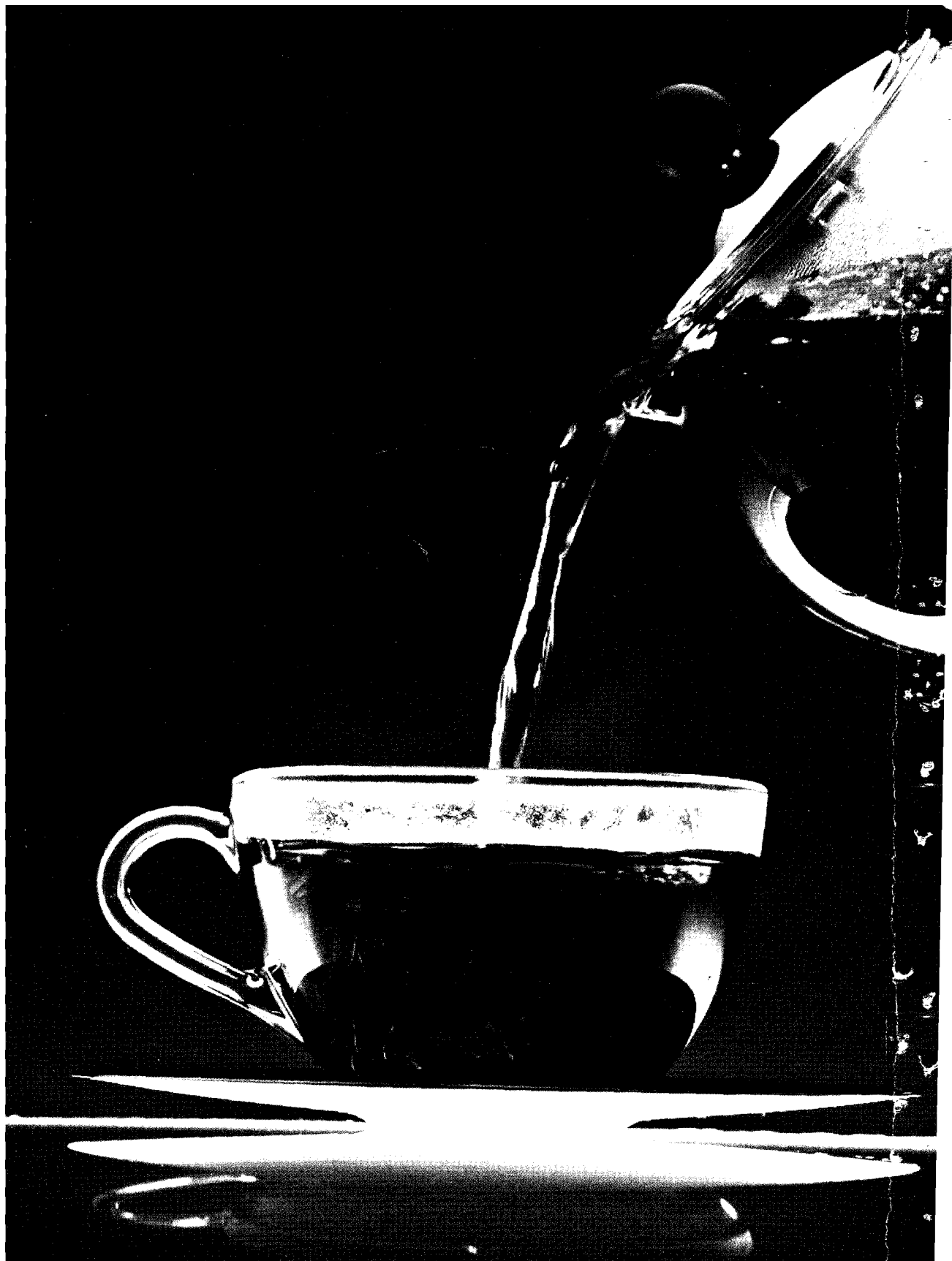


26th Annual Report 2011 - 2012



ASIAN TEA & EXPORTS LTD.



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ASIAN TEA & EXPORTS LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS	:	Sri H.R.Garg , Chairman cum Managing Director Sri Sunil Garg , Whole time Director Sri C.S.Surana Sri Lakshman Srinivasan Sri Sanjay Chowdhury
COMPANY SECRETARY	:	Anand Kumar Jha
AUDITORS	:	Agarwal Kejriwal & Co. Chartered Accountants 1, Ganesh Chandra Avenue, Kolkata- 700 013
BANKERS	:	State Bank of India
REGISTERED OFFICE	:	“Sikkim Commerce House” 5 th Floor, 4/1, Middleton Street Kolkata- 700071
ISIN	:	INE822B01017
WEBSITE	:	www.asianteaexports.com
E-MAIL	:	info@asianteaexports.com
REGISTRAR & TRANSFER AGENT	:	S.K.Infosolutions Pvt Ltd. 34/1A, Sudhir Chatterjee Street, Kolkata- 700 006.

NOTICE

NOTICE is hereby given that the Twenty Sixth Annual General Meeting of the members of Asian Tea & Exports Limited will be held on Friday, the 14th September, 2012 at 10.00 A.M at H4/93A, B.B.T.Road, New Chakmir, Maheshstalla, Kolkata-700 141 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012, the Profit & Loss Statement for the year ended 31st March 2012 and the Report of the Directors and Auditors' thereon.
2. To appoint a Director in place of Shri C.S.Surana who retires by rotation and being eligible offers himself for re-appointment.
3. To re-appoint M/S Agarwal Kejriwal & Co, Chartered Accountants as Auditors and to fix their remuneration.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass the following resolution, with or without modifications as an **ORDINARY RESOLUTION**:

RESOLVED THAT pursuant to the provisions of sections 198,269,309 read with Schedule XIII and other applicable provisions, if any of the Companies Act,1956,and subject to all such approvals as may be required, the approval of the members be and is hereby accorded to the re-appointment of Shri Sunil Garg, as Whole-Time Director of the Company for a period of Five years effective from 11th December, 2011 on the terms and conditions including remuneration as set out in the explanatory statement annexed hereto and also the draft agreement submitted to this meeting, with liberty to the Board of Directors to alter, vary, modify the terms and conditions, referred to above, in such a manner as may be agreed to by and between the Board and Shri Sunil Garg.

"Resolved Further that the appointment and remuneration paid to Shri Sunil Garg, Whole-Time Director in terms of the above resolution be and is hereby approved, confirmed and ratified.

By Order of the Board

Place:Kolkata
Date: 30th July'12

ANAND KUMAR JHA
(Company Secretary)

NOTES:

1. The relative Explanatory statement, pursuant to section 173 of the Companies Act,1956 in respect of the business under Item no.4 above is annexed hereto. The relevant details of directors seeking re-appointment under Item No.2 above, as required by clause 49 of the listing agreements entered into with the Stock Exchanges are also annexed.
-

2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. The instrument appointing a proxy should however be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Monday the 10th September, 2012 to Friday 14th September, 2012 (both days inclusive).
4. Details of the Directors seeking appointment/re-appointment in forthcoming Annual General Meeting (in pursuance of clause 49 of the Listing Agreement)

Name of the Director	Shri C. S. Surana
Date of Birth	23.02.1947
Date of Appointment	02.02.1993
Expertise in specific functional area	Expertise in Finance.
Qualification	B. COM
Outside Directorship held	3
Chairman/Member of the Committee of the Board of Directors of the Company	2
No. of shares	9700

5. Members are requested to make all correspondence in connection with shares held by them by addressing letters directly to the Registrar & Transfer Agent or to the Company at its registered Office quoting reference of their folio numbers or their Client ID number with DP-ID number, as the case may be.

By order of the Board

Place: Kolkata
Date: 30th July'12

ANAND KUMAR JHA
(Company Secretary)

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT,1956.

ITEM NO.4

The Directors of your Company at its Meeting of the Board of Directors approved and ratified subject to the approval of the members of the company, the re-appointment of Shri Sunil Garg as Whole-Time Director of the Company for a period of 5 years effective from the 11th December, 2011 on the following terms and conditions and in the manner and to the extent as set out in the draft agreement referred to in the resolution at ITEM NO. 4 of the notice.

A. Remuneration.

- (a) Salary – Rs. 1,25,000 per month. The overall remuneration including perquisites should not exceed Rs. 1,25,000/- per month.
- (b) Gratuity : Not exceeding ½ months salary for each completed years of service.
- (c) Perquisites:

Part -A

- (i) Encashment of Leave at the end of the tenure.

Part - B

- (i) Contribution to Provident Fund, Superannuation Fund or Annuity Fund is not to be included in the computation of ceiling on perquisites to the extent these either singly or together are not taxable under the Income Tax Act, 1961.

Part – C

- (i) Provision of Car with driver for use in Company's business and telephone at residence will not be considered as perquisites. However, personal long distance calls and use of car for private purpose will be billed by the Company to the Whole time Director.

In the absence or inadequacy of profits, the aforesaid remuneration will be paid as the minimum remuneration subject to the limit prescribed under section II (A), Part II of Schedule XIII to the Companies Act.

The draft agreement referred to the above resolution will be available for inspection to any member at the registered office of the Company between 11.00 A.M. to 1.00 P.M. on any working day and also at the Annual General Meeting.

Shri Sunil Garg being promoter Director of the company has made substantial progress due to his efforts. He has vast experience of 20 years in the field of International business and finance and he is actively involved in developing the international trade of the Company. Considering his rich and vast experience and exceptional managerial skills, the Board of Directors felt that it would be in the best interest of the Company to re-appoint him as Whole-time director of the Company. The remuneration proposed to Shri Sunil Garg is justified having regard to the nature of service required from him and the responsibility which he is called upon to bear as Whole-Time Director of the company. The Board recommends acceptance of the Resolution.

In addition to Shri Sunil Garg, Shri Hariram Garg being his relative may also be deemed to be interested Director in the proposed Resolution.

The above may be regarded as an abstract of the terms of appointment and memorandum of concern or interest pursuant to Section 302 of the Act, 1956.

By order of the Board

Place: Kolkata
Date: 30th July '12

ANAND KUMAR JHA
(Company Secretary)

THE BOARD OF DIRECTOR'S REPORT

Dear Shareholders,

Your Directors are pleased to present the Twenty Sixth Annual Report and the audited accounts for the year ended 31st March, 2012.

FINANCIAL RESULTS	For the year Ended 2011-12 (Rs. In Lacs)	For the year Ended 2010-11 (Rs. In Lacs)
Sales and Other Income	12177.00	13400.87
Profit before Taxation	139.31	149.57
Provision for Taxation		
Current	47.25	51.50
Deferred	(1.29)	1.93
Profit after Taxation	93.35	96.14
Expenses/(Income) pertaining to:		
Previous year (net)	0.14	—
Net Profit	93.21	96.14
Balance brought forward from Previous Year	585.99	489.85
Balance to be carried to next year	679.20	585.99

REVIEW OF OPERATIONS

During the year under review the company has recorded a turnover of Rs.11739.42 Lacs as compared to Rs.13055.17 Lacs in the Previous Year. The Company has recorded a net profit to the tune of Rs.93.21 lacs as compared to Rs.96.14 lacs in the previous year.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

During the period under review the company has not carried out any manufacturing activities, hence the disclosures required under the provisions of Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 with regard to energy and technology absorption are not applicable to your company.

FOREIGN EXCHANGE EARNINGS AND OUTGO

	<u>2011-12</u>	<u>2010-11</u>
1 Activities relating to export taken to increase exports	Procured orders from new buyers	Procured orders from new buyers
2 Total Foreign Exchange Earnings (Rs. In Lac)	10902.25	12574.60
3. Used (Rs. In Lacs)	5736.53	7094.55

Note: Total Foreign exchange earnings during the year was of USD 21.46 Millions.

PARTICULARS OF EMPLOYEE

Section 217 (2A) of the Companies Act, 1956 is not applicable as no employee is in receipt of or entitled to receive remuneration in excess of the limits specified therein.

CORPORATE GOVERNANCE

In terms of Clause 49 of the Listing Agreement, a report on Corporate Governance together with the Auditors Certificate regarding the compliance of conditions of corporate governance are annexed.

DIRECTORS' RESPONSIBILITY STATEMENT

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

1. In preparation of the Annual Accounts, for the year ended 31st March 2012, the applicable Accounting Standards have been followed and that there are no material departures.
2. The Directors have, in the selection of Accounting Policies, consulted the statutory Auditors and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March 2012 and of the Profit and Loss for the financial year ended 31st March, 2012.
3. The Directors 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 and for detecting fraud and irregularities.
4. The Directors have prepared the Annual Accounts on Going Concern basis.

DIRECTORS

Pursuant to provisions of the Companies Act, 1956 and the Articles of Association of the Company, Shri C.S.Surana, Director of the Company retires by rotation and being eligible offers himself for re-appointment at the ensuing Annual General Meeting.

AUDITORS AND AUDITORS' REPORT

M/S Agarwal Kejriwal & Co, Chartered Accountants, the retiring auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

The notes on accounts referred to in the Auditors Report are self-explanatory and therefore do not require any further comment.

STOCK EXCHANGE

The Company's securities are listed at Calcutta Stock Exchange Association Limited, and Bombay Stock Exchange Ltd.

APPRECIATION

Your Directors place on record their deep appreciation for the continued assistance, support and co-operation extended to the Company by the Banks, Government departments, other agencies and employees at all levels.

Your Directors thank you, our esteemed shareholders, for your continued support.

For and on behalf of the Board

Place: Kolkata
Date: 30th July '12

H.R.GARG
(CHAIRMAN)

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company is committed to practice good corporate Governance. The Company fully realizes the rights of its shareholders to information on the performance of the Company and considers itself a trustee of its shareholders. Sound governance process consists of a combination of business practices which result in enhanced shareholder value and enable the company to fulfill its obligations to customers, employees, financiers and to the society in general. The Company further believes and focuses on attaining the highest levels of core values of transparency, empowerment, accountability, independent monitoring and environment consciousness. The Company makes its best endeavour to uphold and nurture these core values across all aspects of its operations

2. BOARD OF DIRECTORS

(A) Composition of the Board

The Board is headed by the Executive Chairman, Shri Hariram Garg and comprises of persons with considerable professional experience in their respective fields. Sixty percent of the Board consists of Non- Executive Directors and Three out of Five are Independent Directors.

The Composition of the Board of Directors and also the number of other Boards or Board Committees of which he is a member or chairperson are as under:

Name of the Director	Executive/Non-Executive/Independent	No. of other Directorship (s)		No. of outside Committee positions held	
		Public	Private	Member	Chairman
Shri H.R.Garg	Chairman- Executive	-	7	-	-
Shri Sunil Garg	Executive	-	8	-	-
Shri C.S.Surana	Non Executive Independent	-	3	-	-
Shri Lakshman Srinivasan	Non Executive Independent	-	3	-	-
Shri Sanjay Chowdhury	Non Executive Independent	-	2	-	-

(B) Details of Board Meetings and attendance

The Board met 8 times during the year under review on 14.05.2011, 27.06.2011, 06.07.2011, 30.07.2011, 11.11.2011, 30.11.2011, 10.12.2011, 09.02.2012, and the agenda papers were circulated well in advance of each meeting of the Board of Directors. The Company placed before the Board, the working of the organization and statements containing the status of the various matters pursuant to Corporate Governance practices as required by Clause 49 of the Stock Exchange Standard Listing Agreement.

The attendance of each of the Directors at the meeting during the year and at the last Annual General Meeting is as follows:

Name of the Director	No. of Board Meetings Attended	Attendance at last AGM
Shri H.R.Garg	8	Yes
Shri Sunil Garg	8	Yes
Shri C.S.Surana	7	Yes
Shri Lakshman Srinivasan	8	Yes
Shri Sanjay Chowdhury	8	Yes

3. AUDIT COMMITTEE

(A) Terms of reference

The audit committee oversees the Company's financial reporting process and disclosure of its financial information, to recommend the appointment of Statutory Auditors and fixation of their remuneration, to review and discuss with the Auditors about internal control systems, the scope of audit including the observations of the Auditors, adequacy of the internal audit system, major accounting policies, practices and entries, compliance with accounting standards and Listing Agreements, and other legal requirements concerning financial statements and related party transactions, if any, and to review the financial statements before they are submitted to the Board of Directors.

(B) Composition of the Committee, Meetings and Attendance

The Audit Committee of the Company comprises of three Directors, of which two are Independent and one is executive. The Chairman of the Committee is an independent Director. The Company Secretary acts as the Secretary to the Committee. The Statutory auditor of the company is a permanent invitee at the meetings of the Committee.

The Constitution of the Audit Committee is as follows:

1. Shri C.S.Surana : Chairman, Independent Director
2. Shri Lakshman Srinivasan : Member, Independent Director
3. Shri Sunil Garg : Member, Executive Director

The Committee met 4 (four) times during the year on 14.05.2011, 30.07.2011, 11.11.2011 & 09.02.2012 and was attended by all the members of the committee.

4. REMUNERATION COMMITTEE

The Company has formed a remuneration committee which is a part of non- mandatory requirement of the Code. The remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The remuneration policy is in consonance with the existing industry practices and the requirements of law. The Company does not have stock option plan or performance linked incentives for its Directors.

The Constitution of the Remuneration Committee is as follows :

1. Shri Lakshman Srinivasan : Chairman, Independent Director
2. Shri C.S.Surana : Member, Independent Director
3. Shri Sanjay Chowdhury : Member, Independent Director

The details of Directors' remuneration is as follows:

Name of Directors	Salary	Benefits	Sitting Fees	Total
Shri H.R. Garg	1440000	16449	–	1456449
Shri Sunil Garg	1425000	16854	–	1441854
Shri C.S. Surana	–	–	5250	5250
Shri Lakshman Srinivasan			6000	6000
Shri Sanjay Chowdhury			6000	6000

SHARE TRANSFERS AND SHARE HOLDERS/ INVESTORS GRIEVANCE COMMITTEE.

(A) Terms of reference

The Committee looks into issues relating to share, including transfer /transmission of shares, issue of duplicate share certificates, non- receipt of dividend, annual reports etc. The Committee meets to review status of investor grievances, ratify share transfers, approve transmission of shares and issue duplicate share certificates from time to time. Besides, officers of the Company have been authorized to approve issue of share certificates, approve transfers/ transmission of shares, consolidation, sub-division, split of share certificate.

(B) Composition, Meetings and Attendance

The committee consists of the following members:

1. Shri Lakshman Srinivasan : Chairman, Independent Director.
2. Shri Sunil Garg : Executive Director
3. Shri Hari Ram Garg : Executive Director

The Committee meets at an interval of 15 days to look share transfers and investor grievances and the meetings have been attended by all the members.

(C) Compliance Officer:

The Board has designated Shri A.K.Jha, the Company Secretary as the Compliance Officer.

(D) Details of Shareholder's Complaints Received

The total number of investor complaints received and replied to the shareholders during the year ended 31st March, 2012 was twenty. There are no investor complaints lying unresolved at the end of the year as on 31st March, 2012. No shares are pending for transfer as on 31st March, 2012.

6. GENERAL BODY MEETINGS

Financial year	Date	Location of the Meeting	Time
2010-2011	15 th September, 2011	Calcutta Rowing Club, 15, Rabindra Sarobar, Kolkata-700 029	10.00 A.M.

Financial year	Date	Location of the Meeting	Time
2009-2010	23 rd September, 2010	Calcutta Rowing Club, 15, Rabindra Sarobar, Kolkata-700 029	10.00 A.M.
2008-2009	15 th September, 2009	Calcutta Rowing Club, 15, Rabindra Sarobar, Kolkata-700 029	10.00 A.M.

Extra Ordinary Meeting

An extra-ordinary General Meeting of the Shareholders was held on 16th December, 2009 at Calcutta Rowing Club, 15 Rabindra Sarobar, Kolkata- 700029.

SPECIAL RESOLUTIONS

No Special resolutions were passed during last 3 Annual General Meetings, but a special resolution was passed at the Extra Ordinary General Meeting of the Company held on 16th December, 2009 to approve the Preferential Allotment of Convertible Warrants.

POSTAL BALLOT

Four special resolutions were passed through postal ballot on 8th August 2011 regarding aiteration in main object clause of memorandum, re-appointment of Mr. Rajesh Garg as an employee of the company pursuant to section 314(1B) of the Companies Act and increase in remuneration of Mr. Hariram Garg and Mr. Sunil Garg.

7. DISCLOSURES

Related party disclosures have been made in Note-32 of Notes to financial statement.

The Company has complied with the requirements of regulatory authorities on capital markets and no penalties/ strictures were imposed against it during the last three years.

Pursuant to the provisions of Sub- Clause V of the revised Clause 49 of the Listing Agreement with the stock Exchanges, the Managing Director and the Executive Director have issued a certificate to the Board, for the Financial Year ended 31st March 2012.

The Board has taken cognizance of the non-mandatory requirements of Clause 49 of the Listing Agreement and shall consider adopting the same as and when necessary.

The Company has in place a procedure for identification and mitigation of business and commercial risk. The Audit Committee reviews the risk management and mitigation plan from time to time.

8. MEANS OF COMMUNICATION.

- Quarterly results and the half-yearly results are published in leading newspaper in English and Bengali.
- Management Discussion and Analysis Report forms part of the Directors' Report.

9. GENERAL SHAREHOLDERS INFORMATION.

A) Annual General Meeting

Date & Time: 14th September, 2012 at 10.00 A.M.

Venue: H4/93A, B.B.T.Road, New Chakmir, Maheshtalla, Kolkata-700 141

B) Financial Calendar & Publication of Results (Tentative):

The financial Year of the Company is April to March.

Results for the quarter ending 30 th June, 2012	Second week of August, 2012
Results for the quarter ending 30 th September, 2012	Second week of November, 2012
Results for the quarter ending 31 st December, 2012	Second week of February, 2013
Results for the quarter ending 31 st March, 2013	Second week of May, 2013

C) Book Closure Date

The Register of Members and Share Transfer Books of the Company will remain closed from Monday the 10th September, 2012 to Friday the 14th September, 2012 (both days inclusive).

D) Dividend Payment Date

The Board of Directors of the Company has not recommended any dividend for this year.

E) Listing of Stock Exchanges

The Company's securities are listed at:

- i) Calcutta Stock Exchange Association Ltd:
7, Lyons Range, Kolkata- 700 001
- ii) Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers, Dalal Street, 25th Floor, Mumbai- 400 001

F) Listing Fees

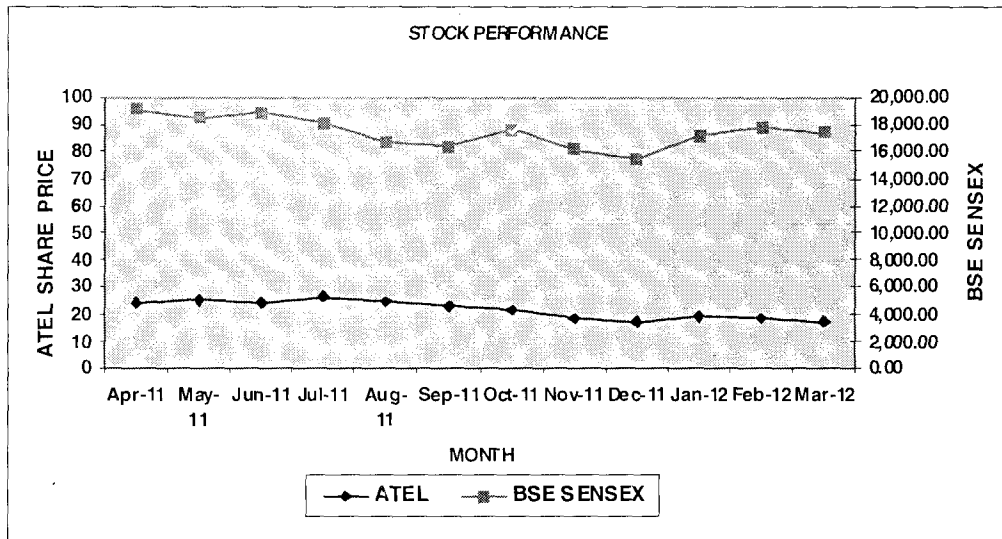
Listing Fee for the year 2012-2013 has been paid to the above stock exchanges.

G) Stock Code

Calcutta Stock Exchange Association Ltd	011053
Bombay Stock Exchange Ltd	519532
ISIN NO.	INE822B01017

H) Stock Price Data

Month	Bombay Stock Exchange Limited	
	High (Rs)	Low (Rs)
April 2011	28.30	23.60
May 2011	28.90	20.00
June 2011	26.75	20.30
July 2011	31.00	23.10
August 2011	29.85	22.50
September 2011	27.00	20.00
October 2011	25.25	20.45
November 2011	23.30	16.55
December 2011	19.80	15.55
January 2012	21.50	16.75
February 2012	23.00	17.00
March 2012	19.50	15.00

I) Stock Performance**J) REGISTRAR & TRANSFER AGENT****S.K.Infosolutions Pvt Ltd**

34/1A, Sudhir Chatterjee Street, Kolkata- 700 006

Tel: - (033) 2219-4815/ 6797, Fax: (033) 2219-4815

K) Share Transfer System

The shares received for transfer in physical mode, if in order in all respects are registered and returned within 3 weeks from the date of lodgement.

L) Distribution of Shareholding as on 31.3.12

No of Shares	No of Shareholders	% to total holders	No of Shares	% to total holding
Upto to 500	11801	94.92	1371981	13.72
501 to 1000	323	2.60	272818	2.73
1001 to 2000	147	1.18	229761	2.30
2001 to 3000	38	.31	96773	0.97
3001 to 4000	19	.15	66864	0.67
4001 to 5000	23	.18	110220	1.10
5001 to 10000	33	.27	244165	2.44
10001 to 50000	29	.23	551671	5.52
50001 to 100000	5	.04	403950	4.04
100001 and above	15	.12	6651797	66.52
TOTAL	12433	100.00	10000000	100.00

M) Categories of shareholders as on 31.03.12

Category	No of Shares held	% of shareholding
Res Ind	2975322	29.75
Dom Com	1054384	10.54
N.R.I	108692	1.09
For Com	0	0.00
Mutual Funds	14700	0.15
Fin Ins	0	0.00
Nal Bank	0	0.00
PROM. COM	3500102	35.00
Dir Relv	2346800	23.47
F.I.I.S	0	0.00
GRAND TOTAL	10000000	100.00

N) Dematerialisation of shares

89.81 % of the Shares aggregating to 89,81,366 Shares have been Dematerialized Upto 31st March'2012.

O) There are no outstanding GDR/ Warrants and Convertible Bonds**P) Plant Locations:**

Factory Warehouse: Budge Budge Trunk Road, Rampur, 24 Parganas (South), West Bengal.

Q) Investor Correspondence

S.K.Infosolutions Pvt Ltd
34/1A, Sudhir Chatterjee Street,
Kolkata- 700 006
Tel: 2219-4815/679
Fax: 2219-4815

OR Anand Kumar Jha
Company Secretary
Sikkim Commerce House
4/1 Middleton Street, Kolkata 700071
Tel: 2287-7334/9320
E-mail: anand@asianteaexports.com

R) Pan Requirement

SEBI has vide its circular no. MRD/Dop/Cir-05/2009 dated 20-05-2009 made the requirement of PAN Card of all Transferee(s) compulsory in case of all Physical Transfer of Shares.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Production of tea in India was slightly higher in 2011 at 988 million kg compared to 966.20 million kg in 2010. Exports of Indian Tea stood at 186.71 million kgs in 2011 compared to 193.29 million kgs in 2010.

The company has achieved business turnover of Rs.1212.64 Million in Current financial year compared to Rs.1336.73 Million in 2010-11. The company has achieved PAT of Rs.9.32 Million in 2011-12 compared to Rs.9.61 Million in 10-11.

OPPORTUNITIES AND THREATS

Shifting trends and preferences in consumer taste for tea is required to be understood & addressed. Competitive pressures on volumes and margins keep increasing. Opportunities are being explored for future growth.

BUSINESS OUTLOOK

Outlook remains stable for the current year. The company is looking at other avenues for business growth.

RISKS & CONCERNS

Rising interest rates and rising tea prices are major concerns. Political instability & uncertain business conditions in few key tea importing countries is a matter of concern.

DECLARATION BY THE MANAGING DIRECTOR UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING ADHERENCE TO THE CODE OF CONDUCT.

The Company has adopted a code of conduct for its Directors, senior management and employees of the Company.

In accordance with sub-clause I-(D) of Clause 49 of the Listing Agreement with the stock exchanges, I hereby confirm that all the Directors and Senior Management Personnel of the Company have affirmed compliance with their Codes of Conduct, as applicable to them, for the Financial Year ended 31st March, 2012.

For ASIAN TEA & EXPORTS LIMITED

Hariram Garg
Managing Director

**AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE
CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49
OF THE LISTING AGREEMENT**

To
The Members of Asian Tea & Exports Ltd.
Sikkim Commerce House,
4/1, Middleton Street,
Kolkata- 700 071.

We have examined the compliance of Corporate Governance by **ASIAN TEA & EXPORTS LTD**, for the year ended on 31st March 2012, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance; 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 the representation made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

As required by the Guidance note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India, we state that the Registrars of the Company have certified that as on 31st March 2012, there were no investor grievances remaining unattended/ pending for a period exceeding one month.

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.

Place: Kolkata
Date: 30th July'2012

For Agarwal Kejriwal & Co
Chartered Accountant

(M.Agarwal)
Partner

AGARWAL KEJRIWAL & CO.*Chartered Accountants*

1, Ganesh Chandra Avenue,
4th Floor, Kolkata-700 013
☎ 2236-5177/1785; 2225-6995
☎ (033) 22256372
✉ agarwalkejriwal@vsnl.com

AUDITORS' REPORT

To The Members of
Asian Tea & Exports Limited

1. We have audited the attached balance sheet of **Asian Tea & Exports Limited** as at 31st March, 2012, the statement of profit and loss and also the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
 2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
 3. As required by the Companies (Auditors' Report) (Amendment) Order 2004 issued by the Central Government of India in terms of Sub-section (4A) of Section 227 of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
 4. Further to our comments in the Annexure referred to above, 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 purposes of our audit;
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- (ii) In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of those books;
- (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;
- (iv) In our opinion, the balance sheet, statement of profit and loss and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- (v) On the basis of written representations received from the directors, as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of para (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, 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 balance sheet, of the state of affairs of the company as at 31st March, 2012;
 - (b) in the case of the statement of profit and loss, of the profit for the year ended on that date; and
 - (c) in the case of the cash flow statement, of the cash flow for the year ended on that date.

For AGARWAL KEJRIWAL & CO.

Chartered Accountants

Firm Regn. No. :316112E

Place : Kolkata
Date : 30th July, 2012

(M. Agarwal)
Partner
Membership No. : 52474

Annexure**Asian Tea & Exports Limited**

Referred to in paragraph 3 of our report of even date.

- (I) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) All the assets have been physically verified by the management during the year. No material discrepancies were noticed on such verification.
 - (c) During the year no substantial parts of fixed assets have been disposed off by the company. Therefore, the provision of clause (1c) of para 4 of the aforesaid order, in our opinion, are not applicable to the company.
 - (II) (a) The company has conducted physical verification of inventory at reasonable intervals.
 - (b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
 - (c) The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
 - (III) (a) The company has not granted any loan, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence the clause (b) to (d) of clause III are not applicable to the company.
 - (b) The company has not taken any loan secured/unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence the clause (f), (g) of para 4 of the aforesaid order not applicable to the company.
 - (IV) 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 fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
 - (V) (a) According to the information and explanations given to us, we are of the opinion that particulars of contracts or arrangements referred in section 301 that need to be entered into the register maintained under above section 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 and exceeding the value of Rupees Five lacs in respect of any party during the year have been made at prices which are
-

reasonable having regard to the prevailing market prices at the relevant time.

- (VI) In our opinion and according to the information and explanations given to us, the company has not taken deposits from public. Therefore, the provisions of para 4(vi) of the Companies (Auditors' Report) (Amendment) Order 2004 are not applicable to the company.
- (VII) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (VIII) The Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 as applicable to the company, hence the provisions of Para 4(viii) is not applicable to the company.
- (IX) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of statutory dues including provident fund, investor education & protection fund, employees state insurance, income tax, wealth tax, service tax, customs duty, excise duty, cess and any other statutory dues were in arrears, as at 31st March, 2012 for a period of more than six months from the date they became payable.
- (c) According to the records of the company and information and explanation given to us, there are no dues on account of Income Tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess & other material statutory dues applicable to it, which have not been deposited on account of dispute as on 31st March, 2012.
- (X) The company does not have accumulated losses. Therefore, the provisions of para 4(x) of the Companies (Auditors' Report) (Amendment) Order 2004 are not applicable to the company.
- (XI) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank and the company does not have any borrowings by way of debentures.
- (XII) According to the information and explanations given to us, we are of the opinion that the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of para 4(xii) of the Companies (Auditors' Report) (Amendment) Order 2004 are not applicable to the company.
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- (XIII) In our opinion, the company is not a chit fund or a nidhi mutual benefit fund/society. Therefore, the provisions of para 4(xiii) of the Companies (Auditors' Report) (Amendment) Order 2004 are not applicable to the company.
- (XIV) In our opinion and according to the information and explanations given to us, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly the provisions of para 4(xiv) of the order is not applicable to the company.
- (XV) In our opinion and according to the information and explanations given to us, the provisions of para 4(xv) of the Companies (Auditors' Report) (Amendment) Order 2004 are not applicable to the company, as the company has not given any guarantee for loans taken by others from bank or financial institutions.
- (XVI) According to the information and explanation given to us, during the period covered by our audit report, the company had not raised any term loans.
- (XVII) 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 no funds raised on short-term basis have been used for long-term investment.
- (XVIII) 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.
- (XIX) According to the information and explanations given to us, during the period covered by our audit report, the company had not issued debentures.
- (XX) According to the information and explanations given to us, the provisions of para 4(xx) of the Companies (Auditors' Report) (Amendment) Order 2004 are not applicable to the company.
- (XXI) During the course of our examination of books of account carried out in accordance with generally accepted practices in India and we have neither come across any incidence of fraud on or by the Company nor have we been informed of any such case by the management.

For AGARWAL KEJRIWAL & CO.

Chartered Accountants
Firm Regn. No. :316112E

Place : Kolkata
Date : 30th July, 2012

(M. Agarwal)
Partner
Membership No. : 52474

BALANCE SHEET AS AT 31ST MARCH, 2012

	NOTE	AS AT 31/03/2012 (₹)	AS AT 31/03/2011 (₹)
I EQUITY & LIABILITIES			
1 Shareholders' Fund			
(a) Share Capital	2	100000000	100000000
(b) Reserves & Surplus	3	132220892	122899369
2 Share Application Money pending allotment		-	-
3 Non Current Liabilities			
(a) Long term borrowings	4	2834121	3865963
(b) Long term provisions	5	570355	870255
4 Current Liabilities			
(a) Short term borrowings	6	308389109	292606038
(b) Trade payables	7	10288720	15663990
(c) Other current liabilities	8	8445932	1593827
(d) Short-term provisions	9	5736907	5150000
TOTAL		568486036	542649442
II ASSETS			
1 Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	10	9851286	10689061
(b) Non-Current Investments	11	127503830	116971841
(c) Deferred Tax Assets (Net)	12	830543	701434
(d) Long term loans & advances	13	6498496	6291128
2 Current Assets			
(a) Current Investments	14	9960624	-
(b) Inventories	15	162361504	151423341
(c) Trade Receivables	16	196298178	207461844
(d) Cash and bank balances	17	15376616	8909521
(e) Short term loans & advances	18	39804959	40201272
TOTAL		568486036	542649442

Significant Accounting Policies
Notes on Financial Statements
As per our Report of even date

1
2 to 37

For & on behalf of the Board

For **AGARWAL KEJRIWAL & CO.**
Chartered Accountants
Firm Regn No. 316112E

H.R.GARG
Chairman cum Managing Director

M. AGARWAL
(Partner)
Membership No.52474

ANAND KR. JHA
Company Secretary

SUNIL GARG
Whole time Director
C.S.SURANA
Director
LAKSHMAN SRINIVASAN
Director
SANJAY CHOWDHURY
Director

Place : Kolkata
Dated: 30TH July, 2012

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

	NOTE	For the year ended 31/03/2012 (₹)	For the year ended ended 31/03/2011 (₹)	
INCOME				
I	Revenue from operations	19	1212641422	1336730258
II	Other Income	20	5058918	3356859
III	Total Revenue (I + II)		1217700340	1340087117
IV Expenses				
	Cost of materials consumed			
	Purchases of stock in-trade	21	1057714022	1244445207
	Changes in inventories of stock in trade	22	(10938163)	(42053783)
	Employees benefits expense	23	3901444	2606181
	Finance Costs	24	35094098	24611058
	Depreciation and Amortization Expense		2190650	792017
	Other expenses	25	115807205	94002523
	Total Expenses		1203769256	1324403203
V	Profit before exceptional and extraordinary items and tax (III - IV)		13931084	15683914
VI	Exceptional Items			53578
VII	Profit before extraordinary items & Tax (V - VI)		13931084	15630336
VIII	Extraordinary Items			673574
IX	Profit before tax (VII - VIII)		13931084	14956762
X	Tax Expense			
	(1) Current Tax		4725000	5150000
	(2) Deferred Tax		(129109)	192779
	(3) Earlier Year Taxes		13670	-
XI	Profit for the year (IX - X)		9321523	9613983
XII	Earning per equity share	26		
	(1) Basic		0.93	0.96
	(2) Diluted		0.93	0.96

Significant Accounting Policies
Notes on Financial Statements
As per our Report of even date

1
2 to 37

For & on behalf of the Board

For AGARWAL KEJRIWAL & CO.
Chartered Accountants
Firm Regn No. 316112E

H.R.GARG
Chairman cum Managing Director

M. AGARWAL
(Partner)
Membership No.52474

ANAND KR. JHA
Company Secretary

SUNIL GARG
Whole time Director
C.S.SURANA
Director
LAKSHMAN SRINIVASAN
Director

SANJAY CHOWDHURY
Director

Place : Kolkata
Dated: 30TH July, 2012

CASH FLOW STATEMENT AS PER CLAUSE 32 OF THE LISTING AGREEMENT

As at 31.03.2012		As at 31.03.2011	
Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)

(A) Cash Flow From Operating Activities

Net Profit before Tax and Extra-ordinary Items	13931084	15683914
<u>Adjustments for</u>		
Depreciation	2190650	692017
Preliminary Expenses Written Off	-	100000
Interest Received on Loan	(3524074)	(1246070)
Dividend Received	(13435)	-
Profit on sale of Investment	- (1346859)	- (454053)
Operating Profit before Working Capital Changes	12584225	15229861
<u>Adjustments for</u>		
Trade and Other Receivables	15424078	36116284
Inventories	(10938163)	(42053783)
Trade and Other Payables	(9085917) (4600002)	(19073594) (25011093)
Cash Generated from Operations	7984223	(9781232)
Income Tax Paid	(4100000)	(4200000)
Cash Flow before Extra Ordinary Items	3884223	(13981232)
Income/(Expenses) pertaining to previous year	(13670)	(53578)
Net Cash from Operating Activities	3870553	(14034810)

(B) Cash Flow From Investing Activities

Purchase of Fixed Assets	(1352876)	(6910520)
Sale of Fixed Assets	-	-
Purchase of Investments	(20492613)	(11492)
Interest Received on Loan	3524074	1246070
Dividend Received	13435	-
Profit on Sale of Investment	-	-
Sale of Investments	-	-
Net Cash Used In Investing Activities	(18307980)	(5675942)

Contd.....

(C) Cash Flow From Financial Activities

Borrowings (Repaid) / Taken	14751229	7423048
Issue of Capital (preferential issue)	-	-
Net Cash from Financing Activities	14751229	7423048
Net Increase/(Decrease) in Cash and Cash Equivalent (A+B+C)	313802	(12287704)
Opening Cash & Cash Equivalents	8542331	20830035
Closing Cash & Cash Equivalents	8856133	8542331
Summary of Closing Cash Balance		
Cash & Cash Equivalent	15376616	8909521
Less : Bank Overdrafts	6520483	367190
Net Closing Cash & Cash Equivalent	8856133	8542331

Notes :

- (i) The above cash flow statement has been prepared under the indirect Method as set out in the Accounting Standard - 3 on Cash Flow Statements issued by The Institute of Chartered Accountants of India
- (ii) Previous years figures have been re-arranged/re-grouped wherever necessary

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

For AGARWAL KEJRIWAL & CO.

Chartered Accountants

Firm Regn No.316112E

(M. Agarwal)

Partner

Membership No. 52474

For & on behalf of the Board

H.R.GARG

Chairman cum Managing Director

SUNIL GARG

Whole time Director

ANAND KR. JHA
Company Secretary

C.S.SURANA
Director

LAKSHMAN SRINIVASAN
Director

Place : Kolkata
Dated: 30th July 2012

SANJAY CHOWDHURY
Director

Note 1 to Financial Statement for the year ended 31st March, 2012**SIGNIFICANT ACCOUNTING POLICIES:**

- 1.1. **Basis of Preparation** : The financial statements are prepared under historical cost convention and following fundamental accounting assumptions namely going concern, consistency and accrual so as to comply with the mandatory accounting standards issued by The Institute of Chartered Accountants of India. The accounting policies have been consistently applied by the company and are consistent with those used in the previous year.
- 1.2. **Revenue Recognition** : In compliance with the requirement of accrual system of accounting following standards have been set out and are being followed over years :
- Sale is recognized when the ownership and control has been transferred to the prospective buyer provided there is no significant uncertainty in collection of the amount of consideration.
 - In case of benefit of DEPB, income is recognized after obtaining the license from the concerned authorities.
 - Revenue from interest is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.
 - Dividend income is recognized when right to receive such income is established.
- Having regard to the size of operations and nature and complexities of company's business, in management's opinion the above are the reasonable standards of applying the accrual system of accounting required by the law.
- 1.3. **Inventories/Work-in-Progress** : Inventories are stated at lower of cost or net realizable value. Cost is determined using FIFO method and comprises of the purchase price including duties and taxes and other expenditure directly attributable to the acquisition, but excluding the trade discount and other rebates.
- 1.4. **Fixed Assets And Depreciation** :
- Fixed assets are stated at cost or revalued amounts, as the case may be, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.
 - Depreciation has been provided on historical cost and where revaluation of assets has been made on written up cost in the manner and as per Written Down Value Method at the rates prescribed in the Schedule XIV of the Companies Act, 1956. Proportionate depreciation is charged for additions/ deletions during the year on the basis of no. of days of use of the asset.
- 1.5. **Foreign Currency Transactions:**
- Initial Recognition** : Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency on the date of transaction.
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- b) **Conversion** : Foreign currency assets (debtors) are translated at the rates of exchange prevailing on the date of the transaction.
- c) **Exchange Differences** : Exchange difference arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expense in the year in which they arise.
- d) Forward contract other than those entered into to hedge foreign currency risk on unexecuted firm commitment or of highly probable forecast transactions are treated as foreign currency transactions and accounted accordingly. Exchange difference arising on such contracts is recognized in the period in which they arise.

1.6. **Derivative Instruments** :

Derivative financial instruments such as forward exchange contracts are used to hedge its risks associated with foreign currency fluctuations related to the underlying transactions. In respect of Forward Exchange contracts with underlying transactions, the premium or discount arising at the inception of the contract is amortized as expense or income over the life of the contract.

Other derivative contracts outstanding at the balance sheet date are marked to market and resulting loss, if any, is provided for in the financial statements. Any profit or losses arising on cancellation of derivative instruments are recognized as income or expense for the period.

- 1.7. **Investment** : Investments intended to be held for more than a year are classified as non-current investments and carried at cost. However, provision for diminution in value, other than temporary, will be recognized wherever necessary.
 - 1.8. **Earnings per share** : Basic and diluted earning per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the number of equity shares outstanding, there being no potential equity shares in the capital structure of the company.
 - 1.9. **Taxation** : Tax expense comprises both current and deferred taxes. Current tax is measured at the amount expected to be paid to the taxation authorities, using the applicable tax rates and tax laws. Deferred tax is recognized for all the timing differences subject to the consideration of prudence in respect of deferred tax assets and measured using the tax rates and tax laws enacted by the balance sheet date. Unrecognized deferred tax assets of earlier years are reassessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized.
 - 1.10. **Impairment of Assets (AS-28)** : The management has carried out an impairment test as per AS-28, Impairment of Assets, issued by the Institute of Chartered Accounts of India on all its fixed assets. As there was no impairment, no provision has been made.
 - 1.11. **Provisions** : Provisions are recognized for present obligation as a result of past events where it is probable that outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.
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NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	AS AT 31/03/2012 (₹)	AS AT 31/03/2011 (₹)
NOTES - "2"		
Share Capital		
Authorised		
3,00,00,000 Equity Shares of Rs. 10/- each	300000000	300000000
(Previous year 3,00,00,000 Equity Shares of Rs. 10/- each)	300000000	300000000
Issued, Subscribed and Paid-up		
1,00,00,000 Equity Shares of Rs. 10/- each fully paid up	100000000	100000000
(Previous year 1,00,00,000 Equity Shares of Rs. 10/- each)	100000000	100000000
The Reconciliation of the number of shares outstanding is set out below		
Equity Shares at the beginning of the year	No. of shares 10000000	No. of shares 10000000
Add : Issued during the year	-	-
Equity Shares at the end of the year	10000000	10000000
The details of Shareholders holding more than 5% shares		
Name of the Shareholders:	No. & % of shares	No. & % of shares
Asian Capital Market Limited	1500202 (15.00)	1500202 (15.00)
Hariram Garg	700000 (7.00)	658655 (6.59)
Greenex Chemicals Pvt. Ltd.	600000 (6.00)	569440 (5.69)
Kanchan Wood Products Pvt. Ltd.	580000 (5.80)	504000 (5.04)
Asian Housing & Constructions Pvt Ltd	569900 (5.70)	518980 (5.19)
Terms, Rights, Preference and Restrictions attached to Equity Shares		
The company has only one class of equity shares having a par value of Rs. 10/- each. Each holder of equity shares is entitled to one vote per share.		
NOTES - "3"		
Reserves & Surplus		
(a) Securities Premium Reserve		
Balance as per last Account	63000000	63000000
Additions :	-	-
Sub-Total (a)	63000000	63000000
(b) General Reserve		
Balance as per last account	1300000	1300000
Sub-Total (b)	1300000	1300000
(c) Surplus in the Statement of Profit and Loss		
Balance as per last account	58599369	48985386
Additions during the year	9321523	9613983
Sub-Total (c)	67920892	58599369
	132220892	122899369
NOTES - "4"		
Long term borrowings		
Term Loan		
BMW Financial Services Private Limited (Car Loan)		
(Secured against vehicle on deferred credit)	3865964	4800000
Less : Current maturities of Long term borrowings classified as other current liabilities	1031843	934037
	2834121	3865963

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	AS AT 31/03/2012 (₹)	AS AT 31/03/2011 (₹)
Terms of Repayment :		
(i) Repayable in 48 monthly installments commencing from 16.04.2011. Last installment due on 16.03.2015 Rate of interest is 10% P.A, Principal amount outstanding as on 31.03.2012 is ₹ 23,58,050/- (Previous year : 30,00,000)		
(ii) Repayable in 60 monthly installments commencing from 01.04.2011. Last installment due on 01.03.2016 Rate of interest is 10% p.A, Principal amount outstanding as on 31.03.2012 is ₹ 15,07,914/- (Previous year : 18,00,000)		
NOTE - "5"		
Long term provisions		
Provisions for Gratuity	570355	870255
	570355	870255
NOTE - "6"		
SHORT TERM BORROWINGS (SECURED)		
Loans repayable on demand from banks :		
State Bank of India		
Export bill discounting account	112670711	150162224
Packing credit account (EPC/PCFC)	195718398	142443814
(Secured by hypothecation charge on all current assets covering raw material/ finished goods at company's godown, procurement centres, goods in transit, goods with company's agent/representative etc. domestic and export receivable and other current assets present and future and collateral security in the form of equitable mortgage of properties lying in the name of subsidiary concerns and personal guarantee of Managing Director & Whole-time Director)		
	308389109	292606038
NOTES - "7"		
TRADE PAYABLES		
For Goods purchased	139973	1592647
For Services received	10148747	14071343
	10288720	15663990
NOTE - "8"		
OTHER CURRENT LIABILITIES		
Current Maturities of long terms debts (refer Note No. 4)		
BMW Financial Services Private Limited (Car Loan) (Secured against vehicle on deferred credit)	1031843	934037
Advances from Customers	-	292600
Overdrawn bank balances	6520483	367190
Other Payables	893606	-
	8445932	1593827
NOTE - "9"		
SHORT TERM PROVISIONS		
Provisions for Income Tax	4725000	5150000
Provisions for Gratuity	1011907	-
	5736907	5150000

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012
NOTES - 10 (FIXED ASSETS)

PARTICULARS	GROSS BLOCK		DEPRECIATION			NET BLOCK		
	As at. 01.04.2011 (₹)	Additions during the Yr. (₹)	Total Cost as at 31.03.2012 (₹)	upto 31.3.2011 (₹)	During the Yr. (₹)	Total as at 31.3.2012 (₹)	As at 31.3.2011 (₹)	As at 31.3.2012 (₹)
<u>Tangible Assets</u>								
Residential Flat	2796029	844076	3640105	542043	126930	668973	2971132	2253986
Plant & Equipments	868194	—	868194	572458	41137	613595	254599	295736
Office Equipments	1864640	270902	2135542	1000841	134431	1135272	1000270	8693799
Furniture & Fixtures	891976	192917	1084893	650935	43724	694659	390234	241041
Vehicles	8509140	—	8509140	1608382	1786606	3394988	5114152	6900758
Computers	818740	44981	863721	685000	57822	742822	120899	133740
TOTAL	15748719	1352876	17101595	5059659	2190650	7250309	9851286	10689060
Previous Year	8838199	6910520	15748719	4367641	692017	5059658	10689061	

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	AS AT 31/03/2012			AS AT 31/03/2011		
	Face Value	No. of Eq. sh.	Amount(₹)	Face Value	No. of Eq. sh.	Amount(₹)
NOTES - "11"						
NON-CURRENT INVESTMENTS (TRADE)						
(A) in Equity shares of subsidiary companies, Unquoted fully paid up						
Greenol Laboratories (P) Limited	10	979990	40688360	10	979990	40688360
Sarita Nupur Vyapaar (P) Limited	10	322490	35473900	10	322490	35473900
B) in Equity shares of Associate Companies Unquoted fully paid up						
Kesavatsapur Tea Company (P) Ltd.	10	3100000	31000000	10	3100000	31000000
Hurdeodass Co. (P) Ltd.	10	80000	9182500	10	80000	9182500
Asian Tea Company Pvt. Ltd.	10	56625	10375000	-	-	-
(C) in Equity shares-unquoted fully paid up						
Azambad Tea Co. (P) Ltd.	10	3800	606625	10	3800	606625
Prachi Mittal Creations (P) Ltd.	10	10	300	10	10	300
Mittal Tex Fab (P) Ltd.	10	10	200	10	10	200
Other Investment						
Gold Coin (69 Gram)		9	176945		2	19956
			127503830			116971841
Market Value of Quoted Investment			Nil			Nil
NOTES - "12"						
DEFERRED TAX (NET)						
Deferred Tax b/f				701434		894213
Add/Less : Arising out of depreciation				129109		(192779)
				830543		701434
NOTES - "13"						
LONG TERM LOANS & ADVANCES						
Security Deposits				5604930		5548290
Group Gratuity Fund				893566		742838
				6498496		6291128
NOTES - "14"						
CURRENT INVESTMENT (Non-Trade Unquoted)						
Investment in Mutual Funds				8065124		-
Investment in Commodity Exchange Contracts				1895500		-
				9960624		-
NOTES - "15"						
INVENTORIES						
(as taken, valued & certified by the management)						
Finished Goods						
Stock of Tea				162334266		147963568
Stores & Packing Materials				27238		255993
Iron & Steel				-		3203780
				162361504		151423341

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	AS AT 31/03/2012 (₹)	AS AT 31/03/2011 (₹)
NOTES - "16"		
TRADE RECEIVABLES (Unsecured, Considered Good)		
Trade Receivable Outstanding for a period less than 6 months from the date they are due for payment	196298178	207461844
Trade Receivable (overdue for a period exceeding six months)	-	-
	196298178	207461844
NOTE - "17"		
CASH & BANK BALANCES		
(i) Cash and Cash Equivalents		
(a) Balances with Banks	1836081	3051920
(b) Cash on Hand (as certified by management)	992129	657082
(ii) Other Bank Balances		
(a) Balance with Bank held as Margin Money	1194019	1141801
(b) Bank Deposits held as collateral	9011357	2269545
(c) Other Bank Deposits	2343030	1789173
	15376616	8909521
Other bank balances include deposits with maturity period of more than 12 months amounting to Rs. 43,78,532/- (P.Y. Rs. 34,11,346/-)		
NOTE - "18"		
SHORT TERM LOANS & ADVANCES		
Loans to Body Corporates (Unsecured, considered good)	31116316	13255027
Advances recoverable in cash or in kind or value to be received (Unsecured, considered Good)	1245950	20345594
<u>Other Advances (Unsecured, Considered Good)</u>		
Export Incentive Receivable	460282	470129
Advance Tax & TDS	4518185	4382080
Forex Receivable (Mark to Market)	-	613542
Prepaid Expenses	535609	835022
Input Tax Credit Account	455	138479
DEPB Licence in hand	67509	67509
Rent Receivable	29840	54140
Service Tax Receivable	1122040	39750
Income Tax Refundable	630777	-
TDS Received from parties	77996	-
	39804959	40201272

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	For the year ended 31/03/2012 (₹)	For the year ended 31/03/2011 (₹)
NOTES - "19"		
REVENUE FROM OPERATIONS		
(i) SALES OF PRODUCTS		
A. EXPORTS :		
Tea	1090225188	1257460001
B. High Sea Sales		
Logs	56401006	19229034
C. Domestic		
Tea	19390181	9692869
Iron & Steel	7925735	9016400
Misc. Items	-	10119187
(ii) Other Operating Revenues		
Export Incentive	38699312	31212767
	1212641422	1336730258
NOTE - "20"		
OTHER INCOME		
Interest on Loan	3524074	1246070
Interest on bank deposit	730723	508817
Gain on Commodities forward/options	11454	-
Gain on Forex fluctuation, Derivatives & forward contract	168958	924872
Dividend	13435	-
Profit on sale of current Investments	65124	83472
Miscellaneous Receipts	26362	2175
Rent Received	438880	255880
Sundry Balances written back	25979	23491
Discount Received	53929	312082
	5058918	3356859
NOTES - "21"		
PURCHASES OF STOCK IN TRADE		
Tea	989577205	1200565361
Iron & Steel	4700820	8992780
Logs	55295104	18851994
Packing Materials	6739517	9876316
Misc. Items	1401376	6158756
	1057714022	1244445207
NOTES - "22"		
CHANGES IN INVENTORY OF STOCK IN TRADE		
Opening Stock	151423341	109369558
Less : Closing Stock	162361504	151423341
Decrease/(Increase)	(10938163)	(42053783)

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	For the year ended 31/03/2012 (₹)	For the year ended 31/03/2011 (₹)
NOTES - "23"		
EMPLOYEES BENEFITS EXPENSE		
Salaries and wages	2604879	2023356
Contribution to Providents Funds and Other Funds	1192550	582825
Staff Welfare Expenses	104015	-
	3901444	2606181
As per Accounting Standard 15 "Employee benefits", the disclosure as defined in the Accounting Standard are given below :		
Provident fund and Pension fund are defined contribution schemes and the contributions thereto are charged to Profit & Loss Account for the year when the contributions to the respective funds are paid/due.		
Group Gratuity Fund is defined contribution scheme. In case of Defined Benefit Plans, the cost of providing the benefit is determined using the Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date.		
Particulars	AS AT 31/03/2012 (₹)	AS AT 31/03/2011 (₹)
(i) Reconciliation of opening and closing balances of defined benefit obligation		
Present Value of Obligation at Beginning of year	870255	507179
Acquisition Adjustment	-	-
Interest Cost	73972	40574
Past Service Cost	-	332504
Current Service Cost	143113	70701
Curtailment Cost	-	-
Settlement Cost	-	-
Benefits Paid	-	-
Actuarial (Gain)/Loss on obligation	494922	(80703)
Present Value of Obligation at end of Year	1582262	870255
(ii) Reconciliation of Opening and closing balances of fair value of plant Asset :		
Fair Value of Plan Asset at Beginning of year	742838	646107
Acquisition Adjustment	-	-
Expected Return of Plan Asset	59427	51689
Contributions	77934	36005
Benefits Paid	-	-
Actuarial gain/(loss) on Plan Asset	13369	9037
Fair Value of Plant Asset at end of Year	893568	742838
(iii) Reconciliation of present value of Obligation and Fair value of Assets :		
Present Value of obligation at end of year	1582262	870255
Fair Value of Plan Asset at end of Year	893566	742838
Funded Status	(688696)	(127417)
Unrecognized Actuarial gain/loss at end of year	-	-
Net Asset (Liability)Recognized in Balance Sheet	(688696)	(127417)

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	AS AT 31/03/2012 (₹)	AS AT 31/03/2011 (₹)
(iv) Total expense recognized in Statement of Profit/Loss during the year		
Current Service Cost	143113	70701
Past Service Cost	—	332504
Interest Cost	73972	40574
Expected Return on Plan Asset	59427	51689
Curtailement Cost	—	—
Settlement Cost	—	—
Actuarial Gain/(Loss) recognized in the year	481553	89741
Expense recognized in statement of Profit & Loss	639211	302350
(v) The financial assumption employed for the calculations are as follows :		
Mortality Table	LICI 1994-1996	LICI 1994-1996
Superannuation Age	60 Yrs	60 Yrs
Early Retirement & Disablement	10 Per Thousand P.A.	10 Per Thousand P.A.
	6 above age 45	6 above age 45
	3 between age 29 & 45	3 between age 29 & 45
	1 below age 29	1 below age 29
Discount Rate	8.50%	8%
Inflation Rate	5%	5%
Return on Asset	8%	8%
Remaining Working Life	11 Yrs	12 Yrs
Formula	Projected Unit Credit Method	Projected Unit Credit Method
(vi) Movements in the Liability Recognized in Balance Sheet		
Opening Net Liability	127417	(138928)
Expenses as above	639211	302350
Contributions	77934	36005
Closing Net Liability	688694	127417
Closing Fund/Provision at end of year	1582262	870255

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	For the year ended 31/03/2012 (₹)	For the year ended 31/03/2011 (₹)
NOTES - "24"		
FINANCE COSTS		
Interest Expenses	30510944	19709555
Bank Charges	4583154	4901503
	35094098	24611058
NOTES - "25"		
OTHER EXPENSES		
Advertisement & Sponsorship	89727	130723
Auditor's Remuneration	110300	55150
Blending Charges	3898304	4105732
Business Promotion Expenses	465902	437770
Clearing & Forwarding Charges	1696812	2376617
Commission & Brokerage	45351286	49919504
Cousultancy Charges	90890	154720
Directors Sitting Fees	16500	19500
Discount, Claims & Shortages allowed	2329258	-
Electricity Charges	290439	242940
Filing Fees	5000	19055
Freight Outward (Export)	28872807	19473139
Gain/Loss on Forex fluctuation, Derivatives & forward contract	10020711	761183
Inspection & testing	315865	368279
Insurance	3453133	3953367
Legal & Listing Expenses	734387	548859
Local Transportation Charges	2356183	1587382
Managerial Remuneration	2865000	1380000
Medical Expenses of Director	68319	132208
Misc. Expenses	219306	188818
Office Expenses	431797	343860
Postage & Telegram	469121	570105
Printing & Stationery	264417	296816
Rent, Rates & Taxes	3268328	364335
Repairs & Maintenance	360979	129299
Subscription & Donation	363910	647793
Telephone Expense	304829	274636
Travelling & Conveyance	2492584	1493612
Vehicle Maintenance Charges	567777	312472
Warehousing Charges	4033334	3714649
	115807205	94002523

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	For the year ended 31/03/2012 (₹)	For the year ended 31/03/2011 (₹)
NOTES - "26"		
EARNING PER SHARE (EPS)		
i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs.)	9321523	9613983
ii) Weighted Average number of equity shares	10000000	10000000
iii) Basic and Diluted Earning per share (Rs.)	0.93	0.96
iv) Face Value per equity share (Rs.)	10	10
NOTES - "27"		
AUDITORS REMUNERATION		
i) Statutory Audit Fees	82725	38605
ii) Tax Audit Fees	27575	16545
	110300	55150
NOTES - "28"		
VALUE OF IMPORTS ON CIF BASIS		
Tea-Merchanting Trade	472024604	635030558
Logs (Highseas)	55295104	18851994
Tea (Flavour)	1401376	195051
Miscellaneous Items (Higheas)	-	5963705
	528721084	660041308
NOTES - "29"		
EXPENDITURE IN FOREIGN CURRENCY		
Treavelling Expenses	762970	374511
Sales Commission	44931613	49414217
NOTES - "30"		
EARNINGS IN FOREIGN EXCHANGE		
Export of Goods on FOB Basis	1061352381	1237951289

Notes to Financial Statement for the year ended 31st March, 2012

31. a) As per the policy of management each year actual bad debts are ascertained after the consideration and they are written off.
- (b) Balance of Deposits and Advances are subject to confirmation from the respective parties

32. Related Party Disclosures:

As per Accounting Standard-18, the disclosures of transactions with the related parties are given below:

(i) List of Related Parties where control exists with whom transactions have taken place and relationships:				
Name of the Party		Nature of Relation		
1. Greenol Laboratories Pvt. Ltd.		Subsidiary		
2. Sarita Nupur Vyapaar Pvt Ltd.		Subsidiary		
3. Asian Capital Market Ltd.		Associate		
4. Asian Housing & Constructions Pvt Ltd		Associate		
5. Hurdeodas Co. Pvt Ltd		Associate		
6. Asian Tea Co. Pvt Ltd		Associate		
7. H.R.Garg		Key Management Personnel (KMP)		
8. Sunil Garg		Key Management Personnel (KMP)		
9. Rajesh Garg		Relative of Key Management Personnel (KMP)		
(ii) Transactions during the year with Related Parties				
Nature of Transaction	Subsidiaries	Associate	KMP	Total
	(₹)	(₹)	(₹)	(₹)
1. Purchase of Tea	-	4949485 (2220445)	-	4949485 (2220445)
2. Advance Taken	- (3000000)		-	- (3000000)
3. Advance Given	13200000 (525000)	-	-	13200000 (525000)
4. Collateral Securities of Office Premises	95985000 (50085000)	-	-	95985000 (50085000)
5. Rent Paid	2700000 (90000)	-	-	2700000 (90000)
6. Remuneration	-	-	3425000 (1592000)	3425000 (1592000)

33. Segment Reporting as per AS-17 issued by ICAI :

Particulars	Domestic	International	Unallocated	Total
	(₹)	(₹)	(₹)	(₹)
Segment Revenue				
Sales	27315916	1146626194	-	1173942110
Other Income	4134348	50562045	-	54696393
Total	31450264	1197188239	-	1228638503
Segment Expenses	28210267	1186497152	-	1214707419
Segment Results	3239997	10691087	-	13931084
Segment Assets	31146156	399154221	138185659	568486036
Segment Liability	9141383	395044653	164300000	568486036
Cost to Acquire Tangible Fixed Assets	-	-	1352876	1352876
Depreciation & Amortization Expenses	-	-	2190650	2190650

NOTE:

- (a) The company is engaged in the business of sale of made tea (including blending), Logs & Iron & Steel items, etc. The Products and their applications are homogeneous in nature. The business segments are organized as domestic and international on the basis of geographical segment.
 - (b) Segment assets & liabilities, as well as revenue and expenses are directly attributable to the segment.
 - (c) All unallocated assets and liabilities and revenue and expenses are treated separately.
 - (d) There are no separate reportable secondary segments.
 - (e) Accounting policies of the segment are the same as those described in Summary of significant accounting policies as set out in Note No. 1 of Schedule.
34. The Company accounts for the profit/loss on forex derivative contracts as & when they are settled as against AS-30, issued by the Institute of Chartered Accountants of India on "Financial Instruments: Recognition and Measurement" which requires the company to provide for loss on outstanding forex derivative contracts as at Balance Sheet date.
35. Based on the intimation received by the company none of the suppliers have confirmed to be registered under "The Micro Small and Medium Enterprises Development Act, 2006". Accordingly the disclosures relating to amounts unpaid as at the year ended together with interest paid or payable is not required to be furnished.

36. The financial statements for the year ended 31st March, 2011 had been prepared as per the then applicable, pre-revised Scheduled VI to the Companies Act, 1956. Consequent to the notification under the Companies Act, 1956, the financial statements for the year ended 31st March, 2012 are prepared under revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification.
37. The information as required to be furnished pursuant to the General Instructions to Part I & Part II of the Schedule VI to the Companies Act, 1956 have been given to the extent applicable.

Signature to Notes "1" to "37"
In terms of our report of even date

For AGARWAL KEJRIWAL & CO.
Chartered Accountants
Firm Regn. No. :316112E

(M. Agarwal)
Partner
Membership No.52474

ANAND KR.JHA
Company Secretary

For & on behalf of the Board

H. R. Garg
Chairman-cum-Managing Director

SUNIL GARG
Whole time Director

C. S.Surana
Director

LAKSHMAN SRINIVASAN
Director

SANJAY CHOWDHURY
Director

Place : Kolkata
Date : 30th July, 2012

AGARWAL KEJRIWAL & CO.*Chartered Accountants*I, Ganesh Chandra Avenue,
4th Floor, Kolkata-700 013

☎ 2236-5177/1785; 2225-6995

☎ (033) 22256372

✉ agarwalkejriwal@vsnl.com

AUDITORS' REPORT**To The Board of Directors of Asian Tea & Exports**

1. We have audited the attached consolidated Balance Sheet of Asian Tea & Exports Limited ("the company") and its Subsidiaries viz., Sarita Nupur Vyapaar Private Limited and Greenol Laboratories Private Limited (the company and the subsidiaries constitutes "the group") as at 31st March, 2012, the consolidated statement of profit and loss and also the consolidated cash flow statement of the group for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the company's management and have been prepared on the basis of separate financial statements and other information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.
 2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
 3. We Report that the consolidated financial statements have been prepared by the company in accordance with the requirements of Accounting Standard 21- Consolidated Financial statements and Accounting Standard 23-Accounting for Investments in Associates in Consolidated Financial Statements as notified under The Companies (Accounting Standards) Rules, 2006.
-

4. We did not audit the financial statements of one of the Subsidiary viz. Greenol Laboratories Private Limited, whose financial statements reflect the total assets of Rs.69389038/- as at 31st March 2012 and total revenues of Rs.5619302/- for the year ended on that date and net cash outflows amounting to Rs.5670797/- for the year ended on that date as considered in the consolidated financial statements. These financial statements and other financial information have been audited by other auditor whose report have been furnished to us and our opinion, in so far as it relates to the amounts included in respect of such subsidiary is based solely on the report of the other auditors.
5. Based on our audit and on consideration of the separate audit reports on the individual financial statements of the company and its subsidiaries and to the best of our information and according to the explanations given to us, in our opinion the Consolidated Financial Statements of accounts give a true and fair view in conformity with accounting principles generally accepted in India:
 - (a) in the case of Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2012;
 - (b) 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
 - (c) in the case of the Consolidated Cash Flow Statement, of the cash flow of the group for the year ended on that date.

For AGARWAL KEJRIWAL & CO.

Chartered Accountants
Firm Regn. No. : 316112E

(M. Agarwal)
Partner

Place : Kolkata
Date : 30th July, 2012

Membership No. : 52474

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2012

PARTICULARS		NOTE	AS AT 31/03/2012 (₹)	AS AT 31/03/2011 (₹)
I	EQUITY & LIABILITIES			
1	Shareholders' Fund			
	(a) Share Capital	2	100000000	100000000
	(b) Reserves & Surplus	3	182673629	175636309
2	Share Application Money pending allotment		-	-
3	Non Current Liabilities			
	(a) Long term borrowings	4	2834121	3865963
	(b) Other Long term Liabilities	5	2328400	7400700
	(c) Long term provisions	6	570355	870255
4	Current Liabilities			
	(a) Short term borrowings	7	313389109	292606038
	(b) Trade payables	8	10305574	19704411
	(c) Other current liabilities	9	8668277	1658386
	(d) Short-term provisions	10	5809907	5826253
	TOTAL		626579372	607568315
II	ASSETS			
1	Non-Current Assets			
	(a) Fixed Assets			
	(i) Tangible Assets	11	98419370	84706789
	(ii) Intangible Assets (Goodwill on consolidation)		33267683	33267683
	(iii) Capital Work-in-Progress		-	4798401
	(b) Non-Current Investments	12	75335961	64232982
	(c) Deferred Tax Assets (Net)	13	693193	701434
	(d) Long term loans & advances	14	998496	6291128
	(e) Other non-current Assets	15	88537	53101
2	Current Assets			
	(a) Current Investments	16	9960624	-
	(b) Inventories	17	163921504	152983341
	(c) Trade Receivables	18	196505330	210111600
	(d) Cash and bank balances	19	18351391	9554327
	(e) Short term loans & advances	20	29026663	40856909
	(f) Other current Assets	21	10620	10620
	TOTAL		626579372	607568315

Significant Accounting Policies
Notes on Financial Statements
As per our Report of even date

1
2 to 41

For & on behalf of the Board

For **AGARWAL KEJRIWAL & CO.**
Chartered Accountants
Firm Regn No. 316112E

H.R.GARG
Chairman cum Managing Director

M. AGARWAL
(Partner)
Membership No.52474

ANAND KR. JHA
Company Secretary

SUNIL GARG
Whole time Director

C.S.SURANA
Director

LAKSHMAN SRINIVASAN
Director

SANJAY CHOWDHURY
Director

Place : Kolkata
Dated: 30TH July, 2012

CONSOLIDATED STATEMENTS OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

PARTICULARS		NOTE	For the year ended 31/03/2012 (₹)	For the year ended 31/03/2011 (₹)
INCOME				
I	Revenue from operations	22	1217070672	1363183981
II	Other Income	23	5284816	7514382
III	Total Revenue (I + II)		1222355488	1370698363
IV Expenses				
	Purchases of stock in-trade	24	1062525052	1269975612
	Changes in inventories of stock in trade	25	(10938163)	(41253379)
	Employees benefits expense	26	4293950	2902781
	Finance Costs	27	35120868	24632031
	Depreciation and Amortization Expense	28	2706996	874774
	Other Expenses	29	114195190	94856348
	Total Expenses		1207903893	1351988167
V	Profit before exceptional and extraordinary items and tax (III - IV)		14451595	18710196
VI	Exceptional Items		-	53578
VII	Profit before extraordinary items & Tax (V - VI)		14451595	18656618
VIII	Extraprdinary Items		-	-
IX	Profit before tax (VII - VIII)		14451595	18656618
X	Tax Expense			
	(1) Current Tax		4798000	5605000
	(2) Deferred Tax		8241	192779
	(3) Earlier Year Taxes		73564	736966
XI	Profit for the year (IX - X)		9571790	12121873
XII	Earning per equity share	30		
	(1) Basic		0.96	1.21
	(2) Diluted		0.96	1.21

Significant Accounting Policies
Notes on Financial Statements
As per our Report of even date

1
2 to 41

For & on behalf of the Board

For **AGARWAL KEJRIWAL & CO.**
Chartered Accountants
Firm Regn No. 316112E

H.R.GARG
Chairman cum Managing Director

M. AGARWAL
(Partner)
Membership No.52474

SUNIL GARG
Whole time Director

ANAND KR. JHA
Company Secretary

C.S.SURANA
Director
LAKSHMAN SRINIVASAN
Director

SANJAY CHOWDHURY
Director

Place : Kolkata
Dated: 30TH July, 2012

**CONSOLIDATED CASH FLOW STATEMENT AS PER CLAUSE 32 OF
THE LISTING AGREEMENT**

As at 31.03.2012		As at 31.03.2011	
Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)

(A) Cash Flow From Operating Activities

Net Profit before Tax and Extra-ordinary Items		14451595	18710196
<u>Adjustments for</u>			
Depreciation	2696376		764154
Preliminary Expenses Written Off	10620		110620
Interest Received on Loan	(2287466)		(1353694)
Dividend Received	(13435)		-
Provision for Gratuity	712007		363076
Profit on sale of Investment	-		(2547508)
Sundry BValance written off	-		6545
Non cash items (shares of profit from Associate)	(272454)	845648	(277715) (2934522)
Operating Profit before Working Capital Changes		<u>15297243</u>	<u>15775674</u>
<u>Adjustments for</u>			
Trade and Other Receivables	43901953		30546973
Inventories	(10938163)		(41253379)
Trade and Other Payables	(19962348)	13001442	(15480618) (26187024)
Cash Generated from Operations		<u>28298685</u>	<u>(10411350)</u>
Income Tax Paid		(4100000)	(4200000)
Cash Flow before Extra Ordinary Items		<u>24198685</u>	<u>(14611350)</u>
Income/(Expenses) pertaining to previous year		-	(53578)
Net Cash from Operating Activities		<u>24198685</u>	<u>(14664928)</u>

(B) Cash Flow From Investing Activities

Purchase of Fixed Assets	(13707831)		(12441087)
Purchase of Investments	(30142613)		(3161492)
Interest Received on Loan	2287466		1353694
Dividend Received	13435		-
Profit on Sale of Investment	-		2547508
Sale of Investments	251464		5746458
Net Cash Used In Investing Activities		<u>(41298079)</u>	<u>(5954919)</u>

Contd.....

(C) Cash Flow From Financial Activities

Borrowings (Repaid) / Taken	19751229	7423048
Issue of Capital (preferential issue)	-	-
Net Cash from Financing Activities	19751229	7423048
Net Increase/(Decrease) in Cash and Cash Equivalent (A+B+C)	2651835	(13196799)
Opening Cash & Cash Equivalents	9179073	22375872
Closing Cash & Cash Equivalents	11830908	9179073
Summary of Closing Cash Balance		
Cash & Cash Equivalent	18351391	9554327
Less : Bank Overdrafts	6520483	375254
Net Closing Cash & Cash Equivalent	11830908	9179073

Notes :

- (i) The above cash flow statement has been prepared under the indirect Method as set out in the Accounting Standard - 3 on Cash Flow Statements issued by The Institute of Chartered Accountants of India
- (ii) Previous years figures have been re-arranged/re-grouped wherever necessary

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

For AGARWAL KEJRIWAL & CO.

Chartered Accountants
Firm Regn No.316112E

(M. Agarwal)

Partner

Membership No. 52474

For & on behalf of the Board

H.R.GARG

Chairman cum Managing Director

SUNIL GARG

Whole time Director

ANAND KR. JHA
Company Secretary

C.S.SURANA
Director

LAKSHMAN SRINIVASAN
Director

Place : Kolkata
Dated: 30th July 2012

SANJAY CHOWDHURY
Director

NOTE – 1 to Consolidated Financial Statement for the year ended 31st March, 2012**Significant Accounting Policies:****1.1 Basis of Preparation :**

The financial statements are prepared under historical cost convention and following fundamental accounting assumptions namely going concern, consistency and accrual so as to comply with the mandatory accounting standards issued by The Institute of Chartered Accountants of India. The accounting policies have been consistently applied by the company and are consistent with those used in the previous year.

1.2 Basis of Consolidation :

- i) The financial statements of the subsidiary companies used in the consolidation are drawn upto the same reporting date as the company i.e year ended March 31, 2012 and are prepared based on the accounting policies consistent with those used by the company
 - ii) The financial statements of the group have been prepared in accordance with the Accounting Standard 21- "Consolidated Financial Statements" Notified under the Companies (Accounting Standards) Rules 2006, as amended and other generally accepted accounting policies in India.
 - iii) The consolidated Financial Statements have been prepared on the following basis:
 - a) The financial statements of the company and its subsidiary have been combined on a line by line basis by adding together like items of assets, liabilities, income and expenses. The intra group Balances and unrealized profits and losses have been fully eliminated.
 - b) The excess of cost to the company of its investments in the subsidiary companies over its share of equity of the subsidiary companies, at the date on which the investments in the subsidiary companies are made, is recognized as "Goodwill", being an asset in the consolidated financial statements.
 - c) The consolidated financial statements include the share of profit or loss of the associate companies which has been accounted as per the equity method and accordingly, the share of profit or loss of the associate companies (the loss being restricted to the cost of investment) has been added to/deducted from the cost of investments. An associate is an enterprise in which the investor has significant influence and which is neither a subsidiary nor a joint venture of the investor.
 - d) The subsidiaries are wholly owned therefore no minority interest has been calculated and disclosed.
-

- 1.3 The List of subsidiary companies which are included in the consolidation and the parent company's holding therein are as under :

Name of the Company	Country of incorporation	Ownership interest
Sarita Nupur Vyapaar Private Limited	India	100%
Greenol Laboratories Private Limited	India	100%

The List of associate companies which are included in the consolidation and the parent company's holding therein are as under :

Name of the Company	Country of incorporation	Ownership interest
Kesavatsapur Tea Co. (P) Ltd.	India	40%
Asian Tea Company (P) Ltd.	India	48.77%

1.4. Other significant Accounting Policies:

These are set out under significant accounting policies as given in the company's separate financial statements.

- 1.5. Investments other than in subsidiaries and associates have been accounted as Accounting Standard-13 "Accounting for Investments".
- 1.6. Investment in associates have been accounted under the equity method as per AS-23- "Accounting for Investments in associates in Consolidated Financial Statements" issued by the Companies (Accounting Standard) Rules 2006.

NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	AS AT 31/03/2012 (₹)	AS AT 31/03/2011 (₹)
NOTES - "2"		
Share Capital		
Authorised		
3,00,00,000 Equity Shares of Rs. 10/- each	300000000	300000000
(Previous year 3,00,00,000 Equity Shares of Rs. 10/- each)	300000000	300000000
Issued, Subscribed and Paid-up		
1,00,00,000 Equity Shares of Rs. 10/- each fully paid up	100000000	100000000
(Previous year 1,00,00,000 Equity Shares of Rs. 10/- each)	100000000	100000000
The Reconciliation of the number of shares outstanding is set out below	No. of shares	No. of shares
Equity Shares at the beginning of the year	10000000	10000000
Add : Issued during the year	-	-
Equity Shares at the end of the year	10000000	10000000
The details of Shareholders holding more than 5% shares	No. & % of shares	No. & % of shares
Name of the Shareholders:		
Asian Capital Market Limited	1500202 (15.00)	1500202 (15.00)
Hariram Garg	700000 (7.00)	658655 (6.59)
Greenex Chemicals Pvt. Ltd.	600000 (6.00)	569440 (5.69)
Kanchan Wood Products Pvt. Ltd.	580000 (5.80)	504000 (5.04)
Asian Housing & Constructions Pvt Ltd	569900 (5.70)	518980 (5.19)
Terms, Rights, Preference and Restrictions attached to Equity Shares		
The company has only one class of equity shares having a par value of Rs. 10/- each. Each holder of equity shares is entitled to one vote per share.		
NOTES - "3"		
Reserves & Surplus		
(a) Securities Premium Reserve		
Balance as per last Account	63000000	63000000
Additions :	-	-
Sub-Total (a)	63000000	63000000
(b) General Reserve		
Balance as per last account	1300000	1300000
Sub-Total (b)	1300000	1300000
(c) Surplus in the Statement of Profit and Loss		
Balance as per last account	60646905	48525032
Additions during the year	9571790	12121873
Sub-Total (c)	70218695	60646905
(d) Revaluation Reserve		
Balance as per last account	50689404	53357267
Less : Adjustment of depreciation on revalued assets	2534470	2667863
Sub-Total (d)	48154934	50689404
	182673629	175636309
NOTES - "4"		
Long term borrowings		
Term Loan		
BMW Financial Services Private Limited (Car Loan)		
(Secured against vehicle on deferred credit)	3865964	4800000
Less : Current maturities of Long term borrowings classified as other current liabilities	1031843	934037
	2834121	3865963

NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	AS AT 31/03/2012 (₹)	AS AT 31/03/2011 (₹)
Terms of Repayment :		
(i) Repayable in 48 monthly installments commencing from 16.04.2011. Last installment due on 16.03.2015 Rate of interest is 10% P.A, Principal amount outstanding as on 31.03.2012 is ₹ 23,58,050/- (Previous year : 30,00,000)		
(ii) Repayable in 60 monthly installments commencing from 01.04.2011. Last installment due on 01.03.2016 Rate of interest is 10% p.A, Principal amount outstanding as on 31.03.2012 is ₹ 15,07,914/- (Previous year : 18,00,000)		
NOTE - "5"		
Other Long term provisions		
Trade Payable - Lease rent	603400	400700
Security Deposits against Office	1725000	7000000
	2328400	7400700
NOTE - "6"		
Long term provisions		
Provisions for Gratuity	570355	870255
	570355	870255
NOTE - "7"		
SHORT TERM BORROWINGS (SECURED)		
Loans repayable on demand from banks :		
<u>State Bank of India</u>		
Export bill discounting account	112670711	150162224
Packing credit account (EPC/PCFC)	195718398	142443814
(Secured by hypothecation charge on all current assets covering raw material/ finished goods at company's godown, procurement centres, goods in transit, goods with company's agent/representative etc. domestic and export receivable and other current assets present and future and collateral security in the form of equitable mortgage of properties lying in the name of subsidiary concerns and personal guarantee of Managing Director & Whole-time Director)		
Loans repayable on demand from Other Parties	5000000	-
	313389109	292606038
NOTES - "8"		
TRADE PAYABLES		
For Goods purchased	139973	5616522
For Services received	10165601	14087889
	10305574	19704411
NOTE - "9"		
OTHER CURRENT LIABILITIES		
Current Maturities of long terms debts (refer Note No. 4)		
BMW Financial Services Private Limited (Car Loan) (Secured against vehicle on deferred credit)	1031843	934037
Advances from Customers	-	292600
Overdrawn bank balances	6520483	375254
Other Payables	1115951	56495
	8668277	1658386
NOTE - "10"		
SHORT TERM PROVISIONS		
Provisions for Income Tax	4798000	5826253
Provisions for Gratuity	1011907	-
	5809907	5826253

NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012
NOTES - 11 (FIXED ASSETS)

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at. 01.04.2011 (₹)	Additions during the Yr. (₹)	Total Cost as at 31.03.2012 (₹)	upto 31.3.2011 (₹)	During the Yr. (₹)	Total as at 31.3.2012 (₹)	As at 31.3.2012 (₹)	As at 31.3.2011 (₹)
Tangible Assets								
Residential Flat	2796029	844076	3640105	542043	126930	668973	2971132	2253986
Plant & Machinery	868194	289669	1157863	572458	50860	623318	534545	295736
Office Equipments	1864640	270902	2135542	1000841	134431	1135272	1000270	863799
Furniture & Fixtures	891976	192917	1084893	650935	43724	694659	390234	241041
Vehicles	8509140	-	8509140	1608382	1786606	3394988	5114152	6900758
Computers	818740	44981	863721	685000	57822	742822	120899	133740
Freehold Land	21105700	35000	21140700	-	-	-	21140700	21105700
Building (Warehouse)	-	17265883	17265883	-	427472	427472	16838411	-
Premises-Leasehold (Unit No. 503)	14108316	-	14108316	833015	663765	1496780	12611536	13275301
Premises-Leasehold (Unit No. 504)	14576514	-	14576514	843086	686671	1529757	13046757	13733428
Premises-Leasehold (Unit No. 505)	26443735	-	26443735	1392463	1252564	2645027	23798708	25051272
Tea Plantation at N.B. University	852028	-	852028	-	-	-	852028	852028
TOTAL	92835011	18943428	111778439	8128223	5230845	13359068	98419370	84706789
Previous Year	85192325	7642686	92835011	4696205	3432017	8128222	84706789	

Note : Depreciation of Rs. 25,34,470/- (P.Y. Rs. 26,67,863/-) on Revalued assets of Rs. 5,33,57,267/- adjusted with revaluation reserve.

NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	As at 31.03.2012			As at 31.03.2011		
	Face Value	No. of Eq. Sh.	Amount (₹)	Face Value	No. of Eq. Sh.	Amount (₹)
NOTE - "12"						
NON-CURRENT INVESTMENTS (TRADE)						
(A) in Equity share, unquoted fully paid up						
Anu Labs Private Limited	—	—	—	10	21100	251464
Asian Capital Market Limited	10	52000	3175000	10	47000	2175000
Asian Housing & Infrastructure (P) Ltd.	10	209750	4743677	10	204750	2193677
Asian Tea Company Private Limited	10	56625	10339754			
Azambad Tea Co. (P) Ltd.	10	3800	606625	10	3800	606625
Greenex Chemicals Private Limited	100	13000	3300000	100	13000	3300000
Hurdeodass Co. (P) Ltd.	10	83700	10015000	10	83700	10015000
Kanchan Wood Products Private Limited	10	80000	800000	10	80000	800000
Kesavatsapur Tea Company (P) Ltd.	10	3100000	31978420	10	3100000	31670720
Mittal Tex Fab (P) Ltd.	10	14	240	10	14	240
Prachi Mittal Creations (P) Ltd.	10	10	300	10	10	300
S.T.Buildcon Pvt Ltd.	10	64000	1600000	10	64000	1600000
Sita Plantations Private Limited	10	54750	2400000	10	54750	2400000
Sky View Dcaltrade Pvt Ltd	10	29000	2900000	—	—	—
Sriram Tokhram Tea Vanijya Pvt Ltd	10	5000	1000000	—	—	—
Swati Nippon Private Limited	10	10000	100000	10	10000	100000
Tirumala Mart Pvt Ltd.	10	27500	2200000	—	—	—
Other Investment						
Gold Coin (69 Gram)		9	176945		2	19956
Share Application money pending allotment						9100000
Total			75335961			64232982
Market Value of Quoted Investments			Nil			Nil
NOTE - "13"				AS AT 31/03/2012	AS AT 31/03/2011	
DEFERRED TAX (NET)				(₹)	(₹)	
Deferred tax b/f				701434	894213	
Add/Less: Arising out of depreciation				(8241)	(192779)	
				693193	701434	
NOTE - "14"						
LONG TERM LOANS & ADVANCES						
Security Deposits				104930	5548290	
Group Gratuity Fund				893566	742638	
				998496	6291128	
NOTE - "15"						
OTHER NON-CURRENT ASSETS						
Long Term Trade Receivable				46056	—	
Preliminary Expenses				42481	53101	
				88537	53101	
NOTES - "16"						
CURRENT INVESTMENT (Non-Trade Unquoted)						
Investment in Mutual Funds				8065124	—	
Investment in Commodity Exchange Contracts				1895500	—	
				9960624	—	

NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	As at 31.03.2012			As at 31.03.2011		
	Face Value	No. of Eq. Sh.	Amount (₹)	Face Value	No. of Eq. Sh.	Amount (₹)
NOTES - "17"						
INVENTORIES						
(as taken, valued & certified by the management)						
<u>Finished Goods</u>						
Stock of Tea			162334266			147963568
Stores & Packing Materials			27238			255993
Iron & Steel			-			3203780
Stock of Shares (Unquoted)						
Greenex Chemicals (P) Ltd.	100	4000	80000	100	4000	80000
Sita Plantation Pvt Ltd	10	10000	600000	10	10000	600000
Asian Housing & Infrastructure Pvt Ltd	10	120000	675000	10	120000	675000
Kanchan Wood Products Pvt Ltd	10	8500	105000	10	8500	105000
Bengal Enterprises Pvt Ltd	10	50000	100000	10	50000	100000
			163921504			152983341
NOTE - "18"						
TRADE RECEIVABLES (Unsecured, Considered Good)						
Trade Receivable Outstanding for a period less than 6 months from the date they are due for payment						
Trade Receivable (overdue for a period exceeding six months)						
			196505330			210111600
			-			-
			196505330			210111600
NOTES - "19"						
CASH & BANK BALANCES						
(i) Cash and Cash Equivalents						
(a) Balances with Banks						
			4186820			3070946
(b) Cash on Hand (as certified by management)						
			1616165			1282862
(ii) Other Bank Balances						
(a) Balance with Bank held as Margin Money						
			1194019			1141801
(b) Bank Deposits held as collateral						
			9011357			2269545
(c) Other Bank Deposits						
			2343030			1789173
			18351391			9554327
Other bank balances include deposits with maturity period of more than 12 months amounting to Rs. 43,78,532/- (P.Y. Rs. 34,11,346/-)						
NOTE - "20"						
SHORT TERM LOANS & ADVANCES						
Loans to Body Corporates (Unsecured, considered good)						
			19116316			13255027
Loans to Related Parties (Unsecured, Considered good)						
			850000			250000
Advances recoverable in cash or in kind or value to be received (Unsecured, considered Good)						
			1245950			20372594
<u>Other Advances (Unsecured, Considered Good)</u>						
Export Incentive Receivable						
			460282			470129
Advance Tax & TDS						
			4871685			4707959
Forex Receivable (Mark to Market)						
			-			613542
Prepaid Expenses						
			553813			853280
Input Tax Credit Account						
			455			138479
DEPB Licence in hand						
			67509			67509
Rent Receivable						
			29840			54140
Service Tax Receivable						
			1122040			39750
Income Tax Refundable						
			630777			34500
TDS Received from parties						
			77996			-
			29026663			40856909

NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	For the year ended 31/03/2012 (₹)	For the year ended 31/03/2011 (₹)
NOTES - "21"		
OTHER CURRENT ASSETS		
Preliminary Expenses	53101	63721
Less : Non-Current preliminary Expenses	42481	53101
	10620	10620
NOTES - "22"		
REVENUE FROM OPERATIONS		
(i) SALES OF PRODUCTS		
A. EXPORTS :		
Tea	1090225188	1257460001
B. High Sea Sales		
Logs	56401006	19229034
C. Domestic		
Tea	19390181	9692869
Iron & Steel	7925735	9016400
Misc. Items	-	10119187
Sales of Saree	4429250	20101641
Sales of Shares	-	6352082
(ii) Other Operating Revenues		
Export Incentive	38699312	31212767
	1217070672	1363183981
NOTE - "23"		
OTHER INCOME		
Agricultural Income	207152	205446
Interest on Loan	2287466	1353694
Interest on bank deposit	730723	508817
Interest on IT Refund	1900	-
Gain on Commodities forward/options	11454	-
Gain on Forex fluctuation, Derivatives & forward contract	168958	924872
Dividend	13435	-
Long term capital gain	-	1119455
Profit on sale of current Investments	-	1428053
Profit on redemption of Liquid Fund	65124	83472
Miscellaneous Receipts	26362	4405
Rent Received	1419880	1272880
Sundry Balances written back	25979	23491
Discount Received	53929	312082
Share of profit/(loss) from Associate	272454	277715
	5284816	7514382
NOTES - "24"		
PURCHASES OF STOCK IN TRADE		
Tea	989577205	1200565361
Iron & Steel	4700820	8992780
Logs	55295104	18851994
Packing Materials	6739517	9876316
Misc. Items	1401376	6158756
Sarees	4811030	25530405
	1062525052	1269975612

NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	For the year ended 31/03/2012 (₹)	For the year ended 31/03/2011 (₹)
NOTES - "25"		
CHANGES IN INVENTORY OF STOCK IN TRADE		
Opening Stock	152983341	111729962
Less : Closing Stock	163921504	152983341
Decrease/(Increase)	(10938163)	(41253379)
NOTES - "26"		
EMPLOYEES BENEFITS EXPENSE		
Salaries and wages	2997385	2319956
Contribution to Provident Funds and Other Funds	1192550	582825
Staff Welfare Expenses	104015	-
	4293950	2902781

As per Accounting Standard 15 "Employee benefits", the disclosure as defined in the Accounting Standard are given below :

Provident fund and Pension fund are defined contribution schemes and the contributions thereto are charged to Profit & Loss Account for the year when the contributions to the respective funds are paid/ due.

Group Gratuity Fund is defined contribution scheme. In case of Defined Benefit Plans, the cost of providing the benefit is determined using the Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date.

Particulars	AS AT 31/03/2012 (₹)	AS AT 31/03/2011 (₹)
(i) Reconciliation of opening and closing balances of defined benefit obligation		
Present Value of Obligation at Beginning of year	870255	507179
Acquisition Adjustment	-	-
Interest Cost	73972	40574
Past Service Cost	-	332504
Current Service Cost	143113	70701
Curtailment Cost	-	-
Settlement Cost	-	-
Benefits Paid	-	-
Actuarial (Gain)/Loss on obligations	494922	(80703)
Present Value of Obligation at end of Year	1582262	870255
(ii) Reconciliation of Opening and closing balances of fair value of plant Asset :		
Fair Value of Plan Asset at Beginning of year	742838	646107
Acquisition Adjustment	-	-
Expected Return of Plan Asset	59427	51689
Contributions	77934	36005
Benefits Paid	-	-
Actuarial gain/(loss) on Plan Asset	13369	9037
Fair Value of Plant Asset at end of Year	893568	742838

NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	For the year ended 31/03/2012 (₹)	For the year ended 31/03/2011 (₹)
(iii) Reconciliation of present value of Obligation and Fair value of Assets :		
Present Value of obligation at end of year	1582262	870255
Fair Value of Plan Asset at end of Year	893566	742838
Funded Status	(688696)	(127417)
Unrecognized Actuarial gain/loss at end of year	—	—
Net Asset (Liability) Recognized in Balance Sheet	(688696)	(127417)
(iv) Total expense recognized in Statement of Profit/Loss during the year		
Current Service Cost	143113	70701
Past Service Cost	0	332504
Interest Cost	73972	40574
Expected Return on Plan Asset	59427	51689
Curtailment Cost	—	—
Settlement Cost	—	—
Actuarial Gain/(Loss) recognized in the year	481553	89741
Expense recognized in statement of Profit & Loss	639211	302350
(v) The financial assumption employed for the calculations are as follows :		
Mortality Table	LICI 1994-1996	LICI 1994-1996
Superannuation Age	60 Yrs	60 Yrs
Early Retirement & Disablement	10 Per Thousand P.A.	10 Per Thousand P.A.
	6 above age 45	6 above age 45
	3 between age 29 & 45	3 between age 29 & 45
	1 below age 29	1 below age 29
Discount Rate	8.50%	8%
Inflation Rate	5%	5%
Return on Asset	8%	8%
Remaining Working Life	11 Yrs	12 Yrs
Formula	Projected Unit Credit Method	Projected Unit Credit Method
(vi) Movements in the Liability Recognized in Balance Sheet		
Opening Net Liability	127417	(138928)
Expenses as above	639211	302350
Contributions	77934	36005
Closing Net Liability	688694	127417
Closing Fund/Provision at end of year	1582262	870255

NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	For the year ended 31/03/2012 (₹)	For the year ended 31/03/2011 (₹)
NOTES - "27"		
FINANCE COSTS		
Interest Expenses	30510944	19709555
Bank Charges	4609924	4922476
	35120868	24632031
NOTES - "28"		
DEPRECIATION & AMORTIZATION EXPENSES		
Depreciation and Ammortisation	5241466	3542637
Less : Transferred from Revaluation Reserve	(2534470)	(2667863)
	2706996	874774
NOTES - "29"		
OTHER EXPENSES		
Advertisement & Sponsorship	89727	130723
Auditor's Remuneration	144008	88241
Agricultural Expenses	202700	202700
Blending Charges	3898304	4105732
Business Promotion Expenses	465902	437770
Clearing & Forwarding Charges	1696812	2376617
Commission & Brokerage	45351286	49919504
Consultancy Charges	90890	154720
Demat Service Charges	2836	-
Directors Sitting Fees	16500	19500
Discount, Claims & Shortages allowed	2329258	-
Electricity Charges	394002	361761
Filing Fees	8500	22555
Freight Outward (Export)	28872807	19474639
Gain/Loss on Forex fluctuation, Derivatives & forward contract	10020711	761183
Inspection & testing	315865	368279
Insurance	3493082	3977695
Legal & Listing Expenses	734387	548859
Local Transportation Charges	2356183	1587382
Loss on sale of shares	188164	-
Managerial Remuneration	2865000	1380000
Medical Expenses of Director	68319	132208
Misc. Expenses	228184	189373
Office Expenses	431797	343860
Postage & Telegram	469121	570105
Printing & Stationery	264417	301440
Professional Fees	28040	20741
Professional Tax	2500	2500
Rent, Rates & Taxes	812611	584969
Repairs & Maintenance	395179	159199
Security Charges	192683	164707
Service Charges	662	253
Subscription & Donation	363910	647793
Sundry Balance w/o	-	6545
Security Transaction Tax	-	18443
Telephone Expense	306962	275359
Travelling & Conveyance	2492770	1493872
Vehicle Maintenance Charges	567777	312472
Warehousing Charges	4033334	3714649
	114195190	94856348

NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	For the year ended 31/03/2012 (₹)	For the year ended 31/03/2011 (₹)
NOTES - "30"		
EARNING PER SHARE (EPS)		
i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs.)	9571790	12121873
ii) Weighted Average number of equity shares	10000000	10000000
iii) Basic and Diluted Earning per share (Rs.)	0.96	1.21
iv) Face Value per equity share (Rs.)	10	10
NOTES - "31"		
AUDITORS REMUNERATION		
i) Statutory Audit Fees	116433	71696
ii) Tax Audit Fees	27575	16545
	144008	88241
NOTES - "32"		
VALUE OF IMPORTS ON CIF BASIS		
Tea-Merchanting Trade	472024604	635030558
Logs (Highseas)	55295104	18851994
Tea (Flavour)	1401376	195051
Miscellaneous Items (Highseas)	-	5963705
	528721084	660041308
NOTES - "33"		
EXPENDITURE IN FOREIGN CURRENCY		
Travelling Expenses	762970	374511
Sales Commission	44931613	49414217
NOTES - "34"		
EARNINGS IN FOREIGN EXCHANGE		
Export of Goods on FOB Basis	1061352381	1237951289

Notes on Accounts :

35. The parent company has acquired both the subsidiary companies (Sarita Nupur Vyapaar Private Limited and Greenol Laboratories Private Limited) during the financial year 2009-10 and an amount of Rs.3,32,67,683/- has been recognized as goodwill in the consolidated Financial Statements.
36. Intra group transactions include rent payment, interest on loan, loans and security deposit, the transactions have been executed at prevailing market prices therefore no unrealized profit is required to be eliminated from the same.
37. (a) As per the policy of management each year actual bad debts are ascertained after due consideration and they are written off wherever found necessary.
(b) Balance of Deposits and Advances are subject to confirmation from the respective parties

38. Related Party Disclosures :

As per Accounting Standard-18, the disclosures of transactions with the related parties are given below:

(i) List of Related Parties where control exists with whom transactions have taken place and relationships :			
Name of the Party	Nature of Relation		
1. Asian Capital Market Ltd.	Associate		
2. Asian Housing & Constructions Pvt. Ltd.	Associate		
3. Hurdeodas Co. Pvt. Ltd.	Associate		
4. Asian Tea Co. Pvt. Ltd.	Associate		
5. H. R. Garg	Key Management Personnel (KMP)		
6. Sunil Garg	Key Management Personnel (KMP)		
7. Rajesh Garg	Relative of Key Management Personnel (KMP)		
(ii) Transactions during the year with Related Parties			
Name of Transaction	Associate (₹)	KMP (₹)	Total (₹)
1. Purchase of Tea	4949485 (2220445)	–	4949485 (2220445)
2. Remuneration	–	3425000 (1592000)	3425000 (1592000)

39. Based on the intimation received by the company none of the suppliers have confirmed to be registered under "The Micro, Small and Medium Enterprises Development Act 2006. Accordingly the disclosures relating to amounts unpaid as at the year ended together with interest paid or payable is not required to be furnished.

40. Segment Reporting as per AS-17 issued by ICAI :

Particulars	Domestic (₹)	International (₹)	Unallocated (₹)	Total (₹)
Segment Revenue				
Sales	31745166	1146626194	–	1178371360
Other Income	4360246	50562045	–	54922291
Total	36105412	1197188239	–	1233293651
Segment Expenses	32344904	1186497152	–	1218842056
Segment Results	3760508	10691087	–	14451595
Segment Assets	89239492	399154221	138185659	626579372
Segment Liability	67234719	395044653	164300000	626579372
Cost to Acquire Tangible Fixed Assets	–	–	18943428	18943428
Depreciation & Amortization Expenses	–	–	2706996	2706996

Note:

- (a) The company is engaged in the business of sale of made tea (including blending), Logs, Iron & Steel items etc.,. The Products and their applications are homogeneous in nature. The business segments are organized as domestic and international on the basis of geographical segment.
- (b) Segment assets & liabilities, as well as revenue and expenses are directly attributable to the segment.
- (c) All unallocated assets and liabilities and revenue and expenses are treated separately.
- (d) There are no separate reportable secondary segments.
- (e) Accounting policies of the segment are the same as those described in Summary of significant accounting policies as set out in Note No. 1 of Schedule.
41. The information as required to be furnished pursuant to the General Instructions to Part I & Part II of the Schedule VI to the Companies Act, 1956 have been given to the extent applicable.

Signature to Notes "1" to "41"
In terms of our report of even date

For & on behalf of the Board

For AGARWAL KEJRIWAL & CO.
Chartered Accountants
Firm Regn. No. :316112E

H. R. Garg
Chairman-cum-Managing Director

(M. Agarwal)
Partner
Membership No.52474

SUNIL GARG
Whole time Director

C. S.Surana
Director

ANAND KR.JHA
Company Secretary

LAKSHMAN SRINIVASAN
Director

SANJAY CHOWDHURY
Director

Place : Kolkata
Date : 30th July, 2012

ASIAN TEA & EXPORTS LTD.

Regd. Office : Sikkim Commerce House, 4/1, Middleton Street, Kolkata - 700 071.

ATTENDANCE SLIP

I hereby record my presence at the **Twenty Sixth Annual General Meeting** of the Company to be held at H4/93A, B. B. T. Road, New Chakmir, Maheshtalla, Kolkata - 700 141 on Friday the 14th September, 2012 at 10.00 A.M.

Signature of Attending Member/Proxy	Folio No./Client ID	DPID
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- NOTE:**
1. Shareholder/Proxyholder wishing to attend the meeting must bring the Attendance Slip to the meeting and hand over at the entrance duly signed.
 2. Shareholder/Proxyholder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.

ASIAN TEA & EXPORTS LTD.

Regd. Office : Sikkim Commerce Hosue, 4/1, Middleton Street, Kolkata - 700 071.

PROXY FROM

I/We _____
of _____ in the District of _____ being a
member/members of ASIAN TEA & EXPORTS LTD. Hereby appoint _____
of _____ in the district of _____ or
Failing him _____ of _____ in the
district of _____ as my / our proxy to attend and vote for me/us on my/our
behalf at the Twenty Sixth Annual General Meeting of the Company, to be held on Friday the 14th
September 2012 at H4/93A, B. B. T. Road, New Chakmir, Maheshtalla, Kolkata - 700 141.

Signed this _____ day of _____ 2012

Reference Folio/Client ID

DPID

No. of Shares

This form is to be used _____ in favour of _____ the resolution. Unless otherwise instructed, the proxy
will act as he thinks fit. _____ * aganst _____

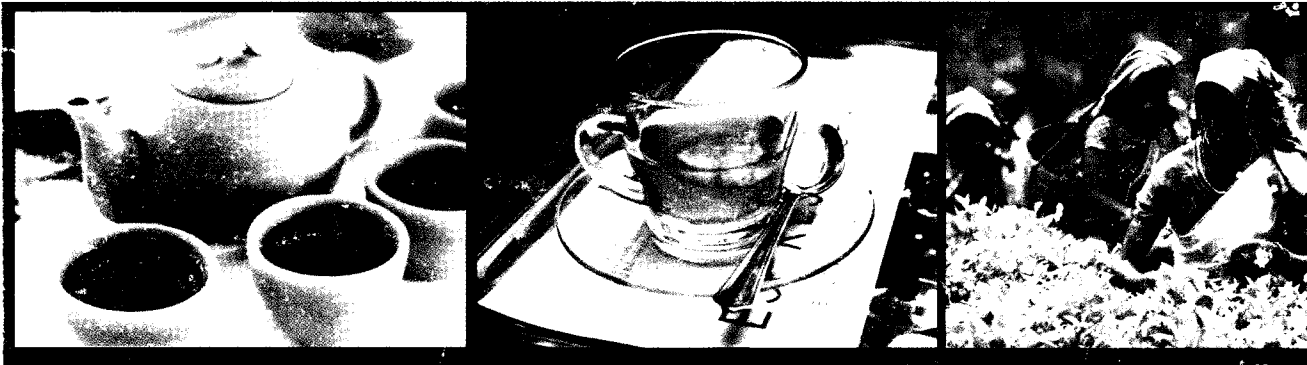
* Strike out whichever is not desired.

Note : The proxy must be returned so as to reach the Registered Office of the Company at 5th floor, of Sikkim
Commerce House, 4/1, Middleton Street, Kolkata - 700 071 not less than 48 hours before the time for holding
the aforesaid meeting.

Affix
One Rupee
Revenue
Stamp

Signature





ASIAN TEA & EXPORTS LTD.

"Sikkim Commerce House"
4/1, Middleton Street, Kolkata - 700 071, India
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