

The Bormah Jan Tea Company (1936) Limited

DIRECTORS :

B. BAJORIA *Mg. Director*
R. K. DIXIT
A. K. MAJUMDER
ALOK KUMAR ROY
MUDIT BAJORIA

AUDITORS :

B. C. KUNDU & CO.
Chartered Accountants

BRANCH AUDITORS :

G. BASU & CO.
Chartered Accountants

REGISTERED OFFICE :

'McLEOD HOUSE'
3, NETAJI SUBHAS ROAD,
KOLKATA - 700 001.

GARDEN :

BORMAH JAN TEA GARDEN
P. O. - HALEM
DIST. - SONITPUR
ASSAM

OUPHULIA TEA GARDEN
P. O. - MORANHAT
DIST :- DIBRUGARH
ASSAM

The Bormah Jan Tea Company (1936) Limited

CIN : L01132WB1936PLC008535

Regd. Office : 3, Netaji Subhas Road, Kolkata - 700 001

NOTICE

Notice is hereby given that the Annual General Meeting of The Bormah Jan Tea Co. (1936) Ltd. will be held at its Registered Office at "McLeod House", 3, Netaji Subhas Road, Kolkata: 700 001 on Monday, the 29th September, 2014 at 3.00 P. M to transact the following business :-

Ordinary Business

1. To consider and adopt the Statement of Profit & Loss for the year ended 31st. March, 2014, the Balance Sheet as at that date and the Directors' Report and Auditors' Report thereon.
2. To appoint a Director in place of Mr. A.K. Roy who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.
4. To appoint Branch Auditors and to fix their remuneration.
5. To declare dividend.

Special Business

6. To Consider and, if thought fit, to pass, with or without modification (s), the following Resolution as an ORDINARY RESOLUTION :
RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and any other applicable provision of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Arun Kumar Majumder, a Non Executive Director of the Company who retires by rotation at this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office from the date of this Annual General Meeting upto 31st. March, 2019 and shall not be liable to retire by rotation.
7. To Consider and, if thought fit, to pass, with or without modification (s), the following Resolution as an ORDINARY RESOLUTION :
RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and any other applicable provision of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Mudil Bajorja, a Non Executive Director of the Company who retires by rotation at this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office from the date of this Annual General Meeting upto 31st. March, 2019 and shall not be liable to retire by rotation.
8. To Consider and, if thought fit, to pass, with or without modification (s), the following Resolution as an ORDINARY RESOLUTION :
RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and any other applicable provision of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. R.K. Dixit, a Non Executive Director of the Company who retires by rotation at this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office from the date of this Annual General Meeting upto 31st. March, 2019 and shall not be liable to retire by rotation.
9. To Consider and, if thought fit, to pass, with or without modification (s), the following Resolution as an ORDINARY RESOLUTION :
RESOLVED THAT pursuant to the provisions of Sections 196 and 197 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the

The Bormah Jan Tea Company (1936) Limited

Companies Act, 2013, the approval of the Company be and is hereby accorded to the re-appointment of Mr. Bharat Bajoria, as the Managing Director of the Company for a period of three years effective from 1st. April, 2014, on the terms and conditions of re-appointment and remuneration as contained in the Letter of Re-appointment, a copy whereof initialed by the Chairman for the purpose of identification is placed before the Meeting".

10. To Consider and, if thought fit, to pass, with or without modification (s), the following Resolution as an ORDINARY RESOLUTION :

"RESOLVED THAT pursuant to the provisions of Sections 196 and 197 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, the approval of the Company be and is hereby accorded to the re-appointment of Mr. A.K. Roy, as a Wholetime Director of the Company for a period of three years effective from 1st. June, 2014, on the terms and conditions of re-appointment and remuneration as contained in the Letter of Re-appointment, a copy whereof initialed by the Chairman for the purpose of identification is placed before the Meeting".

11. To Consider and, if thought fit, to pass, with or without modification (s), the following Resolution as an ORDINARY RESOLUTION :

"RESOLVED THAT in supersession of the Resolution previously passed by the Shareholders in this regard and pursuant to the provisions of Sections 197, 198 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the non-executive Directors of the Company (i.e. Directors other than the Managing Director and / or the Whole-time Directors) be paid remuneration, in addition to the sitting fee for attending the meeting of the Board of Directors or Committees thereof, as the Board of Directors may from time to time determine, not exceeding in the aggregate one percent of the net profits of the Company for each financial year, as computed in the manner laid down in Section 198 of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof".

12. To Consider and, if thought fit, to pass, with or without modification (s), the following Resolution as an ORDINARY RESOLUTION :

"RESOLVED THAT in supersession of the Resolution previously passed under Section 293(1)(a) of the Companies Act, 1956, consent of the Company be and hereby accorded to the Board of Directors of the Company (herein referred to as the "Board") pursuant to Section 180(1)(a) of the Companies Act, 2013 (the Act) to the creation by the Board of mortgages and charges in addition to the existing mortgages and charges created by the Company as the Board may decided on such of the assets of the Company, both present and future, in such manner as the board may direct, to or in favour of any one or more of the financial institutions/banks/any other investing agencies/trustees for the holders of debentures/bonds/other instruments which may be issued to and subscribed by any one or more of the financial institutions/banks/any other investing agencies/trustees or any other person(s)/bodies corporate by private placement or otherwise, to secure rupee/foreign currency loans, debentures, bonds or other instruments of an aggregate value not exceeding the borrowing limit available to the Board in terms of Section 180(1)(c) of the Act, together with interest thereon at the respective agreed rates, compound interest, additional interest, liquated damages, commitment charges, premia or pre-payment, or on redemption, cost, charges, expenses and all other monies payable by the Company to the aforesaid parties or any of them under the Agreement/Arrangements entered into/to be entered into by the Company in respect of the said loans/debentures/bonds or other instruments".

13. To Consider and, if thought fit, to pass, the following Resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT in supersession of the Ordinary Resolution passed (pursuant to Section 293(1)(d) of the Companies Act, 1956), consent of the members of the Company be and hereby accorded under 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 to the Board of

The Bormah Jan Tea Company (1936) Limited

Directors of the Company (herein referred to as the "Board", which term shall be deemed to include any Committee thereof), to borrow, from time to time, any sum or sums of money as they may deem appropriate for the business and purpose of the Company, notwithstanding that the money or monies to be borrowed, together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up share capital and free reserves of the Company, provided however that the aggregate of the monies that may be borrowed by the Board together with monies already borrowed and outstanding shall not exceed Rs.50 crores (Rupees Fifty crores only) at any point of time.

Registered Office :
3, Netaji Subhas Road,
Kolkata : 700 001
Dated, the 21st. August, 2014

By Order of the Board
The Bormah Jan Tea Co. (1936) Ltd.
A.K. Roy
Director

NOTES

- a) A Member entitled to attend and vote at the Annual General Meeting may appoint a Proxy to attend and vote thereat instead of himself. A Proxy need not be a Member of the Company. Proxies, in order to be effective, must be received at the Company's Registered Office situated at 3, Netaji Subhas Road, Kolkata : 700 001 not less than forty-eight hours before the Meeting.
- In terms of Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- b) The Explanatory Statement pursuant to Section 102 of the Companies Act, in respect of the Items of Special Business is annexed hereto.
- c) The Register of Members and Share Transfer Books of the Company will remain closed from 26th. September, 2014 to 29th September, 2014 (both days inclusive).
- d) A Member desirous of getting any information on the accounts or operations of the Company is requested to forward his queries to the Company at least seven days prior to the Meeting so that the required information can be made available at the Meeting.
- e) Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

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

ITEM NO.6 TO 8

The Company appointed Mr. R.K. Dixit, Mr. Mudit Bajoria and Mr. Arun Kumar Majumder, who have been discharging the role and functions of Independent Directors in terms of Clause 49 of the Listing Agreement with the Stock Exchanges. The term of office of the aforesaid Directors was liable to determination by retirement of Directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 of the Companies Act, 2013 ('the Act'), the Company is required to appoint at least one-third of its total number of Directors as Independent Directors for a fixed term and their office shall not be liable to determination by retirement of Directors by rotation. Accordingly, in compliance of Sections 149, 150 and 152 read with Schedule IV and any other applicable provisions of the Act each of Mr. R.K. Dixit, Mr. Mudit Bajoria and Mr. Arun Kumar Majumder, is proposed to be appointed as an Independent Director who shall hold office from the date of this Annual General Meeting upto 31st. March, 2019 and shall not be liable to retire by rotation. Separate notices have been received from a few Members referring to Section 160 of the Act proposing each of them respectively for appointment as an Independent Director at the forthcoming annual General Meeting of the Company.

The Bormah Jan Tea Company (1936) Limited

In the opinion of the Board, each of Mr. R.K. Dixit, Mr. Mudit Bajoria and Mr. Arun Kumar Majumder fulfills the conditions specified in the Act and meets the criteria of Independence specified in Section 149(6) of the Act and Rules made thereunder for appointment as an Independent Director. The Board considers that the continued association of the aforesaid persons would be of immense benefit to the Company and it is desirable to continue to avail their services as Independent Directors. Accordingly, the Board recommends the resolution set out at Item No.6 to 8 of the convening Notice for approval by the Share-holders of the Company.

Mr. R.K. Dixit, Mr. Mudit Bajoria and Mr. Arun Kumar Majumder and their relatives may be considered to be interested in the respective Resolution in so far as they relate to them individually. No other Director or the Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in respect of the said resolutions.

ITEM NO.9

The term of re-appointment of Mr. Bharat Bajoria as the Managing Director of the Company, subject to the approval of the members at a general meeting for a period of 3 years with effect from 1st. April, 2014 on the following principal terms and conditions.

- Period : Three years with effect from 1st. April, 2014
- Remuneration : Salary Rs.70,000 per month with such revision as the Board may approve from time to time in the salary grade of Rs.10,000
- Perquisites : Gas, electricity, water etc. and telephone at residence will be borne by the Company in accordance with the Rules of the Company. Cost of personal long distance calls, however, will be borne by him.
- Car : Company car with driver under the Company's Scheme applicable for senior executive staff of the Company.
- Medical: Reimbursement of self and family at actuals, including cost of medical insurance.
- Club Fees : Reimbursement of Club Subscription/Fees as per applicable Rules of the Company.
- Others : Personal Accident Insurance and other perquisites, which are applicable to senior executive staff of the Company, shall also apply to him.
- Retiral Benefits : Contributions to the Provident Fund, Superannuation/Pension Fund and/or Annuity Fund in accordance with the Rules and Regulations governing the said funds. Gratuity will be payable in accordance with the Rules of the Company and such Gratuity shall not exceed half a month's salary for each completed year of service.
- Minimum
- Remuneration : In the event of loss or inadequacy of profits in any year during the tenure of his office, he shall be paid remuneration as above as minimum remuneration subject to compliance with the legal provisions as may be applicable.
- Nature of Duties : He shall have substantial power of management subject to the superintendence, control and direction of the Board. Other Conditions:
1. He shall not entitled to any sitting fees for attending meetings of the Board or Committees thereof.
 2. Each party has the right of terminating the re-appointment by giving three months' notice on either side.

The aforesaid terms and conditions have been set out in the Company's letter dated 31st. March, 2014, addressed to Mr. Bharat Bajoria.

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Pursuant to the provisions of Sections 196 and 197 and any other applicable provisions of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013, the re-appointment of Mr. Bharat Bajoria as the managing Director and the terms as to remuneration require the approval of the Members in General Meeting. The above terms as to remuneration have been approved by the Remuneration Committee of the Board at its Meeting held on 2nd April, 2014.

ITEM NO.10

The term of re-appointment of Mr. A.K. Roy, as a Wholetime Director of the Company, subject to the approval of the members at a general meeting for a period of 3 years with effect from 1st. June, 2014 on the following principal terms and conditions.

Period :	Three years with effect from 1st. June, 2014
Remuneration :	Salary Rs.53,500 per month with such revision as the Board may approve from time to time in the salary grade of Rs.15,000
Perquisites :	Car : Company car with driver under the Company's Scheme applicable for senior executive staff of the Company.
Medical :	Reimbursement of self and family at actuals, including cost of medical insurance.
Club Fees :	Reimbursement of Club Subscription/Fees as per applicable Rules of the Company.
Others :	Personal Accident Insurance and other perquisites, which are applicable to senior executive staff of the Company, shall also apply to him.
Retiral Benefits :	Gratuity will be payable in accordance with the Rules of the Company and such Gratuity shall not exceed half a month's salary for each completed year of service.
Minimum Remuneration :	In the event of loss or inadequacy of profits in any year during the tenure of his office, he shall be paid remuneration as above as minimum remuneration subject to compliance with the legal provisions as may be applicable.
Nature of Duties :	He shall have substantial power of management subject to the superintendence, control and direction of the Board.
Other Conditions:	1. He shall not entitled to any sitting fees for attending meetings of the Board or Committees thereof. 2. Each party has the right of terminating the re-appointment by giving three months' notice on either side.

Pursuant to the provisions of Sections 196 and 197 and any other applicable provisions of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013, the re-appointment of Mr. A.K. Roy as a Wholetime Director and the terms as to remuneration require the approval of the Members in General Meeting. The above terms as to remuneration have been approved by the Remuneration Committee of the Board at its Meeting held on 2nd. July, 2014.

ITEM NO.11

The Shareholders of the Company by a special resolution passed under the Companies Act, 1956 had approved payment of commission to the Non-Executive Directors (Directors other than the Managing and/or Wholetime Directors). In view of the important role played by the Non-Executive Directors who have been entrusted with new responsibilities to make their role more objective and purposeful and keeping in view the enhance role, responsibilities and duties of the Non-Executive Directors, it is considered appropriate that the Company continues to pay commission to the Non Executive Directors and pass a suitable resolution in terms of Section 197 and 198 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and remuneration of Managerial personnel) Rules, 2014 as set out at Item No.11 of the convening Notice. The said remuneration to the Non-Executive Director shall be in addition to the sitting fee payable to them for attending meetings of the Board and Committees thereof.

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Save and except all the Non-Executive Directors of the company and their relatives, none of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.11 of the Notice. The Board recommends the resolution for approval by the Shareholders.

ITEM NO.12

In the normal course of business, the Company is required, from time to time, to borrow funds by way of rupee/foreign currency loans, issue of debentures, bonds or other instrument from Banks, Financial Institutions and/or other persons/bodies corporate etc. To secure such lendings the lenders usually call for adequate securities which is normally provided in the form of mortgage and charge on certain properties of the Company. In terms of Section 180(1)(a) of the Companies Act, 2013 ('the Act') besides sale, to lease or otherwise disposal of any 'undertaking' or 'substantially the whole of any undertaking' of a company, a consent of its Members by way of a Special Resolution is necessary.

The assets on which the security may be required to be created may come under the ambit of the definition of 'undertaking' or substantially the whole of any undertaking' as explained under Section 180(1)(a) of the Act, necessitating the Members' Consent by way of passing a Special Resolution. The Resolution set out in Item No.12 of the convening Notice is to be considered accordingly and the Board recommends the same.

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

ITEM NO.13

The company is required from time to time, to raise monies through various sources for the purpose of its operations.

Section 180(1)(c) of the Companies Act, 2013 ("the Act") requires passing of a Special Resolution to borrow money, in excess of aggregate of paid share capital and free reserves of a Company.

Accordingly, it is proposed, vide Item No.13 to seek members' authorization to Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any Committee thereof wherever applicable), to borrow monies upto Rs.50 crores (Rupees Fifty crores only).

Your Directors commend the resolutions for approval as Special Resolutions.

None of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested financially or otherwise, in respect of the said Resolution.

Registered Office :
3, Netaji Subhas Road,
Kolkata : 700 001
Dated, the 21st. August, 2014

By Order of the Board
The Bormah Jan Tea Co. (1936) Ltd.
A. K. Roy
Director

The Bormah Jan Tea Company (1936) Limited

DIRECTORS' REPORT

TO THE MEMBERS

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

CROP

The total production of Black Tea of both the tea gardens (Bormahjan Tea Garden and Ouphulia Tea Garden) for the accounting year ended 31st March, 2014 was 13,75,686 Kgs. (Previous year 13,27,960 Kgs)

FINANCIAL HIGHLIGHTS & PERFORMANCE

Particulars	2013-14	2012-13
Total Revenue	26,68,30,132	24,43,24,371
Total Expenses	24,37,04,600	21,78,82,774
Profit before Depreciation & Tax	2,31,25,532	2,64,41,597
Depreciation	77,63,755	63,07,897
Profit Before Tax	1,53,61,777	2,01,33,700
Current Tax	27,21,208	43,94,176
Profit for the Year	1,26,40,569	1,57,39,524
Balance brought forward from previous year	6,12,12,462	5,01,54,434
Balance available for appropriations	7,38,53,030	6,58,93,958
Preferential Dividend	2,64,821	2,70,000
Proposed Equity Dividend	3,12,500	3,12,500
Tax on Dividend	98,115	98,996
Transfer to General Reserve	30,00,000	40,00,000
Transfer to Capital Redemption Reserve	45,00,000	—
Balance Carried Forward	6,56,77,594	6,12,12,462

DIVIDEND

Your Directors are pleased to recommend a dividend of Rs. 2.50/- on Rs. 10/- per Equity Share (i.e. 25%) for 1,25,000 Equity Shares amounting to Rs. 3,12,500/- for this financial year.

PERFORMANCE

In the current year the production of Tea was higher than the previous year and due to better quality control, we were able to achieve higher average realization than the previous years. We have been able to produce better quality by which Company achieved better price realization.

The Company's emphasis on quality production will continue to be a guiding factor for the current year. This should ensure the premium prices commanded by the Company. The amounting pressure on cost resulting from Wages Agreements, Government Taxes and Levies and general inflation of inputs will be a predominant factor.

The development of our tea gardens is an on-going process in the field & factory and this results in increasing further improvements in both quality and crop.

PARTICULARS OF EMPLOYEES

During the year under review none of the employees of the Company was paid remuneration over the limit prescribed under Section 217(2A) of the Companies Act, 1956.

SOCIAL RESPONSIBILITY

The Company continued with its welfare activities for development in the field of education, culture and other welfare measures to improve the general standard of living in and around the Tea Estates. The emphasis was on improvement of health, development of education, culture and sports. Medical assistance was also provided to the nearby villages through medical camps. The Company also conducts out-reach programmes to cover the medical needs of certain remote areas accessible from its Tea Estates. The Company continues to render assistance both monetarily and with man power, to hold regular camps for eye-related needs.

The Bormah Jan Tea Company (1936) Limited

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

The particulars in terms of Section 217(1)(e) of the Companies Act, 1956 are annexed, forming part of the report.

FOREIGN EXCHANGE EARNINGS AND OUTGO

There was no Foreign Exchange earnings & outgo during the year under review.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217 of the Companies Act, the Directors hereby confirm that :-

1. In the preparation of the Annual Accounts, the applicable accounting standards have been followed and there has been no material departure.
2. The Directors had 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 the Company at the end of the financial year and of the profit/loss of the Company for that period.
3. The Directors had taken proper and sufficient care for the maintenance of adequate Accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. The Directors had prepared the Annual Accounts on a going concern basis.

DEMATERIALIZATION OF SHARES

Your Company's Shares are tradable compulsorily in electronic form under ISIN No. INE 720E01017 and your Company has established connectivity with Central Depository Services (India) Limited (CDSL).

COMPLIANCE CERTIFICATE

Pursuant to the Proviso of Sub-Section (1) of Section 383A of the Companies Act, 1956, the Compliance Certificate dated 21st August, 2014 is attached and forms part of the Directors' Report.

DIRECTORS

Mr. A. K. Roy, Director of the Company shall retire by rotation and being eligible offers himself for re-appointment.

AUDITORS

M/s. B. C. Kundu Co., Chartered Accountants, Kolkata the present Auditor of the Company retires at the forthcoming Annual General Meeting and is eligible for re-appointment as Auditor. The Company has received confirmation from the firm to the effect that their re-appointment, if made, would be within the prescribed limit under Section 224(1B) of the Companies Act, 1956, and they are not disqualified for the appointment within the meaning of Section 226 of the said Act.

M/s. G. Basu & Company, Chartered Accountants, are the Branch Auditor of the Company for the period under review.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industrial Structure, Development opportunity and Outflow

We were able to improve upon Tea qualities by undertaking sound agricultural formalities timely. The production of Tea Estates in Assam as a whole was satisfactory during the year. Due to implementation of better agricultural technology your company was able to achieve higher price realization during the year. The company has both short-term and long-term vision to keep the tea bushes in good heart by uprooting and replanting the old ones. For which price realization was better than the previous year.

The factories on both the gardens are large, spacious and equipped with the latest machineries in each department. In fact, our two factories should serve as model tea factories in the State of Assam.

With cheerful workers and staff, with beautiful plantation and with excellent factories on both the gardens, the future of the property will continue to remain bright and cheerful.

AUDITOR'S REPORT

Observation if any, in the Auditor's Report are self-explanatory.

"McLeod House"
3, Netaji Subhas Road,
Kolkata-700 001.

Dated, the 21st day of August, 2014.

B. BAJORIA

Mg. Director

R. K. DIXIT

Director

The Bormah Jan Tea Company (1936) Limited

ANNEXURE TO THE DIRECTORS' REPORT

Particulars of Conservation of energy and technology absorption in terms of Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of their Board of Directors), Rules, 1988 forming part of Directors' Report for the year ended 31st March, 2014

(A) CONSERVATION OF ENERGY

Appropriate steps have been taken for conservation, vis-a-viz improved utilisation of energy by adopting better techniques and replacing old machinery and/or equipment where necessary.

FORM "A"

Power and Fuel Consumption

	31st March 2014	31st March 2013
1. Electricity		
(a) Purchased		
Unit	10,18,782	8,84,404
Total Amount	72,02,378	62,90,530
Rate/Unit	7.07	7.11
(b) Own Generator		
i) Through Diesel Generator		
Unit	3,27,830	3,18,959
Unit per Ltr. of Diesel Oil	3.93	3.34
Cost/Unit	7.28	6.48
ii) Through Steam Turbine Generator		
Units	—	—
Unit per / Litre of Fuel Oil/Gas	—	—
2. Coal		
Quantity	5,35,790	5,43,610
Total Cost	41,63,624	42,11,890
Average Rate	7.77	7.75
3. Furnace Oil		
Quantity (K. Lts.)	—	—
Total Amount	—	—
Average Rate	—	—
4. Other/Internal Generation		
Quantity	1,45,70,610	1,49,62,320
Total Cost	33,48,723	19,45,482
Average Rate/Unit	0.23	0.13
(B) Consumption per Unit of Production		
Unit - Kgs. TEA	13,75,686	13,27,960
Electricity	0.74	0.67
Own Generation	0.24	0.24
Furnace Oil	—	—
Coal	0.06	0.07
Others	30.00	30.00

The Bormah Jan Tea Company (1936) Limited

FORM "B"

RESEARCH AND DEVELOPMENT (R & D)

1. Specific areas in which R & D carried out by the Company.
2. Benefits derived as a result of the R & D.
3. Future Plan of Action.
4. Expenditure on R & D
 - a) Capital
 - b) Recurring
 - c) Total
 - d) Total R & D expenditure as a percentage of total turnover.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. Efforts, in brief, made towards technology absorption, adaptation and innovation.
2. Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution.
3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished :-
 - a) Technology imported
 - b) Year of Import
 - c) Has technology been fully absorbed?
 - d) If not fully absorbed, area where has not taken place, reasons therefore, and future plans of action.

FOREIGN EXCHANGE EARNINGS AND OUTGO

- a) Activities relating to exports, initiative taken to increase exports.
- b) Development of new export markets for product and service, and export plan.
- c) Total foreign exchange used and earned.

The Company has no inhouse R & D facility for improvement, or innovation and absorption and/or adaptation of technology, for company's products. The Company subscribes to Tea Research Association and other recognised institutions within the meaning of Section 35(1) of the Income Tax Act and avails of the technological expertise received from such bodies from time to time.

Not Applicable

"McLeod House"

3, Netaji Subhas Road,
Kolkata-700 001.

Dated, the 21st day of August, 2014

B. BAJORIA

Mg. Director

R. K. DIXIT

Director

The Bormah Jan Tea Company (1936) Limited

ANNEXURE TO THE DIRECTOR'S REPORT COMPLIANCE CERTIFICATE

Registration No. of the Company : L01132WB1936PLC008535

Nominal Capital : Rs. 123.50 Lacs

Paid Up Capital : Rs. 12.50 Lacs

To

The Members

The Bormah Jan Tea Company (1936) Limited

3, Netaji Subhas Road, Kolkata-700 001

We have examined the registers, records, books and papers of **The Bormah Jan Tea Company (1936) Limited** as required to be maintained under the Companies Act, 1956, (the Act) and the Rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the **financial year ended on 31st March, 2014**. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, We certify that in respect of the aforesaid financial year :

1. The Company has kept and maintained all registers as stated in Annexure "A" to this certificate, as per the provisions of the Act, and the Rules made there under and all entries therein have been duly recorded.
2. The Company has duly filled the forms and returns as stated in Annexure "B" to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The Company, being a Public Limited Company, having the minimum paid up capital, comments are not required.
4. The Board of Directors had met **9 (Nine) times** respectively on **23.04.2013, 26.08.2013, 28.09.2013, 18.11.2013, 23.12.2013, 27.01.2014, 21.02.2014, 24.03.2014 and 29.03.2014** in respect of which meetings proper notices were given and the proceedings were properly recorded and signed.
5. The Company closed its Register of Members from 27th September, 2013 to 28th September, 2013 both days inclusive in compliance of Section 154 of the Act.
6. The Annual General Meeting for the financial year ended on 31/03/13 was held on 28.09.2013 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loans to the directors or persons or firms or companies referred to under Section 295 of the Act.
9. As explained, the Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. As explained, the company has made entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13.
 - i) The Company has made transfer of shares on lodgement thereof but has not made any allotment/ transmission during the financial year.
 - ii) The Company has deposited amount in separate Dividend account during the year for the dividend declared for the financial year 31st March 2013.
 - iii) The company has posted Dividend Warrants to the member of the Company for the dividend declared for the financial year 31st March, 2013.
 - iv) The Company was not required to transfer the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for period of seven years to Investor and protection fund.
 - v) The Company has duly complied with the requirements of Section 217 of the Act.

The Bormah Jan Tea Company (1936) Limited

14. The Board of Directors of the Company is duly constituted. Further the Company has appointed one director during the financial year.
15. The Company has not appointed any Managing Director / Whole time Director / Manager during the financial year.
16. The Company has not appointed any sole selling agents during the financial year.
17. As informed by the Management, the company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and / or such authorities prescribed under the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the Rules made there under.
19. There were no issue of Shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. The Company has redeemed 45,000 (of Rs. 100/- each) 6% Redeemable Cumulative Preference Shares amount Rs. 45,00,000/- during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits falling within the purview of section 58A during the financial year.
24. The Company has not made any fresh borrowings during the year under review.
25. The Company has not made any loans and investments to other bodies corporate.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to Share capital of the company during the year under scrutiny.
30. The Company has not altered its Articles of Association with respect of Remuneration of Directors during the financial year under Scrutiny.
31. There were no prosecution initiated against or show cause notices received by the company and no fines or penalties for any other punishment was imposed on the company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company was regular in deposit of contribution to Provident Fund with prescribed authorities pursuant to Section 418 of the Act.

It is stated that the compliance of all applicable provisions of the Companies Act, 1956 is the responsibility of the management. Our examination, on a test-check basis, was limited to procedures followed by the Company for ensuring the compliance with the said provisions. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with the management has conducted its affairs. We further state that this is neither an audit nor an expression of opinion on the financial activities / statements of the company. Moreover, we have not covered any matter related to any other law, which may be applicable to the company except the Companies Act, 1956. We have not covered any matter under the Listing Agreement that may be applicable to this company.

1. Raja Ram Mohan Roy Sarani
Kolkata-700 041
Date : the 21st day of August, 2014.

For **M. RATHI & CO.**
(Company Secretary)
Mukesh Rathi
(Partner)
C. P. No. : 4795

The Bormah Jan Tea Company (1936) Limited

Annexure - "A"

Registers as maintained by the Company

1. Register of Transfers u/s 108 (maintained by RTA)
2. Register of Members u/s 150 (maintained by RTA)
3. Minutes of Share Holders Meetings u/s 193
4. Minutes of Board Meeting u/s 193
5. Register of Contract u/s 301
6. Register of Directors etc. u/s 303
7. Register of Directors Shareholdings u/s 307
8. Register of Charges u/s 143

Annexure - "B"

Forms and Returns as filed by the Company with Registrar of Companies, during the financial year ended 31st March, 2014.

Sl. No.	Form No./Return	Filed under section	For the Period	Date of filing	Whether filed within prescribed time (Yes/No)	If delay in filing whether requisite additional Fee paid (Yes/No)
1.	Annual Return (Form 20B)	U/s 159	For AGM held On 28/09/2013	27/11/2013	Yes	No
2.	Balance Sheet (Form 23 ACXBRL & 23 ACAXBRL)	U/s 220	For the FY ending 31.03.2013	28/10/2013	Yes	No
3.	Compliance Certificate (Form 66)	U/s 383A	For the FY ending 31.03.2013	28/10/2013	Yes	No
4.	Form 32 (Appointment of Additional Director)	U/s 269	Board Resolution Dt. 26/08/2013	02/09/2013	Yes	No
5.	Form 32 (Appointment of Director)	U/s 269	AGM Resolution Dt. 28/09/2013	23/10/2013	Yes	No
6.	Form 8	135	For Creation of Charge in favour of ICICI Bank Ltd.	25/06/2013	Yes	No
7.	Form 8	135	For modification of Charge in favour of ICICI Bank Ltd.	29/07/2013	Yes	No
8.	Form 8	135	For modification of Charge in favour of ICICI Bank Ltd.	20/11/2013	Yes	No
9.	Form 17	138	Satisfaction of Charge, Punjab National Bank	26/07/2013	Yes	No
10.	Form 17	138	Satisfaction of Charge, Punjab National Bank	26/07/2013	Yes	No
11.	Form 17	138	Satisfaction of Charge, Punjab National Bank	27/07/2013	Yes	No

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
THE BORMAH JAN TEA COMPANY (1936) LIMITED**

1. Report on the Financial Statements :

We have audited the accompanying financial statements of THE BORMAH JAN TEA COMPANY (1936) LIMITED, ("The Company") which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year ended, and summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements :

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 notified under the Companies Act, 1956 (the Act) read with General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditor's Responsibility :

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

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

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

4. Basis for Qualified Opinion :

Neither any provision has been made against liabilities on account of gratuity and bonus nor the same have been determined. This is not in continuity with AS-15 (revised). The impacts thereof are not readily ascertainable.

5. Qualified Opinion :

In our opinion and to the best of our information and according to the explanations given to us, except for possible effects of the matter referred to in 4 above, the financial statements give the

The Bormah Jan Tea Company (1936) Limited

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 :

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014.
- (b) In the case of the Statement of Profit and Loss of the profit for the year ended on that date;
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

6. Report on Other Legal and Regulatory Requirements :

- A. As required by the Companies (Auditor's Report) order, 2003 as amended by The Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- B. As required by section 227(3) of the Companies Act, 1956, we report that:
 - i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - ii. 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 and proper returns adequate for the purposes of our audit have been received from branches not visited by us,
 - iii. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from branches not visited by us.
 - iv. Except for the matters described in the Basis for Qualified Opinion Paragraph, in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
 - v. On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

Place : Kolkata,

Dated : 21st day of August, 2014

For B. C. KUNDU & CO.
Chartered Accountants
Firm Registration No. 301007E
S. N. MUKHOPADHYAY
Partner
Membership No. 2909

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 6 of the Independent Auditor's Report of even date to the members of The Bormah Jan Tea Company (1936) Limited on the Financial Statements as of and for the year ended March 31, 2014.

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) As per explanations given to us, fixed assets have been physically verified by the management during the year and there is a regular program of verification which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
(c) In our opinion the Company has not disposed of a substantial part of its Fixed Assets during the year and the going concern status of the Company is not affected.
2. (a) The inventory has been physically verified during the year by the Management. In our opinion, the frequency of verification is reasonable.
(b) In our opinion, 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) On the basis of our examination of the inventory records, the company is maintaining proper records of its inventory. The discrepancies noticed on verification between physical stocks and the book records were not material.
3. (a) The company has not granted unsecured loans to any Company, covered in the register maintained under section 301 of the Companies Act, 1956. Consequently the requirements of Clause 3(b) to 3(d) of Paragraph 3 of the Order are not applicable.
(b) The company has taken unsecured loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. The loan has been taken from two parties. Maximum amount outstanding at any time during the year is Rs. 43 lacs (PY Rs. 94 lacs) and balance as on 31st March 2014 is Rs. NIL (PY Rs. NIL).
(c) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from the companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not *prima facie* prejudicial to the interest of the company.
(d) The Company is regular in repaying the principal amount as stipulated and the interest has also since been regularized.
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 with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of audit, we have not observed any continuing failure to correct major weaknesses in internal controls.

The Bormah Jan Tea Company (1936) Limited

5. (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to prevailing market prices at the relevant time. The question of reasonable prices for such contract is not applicable for the Company.
6. According to the information and explanations given to us, the company has not accepted any loans or deposits from the public in accordance with Sections 58A, 58AA of the Companies Act, 1956.
7. The company has an internal audit system during the year commensurate with the size and nature of its business.
8. According to the information and explanations given to us, the cost records as prescribed by the Central Government under cost record rules under Section 209 (1) (d) of the Companies Act, 1956 has been maintained.
9. (a) The Company is regular in depositing undisputed dues on account of Provident fund and Income Tax with appropriate authorities. The company is also regular in depositing other undisputed statutory dues as applicable to it including Investor Education & Protection Fund, Employees State Insurance, Wealth Tax, Service Tax, Sales Tax, Custom Duty and Excise Duty.
- (b) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited on account of any dispute other than the following :

Name of the Statute	Nature of Dues	Amount Rs.	Period of dues	Forum where Dispute is pending
Income Tax Act, 1961	Assessment Demand	4,31,229	Asst. Year 2003-04	CIT(A)-IV, Kolkata

10. The company has not incurred cash loss during the year as well as in immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the company has not made any material default in repayment of dues Financial institutions and banks. The Company has not issued any debentures.
12. According to the information and explanations given to us, and the records examined by us, the company has not granted loans and advances on the basis of securities by way of pledge of shares, debentures and other securities.
13. In our opinion, the company is not a chit / *nidhi* / mutual benefit fund / society and as such clause (xiii) of the Order is not applicable to the company.
14. In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 is not applicable to the company.

The Bormah Jan Tea Company (1936) Limited

15. The Company has not given any guarantees for loan taken by others from banks or financial institutions. Accordingly, the provisions of clause 4(xv) of the Companies (Auditor's) Order, 2003 is not applicable to the Company.
16. In our opinion, the term loans have been applied for the purpose for which they were raised.
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. According to the information and explanations given to us, the Company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act during the year.
19. The Company has not issued any debentures that were outstanding at any time during the year.
20. The Company has not raised money by public issues during the year.
21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.
22. Other para of the order are not applicable to the Company.

Place : Kolkata,
Dated : 21st day of August, 2014

For B. C. KUNDU & CO.
Chartered Accountants
Firm Registration No. 301007E
S. N. MUKHOPADHYAY
Partner
Membership No. 02909

The Bormah Jan Tea Company (1936) Limited

Balance Sheet as at 31st March, 2014

	Note	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
I. EQUITY AND LIABILITIES			
1. Shareholders' Funds			
a) Share Capital	1	12,50,000	57,50,000
b) Reserves & Surplus	2	18,98,15,892	15,84,01,901
2. Non-current liabilities			
a) Long-term borrowings	3	2,12,62,322	57,40,405
b) Deferred Tax Liabilities (Net)	4	13,31,571	10,10,763
3. Current Liabilities			
a) Short-term borrowings	5	8,50,44,714	8,99,06,160
b) Trade payables	6	3,08,24,113	3,25,74,992
c) Other current liabilities	7	67,03,616	73,95,895
d) Short-term provisions	8	3,55,809	6,81,496
Total		31,96,17,768	28,14,61,611
II. ASSETS			
1. Non-current assets			
a) Fixed Assets			
Tangible assets	9	25,70,94,043	23,15,00,014
b) Non-current Investments	10	19,52,976	34,52,976
c) Long-term loans and advances	11	18,82,739	18,80,339
d) Other Non current assets	12	38,20,990	38,20,990
2. Current assets			
a) Inventories	13	2,56,61,285	1,71,00,212
b) Trade receivables	14	86,96,164	88,13,164
c) Cash and cash equivalents	15	5,13,204	7,28,036
d) Short-term loans and advances	16	1,99,96,367	1,41,65,880
Total		31,96,17,768	28,14,61,611

Notes to Financial Statements

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The Notes are an integral part of these Financial Statements.

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

For and on behalf of the Board of Directors

P-17, Mission Road Extn.
Kolkata-700 013
This 21st day of August, 2014

For B. C. KUNDU & CO.
Chartered Accountants
Firm Reg. No. 301007E
S. N. MUKHOPADHYAY
Partner
Membership No. 2909

B. BAJORIA Mg. Director

R. K. DIXIT Director

The Bormah Jan Tea Company (1936) Limited

Statement of Profit & Loss for the Year ended 31st March, 2014

	Note	For the year ended 31st March, 2014 Rs.	For the year ended March, 2013 Rs.
INCOME			
Revenue from Operations	17	26,68,29,632	24,41,98,374
Other Income	18	500	1,25,997
Total Revenue		26,68,30,132	24,43,24,371
EXPENSES			
Change in Inventories of Finished Goods	19	(15,77,172)	(35,77,320)
Employee Benefits Expense	20	11,42,46,768	10,35,84,307
Finance Costs	21	1,01,10,548	1,04,57,491
Depreciation & amortisation expense	22	77,63,755	63,07,897
Other Expenses	23	12,09,24,458	10,74,18,296
Total Expenses		25,14,68,355	22,41,90,672
Profit before tax		1,53,61,777	2,01,33,700
Tax expenses :			
Current Tax		24,00,000	43,00,000
Deferred Tax		3,21,208	94,176
Profit for the year		1,26,40,569	1,57,39,524
Earnings per equity share :			
Basic (Face value Rs. 10/- each)		98.65	123.39
Diluted (Face value Rs. 10/- each)		98.65	123.39

Notes to Financial Statements 24

The Notes are an integral part of these Financial Statements

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

For and on behalf of the Board of Directors

P-17, Mission Road Extn.
Kolkata-700 013
This 21st day of August, 2014

For B. C. KUNDU & CO.
Chartered Accountants
Firm Reg. No. 301007E
S. N. MUKHOPADHYAY
Partner
Membership No. 2909

B. BAJORIA Mg. Director
R. K. DIXIT Director

The Bormah Jan Tea Company (1936) Limited

Notes annexed to and forming part of the Financial Statements

Particulars	31st March, 2014	(Amount in Rs.) 31st March, 2013
1 Share Capital		
Authorised		
4,85,000 (Previous year 4,85,000) Equity Shares of Rs. 10/- each	48,50,000	48,50,000
75,000 (Previous year 75,000) 6% Redeemable Cumulative Preference Shares of Rs. 100/- each	75,00,000	75,00,000
	<u>1,23,50,000</u>	<u>1,23,50,000</u>
Issued, Subscribed & Fully Paid-up		
1,25,000 Equity Shares of Rs. 10/- each fully paid up	12,50,000	12,50,000
Ordinary Shares allotted as fully paid up pursuant to a contract without being payment in cash	74,894	74,894
Ordinary Shares allotted as fully paid up by way of Bonus Shares	25,000	25,000
Reconciliation of the number of shares :		
Number of equity shares at the beginning of the year	1,25,000	1,25,000
Movement during the year	—	—
Number of equity shares at the end of the year	<u>1,25,000</u>	<u>1,25,000</u>
Details of Equity Shares held by shareholders holding more than 5% of the equity shares in the Company :	No. of Shares (% of holding)	No. of Shares (% of holding)
Bharat Bajoria, Managing Director	17615 (14.09%)	17615 (14.09%)
Teesta Valley Exports Ltd. (a company having common Directors)	—	25750 (20.60%)
Abha Bajoria (Relative of key management personnel)	20300 (16.24%)	20300 (16.24%)
Birdie Trading Private Limited	10000 (08.00%)	10000 (08.00%)
S. L. Bajoria & Others (HUF)	22000 (17.60%)	—
45000, 6% Redeemable Cumulative Preference Shares of Rs. 100/- each	—	45,00,000
6% Redeemable Cumulative Preference Shares are redeemable any time after expiry of five years and before expiry of twenty years. Respective date of allotment of Preference Shares numbering 25,000 and 20,000 were 27.03.2007 and 28.03.2008	—	—
Reconciliation of the number of shares :		
Number of Preference shares at the beginning of the year	45,000	45,000
Redeemed during the year (on 24.03.2014)	45,000	—
Number of Preference shares at the end of the year	<u>—</u>	<u>45,000</u>
Details of Preference Shares held by shareholders holding more than 5% of the Preference shares in the Company :	No. of Shares (% of holding)	No. of Shares (% of holding)
Trishul Company Limited	—	11,000 (24.44%)
Bharat Bajoria, Managing Director	—	10,000 (22.22%)
Teesta Valley Exports Limited	—	7,550 (16.78%)
Zen Industrial Services Limited	—	7,250 (16.11%)
Abha Bajoria	—	7,000 (15.56%)
Total	<u>12,50,000</u>	<u>57,50,000</u>

The Bormah Jan Tea Company (1936) Limited

Notes annexed to and forming part of the Financial Statements

		(Amount in Rs.)	
Particulars	31st March, 2014	31st March, 2013	
2 Reserves and Surplus			
Capital Redemption Reserve :			
As per last Balance Sheet	1,00,000	1,00,000	
Add : Transferred from Surplus in Statement of Profit and Loss	45,00,000	—	
	<u>46,00,000</u>	<u>1,00,000</u>	
Securities Premium Reserve	<u>1,89,00,000</u>	<u>1,89,00,000</u>	
Revaluation Reserve :			
As per last Balance Sheet	5,26,89,439	5,32,87,211	
Less : Transferred from Depreciation	5,51,641	5,97,772	
	<u>5,23,17,798</u>	<u>5,26,89,439</u>	
General Reserve :			
As per last Balance Sheet	2,55,00,000	2,15,00,000	
Add : Transferred from Surplus in Statement of Profit and Loss	30,00,000	40,00,000	
	<u>2,85,00,000</u>	<u>2,55,00,000</u>	
Surplus in Statement of Profit and Loss :			
As per last Balance Sheet	6,12,12,462	5,01,54,434	
Add : Profit for the year	1,26,40,569	1,57,39,524	
	<u>7,38,53,030</u>	<u>6,58,93,958</u>	
Less : Transfer to General Reserve	30,00,000	40,00,000	
Transfer to Capital Redemption Reserve	45,00,000	—	
Preference Dividend	2,64,821	2,70,000	
Proposed Equity Dividend	3,12,500	3,12,500	
Tax on Dividend	98,115	98,996	
	<u>6,56,77,594</u>	<u>6,12,12,462</u>	
Total	<u>16,98,15,392</u>	<u>15,84,01,901</u>	
3 Long Term Borrowings			
Secured :			
From Oriental Bank of Commerce			
Term Loan No. 2	10,15,000	27,55,000	
Interest Accrued thereon	—	2,40,990	
a. Nature of Security			
Hypothecation of fixed assets with estimated cost of			
(Rs. 180.65 lacs in the factory of Bormah Jan Tea Estate)			
b. Terms of Repayment			
Monthly Instalment of Rs. 1,45,000/-			
From ICICI Bank Ltd.			
Term Loan	2,00,00,000	—	
a. Nature of Security			
Exclusive charge by way of equitable mortgage on land			
and factory building of Ouphulia Tea Estate			
b. Terms of Repayment			
Quarterly Installment of Rs. 11,11,111/-			
From Tea Board (Plantation Development Scheme)	—	5,95,899	
Interest Accrued thereon	—	8,99,910	
a. Nature of Security :			
Secured by pari passu charges on the Title Deeds of			
Bormah Jan Tea Estate, pledged with Oriental Bank of Commerce			
Hire Purchase Finance for Vehicles	2,67,322	12,48,606	
a. Nature of Security :			
Hypothecation of Vehicles purchased			
b. Terms of Repayment			
EMI of Rs. 34,267/- from April 2014 to May 2015			
EMI of Rs. 24,700/- from April 2014 to March 2015			
EMI of Rs. 29,570/- from April 2014 to Oct 2015			
Total	<u>2,12,82,322</u>	<u>57,40,405</u>	

The Bormah Jan Tea Company (1936) Limited

Notes annexed to and forming part of the Financial Statements

Particulars	31st March, 2014	(Amount in Rs.) 31st March, 2013
4 Deferred Tax Liabilities (Net)		
Deferred tax liabilities being the tax impact on difference of written down value of Fixed Assets as per Income Tax Laws & Books #	13,31,971	10,10,763
# Deferred Tax Liabilities have been calculated in accordance with AS-22 as notified by the Companies (Accounting Standard) Rules, 2006		
Total	13,31,971	10,10,763
5 Short Term Borrowings		
Secured :		
Cash Credit from Oriental Bank of Commerce	5,35,16,099	4,33,59,391
Interest Accrued thereon	11,37,555	12,88,526
a. Nature of Security :		
Secured by hypothecation of Stock of Raw Material, stock in process finished goods, receivables and other current assets present and future of Bormah Jan Tea Estate. Further collaterally secured by way of 1st Charge over entire fixed assets including EQM over Bormah Jan Tea Estate and personal guarantee of Sri Bharat Bajoria, Managing Director.		
Cash Credit from ICICI Bank	3,33,91,090	—
a. Nature of Security :		
Exclusive charge by way of hypothecation on current assets and moveable fixed assets of Ouphulia Tea Estate. Further exclusive charge by way of equitable mortgage on land and factory building of Ouphulia Tea Estate.		
Cash Credit from Punjab National Bank	—	2,52,58,243
a. Nature of Security :		
Secured by hypothecation of Stock of Raw Material, stock in process finished goods, receivables and other current assets present and future of Ouphulia Tea Estate. Further collaterally secured by way of 1st Charge over entire fixed assets including EQM over Ouphulia Tea Estate and personal guarantee of Sri Bharat Bajoria, Managing Director and Smt. Abha Bajoria.		
Total	8,80,44,744	6,99,06,160

The Bormah Jan Tea Company (1936) Limited

Notes annexed to and forming part of the Financial Statements

		(Amount in Rs.)	
Particulars	31st March, 2014	31st March, 2013	
6 Trade Payable			
For Goods	2,76,65,048	2,90,06,612	
For Services and others	31,59,065	35,68,380	
Payment against supplies from Micro, Small & Medium Enterprises are made in accordance with agreed credit terms and to the extent ascertained from available sources. There was no amount due/overdue for payment at the end of the period as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006			
Total	3,08,24,113	3,25,74,992	
7 Other Current Liabilities			
Employees dues Payables	30,92,778	39,13,953	
Statutory Liabilities :			
Tax Deducted at Source	27,191	68,491	
Provident Fund	14,52,573	15,81,427	
Other Statutory dues	10,62,690	8,92,324	
Unpaid Dividend*	87,100	50,452	
Hire Purchase Finance for Vehicles	9,81,284	8,89,248	
a. Nature of Security :			
Hypothecation of Vehicles purchased			
* There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund			
Total	67,03,616	73,95,895	
8 Short Term Provisions			
Proposed Equity Dividend	3,12,500	5,82,500	
Tax on Dividend	53,109	98,996	
Total	3,65,609	6,81,496	

The Bormah Jan Tea Company (1936) Limited

9 Fixed Assets

Particulars of Assets	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK		
	Gross Cost Value as on 01.04.13	Additions on Revaluation on 31.03.1994	Additions during the year	Sale / Adjustment during the year	Gross Cost as on 31.03.14	Total as on 01.04.13	For the year	Sale / Adjustment during the year	Total as on 31.03.14	W.D.V. as on 31.03.14	W.D.V. as on 31.03.13
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Tangible Assets											
Leasehold Land & Development	12,30,26,282	4,37,63,630	1,00,42,036	—	17,68,31,950	—	—	—	—	17,68,31,950	16,67,89,912
Buildings	4,37,18,896	2,33,03,216	37,12,472	—	7,07,34,584	3,91,43,154	17,67,135	—	4,09,10,289	2,98,24,295	2,78,78,958
Plant & Machinery	6,74,04,561	1,42,72,480	1,98,45,436	23,07,215	9,92,15,282	5,70,12,371	35,65,560	19,24,813	5,86,83,118	4,05,32,144	2,46,64,670
Electrification	24,44,857	18,20,252	—	—	42,65,109	37,68,769	68,259	—	38,55,028	4,10,081	4,70,340
Furniture & Fixtures	61,06,956	—	2,78,240	—	63,83,196	51,81,573	1,84,834	—	53,68,207	10,10,980	9,25,383
Vehicles	1,93,64,862	—	4,15,641	—	1,97,80,503	1,03,29,101	25,05,206	—	1,29,37,307	108,43,196	90,35,761
Road, Bridges & Fencing	22,19,284	—	—	—	22,19,284	6,18,732	79,950	—	6,98,682	15,20,892	18,00,552
Farm Account	11,127	—	—	—	11,127	11,000	—	—	11,000	127	127
Water Supply System	97,777	—	—	—	97,777	97,486	—	—	97,486	291	291
Irrigation	15,48,464	—	—	—	15,48,464	14,64,140	11,367	—	14,75,507	70,957	82,324
Temple	2,00,227	—	—	—	2,60,227	2,14,531	2,285	—	2,16,816	43,411	45,686
TOTAL	28,62,81,293	8,31,59,578	3,42,91,827	23,07,215	38,13,45,483	11,78,60,657	83,15,390	19,24,113	12,42,91,440	25,70,94,043	23,15,00,014
Previous Year	24,54,50,010	8,31,59,578	2,18,23,803	10,73,328	34,93,60,871	11,18,20,034	60,05,480	8,64,840	11,78,00,057	23,15,00,014	21,67,90,362

The Bormah Jan Tea Company (1936) Limited

Notes annexed to and forming part of the Financial Statements

Particulars	(Amount in Rs.)	
	31st March, 2014	31st March, 2013
10 Non-Current Investment (held at cost unless stated otherwise)		
INVESTMENTS - Other than Trade (at cost)		
Investment in Quoted Equity Shares :		
Teesta Valley Tea Co. Ltd. (associate)	30,533	30,533
2,445 Equity Shares of Rs. 10/- each		
Kelvin Jute Co. Ltd.	46,321	46,321
1,050 Equity Shares of Rs. 10/- each		
Dejoo Valley Investment Co. Ltd.	10,000	10,000
1,600 Equity Shares of Rs. 10/- each		
Amluckie Investment Co. Ltd.	42,780	42,780
4,250 Equity Shares of Rs. 10/- each		
Vegetable Products Ltd.	2,000	2,000
200 Equity Shares of Rs. 10/- each		
Zen Industrial Services Ltd.	50,800	50,800
20,000 Equity Shares of Rs. 10/- each		
Investment in Unquoted Equity Shares :		
The Tingamira Tea Seed Co. Ltd. (associate)	18,542	18,542
1,851 Equity Shares of Rs. 10/- each		
Orlando Holdings Ltd. (associate)		
70,000 Equity Shares of Rs. 10/- each	17,50,000	17,50,000
100 Shares of G.I.C. Fortune - 94	1,000	1,000
Investment in Preference Shares :		
Teesta Valley Tea Co. Ltd. (associate)		
15,000 6% Preference Shares of Rs. 100/- each	—	15,00,000
Investment in Government Securities :		
National Plan Saving Certificate		
(Deposited with Collector of Central Excise, Tezpur)	1,000	1,000
Total	19,52,976	34,52,976
11 Long Term Loans & Advances (Unsecured & Considered good)		
Sundry Deposits	18,82,739	18,80,339
Total	18,82,739	18,80,339
12 Other Non Current Assets		
Interest Accrued on Loan to Body Corporate.	38,20,990	38,20,990
	38,20,990	38,20,990
13 Inventories (Valued at lower of cost and net realisable value)		
Stock of Stores	1,68,56,132	98,41,101
Stock of Finished Goods (Stock of Tea)	85,55,355	69,78,183
Stock of Foodstuff	2,47,799	2,80,928
Total	2,56,61,285	1,71,00,212

The Bormah Jan Tea Company (1936) Limited

Notes annexed to and forming part of the Financial Statements

(Amount in Rs.)

Particulars	31st March, 2014	31st March, 2013
14 Trade Receivables (Unsecured and Considered good)		
Outstanding for a period exceeding six months	85,64,312	85,64,312
Others	1,31,852	2,48,852
Total	86,96,164	88,13,164
15 Cash & Cash Equivalents		
Balances with Scheduled Banks on -		
Current Account	3,52,688	5,51,257
Dividend Account	1,00,413	59,722
Cash in hand	50,103	17,057
Total	5,13,204	7,28,036
16 Short Term Loans & Advances (Unsecured, Considered good)		
Advance payment of Tax (Net of provisions Rs. 95,98,868/-) previous year Rs. 71,98,868/-)	67,44,416	35,79,504
Staff Advances	15,09,479	4,34,479
Other Advances	1,17,42,473	1,01,51,898
Total	1,99,96,367	1,41,65,880
17 Revenue from operations		
From Sale of Goods		
Tea	26,40,75,753	24,23,49,286
Other Operating Revenue		
Tea Board Re-Plantation Subsidy	26,65,512	18,49,088
Interest Income (NABARD)	88,367	—
Gross (TDS Rs. 7,400/- P.Y. Rs. NIL)		
Total	26,68,29,632	24,41,98,374
18 Other Income		
Miscellaneous Income	500	44,479
Profit on sale of Fixed Assets	—	81,518
Total	500	1,25,997

The Bormah Jan Tea Company (1936) Limited

Notes annexed to and forming part of the Financial Statements

(Amount in Rs.)

Particulars	<u>31st March, 2014</u>	<u>31st March, 2013</u>
19 Change in Inventory of Finished Goods and Stock in Trade		
Opening Stock	69,78,183	34,00,863
Closing Stock	85,55,355	69,78,183
Total	<u>(15,77,172)</u>	<u>(35,77,320)</u>
20 Employees Benefit Expenses		
Salaries, Wages & Bonus	7,46,73,311	6,94,25,599
Contribution to P.F. and Other Funds	85,23,728	65,57,532
Gratuity	59,31,244	46,24,654
Staff & Labour Welfare Expenses	2,51,18,485	2,29,76,521
Total	<u>11,42,46,768</u>	<u>10,35,84,307</u>
21 Finance Cost		
Interest Expenses		
a. On Fixed Loans	19,88,502	5,72,462
b. On Cash Credit Account	70,86,699	84,48,870
c. On Other Loans	6,07,387	10,89,243
d. Other Borrowing Cost	4,27,958	3,46,916
Total	<u>1,01,10,546</u>	<u>1,04,57,491</u>
22 Depreciation and Amortisation Expenses		
Depreciation during the year	83,15,396	69,05,669
Less : Transferred to Asset Revaluation Reserve	5,51,641	5,97,772
Total	<u>77,63,755</u>	<u>63,07,897</u>

The Bormah Jan Tea Company (1936) Limited

Notes annexed to and forming part of the Financial Statements

(Amount in Rs.)

Particulars	<u>31st March, 2014</u>	<u>31st March, 2013</u>
23 Other Expenses		
Payment to Auditors		
For Statutory Audit	39,326	30,899
For Tax Audit	5,618	5,618
For Other Services	78,034	39,944
Consumption of Stores and Spare parts	4,70,03,609	3,82,68,056
Power and Fuel	1,90,87,735	1,76,98,407
Rent	9,75,043	8,14,741
Repairs to buildings	49,56,710	49,65,070
Repairs to machinery	63,26,000	96,10,295
Repairs to others	99,03,823	88,38,064
Insurance	6,63,543	5,98,367
Rates & Taxes (excluding Income Tax)	2,500	2,51,305
Tea Cess & Excise Duty	30,71,857	29,96,008
Sales Expenses (including Broker's Commission Rs. 25,96,152/- (Previous Year Rs. 23,92,668/))	1,87,13,260	1,74,58,082
Directors Fees	55,000	70,000
Telephone, Telex & Other Expenses	1,33,553	1,20,837
Bad Debts written off	—	38,284
Loss on Sale of Assets	39,202	—
Miscellaneous Expenses	98,74,643	76,14,318
Total	<u>12,09,24,458</u>	<u>10,74,18,296</u>
 Details of Miscellaneous Expenses		
Legal & Professional Charges	8,36,080	4,34,994
Motor Car Expenses	3,76,517	3,93,095
Printing & Stationery	6,91,202	5,74,263
R O C Filing Fees	6,500	15,000
Subscription	7,92,404	5,47,305
Travelling & Conveyance Expenses	22,56,295	11,15,668
Donation	10,65,000	9,00,000
Advertisement	14,467	13,281
Entertainment Expenses	2,44,270	64,446
General Stores & Services	12,14,060	12,77,697
Other Miscellaneous Expenses	23,77,847	22,78,570
Total	<u>98,74,643</u>	<u>76,14,318</u>

The Bormah Jan Tea Company (1936) Limited

Notes to Financial Statements for the year ended 31st March, 2014.

Note No. 24

A. SIGNIFICANT ACCOUNTING POLICIES

GENERAL :

The Accounts are prepared on historical cost basis and on the accounting principles of going concern.

All expenses and income to the extent considered payable and receivable respectively unless specifically stated to be otherwise, are accounted for on mercantile basis.

Accounting policies unless specifically stated to be otherwise, are consistent and are in consonance with generally accepted accounting principles.

USE OF ESTIMATES :

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affects the reported amounts of Assets, Liabilities, Revenues and Expenses and disclosure of contingent liabilities on the date of the financial statements. Actual results may differ from those estimates.

FIXED ASSETS AND DEPRECIATION :

- i) Fixed Assets revalued on 31st March, 1994 are stated at revalued amount less depreciation on such amount. Fixed Assets other than above are stated at cost, which includes inward Freight, Duties, Taxes and Expenses incidental to acquisition and installation, less depreciation.
- ii) Depreciation on additions/sale/discard of Fixed Assets have been provided for and/or adjusted on written down value method at the rates specified in Schedule XIV of the Companies Act, 1956 (As amended) on pro rata basis. No Depreciation is charged on Lease Hold Land and Development.
- iii) Profit/Loss on Sale of revalued Fixed Assets is being ascertained on the basis of original cost and sale price and the difference with the revalued price is being transferred to Revaluation Reserve.
- iv) Capital Subsidy if any from Government and/or other authorities is accounted for on accrual basis and Re-plantation subsidy is accounted for as and when received.
- v) Expenses incurred on extension of planting, uprooting and replanting are capitalized except for expenses relating to infilling which are charged to Profit & Loss Account.

INVESTMENTS : (Long Term)

Investments are valued at cost.

INVENTORIES :

Stock of made tea is valued at Cost or Market Price, whichever is lower.

Stock of Stores & Spare Parts and of Foodstuff is valued at Cost. Cost comprises inward Freight, Duties, and Taxes and is calculated on monthly weighted averages. Necessary provision is made for obsolete slow-moving and defective stocks.

CONTINGENT LIABILITIES :

Contingent Liabilities are not provided for in the accounts but are separately shown in the Schedule of Notes on Accounts except the uncertainties, which are likely to affect the future outcome, are provided for and specifically mentioned in accounts.

SALES :

- a) Sales include Excise Duty, Rebates, Discounts, Claims and other non-recoverables are excluded there from.
- b) Sales are recognized in the accounts on passing of title to the goods i.e. delivery as per terms of sale or on completion of auction in case of auction sale.

The Bormah Jan Tea Company (1936) Limited

RETIREMENT BENEFITS :

- Liability for retirement gratuity is being accounted for on Cash basis i.e., as and when paid and/or transferred to the Gratuity Fund Account.
- Bonus is being accounted for as and when paid.
- Leave encashment and Other Retirement benefits are not applicable to the employees of the Company.

RESEARCH AND DEVELOPMENT :

Subscription to Tea Research Association is charged in the Profit & Loss Account under the Head "Subscription & Donation."

GOVERNMENT GRANTS :

Revenue grants including subsidy/rebates are credited to Statement of Profit & Loss under "Other Operating Revenue" or deducted from the related expenses.

TAXATION :

Provision for Current Tax estimated on taxable income for the accounting year in accordance with Income Tax Rules. Deferred Tax for timing difference has been accounted for using the Tax rates and based on Tax Laws applicable as on the Balance Sheet date.

IMPAIRMENT OF ASSETS :

Consideration is given at the balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds the recoverable amount. The recoverable amount is the greater of the net selling price and value in use.

B. NOTES TO FINANCIAL STATEMENTS :

- Additions to Leasehold Land and Development includes the cost of New Extension of plantation area and it is in accordance with past practice. No depreciation has been provided for on Leasehold Land and Developments.
- Depreciation on Fixed Assets for the year has been calculated on written down value basis in accordance with Schedule XIV of the Companies (Amendment) Act, 1988.
- Assets acquired upto 31.03.1993 and costing Rs.5,000 or less stands included under respective block of assets and have accordingly been depreciated at the usual prescribed rate of depreciation instead of charging it off fully as required as per Schedule XIV of the Companies Act, 1956 amended with effect from 16.12.1993. Though the impact of under charge of depreciation in this respect has not been ascertained, the same is not likely to be material.
- As per consistent policy of the company Gratuity and Bonus are accounted for as and when paid. As such liability on account of the same for the year has neither been ascertained nor provided for.
- The Company operates in a single business segment i.e. tea and hence, no further disclosure is required to be made as per AS-17 on Segmental reporting.
- Raw Material Produced & Consumed –

	31.3.2014	31.3.2013
Green Leaf (in Kgs)	59,57,322	58,00,226
7. Finished Goods (Quantity in Kgs)		
Opening Stock of Tea	58,134	35,053
Actual Production of Tea	13,75,686	13,27,960
Sale of Tea	13,44,748	12,71,309
Samples, Garden use, Shortage, etc.	35,422	33,570
Closing Stock of Tea	53,650	58,134

The Bormah Jan Tea Company (1936) Limited

8. Related Party Disclosures :

a. List of Related Parties :

- i) Key Management Personnel – Sri Bharat Bajoria
Shri Aloke Kumar Roy
- ii) Associates where significant influence/control exists
The Tingamira Tea Seed Co. Limited
Teesta Valley Tea Co. Ltd.
Teesta Valley Exports Limited
Mohanbari Investments Co. Pvt. Limited
Banarhat Investment Co. Pvt. Limited
Birdie Trading Pvt. Ltd.
Orlando Holdings Limited

b. Transaction with Related Parties pertaining to Statement of Profit & Loss

	a(i) above	a(ii) above
--	------------	-------------

(i) EXPENDITURE

Remuneration	13,53,600	—
Rent paid	—	1,50,000
Miscellaneous Expenses	—	1,08,000
Electricity Charges	—	48,000
Purchases	—	20,28,600
Sales	—	20,27,200
Interest Paid	3,46,433	87,758

(ii) Balances with Related Parties as per Balance Sheet

Investment in Shares	17,99,075	32,99,075
Deposit Paid	4,500	4,500
Loans & Advances	—	—

9. Net Profit as per Statement of Profit & Loss	1,26,40,569	1,57,39,524
Less : Preference Dividend	2,64,821	2,70,000
Less : Dividend Tax on Preference Dividend	45,006	45,887
Net Profit attributable to Equity Shareholders	1,23,30,742	1,54,23,637
No. of Equity Shares	1,25,000	1,25,000
Earning per Share of Rs. 10/- (Basic & Diluted)	98.65	123.39
10. Estimated amount of contract remaining to be executed on Capital Account and not provided for	15,00,000	30,00,000
11. Contingent Liability not provided for in respect of : Income Tax for the Assessment Year 2003-04	4,31,229	4,31,229
12. Previous year figures have been rearranged and regrouped where ever necessary		

P-17, Mission Road Extn.
Kolkata-700 013
This 21st day of August, 2014

For B. C. KUNDU & CO.
Chartered Accountants
Firm Reg. No. 301007E
S. N. MUKHOPADHYAY
Partner
Membership No. 2909

B. BAJORIA Mg. Director
R. K. DIXIT Director

The Bormah Jan Tea Company (1936) Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.3.2014

Pursuant to clause 32 of the Listing Agreement

	Rs.	As at 31st March, 2014 Rs.	Rs.	As at 31st March, 2013 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before taxation and exceptional items		1,53,61,777		2,01,33,700
Adjustments for :-				
Depreciation & amortization expense	77,63,755		63,07,897	
Interest (Paid)	96,82,588		1,01,10,575	
Interest Received	(88,367)		—	
Profit on sale of Assets	—		(81,518)	
Loss on Sale of Assets	39,202	1,73,97,178	—	1,63,36,954
Operating Profit before Working Capital changes		3,27,58,955		3,64,70,654
Changes in working capital :				
Adjustments for (Increase)/decrease in operating assets				
Trade & Other Receivables	1,17,000		1,48,703	
Loans and Advances	(26,67,975)		(37,01,395)	
Inventories	(85,61,073)		(45,64,255)	
Adjustment for Increase / (decrease) in operating liabilities				
Trade Payables	(25,71,841)	(1,36,83,889)	99,831	(80,17,116)
Cash Generated from Operations		1,90,75,066		2,84,53,538
Direct Taxes Paid	(55,64,912)	(55,64,912)	(22,05,731)	(22,05,731)
Net Cash Flow from Operating activities		1,35,10,154		2,62,47,807
B. CASH FLOW FROM INVESTING ACTIVITIES				
1. Purchase of Fixed Assets	(3,42,91,827)		(2,18,23,803)	
2. Interest Received	88,367		—	
3. Sale of Fixed Assets	3,43,200		2,90,000	
4. Sale of Investments	15,00,000		35,00,000	
5. Redemption of Preference Shares	(45,00,000)		—	
Net Cash used in Investing Activities		(3,68,60,260)		(1,80,33,803)
		(2,33,50,106)		82,14,004

The Bormah Jan Tea Company (1936) Limited

C. CASH FLOW FROM FINANCING ACTIVITIES

1. Proceeds Short Term Borrowings	1,82,89,555	87,22,304
2. Proceeds Long Term Borrowings	1,67,74,853	(51,03,536)
3. Interest Paid	(1,09,74,459)	(1,07,57,049)
4. Dividend Paid	(8,10,673)	(5,32,048)
5. Dividend Tax Paid	(1,44,002)	(94,496)
Net cash used in Financing Activities	2,31,35,274	(77,64,825)
Net Increase / (Decrease) in Cash & Cash Equivalents	(2,14,832)	4,49,179
Cash & Cash Equivalents (Opening Balance)	7,28,036	2,78,857
Cash & Cash Equivalents (Closing Balance)	5,13,204	7,28,036
	(2,14,832)	4,49,179

NOTES :

1. Above statements have been prepared in indirect method except in case of interest, dividend, purchase & sale of investments and taxes which have been considered on the basis of actual movement of cash, with corresponding adjustments in assets & liabilities.
2. Cash and Cash Equivalents consist of Cash in hand, balance with Banks and Remittance in transit.
3. Additions to Fixed Assets are stated inclusive of movements of Capital work in progress between beginning and end of the year and treated as part of investing activities

P-17, Mission Road Extn.
Kolkata-700 013
This 21st day of August, 2014

For B. C. KUNDU & CO.
Chartered Accountants
Firm Reg. No. 301007E
S. N. MUKHOPADHYAY
Partner
Membership No. 2909

B. BAJORIA Mg. Director
R. K. DIXIT Director