,70,483	3,31,54,788	1,78,89,428
VEHICLES	5,15,98,854	68,88,999	7,41,258	5,77,46,595	2,81,85,902	34,29,468	7,04,196	3,09,11,174	2,66,35,421	2,34,12,952
OFFICE EQUIPMENT	45,77,863	13,76,427	-	59,54,290	28,33,021	3,29,875	-	31,62,896	27,91,394	17,44,842
COMPUTER	44,45,561	13,38,761	-	57,84,322	28,28,905	4,14,639	-	32,43,544	25,40,778	16,16,665
FURNITURE & FITTINGS	2,32,57,351	35,24,446	-	2,67,81,797	1,03,31,744	12,61,428	-	1,15,93,172	1,51,88,625	1,29,25,607
<b>INTANGIBLE ASSETS</b>										
COMPUTER SOFTWARE	14,30,689	-	-	14,30,689	5,56,934	2,21,231	-	7,78,165	6,52,524	8,73,746
<b>TOTAL</b>	1,13,45,56,768	19,98,68,476	7,61,258	1,33,36,63,986	33,92,48,276	2,86,08,186	7,19,398	36,71,37,064	96,65,26,922	79,53,08,492
Previous Year	1,04,52,45,305	9,05,88,809	12,77,346	1,13,45,56,768	31,86,85,081	2,13,53,103	7,39,908	33,92,48,276	79,53,08,492	

**Note :**

*Accounting Policies of Depreciation refer to Note 1 [C(ii)]*



**NOTES TO THE ACCOUNTS**

	<b>As at 31.03.2013 Rs.</b>	<b>As at 31.03.2012 Rs.</b>
<b>13. NON CURRENT INVESTMENTS</b>		
<b>Other Investments</b>		
<b>Shares (Quoted at Cost)</b>		
91 Equity shares of Rs.10/-each fully paid up in ICICI Bank Ltd.	4,980	4,980
<b>Shares (Unquoted at Cost)</b>		
250 Shares of Rs.100/-each fully paid up in Assam Financial Corporation	25,000	25,000
18000 Equity Shares of Rs.10/-each fully paid up in Heritage North East P. Ltd.	3,60,000	3,60,000
9800 Equity Shares of Rs.10/-each fully paid up in Kaziranga Golf Club Pvt.Ltd.	98,000	98,000
National Savings Certificate (VI Issue) (Lodged With Excise Authorities)	1,000	1,000
	<b>4,88,980</b>	<b>4,88,980</b>
<b>Quoted Investments - Market value of</b>		
Rs. 92,911/- (Previous Year Rs. 1,00,928/-)	4,980	4,980
Other Unquoted Investments	4,84,000	4,84,000
	<b>4,88,980</b>	<b>4,88,980</b>
<b>14. LONG-TERM LOANS AND ADVANCES</b>		
(Unsecured, Considered good)		
Advance Income Tax	6,41,60,622	4,12,71,003
Other Loans and Advances	11,08,43,825	6,25,49,067
Security Deposits	34,06,055	36,87,933
	<b>17,84,10,502</b>	<b>10,75,08,003</b>
<b>15. INVENTORIES</b>		
[ For valuation of Inventories refer to note 1(e) on ]		
Stock of Tea	73,92,000	2,13,59,876
Stock of Stores at Garden	4,40,04,923	4,20,59,315
Raw Materials (paper)	5,50,44,868	3,63,71,465
Finished Goods (Paper Sacks)	1,61,77,157	1,67,25,619
Work In Progress	1,18,17,859	67,72,715
	<b>13,44,36,807</b>	<b>12,32,88,990</b>



**NOTES TO THE ACCOUNTS**

	As at 31.03.2013 <u>Rs.</u>	As at 31.03.2012 <u>Rs.</u>
<b>16. TRADE RECEIVABLES</b>		
(Unsecured, Considered good)		
Outstanding for a period exceeding six months	92,52,326	90,39,429
Others	<u>7,44,12,474</u>	<u>5,85,36,306</u>
	<u>8,36,64,800</u>	<u>6,75,75,735</u>
<b>17. CASH AND CASH EQUIVALENTS</b>		
Cash on Hand	9,04,837	7,42,293
<b>Balance with Scheduled Banks-</b>		
In Current Accounts	1,49,93,323	3,58,63,462
In Marginal Deposit Accounts	-	1,55,676
In Unpaid Dividend Accounts	5,92,271	4,01,523
<b>Other Bank Balances-</b>		
In Fixed Deposits(incl. accrued int.) less than three months maturity	-	1,56,62,603
In Fixed Deposits(incl. accrued int.) more than twelve months maturity	51,13,270	45,34,569
In Other Term Deposit Accounts	8,37,271	8,01,344
LC & BG Margin Money with SBI	<u>97,17,884</u>	<u>79,67,484</u>
	<u>3,21,58,856</u>	<u>6,61,28,954</u>
<b>18. SHORT-TERM LOANS AND ADVANCES</b>		
(Unsecured, Considered good)		
Other Loans and Advances	<u>7,23,64,056</u>	<u>11,06,63,988</u>
	<u>7,23,64,056</u>	<u>11,06,63,988</u>
<b>19. OTHER CURRENT ASSETS</b>		
Subsidies receivable from Government	-	65,47,010
Balance with Central Excise Authorities (Duty Drawback)	35,55,481	35,55,481
Deferred Expenditure (Interest on Hire Purchase)	12,83,541	14,35,340
Miscellaneous Deposits	<u>25,91,011</u>	<u>25,40,011</u>
	<u>74,30,033</u>	<u>1,40,77,842</u>



**NOTES TO THE ACCOUNTS**

	For the Year ended 31.03.2013		For the Year ended 31.03.2012	
	Rs.	Rs.	Rs.	Rs.
<b>20. REVENUE FROM OPERATION</b>				
Sales - Tea- Gross		1,00,29,48,057		83,18,67,060
Sale Paper Sacks -Gross	33,43,24,729		31,65,77,373	
Less: Excise Duty	3,12,80,851		2,91,23,412	
Sale Paper Sacks -Net		30,30,43,878		28,74,53,961
		<u>1,30,59,91,935</u>		<u>1,11,93,21,021</u>
<b>21. OTHER INCOME</b>				
Interest Received		13,85,119		12,66,199
Sundry Receipts		32,27,968		22,35,411
Insurance Claims		9,03,952		11,01,776
Sale of Green Leaf		5,28,412		–
Replanting Subsidy		8,32,092		–
Rent Received		3,42,830		–
Profit on sale of Assets		1,04,139		5,41,562
Liabilities no longer required written back		6,15,969		2,05,844
		<u>79,40,481</u>		<u>53,50,792</u>
<b>22. COST OF MATERIAL CONSUMED</b>				
Purchase of Green Leaf		22,53,59,509		14,91,36,367
Raw Materials Consumption-Paper		22,42,39,918		21,35,76,139
		<u>44,95,99,427</u>		<u>36,27,12,506</u>
<b>23. CHANGE IN INVENTORIES</b>				
(Decrease)/Increase in stock-Tea		(1,39,67,876)		(65,764)
(Decrease)/Increase in stock-Paper		44,96,682		90,41,395
		<u>(94,71,194)</u>		<u>89,75,631</u>
<b>24. EMPLOYEE BENEFITS</b>				
Salaries,Wages, Bonus and Gratuity		25,35,09,042		22,90,16,102
Contribution to Provident & Other Fund		2,49,11,532		1,92,20,061
Labour and Staff Welfare		3,57,77,657		3,20,28,230
		<u>31,41,98,231</u>		<u>28,02,64,393</u>
<b>25. FINANCIAL COST</b>				
Interest and Financial Charges		8,53,72,667		6,58,39,134
		<u>8,53,72,667</u>		<u>6,58,39,134</u>





**NOTES TO THE ACCOUNTS**

	For the Year ended 31.03.2013		For the Year ended 31.03.2012	
	Rs.	Rs.	Rs.	Rs.
<b>26. DEPRECIATION &amp; AMORTIZATION EXPENSES</b>				
Depreciation		2,86,08,186		2,13,53,103
Less : Transferred from Revaluation Reserve		<u>(30,84,004)</u>		<u>(30,84,839)</u>
		<u>2,55,24,183</u>		<u>1,82,68,264</u>
<b>27. OTHER EXPENSES</b>				
<b>Manufacturing Expenses :-</b>				
Consumption of Stores and Spare parts	4,24,23,469		4,17,55,225	
Repairs to Buildings	90,85,788		93,46,096	
Repairs to Machinery	1,38,03,672		1,17,63,170	
Power and Fuel	7,77,39,551		6,36,63,939	
Cess on Tea	28,79,586		24,89,477	
		<u>14,59,32,066</u>		<u>12,90,17,907</u>
<b>Selling and Distribution Expenses :-</b>				
Freight, Brokerage & Selling Expenses		5,56,82,497		5,98,51,021
<b>Establishment Expenses :-</b>				
Rent,Hire & Service Charges		19,02,824		19,62,075
Rates,Taxes & Asso. Subscription	1,15,41,957		90,73,558	
Travelling & Conveyance	1,66,01,464		1,44,64,729	
Professional Charges	1,02,59,669		77,12,016	
Vehicle Running & Maintenance	1,65,98,587		1,29,74,148	
Insurance	40,43,957		35,03,325	
Miscellaneous Expenses	3,51,43,670		3,05,66,651	
Directors Fees and Expenses	2,87,000		2,36,000	
Auditors Remuneration	2,00,000		2,00,000	
Carriage Inward & Outward	37,78,055		23,27,106	
Sales Tax	77,51,459		75,81,580	
Bad Debt written off	4,18,862		4,26,388	
		<u>10,66,24,680</u>		<u>8,90,65,501</u>
		<u>31,01,42,067</u>		<u>27,98,96,504</u>

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS****NOTE NO.28**

## 1. Principles of consolidation of Financial Statements:

a) The Subsidiary Company considered in the Financial Statements is as follows:

Name	:	B&A Packaging India Limited
Percentage (%)	:	71.66%

b) The Consolidated Financial Statements of the Company and its subsidiary are combined on a line by line basis by adding together the book value of like items of assets, liabilities, income and expenditure, after fully eliminating intra group balances, intra group transaction and any unrealised profit included therein.

c) The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and are presented, to the extent possible, in the same manner as the Parent Company's separate financial statements except as described in Note No.1.

2. Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. NIL (Previous year Rs. NIL).

	<b>Current year</b>	Previous year
	<b>Rs.</b>	Rs.
3. Contingent Liabilities		
– For Bank Guarantee	<b>77,053</b>	81,600
– For Sales Tax	<b>75,15,051</b>	75,79,566
– Liability for Excise Duty	<b>11,27,944</b>	11,27,944
– Liability for Land Revenue	<b>14,20,304</b>	14,20,304
– Liability for Provident Fund (for ration to employees)	<b>Nil</b>	29,68,948
– Liability for Interest on Green Leaf Cess	<b>Nil</b>	71,36,198
– Liability for Interest on Employees Provident Fund	<b>Nil</b>	1,00,61,000
4. Value of Stores & Spare parts consumed		
– Indegenous	<b>14,68,21,440</b>	13,84,33,534
– Imported	<b>12,24,81,408</b>	12,50,15,933
5. Earning in Foreign exchange		
Value of Export at F.O.B (Net)	<b>1,58,11,384</b>	94,22,668
6. Expenditure in Foreign Currency		
Foreign Travel	<b>33,27,152</b>	26,89,253
Import of Raw Materials (CIF basis)	<b>9,13,43,935</b>	10,46,87,094

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS**

7. In terms of Industrial policies of 1986 and 1989 declared by the Govt. of Orissa, B&A Packaging India Limited had opted for Sales Tax Deferment Scheme upto 30.11.1996 and the deferred Sales Tax balance stands at Rs.8,23,134 ( As on 31.03.2011 Rs. 8,23,134)

8. Earnings Per Share as per AS 20 issued by the Companies Accounting Standard Rule, 2006.

Profit after Taxation (Rs.)	8,85,38,489
No. of Equity Shares	31,00,000
Earnings per Share (Rs.) (Basic & diluted)	28.56

9. Minority Interest

	<u>As on 31.03.2013</u> Rs.	<u>As on 31.03.2012</u> Rs.
Interest in Share Capital	1,40,56,710	1,40,56,710
Add:		
Interest in Reserve & Surplus	55,21,435	55,21,435
Interest in P L Cr Balance	71,56,028	21,45,924
Interest in Revenue Reserve	10,98,721	10,98,721
Share of Profit /(Loss)	<u>41,422</u>	<u>50,10,103</u>
	<u>2,78,74,316</u>	<u>2,78,32,893</u>

10. Previous Year's figures have been regrouped and rearranged, wherever considered necessary.

**For P.K. NANDY & ASSOCIATES**

*Chartered Accountants*  
Registration No. 307043E

**P.K. Nandy** (*Proprietor*)  
Membership No. 11505  
Kolkata, 29th May, 2013

**D. Chowdhury**  
*Company Secretary*

**Anjan Ghosh**  
*Director*

**For and on behalf of the Board**

**H.P. Barooah**  
*Chairman & Managing Director*

**Somnath Chatterjee**  
*Managing Director*



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	For the Year ended 31.03.2013	For the Year ended 31.03.2012
	Rs.	Rs.
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit before tax and extraordinary items</b>	<b>11,96,24,647</b>	12,66,66,643
<b>Adjustments for :</b>		
Depreciation	2,55,24,183	1,82,68,264
Profit/Loss on Sale of Fixed Assets	1,04,139	5,41,562
Interest Received	(13,85,119)	(12,66,199)
Liabilities no longer required written Back	(6,15,969)	(2,05,844)
Interest Paid / Payable	8,53,72,667	6,58,39,134
Operating Profit before Working Capital Changes	<b>22,86,24,548</b>	20,98,43,560
<b>Adjustments for :</b>		
Trade and other Receivables	(4,20,72,161)	(6,01,52,512)
Inventories	(1,10,15,361)	4,41,305
Trade Payable	3,44,52,842	2,59,81,651
Cash Generated from Operations	<b>20,99,89,868</b>	17,61,14,004
Interest Paid	8,53,72,667	6,58,39,134
Cash flow before Extraordinary Items	<b>12,46,17,201</b>	11,02,74,870
Extraordinary Items	-	-
<b>Net Cash from Operating activities</b>	<b>12,46,17,201</b>	11,02,74,870
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(9,57,13,496)	(20,02,11,497)
Sale of Fixed Assets	(62,279)	(4,124)
Purchase of Investments	-	-
Interest Received	13,85,119	12,66,199
<b>Net cash used in Investing Activities</b>	<b>(9,43,90,656)</b>	(19,89,49,422)
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long Term Borrowing	(6,89,65,543)	4,81,42,529
Proceeds from Short Term Borrowing	47,68,900	7,49,14,357
<b>Net Cash used in Financing Activities</b>	<b>(6,41,96,643)</b>	12,30,56,886
<b>Net increase in Cash and Cash Equivalents (A+B+C)</b>	<b>(3,39,70,098)</b>	3,43,82,334
Cash and Cash Equivalents (Opening)	6,61,28,954	3,17,46,620
Cash and Cash Equivalents (Closing)	<b>3,21,58,856</b>	6,61,28,954

This is the Cash Flow Statement referred to in our report of even date

**For P.K. NANDY & ASSOCIATES**

Chartered Accountants  
Registration No. 307043E

**P.K. Nandy** (Proprietor)

Membership No. 11505  
Kolkata, 29th May, 2013

**D. Chowdhury**  
Company Secretary

**Anjan Ghosh**  
Director

**For and on behalf of the Board**

**H.P. Barooah**

Chairman & Managing Director

**Somnath Chatterjee**  
Managing Director



## SUBSIDIARY COMPANY

### STATEMENT REGARDING SUBSIDIARY COMPANY PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

<b>1. Name of Subsidiary Company</b>	B&A Packaging India Limited
<b>2. Holding Company's Interest</b>	
i) Number of Shares and face value	35,54,829 Equity Shares of Rs. 10/- each
ii) Extent of Holding	71.66%
<b>3. Net aggregate amount of Subsidiary's Profit/(Loss) dealt in the Holding Company's Account :</b>	
i) Profit/(Loss) for subsidiary's financial year ended 31st March, 2013	Rs. 1,04,750
ii) Profit/(Loss) for its previous financial year since it become a Subsidiary	Rs. 4,13,90,777
	Rs. 4,14,95,527
<b>4. Net aggregate amount of Subsidiary's Profit/(Loss) not dealt in the Holding Company's Accounts:</b>	
i) For the Subsidiary's financial year ended 31st March, 2013	NIL
ii) Profit / (Loss) for its previous financial Period since it became a Subsidiary.	NIL

### STATEMENT PURSUANT TO DIRECTION UNDER SECTION 212(8) OF THE COMPANIES ACT, 1956 ISSUED BY THE MINISTRY OF CORPORATE AFFAIRS VIDE GENERAL CIRCULAR NO. 2/2011 DATED 8TH FEBRUARY, 2011

<b>Name of the Subsidiary Company :</b>	B&A Packaging India Limited
a) Share Capital :	Rs. 4,98,02,500
b) Reserves :	Rs. 4,87,61,221
c) Total Assets :	Rs. 35,45,75,888
d) Total Liabilities :	Rs. 25,60,12,167
e) Detail of investments :	Rs. NIL
f) Turnover :	Rs. 33,91,87,844
g) Profit before Tax :	Rs. 45,36,468
h) Provision for Tax :	Rs. 43,90,292
i) Profit after Tax :	Rs. 1,46,176
j) Proposed Dividend :	Rs. NIL

**(Except in case of investment in subsidiaries)**

**For and on behalf of the Board**  
**H.P. Barooah**  
*Chairman & Managing Director*

Kolkata  
The 29th May, 2013

**D. Chowdhury**  
*Company Secretary*

**Anjan Ghosh**  
*Director*

**Somnath Chatterjee**  
*Managing Director*



## ECS MANDATE FORM

To  
 MCS Share Transfer Agent Ltd  
 12/1/5, Manohorpukur Road (Ground floor)  
 Kolkata- 700026  
 Phone : 033 4072-4051 (3 lines)  
 Fax: 033 4072 4050, Email- mcssta@rediffmail.com

### Ref : Payment of Dividend

Please Tick One :

- I wish to participate in the Electronic Clearing Service (ECS) introduced by Reserve Bank of India.
- I do not wish to participate in the ECS. However, kindly print the bank particulars given below on the Dividend Warrant being sent to me.

- 1) Name of the Holder (in block letter) : .....
- 2) Ref. Folio No. : .....
- 3) Particulars of Bank :
  - a) Name of the Bank : .....
  - b) Branch Address : .....
  - c) 9 digit Code Number of the Bank & Branch as appearing in the MICR 

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 Cheque issued by the Bank  
 (Please attach a photocopy or blank cancelled cheque issued by your Bank relating to your above account for verifying accuracy of the Code No.)
  - d) Account Type (Please Tick) :       Savings       Current       Cash Credit
  - e) Ledger Folio No. of your Bank Account (if any) : .....
  - f) Account No. : .....

I hereby declare that the particulars above given are correct and complete. I undertake to inform any subsequent changes in my above particulars before the relevant book closure dates. If the payment is delayed or not effected at all for any reason(s) beyond the control of the Company, I would not hold the Company responsible.

Place :

Date :

\_\_\_\_\_  
 Signature of the First Holder

#### NOTES :

- 1) Please ensure that the details submitted by you are correct as any error therein could result in the dividend payment to be credited to a wrong account.
- 2) Attach a xerox copy of a cheque or blank cancelled cheque of your bank for ensuring accuracy of the banks name, branch name and code number.
- 3) The 9 digit code number of your bank and branch is mentioned on the MICR band next to the Cheque number.
- 4) Members desirous to participate in ECS/to get bank particulars printed in the dividend warrant are requested to complete this form and send to registrar at the above mentioned address on or before 16th August, 2013.
- 5) Member should note that ECS instructions will supercede the instructions regarding Bank details given by the members earlier.

TEAR HERE



### APPEAL TO MEMBERS

#### Green Initiative in Corporate Governance

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by the Companies and had issued Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011 allowing service of documents to shareholders through electronic mode by the Companies.

Enclosed a form requesting the members to register their electronic addresses (email addresses) and help us to solicit the endeavour to contribute a bit to the environment. We would make an earnest request and would look forward to your kind support to contribute towards a Greener environment.

Place: Kolkata  
Date: 29th May 2013

For B & A Ltd  
**(D. Chowdhury)**  
Company Secretary

----- TEAR HERE -----

#### REGISTRATION FORM

To  
The Company Secretary  
B & A Ltd  
113, Park Street, 9th Floor,  
Kolkata – 700016

Registered Folio No: \_\_\_\_\_

Name of Sole/First registered Shareholder \_\_\_\_\_

Registered Address of Shareholder \_\_\_\_\_

Declaration: [select whichever is applicable by ticking (✓) in the circle/box]

- 1. I/We shareholder(s) of B & A Limited hereby agree to receive all communications through electronic mode.
- 2. I/We would like to register the E-mail ID with the Company.

E-mail ID: \_\_\_\_\_

Place: \_\_\_\_\_

Date: \_\_\_\_\_ **Signature [Sole/First Holder]**

**Notes:**

- 1. On registration to receive communication through electronic mode, all the communications will be sent to the registered E-mail ID.
- 2. Shareholders are requested to keep the Company informed as and when there is any change in the E-mail address. Unless the E-mail ID once registered is changed by you by sending another communication in writing to the company, the company will continue to sent the communications to your registered E-mail ID

**Let's Make a Greener Future**

TEAR HERE

# B&A LIMITED

Registered Office : Indu Bhawan, M. G. Road, Jorhat - 785 001

## FORM OF PROXY

I/We ..... of .....  
..... being a member/members of the  
above named Company hereby appoint .....  
..... of .....  
..... or failing him ..... of .....  
..... as  
my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held  
on Tuesday, 27th August 2013 at 10.30 A.M. or any adjournment thereof.

Signed this ..... day of ..... 2013

Reference Folio No./DP ID & Client ID ..... No. of Share .....

Signature .....

Revenue  
Stamp

Notes :

1. A Proxy need not be a Member of the Company
2. Proxies should be deposited at the Company's Registered Office not less than 48 hours before commencement of the Meeting.

# B&A LIMITED

Registered Office : Indu Bhawan, M. G. Road, Jorhat - 785 001

## ATTENDANCE SLIP

PLEASE FILL THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

DP ID\*

Folio No.

Client ID\*

No. of Shares

### NAME & ADDRESS OF THE SHAREHOLDER :

I hereby record my presence at the Annual General Meeting held on Tuesday, 27th August 2013 at  
10.30 A.M. at Indu Bhawan, M.G. Road, Jorhat-785 001

\_\_\_\_\_  
Signature of Shareholder / Proxy

\* Applicable for Investors holding shares in dematerialised form.

TEAR HERE