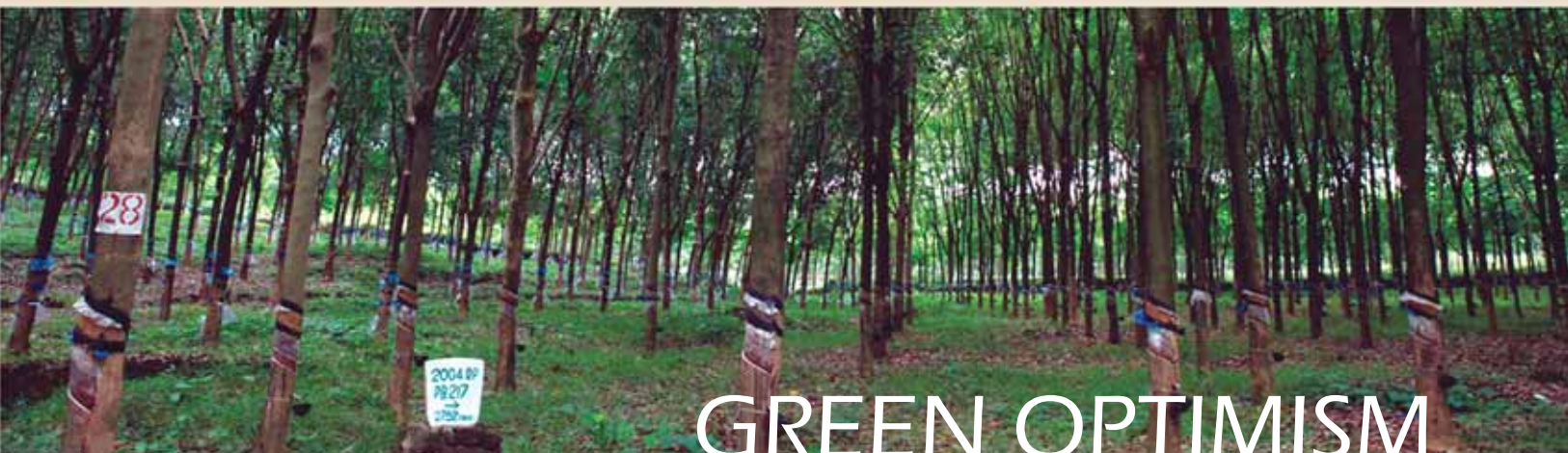




Joonktollee Tea
& Industries Ltd.



GREEN OPTIMISM

ANNUAL REPORT 2013

A glimpse of the Hanuman Temple
at Joonktolle Tea Estate, Assam





How the **Green Optimism** begins



CORPORATE OVERVIEW

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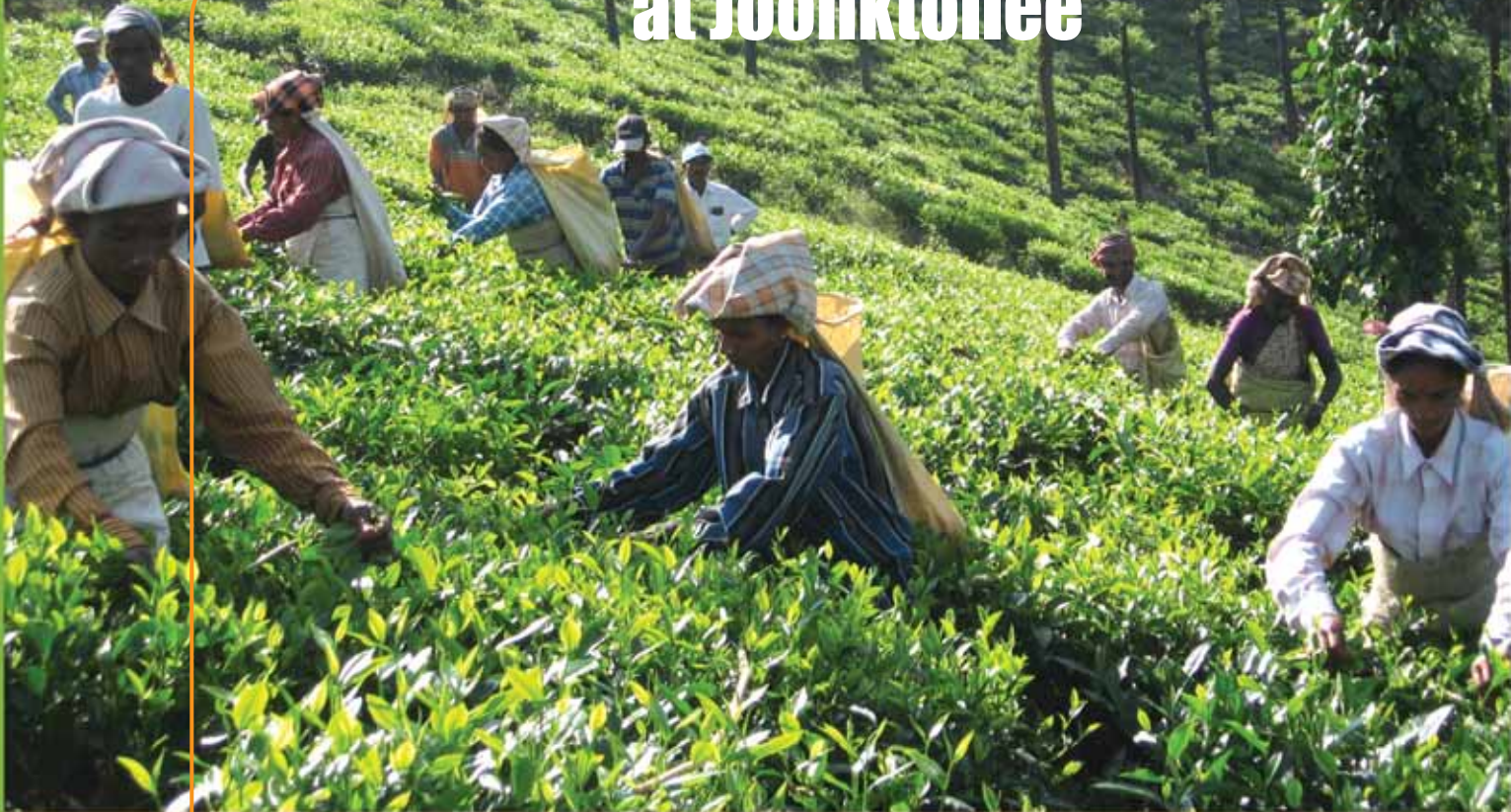
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The Green Quotient at Joonktollee



Green optimism by working towards enhancing our scalability. Green optimism by making more profits. **Green optimism by enhancing our value chain.** Green optimism by enhancing our market dynamics. **Green optimism by making a long-standing customer relationship.** Green optimism by creating respect for every individual. **Green optimism by creating a mutual trust and respect among employees.** Green optimism by addressing the emerging needs of the society as a responsible corporate citizen.

“Green optimism is a well defined metaphor which envisages a sense of togetherness, thus defining our vision towards building a solid foundation for our brighter tomorrow”.



Green is the result of our integrated operations and eco-friendly products.

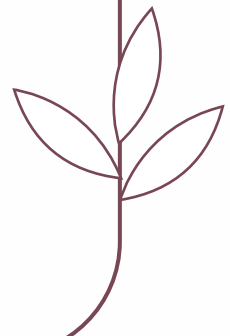


Joonktollee Tea & Industries Limited is one of the most sought after names in the plantation industry. Its products enjoy a commanding position in the market.

The products manufactured by the Company help the world remain fresh, relaxed, mentally alert and healthy.



What's good for the world is good for the Company. The Company reported stronger numbers in the years when most economic indicators weakened. And this was just one of our many achievements in the year 2012-13.



A sneak-peak into Joonktollee



Install the core values of Excellence, Freedom, Integrity, Respect and Harmony.



We believe that eco-friendly business practices are key to the preservation and protection of our natural resources. Contributing to the economic and social well being of our country and its people in general and communities around our locations in general. Building efficiencies across our organisational culture.



Customer Focus: Our Company's strategies are driven by the needs of the customer.

Excellence: We maintain good agricultural practices through strict adherence of plucking rounds, green leaf handling and massive replantation to enhance production.

Integrity: We observe strict ethical standards which we believe are the foundation towards sustainable growth.

Quality: Quality is the inherent feature of our Company. We always try to upkeep the quality standards of our products which in no way may harm the consumer through a responsible & minimal usage of chemicals and pesticides into the plants.

Growth driven: We are committed to delivering consistent revenue and cash flow growth in order to provide our shareholders a good return. Our objective is to grow our people, market and businesses around the world.

We see society transforming as tea and coffee finds greater relevance in people's lives. It gives us the confidence to embrace emerging opportunities and sustain the green optimism.

For more than a century



Joonktollee Tea & Industries Limited has been a name synonym in the plantation industry. After acquiring the control of Company from Kettlewell Bullen & Co. Ltd during 1954 by the House of Bangurs, the name of the Company was renamed to Joonktollee Tea & Industries Limited.

Today the Company is a leading and diversified player in the plantation industry. Started its journey as a Premium Orthodox Tea producer, the Company is now a leading producer Assam CTC and Fine Green Tea. Besides that the Company also produces Coffee, Rubber, Pepper, Cardamom and Areca.

The Company is headquartered at Kolkata. Besides it also have its administrative offices at Ahmedabad, Coimbatore, Hubli, Kolhapur and Mumbai. Its shares are listed at The Calcutta Stock Exchange Limited and are permitted to trade at the Bombay Stock Exchange Limited.



11

Estates & Factories across 3 states

73.66%

Promoter's stake

₹6,667 Lacs

Market capitalization

59

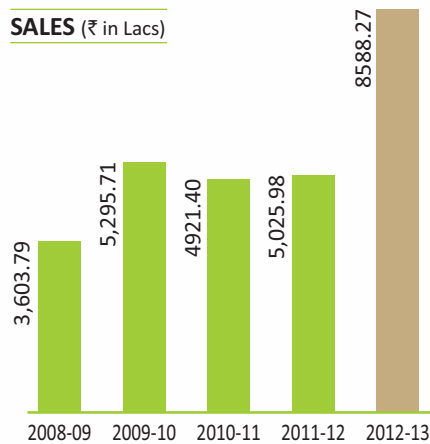
Record years of consistently paying dividend*

*Since the acquisition by the House of Bangurs.

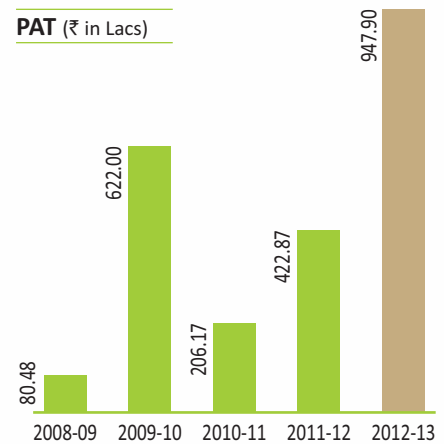


Green optimism begins with a sound financial background

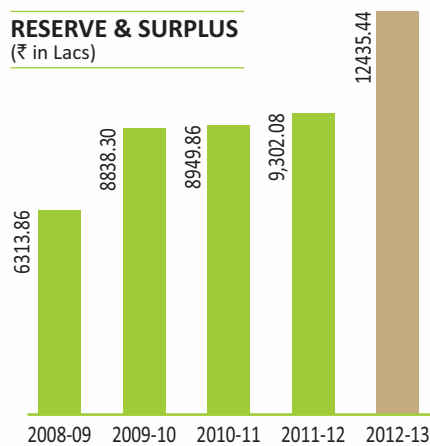
SALES (₹ in Lacs)



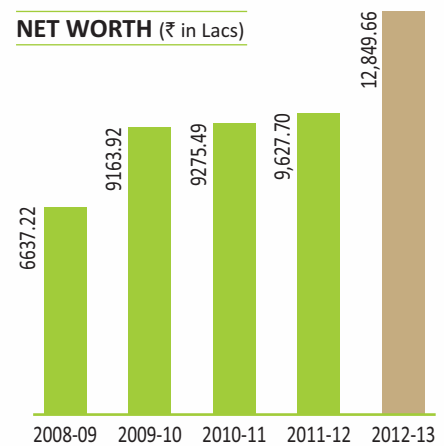
PAT (₹ in Lacs)



RESERVE & SURPLUS
(₹ in Lacs)



NET WORTH (₹ in Lacs)



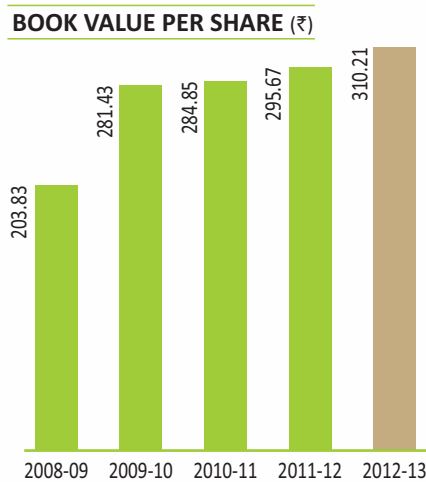
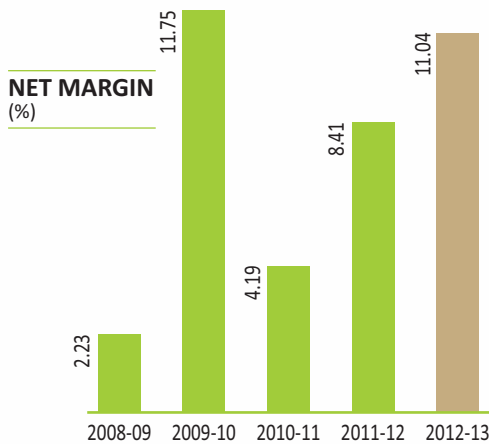


On the shop floor

- Production of Tea stood at 43,12,279 Kgs in 2012-13.
- Production of Coffee stood at 1,84,311 Kgs in 2012-13.
- Production of Rubber stood at 9,44,641 Kgs in 2012-13.
- The Company purchased “Shreemoni Tea Factory” from M/s. Dhunseri Petrochem & Tea Limited with a capacity of 12 Lakh kgs made tea per year.
- Launched a new tea product named "Rangabam" manufactured from Shreemoni Tea Factory.

In the board room

- Approved a final dividend of Rs.3 per share during the year 2012-13.
- Pursuant to the scheme of arrangement, the shareholders of The Cochin Malabar Estates & Industries Limited were issued 8,85,954 equity shares of ₹10/- each.
- The Company was accredited with “BBB Stable” rating from CRISIL.



In numbers

PAT grew by 124%

from ₹ 422.87 Lacs in 2011-12
to ₹ 947.90 Lacs in 2012-13.

Cash Profit grew by 96%

from ₹ 598.47 Lacs in 2011-12
to ₹ 1,175.48 Lacs in 2012-13.

Networth grew by 33%

from ₹ 9,627.70 Lacs in 2011-12
to ₹ 12,849.66 Lacs in 2012-13.

EPS grew by 76%

from ₹ 12.99 per share in 2011-12
to ₹ 22.88 per share in 2012-13.



Numbers that matter

2012-13 in perspective

		2012-13	2011-12	2010-11	2009-10	2008-09
A Our Earnings						
Total Sales	₹ Lacs	8588.27	5,025.98	4921.40	5295.71	3603.79
Change in Stock in Trade	₹ Lacs	(221.31)	1.69	(51.32)	192.15	(33.13)
Value of Production	₹ Lacs	8,366.96	5,027.66	4870.08	5487.87	3570.66
Other Income		451.28	523.82	70.17	36.23	42.04
Total		8,818.24	5,551.48	4940.25	5524.10	3612.70
B Our Outgoings						
Cost of Materials	₹ Lacs	1959.30	1,198.84	1390.96	1477.38	1090.60
Emp. Rem. & benefits	₹ Lacs	3697.15	2,212.75	1780.94	1690.70	1164.48
Depreciation	₹ Lacs	227.58	175.60	170.29	169.22	164.74
Other Expenses	₹ Lacs	1522.69	1,152.11	1105.72	1135.25	821.01
Interest	₹ Lacs	310.40	271.81	265.35	278.93	269.04
Total		7,717.13	5,011.11	4713.26	4751.48	3509.87
NET PROFIT		1,101.12	540.37	226.99	772.62	102.83
C Our Savings						
PBDIT	₹ Lacs	1,639.10	987.77	662.63	1220.77	536.61
PBIT	₹ Lacs	1,411.52	812.18	492.34	1051.55	371.87
PBT	₹ Lacs	1101.12	540.37	226.99	772.62	102.83
PAT	₹ Lacs	947.90	422.87	206.17	622.00	80.48
D Own Capital						
Equity	₹ Lacs	414.22	325.62	325.62	325.62	323.36
Reserve & Surplus	₹ Lacs	12435.44	9,302.08	8949.86	8838.30	6313.86
E Loan Capital						
Loan From Bank	₹ Lacs	2622.79	1,425.19	1278.13	1435.98	1778.89
Other Loans	₹ Lacs	231.84	182.44	822.44	452.33	380.22
F Financial Statistics						
Net Worth	₹ Lacs	12,849.66	9,627.70	9275.49	9163.92	6637.22
Gross Block	₹ Lacs	10532.49	7,797.92	7639.40	7311.24	3667.26
Depreciation	₹ Lacs	3037.14	2,352.87	2210.48	2062.82	1650.63
Inventories	₹ Lacs	996.25	735.29	678.48	710.64	441.46
Sundry Debtors	₹ Lacs	291.14	84.11	190.14	357.68	247.33
Capital Employed	₹ Lacs	13,934.92	11,235.33	11376.05	11052.23	8796.33
Dividend - Excl-Tax	₹ Lacs	146.41	81.41	81.41	81.41	48.50
G Financial Ratio						
PBT to Sales	%	12.82	10.75	4.61	14.59	2.85
NET MARGIN	%	11.04	8.41	4.19	11.75	2.23
PBIT to Capital Employed/ROCE	%	10.13	7.23	4.33	9.51	4.23
PAT to Net Worth/ROE	%	7.38	4.39	2.22	6.79	1.21
Total Debt to Equity		0.23	0.17	0.24	0.22	0.35
EPS	₹	22.88	12.99	6.33	19.10	2.49
CEPS	₹	28.38	18.38	11.56	24.30	7.58
Book Value Per Share	₹	310.21	295.67	284.85	281.43	203.83
Dividend	%	30	25	25	25	15



(₹ in Lacs)

Value added statement

	2012-13	2011-12	2010-11	2009-10	2008-09
Turnover (Gross Sales)	8,588.27	5,025.98	4,921.40	5,295.71	3,603.79
Stock Adjustments	(221.31)	1.69	(51.32)	192.15	(33.13)
Value of Production	8,366.96	5,027.66	4,870.08	5,487.87	3,570.66
Other Income	451.28	523.82	70.17	36.23	42.04
	8,818.24	5,551.48	4,940.25	5,524.10	3,612.70
Less :					
Raw Material Consumed	1,144.23	641.70	724.09	832.04	827.73
Manufacturing Expenses	1,460.67	1,044.51	1,118.26	1,109.18	575.80
Other expenses	836.22	622.12	604.57	633.82	488.23
	3,441.12	2,308.32	2,446.92	2,575.04	1,891.75
Gross Value Added (GVA)	5,377.12	3,243.16	2,493.33	2,949.06	1,720.95
Less : Depreciation and Amortization Expenses	227.58	175.60	170.29	169.22	164.74
Net Value Added (NVA)	5,149.54	3,067.56	2,323.05	2,779.84	1,556.21
% to value of production	61.55%	61.01%	47.70%	50.65%	43.58%

Distribution of value-addition

	2012-13	2011-12	2010-11	2009-10	2008-09
To the Government					
Dividend Tax	9.88	5.28	13.21	13.52	8.24
Current Tax	182.00	109.09	25.00	101.40	17.28
Cess	40.87	42.63	49.77	37.59	19.87
	232.75	157.01	87.97	152.51	45.39
% to net value added	4.53%	5.12%	3.79%	5.49%	2.92%
To the Workers / Employees	3,697.15	2,212.75	1,780.94	1,690.70	1,164.48
% to net value added	71.79%	72.14%	76.67%	60.82%	74.82%
To Providers of Finance	310.40	271.81	265.35	278.93	269.04
% to net value added	6.03%	8.86%	11.42%	10.03%	17.29%
To Shareholders	146.41	81.41	81.41	81.41	48.50
% to net value added	2.84%	2.65%	3.50%	2.93%	3.12%
Deferred Tax	(28.77)	8.41	(4.18)	49.22	5.06
Profit ploughed back	791.60	336.18	111.56	527.07	23.73
Retained in business	762.82	344.59	107.38	576.29	28.80
% to net value added	14.81%	11.23%	4.62%	20.73%	1.85%
TOTAL VALUE ADDITION DISTRIBUTED	5,149.54	3,067.56	2,323.05	2,779.84	1,556.21



**Green optimism begins
with ignited minds**

The success of any business is dependent on its people who are part of the enterprise. Almost every endeavor in productivity, quality, research & development, customer centricity are meaningless unless owned and implemented by our team. This realization is the guiding force of our Human Resource policies.

Empowerment, teamwork and disciplined decision making are the hall marks of our management. Our team consists of various set of peoples from experienced to young and energetic ones. Our goals are ambitious. Our HR team works to ensure that we recruit, develop and train our team to achieve their peak performance levels and then gradually better them.

Our Human Resource policy includes:

- To treat each employee with dignity.
- To create an interesting, meaningful, challenging and cordial working environment for our employees.
- To increase the productivity of the employees through continuous training and development.
- To create awareness and motivate employees on our quality, safety and environmental policies.

The following criteria are being followed by the Company to achieve its Human Resource goals:

- The Company focuses on hiring able professionals, who will drive the organisation's level-next growth. The Company has successfully hired professionals both at the senior and junior levels.
- The vision, mission and values of the Company are well communicated to all new recruits and existing employees to create homogeneity in

employee aspirations and organisational goals.

- The resources are periodically trained internally and externally, so that new recruits can get innovative ideas and learn about the industry comprehensively.
- Managers are taught about feedback analysis for appropriate appraisal and remedial action. We believe timely appraisals and implementation of the rewards and recognition programme can induce healthy competition.
- Having multi-locational presence, we have taken proactive measures to employ, nurture and train local talent, thereby contributing to the regional economy.
- Annual get-together is held at various estates.
- The Company follows a transparent system of appraisal across all management levels. It follows an open door policy where one can easily give the feedback to the management and vice-versa, thereby checking attrition at various levels.





**Green optimism begins
with a sense of integration
from the SUBJECTIVE ME
to the OBJECTIVE WE**

Whenever we think beyond the industry, we always try to ensure the viability of the economy and the society. In the ultimate analysis, it is the ecosystem that precipitates the seasons, that in turn brings the giving rain. Our commitment towards sustainability is unequivocal and unwavering. For us, they too are an equally vital and inextricable part of our business ecosystem and often provide critical ingredients for our success. As a responsible corporate citizen, we have always acknowledged and reciprocated to their contribution through a slew of environment, educational and health initiatives for the overall welfare of the communities we live in.

Our Company has been consistently contributing with passion and compassion to the positive development of society. Our Corporate Social Responsibility (CSR) activities are not only a pure management directive but something that has been embedded in our core values and principles and is visible across the organization.

Following the guidelines of the Plantation Labour Act, various activities are conducted by the Company into its surroundings, which includes :

- Health Care centers and Ambulance at every estate with round-the-clock availability of Doctor for any health assistance to the employees and their family members.
- Staff quarters with free electricity, subsidized rations and temples at every estates.
- Street lighting and development of the approach roads towards its gardens and estates.
- Free medical and basic schooling facilities in the nearby villages.
- Active celebration of Republic and Independence Day.
- Proper sanitation and drinking water facilities in the surrounding areas of its estates.

We are committed to take the responsibility of exhibiting socially responsible business practices that ensures the distribution of wealth and well-being of the communities in which we operate.



**Green optimism begins
with a question
Where do we put Relationship
on a Balance Sheet ?**





At Joonktollee Tea & Industries Limited, we recognise that growth does not come from how well we can grow our assets. But from how well we can grow our relationships.

So the soul of our unwritten mission statement is not about the profits for the Company, but with value for the stakeholders associated with the Company.

We work with our suppliers, customers and various other people associated with the Company on a long-term perspective. Innovative management policies ensure the development and trust of various stakeholders. Our above-industry average performance has come from the extension of this value beyond a one-off transaction into a sustainable relationship across the long-term.

This relationship is equally built on the pillars of our decades of servicing to the clients with a unwavering focus on quality. Delivery of quality products is always the top-most agenda of our organisation. Our quality control personnel examine and inspect every aspect of the production and supply chain with stringent intermediate checks, resulting in the supply of

world-class products to our customers and minimal rejects.

Over the years our Company has been accredited with various international certifications including:

- **The Company has been accredited with ISO 9001:2008 certification by SGS, U.K.**
- **Joonktollee Tea Estate is accredited with ISO 22000:2005 certification by SGS, UK.**
- **Goomankhan Tea Estate has been accredited with ISO 9001:2008 certification by Det Norske Veritas of Netherland.**
- **Goomankhan Tea Estate has been accredited with Golden Leaf Award for the leaf, fannings and dust categories for the year 2012-13.**
- **International Star Award of Geneva for the year 2012-13.**

Global acclaim for

Joonktollee Tea & Industries Limited's Annual Report 2011-12

It was ranked 35

in the list of 100 best Annual Reports of the world by League of American Communication Professionals (LACP), USA, at the vision 2011-12 awards.

The Company was also accredited with Gold Award

for excellence within its industry on the annual report for the fiscal year 2011-12.



The LACP Vision Awards is the world's largest award programme for annual reports in which over 5,500 companies from over two-dozen countries participated.



Corporate Information

BOARD OF DIRECTORS

G. D. Bangur
Chairman

Hemant Bangur
Executive Vice-Chairman

Pushpa Devi Bangur
Director

M. K. Daga
Director

A. Ghosh
Director

J. K. Surana
Director

M. M. Pyne
Director

K. C. Mohta
*Executive Director &
Chief Executive Officer*

MANAGER (FINANCE) & COMPANY SECRETARY

S. Bagree

BANKERS

State Bank of Bikaner & Jaipur

Yes Bank

HDFC Bank

AUDITORS

Messrs. Singhi & Co.

Chartered Accountants

1-B, Old Post Office Street

Kolkata - 700 001

REGISTERED OFFICE

21, Strand Road

Kolkata - 700 001

REGISTRARS & SHARE TRANSFER AGENTS

Maheshwari Datamatics Pvt. Ltd.

6, Mangoe Lane, 2nd Floor

Kolkata - 700 001

Directors' Report



Dear members

Your Directors have pleasure in presenting the Annual Report with Audited Accounts of the Company for the year ended 31st March, 2013.

FINANCIAL PERFORMANCE

(Amount in ₹)

	31.03.2013	31.03.2012
Profit for the year before Depreciation	132,870,170	71,596,561
Deduct : Depreciation	22,758,458	17,559,791
Profit before Tax	110,111,712	54,036,770
Deduct : Tax Expense		
- Current Year	18,200,000	10,500,000
- Earlier Year	-	409,222
- Deferred Tax	(2,878,400)	840,963
Net Profit	94,790,112	42,286,585
Add : Balance of Profit brought forward from previous year	41,437,678	26,216,295
Adjustment due to Scheme of Arrangement	60,805,938	-
Profit available for Appropriations	197,033,728	68,502,880
Appropriations :		
- General Reserve	50,000,000	20,000,000
- Proposed Dividend	14,641,488	8,140,618
- Corporate Dividend Tax	988,484	528,245
- Corporate Dividend Tax for Earlier years written back	-	(1,603,661)
- Balance Carried to Balance Sheet	131,403,756	41,437,678
	197,033,728	68,502,880

DIVIDEND

Your Directors have recommended for your approval, a dividend of ₹ 3/- per share for the year ended 31st March, 2013.

INCREASE IN SHARE CAPITAL

During the year, Company issued 8,85,954 Equity Shares of ₹ 10/- each to the Shareholders of The Cochin Malabar Estates & Industries Ltd. pursuant to the Scheme of Arrangement approved by the Hon'ble High Court of Calcutta. As a result, the Issued, Subscribed & Paid-up Equity Share Capital increased from ₹ 325.62 lacs to ₹ 414.22 lacs.

TRANSFER TO RESERVES

The Company proposes to transfer ₹ 500 lacs to the General Reserve out of the amount available for appropriations and an amount of ₹ 1,314.04 lacs is proposed to be retained in the Profit and Loss Account.

SCHEME OF ARRANGEMENT

The Company since received final order from the Hon'ble High Court of Calcutta confirming the Scheme of Arrangement by which the Cochin Plantation Division of The Cochin Malabar Estates & Industries Ltd. comprising of Chemoni, Echipara & Pudukad Rubbers Estates; Pullikanam & Kolahalamedu Tea Estates and legal proceedings of Sampaji Rubber Estates demerged from The Cochin Malabar Estates & Industries Ltd. and merged with the Company. The Company has implemented the Scheme of Arrangement and the aforesaid financial results include the results of the Cochin Plantation Division now renamed as Kerala Division.

OPERATIONAL REVIEW

The turnover of your Company stood at ₹ 8,588.27 lacs which is higher as compared to the previous year's turnover of ₹ 5,025.98 lacs. The profit after tax has increased from ₹ 422.86 lacs to ₹ 947.90 lacs. Your Company produced 43,12,279 Kgs. of Tea during the year as against 38,54,362 Kgs. produced during the year 2011-12, an increase of 4,57,917 kgs. to the previous year; 1,84,300 Kgs. of Coffee during the year as against 2,59,185 Kgs. during the year 2011-12, a decrease of 74,885 Kgs. from the previous year and 9,44,641 Kgs. of Rubber during the year as against 9,56,000 Kgs. produced during the year 2011-12, a decrease of 11,359 Kgs. from the previous year.

EXPANSION / DIVERSIFICATION

The Company has purchased 'SHREEMONI TEA FACTORY',

Assam from M/s. Dhunseri Petrochem & Tea Ltd. having a capacity of 12 lakh kgs. of Made Tea per annum. The Company has launched its new tea product 'RANGABAM' made out of Shreemoni Tea Factory in the market.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review is presented in a separate section forming part of the Annual Report.

CORPORATE GOVERNANCE

The Company has adopted the Corporate Governance Policies and Code of Conduct which set out the principle of running the Company with fairness, transparency and accountability. A report on the Corporate Governance forming part of the Directors' Report is attached. A certificate from a Practicing Company Secretary regarding compliance of the Corporate Governance is given in the Annexure.

CORPORATE SOCIAL RESPONSIBILITY

The Company constantly endeavors for community welfare beyond the confines of its own employees. It has a tradition in supporting the larger communities that it connects with – from education, health, drinking water, development of employable skills, to assistance during natural calamities such as floods and cyclones. It undertook a series of activities to improve living conditions of people in the neighbouring villages which includes extending support to schools, free medical facilities, and other village development initiatives like street lighting, development of roads etc.

Your Company also continues its welfare activities by participating in various projects sponsored by TAI, ITA, ABITA, TOKLAI, UPASI, KPA in the States of Assam, Karnataka & Kerala and also directly contributes to the area's social causes.

SAFETY, HEALTH & ENVIRONMENT

The Company has committed to maintaining highest standard of safety, health environment protection and has complied with all applicable statutory requirements and prevention of pollution. It constantly endeavors to keep the estates greener and cleaner and committed to the safety and health of its employees.

HUMAN RESOURCE DEVELOPMENT / INDUSTRIAL RELATIONS

The Company has built its workforce with a diverse background of individuals - essential for the kind of organization what it is. The Company constantly endeavours to provide a platform where people have opportunities to actualize their maximum

potential through work which helps to stretch their intellect. Continuous efforts are on for a work-culture which encourages innovation, transparency in communication, trust and amity. The present workforce of the Company is 6,842. Industrial relations in all the estates, factories and offices of the organization were cordial throughout the year under review. Attrition rate during the year ended 31st March, 2013 was zero and during the last decade it was not more than 1%.

FIXED DEPOSITS

The Company has not accepted any public deposits and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

SUBSIDIARY COMPANIES

- a) The Company as on 31st March, 2013 has four Subsidiary Companies namely, Gloster Real Estates Pvt. Ltd., Cowcoody Builders Pvt. Ltd., Pranav Infradev Co. Pvt. Ltd. and The Cochin Malabar Estates & Industries Ltd.
- b) In accordance with the general circular issued by the Ministry of Corporate Affairs, Government of India, the individual accounts of each of the subsidiary companies are not being attached with the accounts of the Company. The Company will make available the Annual Accounts of the subsidiary companies to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept for inspection at the Registered Office of the Company and that of the respective subsidiary companies.
- c) A statement containing brief financial details of the Subsidiary Companies is attached which forms part of the Annual Report.

CONSOLIDATED FINANCIAL STATEMENTS & CASH FLOW

The audited consolidated financial statements of the Company together with Auditors' Report for the year ended 31st March, 2013 and Cash Flow Statement as on that date are annexed.

AWARDS & RECOGNITIONS / CREDIT RATING

Awards & Recognitions

- The Company has been accredited with ISO 9001:2008 certification by SGS, U.K.
- Goomankhan Tea Estate in Karnataka has been accredited with ISO 9001:2008 certification by Det Norske Veritas, Netherlands.

- Goomankhan Tea Estate has bagged The Golden Leaf Awards for the leaf, fannings and dust categories for 2013.
- The Company has been accredited with International Star Award Geneva 2012.
- The Company has bagged Gold Award in '2011-12 Vision Awards Annual Report Competition' & 'Top 100 Annual Reports Worldwide' ranking at 35 from LACP, USA.

Credit Rating

The Company continues to have the domestic credit ratings of BBB stable from CRISIL.

DIRECTORS

The Company has six Non-Executive Directors and two Executive Directors having experience in varied fields. Two Directors, Shri M. M. Pyne and Shri A. Ghosh shall retire from the Board by rotation at the ensuing Annual General Meeting and they are eligible for re-appointment. However, Mr. A. Ghosh has not offered himself for re-appointment and accordingly shall cease to be a Director upon conclusion of the ensuing Annual General Meeting. Mr. Ghosh has served as a Director on the Board of the Company for six years and the Board places on record its deep appreciation for the services rendered by him during his tenure as a Director of the Company. Shri Hemant Bangur has been re-appointed as Managing Director, designated as Executive Vice-Chairman of the Company for a period of 5 years and Shri K. C. Mohta has also been re-appointed as Wholetime Director, designated as Executive Director and Chief Executive Officer of the Company for a period of 5 years, during the year.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of the Company confirms :

- i) that in the preparation of the annual accounts, the applicable Accounting Standards have been followed and there has been no material departure;
- ii) that the selected Accounting Policies were applied consistently and the Directors 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 at March 31, 2013 and of the profits of the Company for the year ended on that date;
- iii) that proper and sufficient care has been taken 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 preventing and detecting fraud and other irregularities;

- iv) that the annual accounts have been prepared on a going concern basis; and
- v) that the Company has adequate internal systems and controls to ensure compliance of laws applicable to the Company.

INTERNAL CONTROL SYSTEMS

The Company is having the Internal Control System whereby each and every activities of the Company are self-controlled and checked – thus, it ensures on the one hand, the security and safeguard of assets and resources of the Company and on the other hand, encourages the improvement of the operational performance of the Company.

The Internal Audit of the Company is conducted by a Chartered Accountant Firm. The findings of the Internal Audit and the Action Taken Report on the Internal Audit is placed before the Audit Committee which reviews the audit findings, steps taken and the adequacy of Internal Control System.

SECRETARIAL AUDIT REPORT

As a measure of good corporate governance practice, the Board of Directors of the Company appointed Shri S. K. Jain, Practicing Company Secretary, to conduct Secretarial Audit of the Company. The Secretarial Audit Report for the financial year ended March 31, 2013, is provided in the Annual Report.

The Secretarial Audit Report confirms that the Company has complied with all the applicable provisions of the Companies Act, 1956, Depositories Act, 1996, Listing Agreements with the Stock Exchanges, Securities Contracts (Regulation) Act, 1956 and all the Regulations and Guidelines of SEBI as applicable to the Company, including the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.

COST AUDIT

The Company has re-appointed M/s. A. Basu & Co., Cost Accountants, Kolkata as the Cost Auditor for the Financial Year 2013-14.

AUDITORS AND AUDITORS' REPORT

The Auditors, M/s. Singhi & Co. Chartered Accountants, hold office until the conclusion of the ensuing Annual General Meeting and are recommended for re-appointment. Certificate from the Auditors has been received to the effect that their re-appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956. M/s. Singhi & Co. has submitted the Peer Review certificate issued to them by Institute of Chartered Accountants of India (ICAI).

The Auditors' Report to the Shareholders does not contain any qualification.

PARTICULARS OF EMPLOYEES

The information required under Section 217(2A) of the Companies Act, 1956 and the Rules made thereunder, is provided in Annexure - 'A' forming part of this Report.

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

The particulars as prescribed under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988, relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo is provided in Annexure- 'B' forming part of this Report.

ACKNOWLEDGEMENT

Your Directors take this opportunity to thank the Banks, Central and State Government authorities, Regulatory authorities, Stock Exchanges and the stakeholders for their continued co-operation and support to the Company. Your Directors also wish to record their appreciation for the continued co-operation and support received from the employees of the Company.

On behalf of the Board

Place : Kolkata
Dated : 11th May, 2013

K. C. Mohta
*Executive Director &
Chief Executive Officer*

H. Bangur
Executive Vice-Chairman

Annexure to the Directors' Report

ANNEXURE-A

PARTICULARS OF EMPLOYEES IN TERMS OF SECTION 217(2A) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975, FORMING PART OF DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2013

Name	Age	Remuneration (₹)	Qualification and Experience (Years)	Date of Commencement of Employment	Last Employment held	Designation
Mr. Hemant Bangur	41	79,74,429	Masters in International Trade	12-04-2000	NIL	Managing Director designated as Executive Vice-Chairman

Notes :

- Remuneration shown above includes salary and allowances, contribution to the Provident Fund, Superannuation Fund and other perquisites.
- Nature of appointment is contractual.
- Except Mr. Gopal Das Bangur, Mrs. Pushpa Devi Bangur and Mr. Hemant Bangur, no other Director or Employee is a relative of any Director of the Company.

On behalf of the Board

K. C. Mohta
Executive Director &
Chief Executive Officer

H. Bangur
Executive Vice-Chairman

Place : Kolkata
Dated : 11th May, 2013

ANNEXURE-B

INFORMATION AS PER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956 READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2013.

CONSERVATION OF ENERGY

	2012-13	2011-12
(A) POWER & FUEL CONSUMPTION		
1. Electricity		
(a) Purchased		
Units (KWH)	1,758,628	1,278,961
Total Amount (₹)	13,252,224	9,623,870
Rate/Unit (₹/KWH)	7.54	7.52
(b) Own Generation		
(i) Through Diesel		
Generator - Unit (KWH)	329,281	245,847
Unit per Ltr. H.S.D. Oil (KWH)	3.70	3.58
Fuel Cost/Unit (₹/KWH)	26.51	25.34

CONSERVATION OF ENERGY

	2012-13	2011-12
(ii) Through Natural Gas		
Generator - Unit (KWH)	1,220,843	1,299,200
Units per Scm. of Gas (KWH)	1.96	2.09
Fuel Cost/Unit (₹/KWH)	4.90	4.07
2. Others : For Tea Processing in Withering & Drying		
(a) Furnace Oil, L.D./H.S.D. (Qty./Ltr.)	2,450	1,100
Total Cost (₹)	116,400	45,386
Average Rate (₹/Ltr.)	47.51	41.26
(b) Natural Gas (Scum)	1,272,802	1,278,597
Total Cost (₹)	13,623,029	11,936,239
Rate/Unit (₹/Scum)	10.70	9.34
(c) Firewood		
Quantity (Kgs.)	2,233,255	1,623,250
Total Cost (₹)	3,961,120	2,926,057
Average Cost per Kg. (₹)	1.77	1.80
3. Others : For Transport & Material Handling etc.		
(a) H.S.D. Oil		
Quantity (Kgs.)	28,945	31,305
Total Cost (₹)	1,386,386	1,340,869
Rate/Unit (₹/Ltr.)	47.90	42.83
(b) Petrol		
Quantity (Kgs.)	2,744	4,261
Total Cost (₹)	204,525	290,201
Rate/Unit (₹/Ltr.)	74.54	68.11
4. Coffee Stumps used in Dryer		
Quantity (Kgs.)	116,810	-
Total Cost (₹)	210,865	-
Average Cost per Kg. (₹)	1.81	-
(B) CONSUMPTION PER UNIT PRODUCTION		
Products - Tea (Gross) (Kgs.)	4,312,279	3,854,362
Energy Used : Electricity (KWH/Kg.)	0.77	0.73
(including own Generation)		
Other Fuels for processing of Tea :		
Furnace/L.D./H.S.D. Oil (Ltr.)	0.0010	0.0005
Coal (Coke/ROM)	0.003	-
Gas (Scum/Kg.)	0.35	0.37
Solid Fuel/Firewood (Kg./Kg.)	0.89	0.41

RESEARCH AND DEVELOPMENT (R&D)

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

The Company subscribed to Tea Research Association and TRI through United Planters' Association of Southern India which are registered under Section 35(1)(ii) of the Income Tax Act, 1961, to carry out R&D on Tea. Their recommendations are adopted wherever feasible, in addition to our own efforts for obtaining better results.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

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

Not Applicable

FOREIGN EXCHANGE EARNINGS AND OUTGO

(i) Activities relating to exports, initiatives taken to increase exports	Not Applicable
(ii) Development of new export markets for products and services, and export plan	Not Applicable
(iii) Total foreign exchange earned (Gross)	₹ Nil
Used	₹ 4.73 Lacs

On behalf of the Board

Place : Kolkata

Dated : 11th May, 2013

K. C. Mohta
Executive Director &
Chief Executive Officer

H. Bangur
Executive Vice-Chairman

Management Discussion and Analysis Report



The global economy has been passing through a difficult phase. It is rather stuck in a groove, unable to sustain a decent recovery and susceptible to the sudden stall. It has yet to shake off the fallout from the crisis of 2008-2009. The woes of the world economy are not coterminous with the worsening worries of the debt ridden recession-hit economies. Developing economies are still healing the scars of the 2008-2009 crisis. The recovery from 2008-09 financial crisis has been much slower with both output and employment and still much below previous peak. The Indian economy too is muted. The plantation sector as well could not hold emerging trends in certain sectors like Natural Rubber, Coffee etc. and that, prices were much influenced by these developments.

TEA

The world Tea production estimated at 4,534.5 m. kgs. in 2012 as compared to 4,299.3 m. kgs. in 2011. The world Tea production during the last decade has grown at an annual rate of 3.6%. The growth during the 2nd half of the decade was higher compared to the 1st half suggesting that price situation was generally conducive for higher crop intake. In absolute terms, there was growth in production by types of



Tea, but in relative terms, it is evident that increase was confined to the Green Tea category. The share of the Green Tea has increased from 24% in 2001 to 35% in 2012, an increase of 11%. On the contrary, both CTC and Orthodox segments reported decline by 6% and 5% respectively.

India produced 1,111.8 m. kgs. of Tea during the year 2012 as compared to 1,115.7 m. kgs. in 2011. Indian Tea production was lower by 3.9 m. kgs. during the year 2012. The North Indian crop was higher by 1.1 m. kgs. while South Indian crop was estimated lower by 4.1 m. kgs. during the year 2012. South India witnessed one of the longest duration of dry spell in 2012 and it was the 4th year in succession, the crop was lower from the South Indian region. The Company produced 4,312,279 kgs of Tea during the year ended 31st March, 2013 against 4,190,222 kgs. for the same period last year. The average price for Tea realized during the year ended 31st March, 2013 was ₹ 161/- per kg. in the North and ₹ 101/- per kg. in the South.

The production of first flush of the new season this year is expected to be down by almost 13 m. kgs., which would amount to 20% dip in first flush production and around 3% dip in total production, as compared to last year because of the unprecedented severe rainless weather condition. The decline in production of the first flush could be overcome in later months if weather condition improves as first flush amounts for just 10% of total production of Assam tea in a year. The price of tea is expected to remain firm due to the mis-match in demand and supply and increase in the consumption. Loss of crop cannot be compensated by increase in the tea prices. However, taking into account the small carryover stocks and giving a low production on account of adverse weather during the 1st half of the current year, Tea prices are expected to be bullish.

The US, which is slowly coming out from a recession, is paying higher prices for the Indian Tea and the demand for the Indian Tea is largely coming from North American west coast states and cities like California, Oregon, Washington, Las Vegas, San Francisco and Los Angeles. America imported 10 m. kgs. of black Tea last year, which is nearly a 100% jump year on year. The Tea Board identified US as a non-traditional market and emphasis is being given to boost exports to the country. The Indian tea industry can leverage this opportunity in a big way as its immediate competitor, Kenya, is yet to set a footprint in the American market. India exports nearly 180-200 m. kgs. of tea annually to global markets. American interest in Indian black tea may turn out to be a blessing for the Indian tea industry, which has been depending on the traditional UK market for years.

There has not been any addition to the land under Tea cultivation in India in the organized sector since last two decades. However, significant area has been added in the unorganised sector which will both be an opportunity and threat to the non-quality producers. Threat of rising labour shortage especially, in South India exists to the Tea growers.

COFFEE

The global Coffee production during 2012 season was estimated at 144.1 m. bags as compared to 131.9 m. bags in the previous year, an increase of 9.25% on the previous year. The world Coffee consumption during 2012 was estimated at 139 m. bags as compared to 137.9 m. bags in 2011, an increase of 1.1 m. bags on the previous year. The international consumption of Coffee is growing @ 4.7% p.a. due to the strong potential for growth in exporting countries and emerging markets. Stocks and inventories are at relatively historical low levels and as such there seems to be limited potential for further downward price corrections.

The Production of Coffee in India for the season 2012 was estimated at around 315,500 MT comprising of 100,225 MT of Arabica and 215,275 MT of Robusta as compared to 314,000 MT in 2011 and as such Coffee production in India is expected to be stagnant at last year's level. A slight increase in Arabica output is likely to be offset by a small dip in Robusta production as rising input costs are expected to hit yields. The Coffee export of India during 2012-13 slipped below last year's record level by 10% to 310,612 MT due to weak global prices of Arabica and sluggish domestic stocks.



The Company produced 184,311 kgs of Coffee comprising of 76,570 kgs. of Arabica and 107,741 kgs. of Robusta during the year ended 31st March, 2013 against 259,185 kgs. comprising of 161,164 Kgs. of Arabica and 98,021 kgs. of Robusta harvested for the same period last year. Coffee prices remain subdued for the year ended 31st March, 2013. The average price for Coffee realized by the Company during the year ended 31st March, 2013 was lower at ₹ 164.41 per kg. as compared to ₹ 183.70 per kg. last year. The cost of production of Coffee has increased due to the increase in input costs. However, since the cost of production of Robusta is much lower than Arabica; labour requirement is also lesser than Arabica; and during the year prices of Robusta were almost nearing to the prices of Arabica, the Company has taken steps to convert some of Arabica growing field to Robusta growing field. The Company has also taken extensive re-plantation which will give higher yield in the years to come.

The increased world consumption of Coffee will help to maintain a fair balance between supply and demand and relatively better Coffee prices are expected. However, threat of acute labour shortage exists to the Indian Coffee growers. Weather conditions like well distributed rainfall for bearing woods for the product, blossom and the backing showers also play a vital role and at times, pose threat to the Indian Coffee growers. In the current year, drought has played a catastrophe and the blossom showers were irregular in India's major coffee growing region. Moreover, non-occurrence of "Revathi rain", popularly known by the name of rain in Karnataka, in April, this year is leading to delayed flowering and cherry formation. Although, the output of Arabica for the coming crop year will be same but the Robusta production could be lower compared to last year. However, Coffee continues to grow in popularity within the young generation in particular. The outlook of Coffee appears to be promising.



RUBBER

The global production of Natural Rubber (NR) in 2012 was estimated at 11.406 m. tons registering an increase of 3.6% from 2011. In 2013, production is projected to touch 11.771 m. tons registering an increase of 3.2%. Meanwhile, NR consumption which was around 10.946 million tonnes in 2012, is expected to touch 11.502 million tonnes in 2013, an increase of 5.9%. It is expected that consumption is likely to go up to 12.3 million tonnes in 2014. Taking the year 2012 as a whole NR production outstripped consumption by 459,000 tonnes. As a result, the implied stocks increased to 1.6 million tonnes in December 2012 and that the surplus of 2012 has been the largest in absolute tonnage terms. The apparent unresponsiveness of the supply side of the NR industry to signals from the demand side could be a reflection of an increased capacity, with an additional 220,000 hectares of tappable area available during 2012, coupled with an average price level that continues to be deemed as remunerative to smallholders. The additional capacity is the result of the surge in new planting and replanting of rubber trees that began in 2005.

India is the 4th largest producer of NR in the world and 2nd largest consumer next to China. The production of NR has progressed steadily in India over the past many decades with expansion in planted area and rejuvenation of old plantation. NR production of India during 2012 was 951,000 tonnes as against 959,000 tonnes during the previous year. The Indian consumption of NR was reduced in 2012 and 2013 by 21,000 tonnes and 15,000 tonnes to 987,000 tonnes and 985,000

tonnes respectively. The average domestic price of RSS-4 was ₹ 176.82 per kg. as against ₹ 208.05 per kg. in the previous year. The price fall in the recent past has been mainly owing to a demand recession for rubber at home and abroad arising out of the world economic downturn and a fall in demand of NR products. Fall in the sale of vehicles is one major factor causing decline in demand for tyres and tubes which account for 57% of NR consumption globally and 65% of NR consumption in India. Demand fall for vehicles and the consequent fall in demand for tyres and other auto rubber components have led to low consumption of rubber leading to the price fall around the world.

Company produced 9.45 lac kgs. of rubber during 2012-13 as against 9.56 lac kgs. during the previous year, a marginal decrease of 0.11 lakh kgs. to the previous year due to drastically reducing rainfall and rising temperature. The Company continues to focus on quality to fetch premium in the market for its product comprises of latex and skim rubber. The average price of rubber realized by the Company for 2012-13 was ₹ 177.44 per DRC kg. as against ₹ 210/- per DRC kg. last year, which was lower by ₹ 12.59 per DRC kg.

With the global economic slowdown and a serious demand recession in Europe region continuing unabated, NR prices are unlikely to move up in the near future. The volatile oil prices and speculative activities in the market place would additionally exert short term influence on the prices. Rubber plantation like all other plantation is subject to the vagaries of nature and could be affected by climate change directly due to changes in temperature, precipitation and indirectly, through changes in soil health and frequency of infestation by insects, diseases of weeds. However, barring unforeseen circumstances prospects of Rubber appears to be muted.

RISKS & CONCERN

A note on the Risk and Concerns forming part of the Management Discussion and Analysis Report is attached.

FINANCIAL HIGHLIGHTS

A note on the Highlights of Financial Performance forming part of the Management Discussion and Analysis Report is attached.

Risks and Concerns

(Forming part of the Management Discussion and Analysis Report)

Risk management is an integral process of decision making process when it comes to the business. It is the process of identification, analysis and either acceptance or mitigation of uncertainty in decision making. Risk management is a two-step process - determining what risks exist and, then, handling those risks in ways best-suited to the objectives. The Company has risk management which inter-alia provides for review of the risk assessment and mitigation procedure, laying down procedure to inform and report periodically to the Board of Directors and to ensure that the procedure is properly followed to mitigate the risks. Some of the key risks and its mitigation are illustrated below :

INDUSTRY RISK

- i) Tea, Coffee & Rubber are the agricultural products and their performance is dependent on the vagaries of nature. For Coffee, adequate rainfall for pre and post blossom is required for formation of fruits. Untimely rain during the harvest season results in crop loss and attack of berry borer. Similarly, for Tea & Rubber, timely rainfall is a pre-requisite.

Risk Mitigation

- Since timely information of weather plays a vital role for initiating steps towards application of fertilizers, chemicals and pesticides, steps are taken to get the weather information well in advance.
- Automatic weather prediction system has been installed at our Coffee Estate.
- Company is uprooting and replanting the uneconomical areas for the plantation of Tea, Coffee & Rubber in a phased manner.

- ii) Demand slowdown could dampen Company's profitability.

Risk Mitigation

- There is no additional land available which even otherwise could be converted into Tea production by the organized sectors and as such production of Tea for the next few years appears to be stagnant which may lead to demand & supply mismatch. Moreover, the domestic consumption of Tea in India is likely to have an annual growth of 3% to 4% and as such the Tea prices will remain firm.

- Similarly, Coffee prices will remain firm due to the low level of stocks especially of Robusta grade Coffee.
- The consumption is exceeding the production and supply and thus ensures an opportunity to enhance the Rubber production for the reason that the prevailing prices of the Rubber are expected to remain firm.

INDUSTRIAL RELATION RISK

The Company being labour intensive is faced with the threat of the labour unrest and labour shortage.

Risk Mitigation

- The Company has been maintaining exceptionally good relations with the labour since its inception and there have been no loss of mandays on this account. The Company expects that with the employee friendly approach being adopted by it, the industrial relations will continue to remain cordial. The Company is attempting to attract workers from the non-traditional plantation districts of Odisha, Jharkhand and Assam.
- The Company is in the process of introducing Mechanical Harvesting System.

INTELLECTUAL CAPITAL RISK

The Company may not have competent people to run the business.

Risk Mitigation

- Geared up recruitment process, focusing on prospective growth.
- Developed functional and behavioural skills through proactive training.
- Enjoys one of the lowest attrition rate in the industry.

OPERATING RISK

Operating Risk refers to things that go wrong during the Company's everyday operations. Factory breakdown or consignments of materials do not arrive on time etc.

Risk Mitigation

Operating team is available to take corrective measures for such risks when it occurs.

COMPETITION RISK

Owing to the opening of the world trade Company is faced with the menace of pressure on margins on its products more particularly, Coffee & Rubber. The prices of the finished goods are based on the movement of the international prices.

Risk Mitigation

Your Company has stepped up its focus on the quality, structural cost optimization and cost control measures.

FUNDING AND LIQUIDITY RISK

The Company may not be able to source fund for capital expenditure and to manage daily operations.

Risk Mitigation

- Your Company has large reserves and surplus to fund the capital expenditure.
- Maintains low debt-equity ratio to facilitate low-cost funds mobilization over the coming years.
- Rated "BBB" for (long-term) credit by CRISIL, providing ample scope for further fund raising.

- Your Company has enough cash for meeting the operational cash requirements.
- Managed debtors' cycle at a comfortable level.
- Maintained a quick ratio of 0.30.
- Reduced average inventory days from 30 to 45 days.

GEOPOLITICAL AND ENVIRONMENTAL RISK

War and terrorism represent a threat to disruption of entire activities of the Company. Geopolitical risk includes changes of government that might result in new and unfavourable regulations or tax regimes.

Risk Mitigation

Such risks are analysed through the expert consultant and are to be understood once risks are stemming from the global issues. Once the range of possible future crisis has been established, contingency plans can then be put in place to deal with them.

On behalf of the Board

K. C. Mohta
*Executive Director &
Chief Executive Officer*

H. Bangur
Executive Vice-Chairman

Place : Kolkata

Dated : 11th May, 2013

Financial Review

(Forming part of the Management Discussion and Analysis Report)



HIGHLIGHTS OF FINANCIAL PERFORMANCE

(₹ in Lacs)

	2012-13	2011-12
1. Net Sales	8,588.27	5,025.98
2. Operating Profit before Interest, Depreciation and Taxation	1,639.10	987.78
3. Less : Interest and Financial charges	310.40	271.81
4. Profit after Interest	1,328.70	715.97
5. Less : Depreciation	227.58	175.60
6. Profit after Depreciation	1,101.12	540.37
7. Profit before Tax	1,101.12	540.37
8. Provision for Taxes	153.22	117.50
9. Net Profit after Tax	947.90	422.87

Net Worth

Net Worth increased from ₹ 9,627.70 Lacs in the Financial Year 2011-12 to ₹ 12,982.38 Lacs in the Financial Year 2012-13.

Loan Funds

a. **Short-Term Borrowings** : Increased from ₹ 1,425.19 Lacs in the Financial Year 2011-12 to ₹ 1,685.29 Lacs in the Financial Year 2012-13.

b. **Long-Term Borrowings** : Increased from ₹ 182.44 Lacs in the Financial Year 2011-12 to ₹ 1,065.17 Lacs in the Financial Year 2012-13.

Capital Assets/Additions

Company has incurred capital expenditure amounting to ₹ 1,216.36 Lacs during the year ended 31st March, 2013 as compared to ₹ 200 Lacs for the same period last year.

Sales

Revenue from operations increased from ₹ 5,025.98 Lacs in

the Financial Year 2011-12 to ₹ 8,588.27 Lacs in the Financial Year 2012-13.

Depreciation & Amortisation Expenses

Increased from ₹ 175.60 Lacs in the Financial Year 2011-12 to ₹ 227.58 Lacs in the Financial Year 2012-13.

Profit before Depreciation, Interest and Tax

Increased from ₹ 987.78 Lacs in the Financial Year 2011-12 to ₹ 1,639.10 Lacs in the Financial Year 2012-13.

Cash Profit after Tax

Increased from ₹ 598.47 Lacs in the Financial Year 2011-12 to ₹ 1,175.48 Lacs in the Financial Year 2012-13.

Net Profit after Tax

Increased from ₹ 422.87 Lacs in the Financial Year 2011-12 to ₹ 947.90 Lacs in the Financial Year 2012-13.

On behalf of the Board

K. C. Mohta
Executive Director &
Chief Executive Officer

H. Bangur
Executive Vice-Chairman

Place : Kolkata
Dated : 11th May, 2013

Report on Corporate Governance



Pursuant To Clause 49 of the Listing Agreement a report on Corporate Governance is given below :

1. COMPANY'S GOVERNANCE PHILOSOPHY

Corporate Governance is an overarching principle of running a Company with fairness, transparency and accountability. It ensures that the Company is governed in keeping all stakeholders in mind, not just the shareholders. Over and above the prime goal of protecting shareholders' interest, the nuts and bolts of running an ethically committed business involve adequate disclosure and effective decision-making, transparency in business transactions, and statutory and legal compliances. The Corporate Governance is about commitment to values and integrity in directing the affairs of the Company and it is a collective responsibility of each of the three pillars of an enterprise - the board of directors, shareholders and management.

The Company believes and is committed to and always strives for excellence through adoptions of good corporate governance which are founded upon the core values of adherence to the ethical business practices, delegations, responsibilities and accountabilities, honesty and transparency, empowerment, independent monitoring and environmental consciousness in the functioning of the management and the Board; true, complete and timely disclosures and compliance of law, ultimately resulting in maximizing shareholders' value and protecting the interest of the other stakeholders.

2. BOARD OF DIRECTORS

The Board of Directors of the Company is headed by Shri G. D. Bangur, Chairman. The Board consists of eminent persons with considerable professional experience in industry and fields e.g. tea industry, finance, banking,

law and marketing. The present strength of the Board of Directors is eight, of which, six are Non-Executive Directors and two are the Executive Directors. The Board has four Independent Non-Executive Directors, two Promoter Non-Executive Directors (including Chairman), one Promoter Executive Vice-Chairman and one Non-Promoter Professional Executive Director.

- i. None of the Directors on the Board is a member of more than ten Committees and Chairman of more than five Committees across all companies in which they are Directors.
- ii. The Company holds a minimum of four Board Meetings in each year. The maximum time gap between any two Board Meetings was less than four months as stipulated under Clause 49.
- iii. All the divisions/departments of the Company are encouraged to plan their functions well in advance with regard to the matters requiring directions/approvals/decisions in the Board/Committee Meetings. All such matters are communicated to the Company Secretary in advance so that the same could be included in the Agenda of the Board Meeting.
- iv. The Chairman and the Company Secretary in consultation with the other concerned persons in the Senior Management finalise the Agenda Papers for the Board Meeting.
- v. The Board papers, comprising of Agenda backed by comprehensive documents, information, are circulated to the Directors in advance and, in the exceptional cases, the same is tabled at the Board Meeting. All the material information is included in the Agenda Papers for facilitating meaningful and

focused discussions at the meeting. The Board is also free to recommend the inclusion of any matters for discussion in consultation with the Chairman.

- vi. In special and exceptional circumstances, additional or supplementary item/(s) on the Agenda are permitted. Sensitive subject matters may be discussed at the meeting without written material being circulated in advance or at the meeting.

During the year under review five Board Meetings were held on 12th May, 2012, 8th August, 2012, 12th November, 2012, 28th January, 2013 & 13th February, 2013 to deliberate on various matters. The composition of the Board of Directors and their attendance at the Board Meetings during the year and at the last Annual General Meeting as also the number of other directorships in Indian public and private limited companies are as follows :

Name of Director	Attendance at last AGM	No. of Board meetings attended	Category of Director	Other Directorships	No. of Chairmanship/ Membership of Board Committees*		No. of Shares held in the Company
					Chairman	Member	
Shri G. D. Bangur	Yes	4	NEC	8	1	2	487,788
Smt. P. D. Bangur	Yes	3	NED	1	–	–	436,916
Shri H. Bangur	Yes	5	EVC	11	1	2	182,211
Shri M. K. Daga	Yes	5	ID/NED	4	1	1	–
Shri A. Ghosh*	No	3	ID/NED	15	4	7	–
Shri J. K. Surana	Yes	5	ID/NED	1	–	–	–
Shri M. M. Pyne	No	5	ID/NED	12	–	2	–
Shri K. C. Mohta	Yes	5	ED	1	–	1	–

NEC - Non-Executive Chairman EVC - Executive Vice-Chairman ID - Independent Director

NED - Non-Executive Director ED - Executive Director

- In accordance with Clause 49 of the Listing Agreement with the Stock Exchanges, chairmanship/membership of only the Audit Committee and Shareholders'/Investors' Grievance Committee of all the public limited companies have been considered.

* Shri Amitabha Ghosh, retiring from the Board by rotation at the ensuing Annual General Meeting is eligible for re-appointment but, has not offered himself for re-appointment and accordingly shall cease to be a Director upon conclusion of the ensuing Annual General Meeting.

Relationship amongst Directors :

No Director is related to any other Director on the Board in the Company except Shri G. D. Bangur, Chairman, Smt. Pushpa Devi Bangur, Director and Shri Hemant Bangur, Executive Vice-Chairman who are related to each other.

3. AUDIT COMMITTEE

The Audit Committee of the Board of Directors of the Company, inter-alia, provides assurance to the Board on the adequacy of the internal control systems and financial disclosures.

(a) Terms of Reference

The broad terms of Reference of the Audit Committee are as under :

- Reviewing the Company's financial reporting process and disclosure of financial information.

- Recommending the appointment and removal of statutory auditors, fixation of audit and other fees.
- Reviewing the quarterly and annual financial statements with primary focus on accounting policies and practices, compliance with accounting standards and legal requirements concerning financial statements.
- Reviewing the adequacy of internal control systems and internal audit function, ensuring compliance of internal control systems and reviewing the Company's financial and risk management policies.
- Reviewing the reports furnished by the internal auditors, statutory auditors and cost auditors and ensure suitable follow-up thereon.

- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to - Matters required to be included in the Directors' Responsibility Statement in the Board's report in terms of Sub-Section (2AA) of Section 217 of the Companies Act, 1956.
- Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Approving the appointment of CFO (i.e. the Wholetime Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- The Minutes of the Audit Committee Meetings are circulated to the Board and discussed at the Board Meetings.

The Audit Committee while reviewing the Annual Financial Statements also reviews the applicability of various Accounting Standards (AS) recommended by The Institute of Chartered Accountants of India and prescribed by The Companies (Accounting Standard) Rules, 2006 during the year.

(b) Composition

The Audit Committee comprises of two Independent Non-Executive Directors and one Promoter Non-Executive Director namely, Shri M. K. Daga, Shri M. M. Pyne and Shri G. D. Bangur respectively.

The Committee met 5 times during the year on May 12, 2012, August 8, 2012, November 12, 2012, January 28, 2013 and February 13, 2013. The attendance of the Members at the Audit Committee Meetings is as under :

Name of the Director	Status	No. of meetings attended
Shri M. K. Daga	Chairman	5
Shri M. M. Pyne	Member	5
Shri G. D. Bangur	Member	4

The Secretary of the Company who is also acting as Secretary of the Committee and also functioning as Chief Financial Officer of the Company attended the meetings. At the invitation of the Committee, the Statutory Auditors of the Company also attended the meetings to answer and clarify the queries raised at the meetings.

(c) Internal Audit

The Company has an internal audit system which is conducted by an independent Chartered Accountant firm which submits its report to the Chairman/Executive Vice-Chairman of the Company. Company's system of internal control covering financial, operational, compliances, IT applications are reviewed time to time by the experts and the findings of such review are reported to the Chief Executive Officer & Executive Director of the Company.

4. REMUNERATION COMMITTEE

Though constitution of the Remuneration Committee is not mandatory, the Company has constituted the Remuneration Committee to recommend/review remuneration of Executive Vice-Chairman/Wholetime Director/Directors and such other matters as the Board may from time to time request the Remuneration Committee to examine and recommend/approve.

(a) Terms of Reference

The broad terms of Reference of the Remuneration Committee are as under :

- Reviewing the overall compensation policy, service agreements and other employment conditions of Executive Vice-Chairman and Wholetime Director.
- Reviewing the performance of the Executive Vice-Chairman and Wholetime Director and recommending to the Board, the quantum of annual increments and annual commission.
- Approving and recommending to the Board, the remuneration and commission payable to the Directors.

(b) Composition

The Remuneration Committee comprises of three Independent Non-Executive Directors and one Promoter Non-Executive Director namely

Shri J. K. Surana, Shri M. M. Pyne, Shri M. K. Daga and Shri G.D. Bangur respectively.

During the year under review, the Committee met twice on 7th August, 2012 and 10th November, 2012. The attendance of the Members at the Remuneration Committee Meeting is as under :

Name of the Director	Status	No. of meetings attended
Shri J. K. Surana	Chairman	2
Shri M. M. Pyne	Member	2
Shri G. D. Bangur	Member	2
Shri M. K. Daga	Member	2

The Secretary of the Company who is also acting as Secretary of the Committee attended the meeting.

(c) Remuneration Policy

The remuneration policy of the Company is directed towards rewarding performance, based on review

of achievements on a periodical basis. The remuneration policy is in consonance with the existing Industry practice.

The Executive Vice-Chairman and the Wholetime Director are paid remuneration as per their agreements with the Company. These agreements are placed for approval before the Board and the shareholders and such other authorities as may be necessary. The remuneration structure of the Executive Vice-Chairman and the Wholetime Director comprises of salary, commission, perquisites and other benefits. There are no stock option benefits to any of the Directors.

The Executive Vice-Chairman and the Wholetime Director are not paid sitting fee for attending meetings of the Board or Committees thereof. Other Directors are being paid a sitting fee of ₹ 5,000/- for attending each Board Meeting and ₹ 2,000/- for attending each Committee Meeting.

Details of Remuneration Paid/Payable to all the Directors for the year ended 31st March, 2013 :

(Amount in ₹)

Name of the Director	Salary	Perquisites and other benefits	Sitting Fees*	Total
Shri G. D. Bangur	–	–	64,000	64,000
Smt. P. D. Bangur	–	–	15,000	15,000
Shri H. Bangur	4,800,000	3,174,429	–	7,974,429
Shri M. K. Daga	–	–	41,000	41,000
Shri A. Ghosh	–	–	15,000	15,000
Shri J. K. Surana	–	–	29,000	29,000
Shri M. M. Pyne	–	–	73,000	73,000
Shri K. C. Mohta	2,400,000	1,776,315	–	4,176,315

* Includes Sitting Fee paid for Committee Meetings.

Details of Agreement

Name	From	To	Tenure	Capacity
Shri H. Bangur *	08.08.2012	07.08.2017	5 years	As Executive Vice-Chairman
Shri K. C. Mohta *	04.05.2012	03.05.2017	5 years	As Executive Director

* For termination of agreement, the Company and the Executive Vice-Chairman and the Wholetime Director are required to give a notice of six months or six months' salary in lieu thereof.

5. SHARE TRANSFER AND SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

(a) Functions

The Investors' Grievance Committee of the Board, under the nomenclature 'Share Transfer And Shareholders'/ Investors' Grievance Committee', approves transfer/transmission/rematerialisation of shares; consolidation/splitting of folios; issue of duplicate share certificates etc. and oversees redressal of shareholder and investor grievances e.g. transfer or credit of shares, non-receipt of dividend/notice/annual reports, etc.

(b) Terms of Reference

The broad terms of Reference of the Share Transfer and Shareholders'/Investors' Grievance Committee are as under :

- transfer/transmission/transposition of shares;
- consolidation/splitting of folios;
- issue of share certificates for lost, sub-divided, consolidated, rematerialized, defaced, etc.;
- review of shares dematerialized and all other related matters;
- investors' grievances and redressal mechanism and recommend measures to improve the level of investor services.

(c) Composition

The Share Transfer and Shareholders'/Investors' Grievance Committee comprises of one Promoter Non-Executive Director, one Independent Non-Executive Director and one Professional Non-Promoter Executive Director & Chief Executive Officer namely Shri G. D. Bangur, Shri M. M. Pyne and Shri K. C. Mohta respectively. Shri S. Bagree, Manager (Finance) & Company Secretary, is the Compliance Officer of the Company.

During the year under review, 16 (Sixteen) Share Transfer And Shareholders'/Investors' Grievance Committee Meetings were held. The attendance of the Members at the Share Transfer And Shareholders'/Investors' Grievance Committee

Pending at the beginning of the year	Received during the year	Redressed/Replied during the year	Pending at the year end
Nil	Nil	Nil	Nil

The normal period of redressal of grievance is two weeks from the date of receipt of letters/complaints. There was no unresolved complaint as on 31st March, 2013. There were no share transfers pending for registration on 31st March, 2013.

Email Id for the redressal of investors' grievance is cs@joonktolleetea.in.

6. ISSUE & ALLOTMENT COMMITTEE**(a) Functions**

The Issue & Allotment Committee of the Board considers and approves issue and allotment of shares under agreed scheme e.g. Rights Issue, Bonus Issue, Capitalization or any other scheme as approved by the Board.

Meeting is as under :

Name of the Director	Status	No. of meetings attended
Shri G. D. Bangur	Chairman	16
Shri M. M. Pyne	Member	16
Shri K. C. Mohta	Member	16

The Secretary of the Company who is also acting as Secretary of the Committee attended the meetings.

The Board of Directors have authorized the Secretary to approve the transfer/transmission/rematerialisation of shares which are properly processed and related formalities are done by the Registrar & Share Transfer Agent, M/s. Maheshwari Datamatics Pvt. Ltd., Kolkata. A statement is prepared showing such transfer/transmission/ rematerialisation and also sub-division, consolidation of share certificates, issue of duplicate share certificates etc. by the Company Secretary, who is also acting as Compliance Officer, in consultation with the Registrar & Share Transfer Agent and the same is placed fortnightly before the Committee. On approval of the Committee, necessary effects to such transfer/transmission/rematerialisation etc., are given. The Committee also keeps a close watch on all the complaints/grievances from the shareholders which were duly attended. Details of Complaints received, redressed and pending during the financial year and reported under Clause 41 of the Listing Agreement are as under :

(b) Terms of Reference

The broad terms of Reference of the Issue & Allotment Committee are as under :

- notifying Registrar & Share Transfer Agents of the Company to issue share certificates for the shares to be allotted pursuant to any agreed scheme;
- notifying the stock exchange(s) for issue and allotment of shares;
- notifying the Registrar of Companies for issue and allotment of shares, through return of allotment;
- taking up any other duties as determined by the Board from time to time.

(c) Composition

The Issue and Allotment Committee comprises of one Promoter Executive Director and two Independent Non-Executive Directors namely Shri H. Bangur, Shri M. M. Pyne and Shri M. K. Daga respectively.

During the year under review, the Committee met

on 18th February, 2013 and allotted 885,954 equity shares of the Company to the Shareholders of M/s. The Cochin Malabar Estates & Industries Limited in terms of the Scheme of Arrangement approved by the Hon'ble High Court of Calcutta vide its order dated 3rd December, 2012. The attendance of the Members at the Issue and Allotment Committee Meeting is as under :

Name of the Director	Status	No. of meetings attended
Shri H. Bangur	Chairman	1
Shri M. K. Daga	Member	1
Shri M. M. Pyne	Member	1

The Secretary of the Company who is also acting as Secretary of the Committee attended the meeting.

7. GENERAL BODY MEETINGS

Last Three Annual General Meetings of the Company were held as under :

Financial Year	Date of Meeting	Time	Location
2009-2010	29th September, 2010	10.15 a.m.	Shripati Singhanian Hall, Rotary Sadan 94/2, Chowringhee Road, Kolkata - 700 020
2010-2011	28th September, 2011	10.15 a.m.	Shripati Singhanian Hall, Rotary Sadan 94/2, Chowringhee Road, Kolkata - 700 020
2011-2012	21st December, 2012	10.15 a.m.	Shripati Singhanian Hall, Rotary Sadan 94/2, Chowringhee Road, Kolkata - 700 020

- At the Annual General Meeting held on 29th September, 2010 shareholders have considered re-appointment and remuneration of Shri H. Bangur as Executive Vice Chairman with effect from 1st May, 2010 for three years.
- A special resolution pursuant to Section 309 of the Companies Act, 1956 was passed by the Company at the Annual General Meeting held on 29th September, 2010 for payment of commission to the Directors of the Company other than the Executive Vice-Chairman and the Executive Director for each year for a period of five years commencing from 1st April, 2010 as determined by the Board from time to time (to be divided equally among all the Non-Executive Directors) not exceeding 1% of the net profit of the Company in any financial year computed in the manner provided in Section 198(1) of the Companies Act, 1956.
- A special resolution was passed by the Company at the Annual General Meeting held on 28th September, 2011 amending the articles of association, pursuant to Section 31 of the Companies Act, 1956, for increasing the number of Directors from seven to twelve until otherwise determined by the Company in General Meeting.
- The last Annual General Meeting held on 21st December, 2012 was duly attended by the Chairman of the Audit Committee, Shri M. K. Daga.
- During the year a court convened meeting was held on 5th April, 2012 to consider the Scheme of Arrangement whereby the Cochin Plantation Division of The Cochin Malabar Estates & Industries Ltd. to demerge from The Cochin Malabar Estates & Industries Ltd. and to merge with Joonktolle Tea And Industries Ltd.
- During the Financial Year ended 31/03/2013, following resolutions were passed through Postal Ballot in accordance with the procedures as prescribed in Section 192A of the Companies Act, 1956 read with Companies (Passing of Resolution by Postal Ballot) Rules, 2011 -

a) Particulars of Resolution	Resolution passed on	Applicable Section of the Companies Act, 1956	No. and % of Votes in favour	No. and % of Votes against
Special Resolution Re-appointment of Shri K.C.Mohta as Executive Director and Chief Executive Officer w.e.f. 04.05.12.	24.05.2012	Section 198 and all other applicable provisions, if any	2,134,880 99.99%	4 0.01%

Ms. Sweety Kapoor, a Practising Company Secretary, appointed as the Scrutinizer, conducted the Postal Ballot voting process.

b) Particulars of Resolution	Resolution passed on	Applicable Section of the Companies Act, 1956	No. and % of Votes in favour	No. and % of Votes against
Ordinary Resolution Authorising the Board to secure the assets against its borrowings	05.11.2012	Section 293(1)(a) and all other applicable Provisions, if any	2,699,407 99.98%	6 0.02%
Special Resolution Re-appointment of Shri H. Bangur as Managing Director to be designated as Executive Vice-Chairman w.e.f. 08.08.12.	05.11.2012	Section 198 and all other applicable Provisions, if any	2,699,407 99.99%	4 0.01%

Mr. S. K. Jain, a Practising Company Secretary, appointed as the Scrutinizer conducted the Postal Ballot voting process.

8. DISCLOSURES

(a) Related Party Transactions :

There are no materially significant related party transactions made by the Company with its Promoters, Directors or Management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large.

(b) Non-compliance/strictures/penalties imposed :

No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets for non-compliance by the Company during the last three years.

(c) Accounting Treatment :

Compliance of the Accounting Standards as applicable to the Company has been ensured in the Financial Statements for the year ended March 31, 2013.

(d) Risk Management :

Risk evaluation and management is an ongoing process within the organization and the Board of Directors is informed time to time accordingly.

(e) Whistle Blower Policy and Affirmation that no personnel has been denied access to the Audit Committee :

Company has not adopted any Whistle Blower Policy. Company however, recognizes the importance of reporting to the management by any employee at any level about the unethical behavior or suspected fraud in violation of Company's Code of Conduct or any other point of concern.

(f) Code of Conduct :

The Board of Directors has adopted the Code of Conduct and Ethics for Directors and Senior Management. The said Code has been communicated

to the Directors and the members of the Senior Management. For the purpose of this Code, Sr. Management would comprise Members of the management one level below the Executive Director, including all functional heads. For the year under review, all the Directors and the Sr. Management Personnel of the Company have confirmed their adherence to the provisions of this Code on an annual basis. A declaration to this effect given by the Executive Director & Chief Executive Officer of the Company is annexed alongwith this report. The Code has been posted on the website of the Company, www.joonktolletea.in.

(g) **Insider Trading :**

The Company has adopted the Code of Internal Procedures and Conduct as required under SEBI (Prohibition of Insider Trading) Regulations, 1992 for prevention of any unauthorized trading in the shares of the Company by insiders. Shri S. Bagree, Manager (Finance) & Company Secretary, is the Compliance Officer for the purpose of this regulation.

(h) **CEO / CFO Certification :**

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) certification, on financial statements has been issued pursuant to the provisions of Clause 49 of the Listing Agreement and is annexed to the Corporate Governance Report and forms part of the Annual Report.

(i) **Review of Directors' Responsibility Statement :**

The Board in its report has confirmed that the Annual Accounts of the Company for the year ended 31st March, 2013 have been prepared as per the Accounting Standard and Policies.

(j) **Subsidiaries :**

Non-listed Subsidiary

The Company has three Non-material Non-listed Subsidiary Companies. It has appointed independent directors of the Company in each of such Subsidiary Companies. The Minutes of the meetings of the Board of Directors of these Subsidiary Companies are periodically placed before the Board of Directors of the Company and attention of the Directors is drawn to the significant transactions and arrangements entered into by the Subsidiary Companies.

Listed Subsidiary

The Company has one Board controlled Listed Subsidiary Company. Shri H. Bangur, Executive Vice-Chairman of the Company, is the Chairman of the above Subsidiary Company. The quarterly financials and performance and significant transactions and arrangements entered into by the above Subsidiary Company are regularly placed before the Board Meeting of the Company and the Board members are fully informed about the activities and working of the above Subsidiary Company.

(k) **Compliance with Corporate Governance Norms :**

The Company has complied with all the mandatory requirements of the Code of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchange(s). The Company has submitted the compliance report in the prescribed format to the Stock Exchange(s) for the quarters ended 30th June, 2012, 30th September, 2012, 31st December, 2012 and 31st March, 2013. A Practicing Company Secretary has certified that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreements with the Stock Exchange(s). The said certificate is annexed to this Report and will be forwarded to the Stock Exchange(s) and the Registrar of Companies, West Bengal along with the Annual Report.

(l) **Corporate Governance Voluntary Guidelines 2009 :**

The Ministry of Corporate Affairs in the year 2009 announced a set of voluntary guidelines on Corporate Governance. The Company in line with its stated policy of being committed to the principles and practices of good Corporate Governance, is in compliance with many of these guidelines, as reported in the earlier paragraphs.

9. MEANS OF COMMUNICATION

- (a) As the quarterly and annual audited financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board/Committee and published in 'The Economic Times' and 'Arthik Lipi', the same are not separately sent to each household of shareholders.
- (b) The results are being uploaded on the website at

<http://www.joonktolleetea.in>. Distribution of share-holdings is also displayed on the website.

- (c) Company has not made any official news release and presentations to any institutional investors/analysts during the year.

(d) **SEBI Complaints Redress System (SCORES) :**

The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

10. NON-MANDATORY REQUIREMENTS

- (a) Company has a Non-Executive Chairman on its Board.
- (b) The tenure of the independent directors is not being restricted to the period of 9 years in aggregate since the Board of Directors is unanimously of the opinion that the length of the tenure on the Board would not have any material negative impact of the performance of the independent directors and discharge of their duties towards the Company.

- (c) There are no qualifications in the Audit Report for the year 2012-13.

- (d) The Directors are kept informed of the latest developments in laws, rules and regulations and are also informed day-to-day activities of the Company. The business model of the Company as well as risk profile of the business parameters of the Company and their responsibility as a director are also informed to them and they are fully aware of the same. The need for the formal training on this issue therefore, is not felt necessary at present.

- (e) Company has not adopted other non-mandatory requirements as specified in Annexure-1D of Clause 49 of the Listing Agreement.

11. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report has been discussed in the Directors' Report.

12. GENERAL SHAREHOLDER INFORMATION

The required information under Clause 49 of the Listing Agreement under this heading is given in the "Shareholder Information" separately in the annexure to this Corporate Governance Report.

On behalf of the Board

K. C. Mohta
*Executive Director &
Chief Executive Officer*

H. Bangur
Executive Vice-Chairman

Place : Kolkata

Dated : 11th May, 2013

DECLARATION BY THE EXECUTIVE DIRECTOR & CHIEF EXECUTIVE OFFICER ON CODE OF CONDUCT

This is to certify that all the Members of the Board of Directors and Senior Management (i.e. one level below the Executive Director) of the Company, have confirmed compliance with the Company's Code of Conduct during April, 2012 to March, 2013.

For **JOONKTOLLEE TEA & INDUSTRIES LTD.**

Place : Kolkata
Dated : 11th May, 2013

K. C. Mohta
*Executive Director &
Chief Executive Officer*

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

To
The Members of
Joonktolle Tea & Industries Ltd.

I have examined the compliance of the conditions of Corporate Governance by Joonktolle Tea & Industries Ltd. for the financial year ended 31st March, 2013 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. My examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.

In my opinion and based on the relevant records and documents maintained by the Company and furnished to me for the review and information and explanations given to me by the Company, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

I 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
Dated : 11th May, 2013

Sweety Kapoor
Practising Company Secretary
Membership No. FCS 6410, C. P. No. 5738

CEO AND CFO CERTIFICATION

We, K.C. Mohta, Executive Director & Chief Executive Officer and S. Bagree, Chief Financial Officer of Joonktollee Tea & Industries Limited, to the best of our knowledge and belief, certify that :

- a) We have reviewed the Balance Sheet and the Statement of Profit and Loss (standalone and consolidated) and all the notes on accounts, as well as the Cash Flow statements for the year ended 31st March, 2013.
- b) Based on our knowledge and information, these statements do not contain any materially untrue statement or omit to state any material fact necessary to make the statements.
- c) Based on our knowledge and information, these statements, and other financial information included in this report, present in all material respects, a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as of, and for the year ended 31st March, 2013, and are in compliance with the existing accounting standards and/or applicable laws and regulations.
- d) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2013 are fraudulent, illegal or violative of the Company's code of conduct.
- e) We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and we have :
 - i) Designed such disclosure controls and procedures to ensure that material information relating to the Company, including its subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared.
 - ii) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with existing accounting standards and/or applicable laws and regulations.
 - iii) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the Company's fiscal year that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.
- f) We have disclosed based on our knowledge and information, wherever applicable, to the Company's auditors and the audit committee of the Company's Board of Directors (and persons performing the equivalent functions) :
 - i) There were no deficiencies in the design or operation of internal controls, that could adversely affect the Company's ability to record, process, summarize and report financial data, and there have been no material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.
 - ii) There were no significant changes in the internal controls during the year covered by this report.
 - iii) All significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements for the year 2012-13.
 - iv) There were no instances of fraud of which we are aware, that involve the management or other employees who have significant role in the Company's internal control system.
- g) We affirm that we have not denied any personnel access to the audit committee of the Company (in respect of matters involving alleged misconduct).

For **JOONKTOLLEE TEA & INDUSTRIES LTD.**

Place : Kolkata
Date : 11th May, 2013

S. Bagree
Chief Financial Officer

K. C. Mohta
*Executive Director &
Chief Executive Officer*

Shareholder Information



(i) Company Registration Details :

The Company is registered in the State of West Bengal, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L01132WB1900PLC000292.

(ii) Annual General Meeting :

Day	Date	Time	Venue
Saturday	August 31, 2013	11.15 A.M.	"Shripati Singhanian Hall" Rotary Sadan, 94/2, Chowringhee Road Kolkata - 700 020

(iii) Financial Year : April 1, 2013 to March 31, 2014.

(iv) Financial Calendar (tentative) :

June 30, 2013	Second week of August, 2013
September 30, 2013	Second week of November, 2013
December 31, 2013	Second week of February, 2014
March 31, 2014	Within May, 2014

(v) Date of Book Closure :

Day	Date	To	Day	Date
Friday	August 23, 2013		Saturday	August 31, 2013

(vi) Dividend Payment Date :

Credit/dispatch of dividend warrants between **September 2, 2013 to September 7, 2013.**

(vii) Listing on Stock Exchanges :

A) Equity Shares

The Calcutta Stock Exchange Ltd.
7, Lyons Range, Kolkata-700 001
Scrip Code : 10020009

BSE Limited (BSE)
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400 001
Scrip Code : 590079 (permitted category)

The Company is in the process of making application for listing of its shares in terms of the Scheme of Arrangement approved by the Hon'ble High Court, Calcutta vide its order dated December 3, 2012.

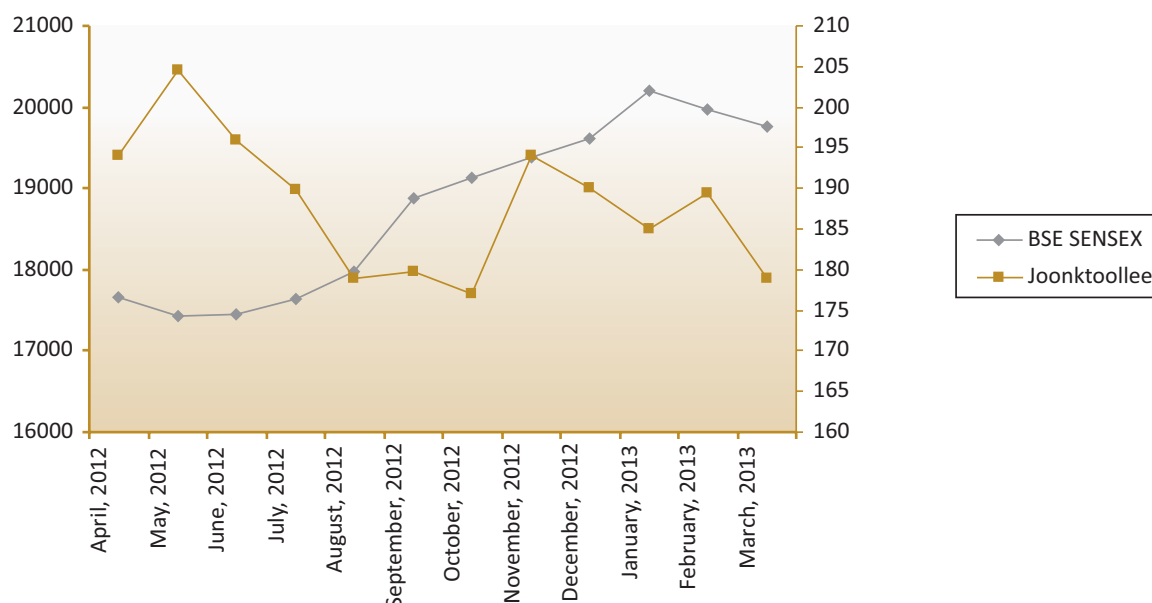
Demat ISIN No. for NSDL & CDSL : INE574G01013

- B) Payment of Listing Fees :** Annual listing fees for the year 2013-14 has been paid by the company to CSE.
- C) Payment of Depository Fees :** Annual Custody/Issuer fee for the year 2013-14 has been paid by the Company to NSDL and CDSL.

(viii) Stock Market Price Data :

There were no transactions in the equity shares of the Company at The Calcutta Stock Exchange, hence there is no monthly high and low quotations and volume of shares traded on the Stock Exchange during the year. However, the month-wise high, low of the market price of the Company's shares traded on Bombay Stock Exchange along with month-wise high, low of the BSE SENSEX are as under :

Months	Stock Price at BSE		BSE SENSEX	
	High (₹)	Low (₹)	High	Low
April, 2012	194.00	168.50	17664.10	17010.16
May, 2012	204.50	168.00	17432.33	15809.71
June, 2012	196.00	162.50	17448.48	15748.98
July, 2012	189.80	174.00	17631.19	16598.48
August, 2012	179.00	163.05	17972.54	17026.97
September, 2012	179.85	160.00	18869.94	17250.80
October, 2012	177.00	160.00	19137.29	18393.42
November, 2012	193.95	160.05	19372.70	18255.69
December, 2012	190.00	171.15	19612.18	19149.03
January, 2013	185.00	171.10	20203.66	19508.93
February, 2013	189.45	150.15	19966.69	18793.97
March, 2013	178.90	141.00	19754.66	18568.43



(ix) Registrar and Share Transfer Agent :

The Company has appointed M/s. Maheshwari Datamatics Pvt. Ltd. as its Registrar & Share Transfer Agents (RTA) for handling work related to share registry in terms of both physical and electronic modes. Accordingly, all correspondence, shares for transfer, demat/remat requests and other communication in relation thereto should be mailed/hand delivered to the said RTA directly at the following address :

M/s. Maheshwari Datamatics Pvt. Ltd.
6, Mangoe Lane, 2nd Floor,
Kolkata - 700 001
Phone : 91 33 2243-5029/5809
Fax No.: 91 33 2248-4787
E-mail : mdpl@cal.vsnl.net.in

(x) Share Transfer System :

Requests for transfer/transmission of shares are registered by the Registrars and placed before the Share Transfer And Shareholders'/Investors' Grievance Committee and after approval certificates are returned to the respective transferee within a period of fifteen days normally, provided the documents lodged with the Registrars/Company are clear and complete in all respects. A total of 3,332 shares were transferred/transmitted/ rematerialized / sub-divided / endorsed during the year 2012-13. The dematerialized shares are credited directly to the respective Demat Account of beneficiaries by the Depositories.

(xi) A) Distribution of Shareholding as on March 31, 2013 :

Category	No. of Shares Held	% of Share Capital
A. PROMOTER'S HOLDING		
1. Promoters		
a. Indian Promoters	3051068	73.6581
b. Foreign Promoters	–	–
Total	3051068	73.6581
B. NON-PROMOTER'S HOLDING		
2. Institutional Investors		
a. Mutual Funds	–	–
b. Banks, Financial Institutions, Insurance Companies	258378	6.2377
c. FIIs	–	–
Total	258378	6.2377
3. OTHERS		
a. Bodies Corporate	73415	1.7724
b. Indian Public	725524	17.5154
c. NRIs/OCBs	17268	0.4169
d. Any Other	16548	0.3995
Total	832755	20.1042
GRAND TOTAL	4142201	100.0000

B) Shareholding Pattern by Size as on March 31, 2013 :

Category	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Shareholding
Upto 500	4161	95.4577	278414	6.7214
501 to 1000	97	2.2253	68308	1.6491
1001 to 2000	43	0.9865	57117	1.3789
2001 to 3000	17	0.3900	41980	1.0135
3001 to 4000	3	0.0688	10210	0.2465
4001 to 5000	3	0.0688	14175	0.3422
5001 to 10000	9	0.2065	63659	1.5368
10001 and above	26	0.5965	3608338	87.1116
GRAND TOTAL	4359	100.0000	4142201	100.0000

C) Build up of Equity Share Capital :

Sl. No.	Particulars	Allotment Date	No. of Shares
1	Subscribers to Memorandum	Aug, 1874	7
2	73 Equity Shares of ₹ 1,000/- each	Jan, 1875	73
3	Sub-divided into 8,000 Equity Shares of ₹ 10/- each	Jun, 1915	8000
4	Issue of 4,000 Equity Shares	Nov, 1947	4000
5	Bonus Issue	Dec, 1957	48000
6	Bonus Issue	Jun, 1961	60000
7	Bonus Issue	May, 1967	30000
8	Bonus Issue	Jun, 1974	50000
9	Bonus Issue	May, 1977	100000
10	Bonus Issue	Sep, 1999	150000
11	Issued to Shareholders of Kalasa Tea & Produce Co. Ltd. pursuant to Scheme of Amalgamation	Apr, 2002	351825
12	Issued to Shareholders of Cowcoody Estates Ltd. pursuant to Scheme of Amalgamation	Apr, 2002	294163
13	Scheme of Arrangement & Amalgamation	Nov, 2008	2137659
14	Issued to Shareholders of Jamirah Tea Co. Ltd. pursuant to Scheme of Amalgamation	Aug, 2010	22600
15	Issued to Shareholders of The Cochin Malabar Estates and Industries Ltd. pursuant to Scheme of Amalgamation	Feb, 2013	885954
	Total Equity as on 31st March, 2013		4142201

(xii) Corporate Benefits to Investors :**A) Dividend Declared for the last 10 Years :**

Financial Year	Dividend Declaration	Dividend per Share (₹)
2002-03	27th September, 2003	1.00
2003-04	25th September, 2004	1.00
2004-05	5th September, 2005	1.50
2005-06	23rd September, 2006	1.50
2006-07	22nd December, 2007	1.50
2007-08	29th November, 2008	1.50
2008-09	2nd September, 2009	1.50
2009-10	29th September, 2010	2.50
2010-11	28th September, 2011	2.50
2011-12	21st December, 2012	2.50

Note : Dividend of ₹ 3/- per share recommended by the Directors on 11th May, 2013 is subject to declaration by the Shareholders at the Annual General Meeting.

B) Bonus Issues of Fully Paid-up Equity Shares :

Financial Year	Ratio
1957-58	1:4
1961-62	1:1
1967-68	4:1
1974-75	3:1
1977-78	2:1
1999-00	2:1

C) Shares issued on Scheme of Arrangement :

Consequent upon the Scheme of Arrangement of The Cochin Malabar Estates & Industries Ltd., a Subsidiary of the Company, approved by the Hon'ble High Court at Calcutta vide its order dated 3rd December, 2012 the Shareholders of The Cochin Malabar Estates And Industries Ltd. were allotted 885,954 Equity Shares of the Company in the ratio of one equity share of the Company for every two equity shares held by them.

(xiii) Dematerialisation of Shares and Liquidity :

As per notifications issued by the Securities and Exchange Board of India (SEBI), the trading in Company's shares on the Stock Exchange is permitted only in dematerialized form. In order to enable the shareholders to hold their share in electronic form and to facilitate scripless trading, the Company has entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby shareholders have the option to dematerialize their shares with either of the Depositories.

Status of Dematerialisation as on 31st March, 2013 was as under :

Particulars	No. of Shares	% to Total Capital	No. of Accounts
National Securities Depository Limited	1999308	48.2668	1367
Central Depository Services (India) Limited	1594019	38.4824	642
Total Dematerialised	3593327	86.7492	2009
Physical	548874	13.2508	2350
Grand Total	4142201	100.0000	4359

(xiv) Transfer of unpaid/unclaimed amounts to Investor Education and Protection Fund :

During the year under review, the Company has credited ₹ 73,592/- lying in the unpaid/unclaimed dividend account, to the Investor Education and Protection Fund (IEPF) pursuant to Section 205C of the Companies Act, 1956 read with the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on December 21, 2012 (date of last Annual General Meeting) on the website of the Company (www.joonktolleetea.in), as also on the Ministry of Corporate Affairs website.

(xv) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion date and likely impact on Equity :

The Company did not have any outstanding GDRs/ADRs/Warrants or Convertible Instruments as on 31st March, 2013.

(xvi) Reconciliation of Share Capital :

As stipulated by SEBI, a Qualified Practising Company Secretary carries out Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The Audit confirms that the total Listed and Paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form and in physical form.

(xvii) Locations :

A. The Company's Tea/Coffee/Rubber Estates and Factories are located at :

TEA

Joonktolle Tea Estate & Factory

P.O. Barbam - 786 624
 Dist. Dibrugarh, Assam

Jamirah Tea Estate & Factory

P.O. Dibrugarh - 786 001
 Dist. Dibrugarh, Assam

Nilmoni Tea Estate

P.O. Tinkhong - 786 112
 Rajgarh, Assam

Shree Ganga Tea Estate

P.O. Barbam - 786 624
 Dist. Dibrugarh, Assam

Shreemoni Tea Factory

P.O. Tinkhong - 786 112
 Rajgarh, Assam

Goomankhan Tea Estate & Factory

P.O. Hirebile - 577121
 Dist. Chikmagalur, Karnataka

Kolahalmedu Tea Estate

P.O. Pullikanam - 685 503
 Vagamon Post
 Dist. Idukki, Kerala

Pullikanam Tea Estate & Factory

P.O. Pullikanam - 685 503
 Vagamon Post
 Dist. Idukki, Kerala

COFFEE

Cowcoody Estate & Factory

Somwarpet - 571236
 Dist. Coorg, Karnataka

RUBBER

Chemoni, Pudukad & Ichipara Estate & Factory

P.O. Palapilly - 680 304
 Dist. Trichur, Kerala

B. Subsidiary Company's Rubber Estate and Factory is located at :

The Cochin Malabar Estates & Industries Ltd.

RUBBER

Kinalur Estate & Rubber Wood Factory

P.O. Balussery - 673 612
 Dist. Kozhildie, Kerala

C. Administrative Offices are located at :

KOLKATA

21, Strand Road
Kolkata - 700 001
West Bengal

COIMBATORE

Post Box No. 3837
234-A, Race Course Road
Coimbatore - 641 018, Tamil Nadu

D. Branches/Sales Depots are located at :

AHMEDABAD

C-303-306, Supath II
Near Usmanpura, Ashram Road
Ahmedabad - 380 013
Gujarat

HUBLI

C.T.S. No.1730, House No.6938,
"Hondonnar Building", Chelinarvar Oni
Veerapur Road, Hubli - 580 020
Karnataka

JAIPUR

"KHETAN BHAVAN", M.I. Road
Jaipur - 302 001
Rajasthan

MUMBAI

45/46, Ali Chambers
N. M. Road, Mumbai - 400 023
Maharashtra

(xviii) Address for Correspondence :**Physical Shares**

Maheshwari Datamatics Pvt. Ltd.
6, Mangoe Lane, 2nd Floor
Kolkata-700 001
Phone : 91 33 2243-5029/5809
Fax : 91 33 2248-4787
E-mail : mdpl@cal.vsnl.net.in

Demat Shares

Respective Depository Participants of the shareholders.

Investors may also write to or contact Mr. S. Bagree, Manager (Finance) & Company Secretary at the Registered Office for any assistance that they may need.

Phone : 91 33 2230-0780
Fax : 91 33 2230-2105
E-mail : cs@joonktolleetea.in

Addresses of regulatory authority/stock exchanges**Securities and Exchange Board of India**

Plot No.C40A, G Block, Bandra Kurla Complex
Bandra (East), Mumbai 400 051
Telephone No. 91 22 2644 9000 / 91 22 4045 9000
Fax No. 91 22 2644 9016 - 20 / 91 22 4045 9016 - 20

The Calcutta Stock Exchange Ltd.

7, Lyons Range, Kolkata - 700 001
Telephone No. 91 33 4025 3000
Fax No. 91 33 4025 3030

Bombay Stock Exchange Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400 001
Scrip Code : 590079 (permitted category)
Telephone No. 91 22 2272 1234
Fax No. 91 22 2272 2082

National Securities Depository Limited

Trade World, A Wing, 4th and 5th Floor
Kamala Mills Compound
Senapathi Bapat Marg, Lower Parel
Mumbai 400 013
Telephone No. 91 22 2499 4200
Fax No. 91 22 2497 6351

Central Depository Services (India) Limited

Phiroze Jeejeebhoy Towers, 17th Floor
Dalal Street, Fort, Mumbai 400 001
Telephone No. 91 22 2272 3333
Fax No. 91 22 2272 3199

(xix) Brief resume of Director seeking appointment/re-appointment :

The resume and other details of the Director seeking appointment/re-appointment as required to be disclosed under clause 49 of the Listing Agreement is provided in the AGM Notice attached with this Annual Report.

(xx) Compliance Certificate of the Auditors :

Certificate from Ms. Sweety Kapoor, a practicing Company Secretary, confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49, is attached to the Corporate Governance Report forming part of the Directors' Report.

This Certificate has also been forwarded to the Stock Exchanges where the securities of the Company are listed.

On behalf of the Board

Place : Kolkata
Dated : 11th May, 2013

K. C. Mohta
*Executive Director &
Chief Executive Officer*

H. Bangur
Executive Vice-Chairman

Secretarial Audit Report

To

The Board of Directors,

M/s. Joonktolle Tea & Industries Limited

21, Strand Road, Kolkata - 700 001

I have examined the registers, records and documents of Messrs. Joonktolle Tea & Industries Limited (the 'Company') for the financial year ended on 31st March, 2013 according to the provisions of -

- The Companies Act, 1956 and the Rules made thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-Laws framed under that Act;
- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (the 'SEBI Act')
- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- The Securities Contract (Regulations) Act, 1956 (SCRA) and the Rules made thereunder;
- The Equity Listing Agreement with Calcutta Stock Exchange Ltd. and the Permission to trade at the Bombay Stock Exchange Ltd.

1. Based on my examination and verification of the registers records and documents produced to me and according to the information and explanations given to me by the Company, I report that the Company has, in my opinion, complied with the provisions of the Companies Act, 1956 (the 'Act') and the Rules made there under and the Memorandum and Articles of Association of the Company, with regard to :

- a) Maintenance of various statutory registers and documents and making necessary entries therein;
- b) Closure of the Register of Members. As there are no debentures standing in the books of the company there is no Debenture holders Register;

- c) Forms, returns, documents and resolutions required to be filed with the Registrar of Companies;
- d) Service of documents by the Company on its Members, and the Registrar of Companies, West Bengal;
- e) Notice of Board meetings and Committee meetings of directors;
- f) The meeting of the Directors and Committees of directors including passing of resolutions by circulations;
- g) The 138th Annual General Meeting held on 21st December, 2012;
- h) Minutes of the proceedings of General Meeting and of Board and its Committee meetings;
- i) Approvals of members, the Board of Directors, the Committee of Directors and government authorities wherever required;
- j) Constitutions of the Board of Directors / Committee(s) of Directors and appointment, retirement and re-appointment of Directors including the Executive Vice-Chairman and Whole Time Director;
- k) Payment of remuneration to the Directors including the Executive Vice-Chairman and Whole Time Directors;
- l) Appointment and remuneration of Cost Auditors. Since no Cost Audit was ordered by the Central Government there was no question of appointment of Cost Auditors;
- m) Transfers and transmission of the Company's shares, issue and allotment of shares and issue and delivery of original and duplicate certificates of shares.
- n) Declaration of and payment of Dividend;
- o) Transfer of certain amounts as required under

the Companies Act, 1956 to the Investor Education and Protection Fund;

- p) Borrowings and registration, modification and satisfaction of charges;
- q) Investment of the company's funds including inter corporate loans and investments and loans to others;
- r) No guarantees were given in connection with loan taken by third party;
- s) Form of Balance Sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act;
- t) Contracts, common seal, registered office and publication of name of the company; and
- u) Generally all other applicable provisions of the Act and the Rules made under that Act.

2. I further report that :

- a) the Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings and directorships in other companies and interests in other entities;
- b) the Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the code of Business Conduct & Ethics for Directors and Management Personnel;
- c) the Company has obtained all necessary approvals under the various provisions of the Act;
- d) there was no prosecution initiated against the Company and no fines or penalties were imposed on the Company during the year under review under the Companies Act, SEBI Act, SCR Act, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against the Company, its Directors and Officers as per the written representation received from the Company.

3. I further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Bye-Laws framed thereunder by the Depositories with regard to dematerialization / rematerialization of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.

4. I further Report that -

- a) the Company has complied with the requirements under the Equity Listing Agreement entered into with the Calcutta Stock Exchange Ltd. and in terms of permitted trading in securities with Bombay Stock Exchange Ltd.;
- b) the Company has complied with the provisions of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the regulations;
- c) the Company has complied with the provisions of The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosure and maintenance of records required under the regulations;
- d) the Company has not issued any securities under The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 during the period under review and hence there is nothing to report.

Place : Kolkata
Date : 07th May, 2013

S. K. Jain
Practicing Company Secretary
C. P. No. 4077

Independent Auditors' Report

TO THE MEMBERS OF JOONKTOLLEE TEA & INDUSTRIES LIMITED

We have audited the accompanying financial statements of **JOONKTOLLEE TEA & INDUSTRIES LIMITED ("the Company")**, which comprise the Balance Sheet as at March 31, 2013 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

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

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

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

OPINION

In our opinion and to the best of our information and according

to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- 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 flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e) On the basis of written representations received from the directors as on March 31st, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For and on behalf of
SINGHI & CO.
 Chartered Accountants
 Firm Registration No. 302049E
Gopal Jain
 Partner
 Membership No. 059147

Place : Kolkata
 Date : 11th May, 2013

Annexure to Auditors' Report

[REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF JOONKTOLLEE TEA & INDUSTRIES LIMITED ON THE ACCOUNTS OF THE COMPANY FOR THE YEAR ENDED 31ST MARCH, 2013]

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) According to the information and explanation given to us, based on a phased manner, the fixed assets of the Company have been physically verified by the management and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
(c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the Company during the year.
2. (a) According to the information and explanation given to us, the inventory (excluding stocks with third parties) has been physically verified by the management during the year. In respect of inventory lying with third parties, these have been substantially confirmed by them. In our opinion, the frequency of verification is reasonable.
(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 the nature of its business.
(c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
3. (a) As per the information and explanations given to us, the Company has not granted any loans secured/unsecured to companies, firms or other parties covered in the register maintained u/s 301 of the Companies Act, 1956. Hence, clauses 3(b), (c) and (d) of the order are not applicable to the Company.
(e) As per information and explanations given to us, the Company has taken unsecured loans from five bodies Corporate covered in the register maintained u/s 301 of the Companies Act, 1956. The maximum amount outstanding during the year and the closing balance of such loan as on 31.03.2013 was ₹ 52,500,000/- and ₹ Nil respectively.
(f) The aforesaid loans were payable on demand and there is no repayment schedule. In our opinion the terms and conditions of the loans are not prima facie prejudicial to the interest of the Company.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
5. (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section.
(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements 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.
6. The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
7. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
8. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1)

Annexure to Auditors' Report

of Section 209 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

9. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other

statutory dues as applicable with the appropriate authorities and no such dues were in arrears, as at 31st March, 2013 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales tax, wealth tax, service tax, customs duty, excise duty and cess as at 31st March, 2013 which have not been deposited on account of any dispute. The particulars of dues of income tax as at 31st March, 2013 which have not been deposited on account of dispute as are as under :

Nature of Statute	Nature of dues	Amount in ₹ Lacs	Period	Forum where dispute is pending
Income Tax Act	Income Tax Demand	172.02	A.Y. 2003-04 to 2010-11	Commissioner of Income Tax Appeals

10. The Company has no accumulated losses as at 31st March, 2013 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
11. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank as at the balance sheet date.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company.
14. In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in securities. According to information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. All the investments have been held by the Company in its own name.
15. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
16. In our opinion, and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained.
17. On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, no funds raised on a short-term basis have been used for long-term investment.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
19. The Company has not issued any debenture during the year and there is no debenture outstanding at the year-end.
20. The Company has not raised any money by public issue during the year.

Annexure to Auditors' Report

21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For and on behalf of

SINGHI & CO.

Chartered Accountants

Firm Registration No. 302049E

Gopal Jain

Partner

Place : Kolkata

Date : 11th May, 2013

Membership No. 059147

Balance Sheet

As at 31st March, 2013

(Amount in ₹)

	Notes	As at 31st March, 2013		As at 31st March, 2012	
EQUITY AND LIABILITIES					
Shareholders' Funds					
Share Capital	2.1	41,422,011		32,562,471	
Reserves and Surplus	2.2	1,243,544,405	1,284,966,416	930,207,595	962,770,066
Non-Current Liabilities					
Long-Term Borrowings	2.3	106,517,188		18,244,000	
Deferred Tax Liabilities (Net)	2.4	2,009,812	108,527,000	3,921,613	22,165,613
Current Liabilities					
Short-Term Borrowings	2.5	168,528,982		142,519,255	
Trade Payables	2.6	31,943,740		14,654,303	
Other Current Liabilities	2.7	44,812,359		19,553,973	
Short-Term Provisions	2.8	114,082,150	359,367,231	45,751,787	222,479,318
TOTAL			1,752,860,647		1,207,414,997
ASSETS					
Non-Current Assets					
Fixed Assets :	2.9				
- Tangible Assets		747,828,250		543,937,022	
- Intangible Assets		1,706,576		567,578	
- Capital Work-in-Progress		10,860,616	760,395,442	2,577,578	547,082,178
Non-Current Investments	2.10	456,770,790		456,770,790	
Long-Term Loans and Advances	2.11	76,288,902	533,059,692	67,291,562	524,062,352
Current Assets					
Inventories	2.12	99,624,710		73,528,670	
Trade Receivables	2.13	29,114,276		8,411,074	
Cash and Bank Balances	2.14	12,749,079		9,876,856	
Short-Term Loans and Advances	2.11	260,317,541		31,500,353	
Other Current Assets	2.15	57,599,907	459,405,513	12,953,514	136,270,467
TOTAL			1,752,860,647		1,207,414,997
Significant Accounting Policies	1				

The accompanying notes 2.1 to 2.24 are an integral part of the Financial Statements.

As per our report of even date annexed.

For and on behalf of

SINGHI & CO.

Chartered Accountants

Firm Registration No. 302049E

Gopal Jain

Partner

Membership No. 059147

Place : Kolkata

Dated : 11th May, 2013

S. Bagree
 Manager (Finance) &
 Company Secretary

G. D. Bangur Chairman
H. Bangur Executive Vice-Chairman
P. D. Bangur Director
A. Ghosh Director
M. K. Daga Director
J. K. Surana Director
M. M. Pyne Director
K. C. Mohta Executive Director

Statement of Profit & Loss

For the year ended 31st March, 2013

(Amount in ₹)

	Notes	For the year ended 31st March, 2013	For the year ended 31st March, 2012
INCOME			
Revenue from Operations	2.16	858,827,480	502,597,794
Other Income	2.17	45,127,826	52,381,632
TOTAL		903,955,306	554,979,426
EXPENSES			
Cost of Raw Materials Consumed	2.18	114,423,083	64,169,788
(Increase)/Decrease in Inventories of Finished Goods	2.19	22,131,013	(168,672)
Employee Benefits Expense	2.20	369,715,076	221,275,138
Finance Costs	2.21	31,040,129	27,180,840
Other Expenses	2.22	233,775,835	170,925,771
TOTAL		771,085,136	483,382,865
Profit before Tax, Depreciation and Amortization		132,870,170	71,596,561
Depreciation and Amortization Expense	2.23	22,758,458	17,559,791
Profit before Tax		110,111,712	54,036,770
Tax Expense :			
Current Tax		18,200,000	10,500,000
Earlier Year		–	409,222
Deferred Tax		(2,878,400)	840,963
Profit for the year		94,790,112	42,286,585
Basic & Diluted Earnings Per Share [nominal value ₹ 10/-] (Refer Note No. 2.24 P)		22.88	12.99
Significant Accounting Policies	1		

The accompanying notes 2.1 to 2.24 are an integral part of the Financial Statements.

As per our report of even date annexed.

For and on behalf of
SINGHI & CO.
 Chartered Accountants
 Firm Registration No. 302049E
Gopal Jain
 Partner
 Membership No. 059147
 Place : Kolkata
 Dated : 11th May, 2013

S. Bagree
 Manager (Finance) &
 Company Secretary

G. D. Bangur Chairman
H. Bangur Executive Vice-Chairman
P. D. Bangur Director
A. Ghosh Director
M. K. Daga Director
J. K. Surana Director
M. M. Pyne Director
K. C. Mohta Executive Director

Cash Flow Statement

for the year ended 31st March, 2013

(Amount in ₹)

	2012 - 2013		2011 - 2012	
A) CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before Tax and extra ordinary items		110,111,712		54,036,770
Adjustments for :				
Depreciation	22,758,458		17,559,791	
Loss/(Profit) on Sale/Discard of Fixed Assets (net)	599,827		(1,173,706)	
Profit on Sale of Investment	–		(40,069,355)	
Interest and Dividend Income	(36,071,516)		(2,012,135)	
Finance Cost	31,040,129		27,180,840	
Interest Subsidy	–		(7,046,842)	
Sundry Credit balance no longer required written back	(4,964,805)		(290,651)	
Bad Debts & Provision for Doubtful Debts/Advances (Net)	12,823	13,374,916	22,076	(5,829,982)
Operating Profit before working capital changes		123,486,628		48,206,788
Adjustments for :				
Trade Receivables, Current Assets and Loans & Advances	(50,739,195)		26,158,390	
Inventories	18,797,756		(5,680,411)	
Trade Payables, Current Liabilities and Provisions	12,288,332	(19,653,107)	9,229,705	29,707,684
Cash Generated from Operations		103,833,521		77,914,472
Direct Taxes (Paid)/Refund received (Net)		(12,404,085)		(17,186,602)
Net Cash from operating activities		91,429,436		60,727,870
B) CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets/WIP	(115,346,053)		(19,831,758)	
Sale of Fixed Assets	591,094		2,000,281	
(Purchase)/Sale of Investments	–		42,146,465	
Advance to/from subsidiary (Net)	(6,905,590)		2,639,808	
Interest Received	876,030		814,071	
Dividend Received	21,270		1,089,094	
Net cash used in Investing Activities		(120,763,249)		28,857,961
		(29,333,813)		89,585,831

Cash Flow Statement

For the year ended 31st March, 2013

(Amount in ₹)

	2012 - 2013	2011 - 2012
C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	54,939,852	–
Payments of Long Term Borrowings	(6,330,007)	(109,000,000)
Proceeds from Other Borrowings (Net)	22,204,588	60,231,072
Interest paid	(31,040,129)	(27,560,494)
Dividends Paid (including Tax on Dividend)	(8,668,863)	(8,668,863)
Net Cash from/(used in) Financing Activities	31,105,441	(84,998,285)
Net Change in Cash and Cash Equivalents	1,771,628	4,587,546
Cash and Cash Equivalents - Opening Balance **	9,915,438	4,327,899
Cash and Cash Equivalents - Closing Balance	11,687,066	8,915,445

Notes :

- Cash and cash equivalents consists of cash on Hand and balances with banks in current/Cash Credit accounts as per note 2.14.
- The above Cash Flow Statement has been prepared under the “Indirect Method” as set out in the Accounting Standard 3 on Cash Flow Statement as notified under The Companies Accounting Standard Rules 2006.
- Previous year’s figures have been regrouped/rearranged wherever necessary .
- Cash and cash equivalents consists of :

	2012 - 2013	2011 - 2012
Cash on hand	3,592,260	781,923
Bank Balance	8,094,806	8,133,522
Total	11,687,066	8,915,445

** including ₹ 999,993/- added in view of scheme of amalgamation

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

For and on behalf of

SINGHI & CO.

Chartered Accountants

Firm Registration No. 302049E

Gopal Jain

Partner

Membership No. 059147

Place : Kolkata

Dated : 11th May, 2013

S. Bagree

Manager (Finance) &
Company Secretary

G. D. Bangur Chairman

H. Bangur Executive Vice-Chairman

P. D. Bangur Director

A. Ghosh Director

M. K. Daga Director

J. K. Surana Director

M. M. Pyne Director

K. C. Mohta Executive Director

Notes to Financial Statements

As at and for the year ended 31st March, 2013

1. SIGNIFICANT ACCOUNTING POLICIES

a) Accounting Convention

The financial statements have been prepared in accordance with historical cost convention, on accrual basis, in accordance with the generally accepted accounting principles in India, the applicable mandatory Accounting Standards and the relevant provisions of Companies Act, 1956.

b) Use of Estimates

The preparation of financial statements require estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period in which the results are known/materialized.

c) Fixed Assets and Depreciation

Fixed Assets :

- i) Tangible Fixed Assets are stated at their original cost less depreciation. Cost includes incidental expenses. Profits or losses on sale of tangible fixed assets are included in the statement of profit and loss and calculated as difference between the value realized and book value. Capital work-in-progress is stated at cost.
- ii) Items of machinery spares to be used in connection with an item of tangible fixed assets are amortized over the useful life of the assets.
- iii) Land taken on perpetual lease is capitalized together with development expenditure incurred on the same.

Depreciation :

- iv) Depreciation on tangible fixed assets other than land and tea plantation is provided on written down value basis in accordance with the provisions of Schedule XIV of the Companies Act, 1956. Land taken on perpetual lease is not amortized.
 - v) All expenses incurred for extension of new areas of cultivation are capitalized. Cost of upkeep and maintenance of areas till not matured for plucking and cost of replanting in existing areas are charged to revenue.
 - vi) Intangible assets are being amortized over a period of 5 years.
- ### d) Government Grants
- Grants and subsidies from the Government are

recognized when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

Government grants related to specific tangible fixed assets are deducted from gross value of related assets in arriving at their book value. Government grants related to revenue are recognized in the statement of profit and loss.

e) Investment

Long term and unquoted investments are considered at cost, unless there is a permanent decline in value thereof, in which case, adequate provision is made in the accounts. Current investments are stated at lower of cost or market/fair value.

f) Inventories

- i) Stock of finished rubber, tea, coffee and minor produce (i.e. pepper and cardamom) are valued at cost (determined on weighted average basis) or net realizable value whichever is lower.
- ii) Stock of stores and spare parts are valued at cost (using the weighted average cost basis) or net realizable value which ever is lower.
- iii) Cost comprises all direct and indirect expenses.
- iv) Net realizable value is the estimated selling price in ordinary course of business less estimated cost of completion and estimated cost necessary to make the sale.
- v) Materials and other items held for use in the production of inventories are not written down below the cost of the finished products in which they will be incorporated are expected to be sold at or above cost.
- vi) Provision is made for obsolete and slow moving stocks where necessary.

g) Foreign Currency Transactions

- i) Foreign currency transactions are recorded at the rate of exchange prevailing on the dates when the relevant transactions take place.
- ii) Year end balances of foreign currency transactions are translated at exchange rates prevailing at the end of the year.
- iii) Any income or expense on account of exchange difference either on settlement or translation is recognized in the Statement of Profit and Loss.

Notes to Financial Statements

As at and for the year ended 31st March, 2013

h) Revenue Recognition

Sales are recognized in the accounts on passing of titles of the goods, i.e. delivery as per terms of sales or completion of auction in case of auction sale. Sale of standing trees is accounted as and when they are removed and the proceeds are credited to the Statement of Profit & Loss. Other income with related tax credits and expenditure are accounted for on accrual basis.

i) Employee Benefits

Short Term Employees Benefits :

The undiscounted amount of short term employee benefit expected to be paid in exchange for the services rendered by employee is recognized during the period when the employee rendered the service. This benefit includes salary, wages, short term compensatory absences and bonus.

Long Term Employee Benefits :

Defined Contribution Scheme - This benefit includes contribution to provident fund schemes and superannuation fund. The contribution is recognized during the period in which the employee renders service.

Defined Benefit Scheme - For defined benefit scheme the cost of providing benefit is determined using the projected unit credit method with actuarial valuation being carried out at each balance sheet date. The benefit obligation recognized in the balance sheet represents value of defined benefit obligation determined at the end of the year. Actuarial gains and losses are recognized in full during the period in which they occur.

Other Long Term Benefits - Long term compensation absence is provided for on the basis of an actuarial valuation, using the projected unit credit method as at the date of balance sheet.

j) Borrowing Costs

Borrowing costs, if attributable to qualifying assets (i.e. assets that necessarily take substantial period of time to get ready for its intended use or sale) are capitalized. Other borrowing costs are charged to Statement of Profit and Loss in the period they are incurred.

k) Taxes on Income

Current tax comprise of Income Tax and Wealth Tax that would be payable based on computation of tax as per taxation laws under the Income Tax Act, 1961 and under the respective state

Agricultural Income Tax Acts. Deferred Tax is recognised, subject to the consideration of prudence, on timing differences, between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax assets are not recognised unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Tax credit for Minimum Alternate Tax (MAT) is recognized when there is convincing evidence of its realisability against future normal tax liability.

l) Leases

i) For assets acquired under operating lease, rentals payable are charged to the Statement of Profit and Loss.

ii) For assets acquired under finance lease/hire purchase agreement, the assets are capitalized at lower of their respective fair value and present value of minimum lease payments after discounting them at an appropriate discount rate.

iii) Hire purchase charges are being amortized based on a constant periodic rate of interest on the remaining balance of the liability of each period.

m) Impairment

An impairment loss is recognized where applicable when the carrying value of fixed assets exceeds its market value or value in use whichever is higher. Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exist or have decreased.

n) Provisions and Contingent Liabilities

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made. Contingent assets are not provided for or disclosed.

Notes to Financial Statements

As at and for the year ended 31st March, 2013

(Amount in ₹)

	As at 31st March, 2013	As at 31st March, 2012
2.1 : SHARE CAPITAL		
Authorized :		
Equity Shares :		
11,249,000 Ordinary Shares of ₹ 10/- each	112,490,000	112,490,000
35,000 Ordinary Shares of ₹ 100/- each	3,500,000	3,500,000
Preference Shares :		
50,000 Redeemable Cumulative Shares of ₹ 10/- each	500,000	500,000
100 13.5% Redeemable Cumulative Shares of ₹ 100/- each	10,000	10,000
	116,500,000	116,500,000
Issued :		
4,142,201 Ordinary Shares of ₹ 10/- each (Previous year 3,256,247 Ordinary Shares of ₹ 10/- each)	41,422,011	32,562,471
	41,422,011	32,562,471
Subscribed and Paid-up :		
4,142,201 Ordinary Shares of ₹ 10/- each fully paid-up (Previous year 3,256,247 Ordinary Shares of ₹ 10/- each fully paid-up)	41,422,011	32,562,471
	41,422,011	32,562,471

a) **Reconciliation of Shares outstanding at the beginning and at the end of year :**

	No. of Shares	No. of Shares
Shares outstanding at the beginning of the year	3,256,247	3,256,247
Shares Issued during the year pursuant to scheme of Amalgamation and Arrangement (Refer Note 2.24 C)	885,954	–
Shares outstanding at the end of the year	4,142,201	3,256,247

b) The Company has only one class of issued shares i.e. Ordinary Shares having par value of ₹ 10/- per share. Each holder of Ordinary Shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the ordinary shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

c) The Company does not have any holding company or ultimate holding Company.

d) **Details of shareholders holding more than 5% shares in the Company :**

	As at 31st March, 2013		As at 31st March, 2012	
	No. of Shares	%	No. of Shares	%
Ordinary Shares of ₹ 10/- each fully paid up				
1) Kettlewell Bullen and Company Limited	538,838	13.01	489,369	15.03
2) The Oriental Company Limited	493,643	11.92	375,297	11.53
3) Gopal Das Bangur	487,788	11.78	487,538	14.97
4) Pushpa Devi Bangur	436,916	10.55	436,666	13.41
5) The Cambay Investment Corporation Limited	361,456	8.73	250,719	7.70
6) Life Insurance Corporation of India	246,493	5.95	–	–

Notes to Financial Statements

As at and for the year ended 31st March, 2013

- e) No Ordinary Shares have been reserved for issue under options and contracts/commitments for the sale of shares/disinvestment as at the Balance Sheet date.
- f) No Ordinary Shares have been bought back by the Company during the period of 5 years preceding the date as at which the Balance Sheet is prepared.
- g) 30,46,213 (Previous year 21,60,259) Ordinary shares of ₹ 10/- each fully paid up have been issued pursuant to scheme of amalgamation and arrangement for consideration other than cash in immediately preceding five years.
- h) No securities convertible into Ordinary/Preference shares have been issued by the Company during the year.
- i) No calls are unpaid by any Director or Officer of the Company during the year.

(Amount in ₹)

	As at 31st March, 2013	As at 31st March, 2012
2.2 : RESERVES AND SURPLUS		
Capital Reserves		
As per the last Financial Statements	597,728,411	597,728,411
Add : Adjustment due to Scheme of Arrangement (Refer Note 2.24 C)	103,531,627	–
	701,260,038	597,728,411
Capital Redemption Reserve		
As per the last Financial Statements	41,600	41,600
Capital Reserve in the nature of Share Premium (Refer Note 2.24 C)	69,839,105	–
Securities Premium		
As per the last Financial Statements	24,701,440	24,701,440
Revaluation Reserve (created on revaluation of land)		
As per the last Financial Statements	40,386,019	40,386,019
General Reserve		
As per the last Financial Statements	225,912,447	205,912,447
Add : Transferred from Surplus	50,000,000	20,000,000
	275,912,447	225,912,447
Surplus		
As per the last Financial Statements	41,437,678	26,216,295
Add : Adjustment due to Scheme of Arrangement (Refer Note 2.24 C)	60,805,938	–
Add : Profit for the year	94,790,112	42,286,585
	197,033,728	68,502,880
Less : Appropriations		
Proposed Dividend (Refer Note 2.24 C)	14,641,488	8,140,618
Corporate Dividend Tax (Refer Note 2.24 C)	988,484	528,245
Corporate Dividend Tax for earlier years written back	–	(1,603,661)
Transferred to General Reserve	50,000,000	20,000,000
Net Surplus	131,403,756	41,437,678
TOTAL	1,243,544,405	930,207,595

Notes to Financial Statements

As at and for the year ended 31st March, 2013

(Amount in ₹)

	Non-Current portion		Current Maturities	
	As at 31st March, 2013	As at 31st March, 2012	As at 31st March, 2013	As at 31st March, 2012
2.3 : LONG-TERM BORROWINGS				
Secured				
Term Loan from banks	83,333,336	–	10,416,665	–
Loan from Life Insurance Corporation of India #	23,183,852	18,244,000	–	–
Total Secured Borrowings	106,517,188	18,244,000	10,416,665	–
Amount disclosed under the head “Other Current Liabilities” (Note 2.7)	–	–	10,416,665	–
TOTAL	106,517,188	18,244,000	–	–

Security and Repayment Terms :

- Term Loan from a Bank amounting to ₹ 43,750,001/- is secured by equitable mortgage of Jamirah Tea Estate and Pullikkanam Tea Estate and also by way of hypothecation of current assets of Kerala Division. The Loan is repayable in 21 remaining equal installment of ₹ 2,083,333/-.
- Term Loan from a Bank amounting to ₹ 50,000,000/- is secured by equitable mortgage of Jamirah Tea Estate and Pullikkanam Tea Estate. The Loan is repayable in 24 equal quarterly installment of ₹ 2,083,333/-.

Secured against assignment of key man insurance policy in favour of lender. The loan is repayable upon maturity of insurance policy in 2016.

	As at 31st March, 2013	As at 31st March, 2012
2.4 : DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liabilities		
Arising on account of :		
- Accumulated Depreciation	3,668,228	4,257,159
Less : Deferred Tax Assets		
Arising on account of :		
- Section 43B of Income Tax Act	1,658,416	335,546
DEFERRED TAX LIABILITIES (NET)	2,009,812	3,921,613

Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation law.

	As at 31st March, 2013	As at 31st March, 2012
2.5 : SHORT-TERM BORROWINGS		
Working Capital Borrowings		
From Banks (Secured)	168,528,982	92,519,255
From Banks (Unsecured)	–	50,000,000
TOTAL	168,528,982	142,519,255

Notes to Financial Statements

As at and for the year ended 31st March, 2013

Security and Charge :

- Working Capital Loan of ₹ 115,000,000/- secured by way of exclusive charge on all the Current Assets of the Karnataka Division both present and future and also secured by exclusive charge on the fixed assets of Nilmoni Tea Estate.
- Working Capital Loan of ₹ 50,000,000/- secured by equitable mortgage of Jamirah Tea Estate and Pullikanam Tea Estate and also by way of hypothecation of current assets of Jamirah Tea Estate.
- Working Capital Loan of ₹ 3,528,982/- secured by equitable mortgage of Jamirah Tea Estate and Pullikanam Tea Estate and also by way of hypothecation of current assets of Kerala Division.

(Amount in ₹)

	As at 31st March, 2013	As at 31st March, 2012
2.6 : TRADE PAYABLES		
For Goods and Services	31,943,740	14,654,303
(Refer Note 2.24 I for details of dues to Micro, Small & Medium Enterprises)		
TOTAL	31,943,740	14,654,303

	As at 31st March, 2013	As at 31st March, 2012
2.7 : OTHER CURRENT LIABILITIES		
Current maturities of Long Term Debt (See Note 2.3)	10,416,665	-
Employee Related Liability	10,139,036	8,847,111
Interest accrued but not due on Borrowings	4,824,496	4,229,222
Interest accrued and due on Borrowings	20,967	-
Unpaid and unclaimed dividends #	920,081	810,163
Short term deposits	449,856	428,063
Statutory Dues Payable	13,825,294	3,043,992
Amount payable for Capital Goods	1,862,588	588,497
Advances Received from Customers	2,343,376	1,596,925
Others	10,000	10,000
TOTAL	44,812,359	19,553,973

There are no amounts due for payment for the Investor Education and Protection Fund under Section 205 C of the Companies Act, 1956 as at the end of the year.

Notes to Financial Statements

As at and for the year ended 31st March, 2013

(Amount in ₹)

	As at 31st March, 2013	As at 31st March, 2012
2.8 : SHORT-TERM PROVISIONS		
Provision for Employee Benefits		
Gratuity	68,244,198	18,185,000
Bonus	15,372,899	10,833,619
Leave	2,203,646	1,101,611
Other Provisions		
Provisions for Taxation (Net of advance) **	12,631,435	6,962,694
Proposed Dividend	14,641,488	8,140,618
Corporate Dividend Tax ##	988,484	528,245
TOTAL	114,082,150	45,751,787

** The Company's entitlement to deduction under section 80-IC of the Income Tax Act, 1961 in respect of income generated from facilities situated in North East states is pending before Hon'ble High Court since assessment year 04-05. Pending disposal of appeal by the Hon'ble High Court, the Company continues to claim benefit under section 80-IC which for the year amounts to ₹ 87.97 lacs (till date ₹ 175.60 lacs). The management of the Company does not foresee any additional liability of the income tax at this point.

In view of favorable order from Hon'ble Supreme Court in case of other tea Company, the liability for dividend distribution tax has been provided to the extent of 40% of the proposed dividend.

Notes to Financial Statements

As at and for the year ended 31st March, 2013

	(Amount in ₹)											
	GROSS BLOCK					ACCUMULATED DEPRECIATION					NET BLOCK	
	Balance as at 31.03.2012	Adjustment on a/c of scheme (Net)	Additions \$	Disposals	Balance as at 31.03.2013	Balance as at 31.03.2012	Adjustment on a/c of scheme (Net)	Depreciation charge for the year	On Disposals	Balance as at 31.03.2013	Balance as at 31.03.2013	Balance as at 31.03.2012
2.9 : FIXED ASSETS												
(i) Tangible Assets												
Land * #												
- Freehold	15,685,380	27,415,702	-	-	43,101,082	-	-	-	-	-	43,101,082	15,685,379
- Leasehold	354,505,100	1,060,498	1,492,080	-	357,057,678	-	-	-	-	-	357,057,678	354,505,100
Buildings	135,173,155	37,882,790	42,927,444	201,317	215,782,072	58,300,248	18,459,405	6,230,769	59,430	82,930,992	132,851,080	76,872,907
Plant and Equipment	179,490,557	37,674,944	44,743,885	383,822	261,525,564	139,149,473	22,434,112	9,870,084	324,016	171,129,653	90,395,911	40,341,085
Furniture and Fixtures	13,077,708	1,854,077	1,986,696	245,368	16,673,113	9,113,873	1,307,892	966,732	124,580	11,263,917	5,409,196	3,963,835
Vehicles	36,694,679	6,686,696	4,105,969	1,997,802	45,489,542	23,602,449	5,011,534	4,766,736	1,798,518	31,582,201	13,907,341	13,092,230
Office equipment	3,401,200	455,553	1,065,066	180,768	4,741,051	2,635,591	402,438	220,525	177,792	3,080,762	1,660,289	765,609
Plantation/Development	38,710,877	49,289,905	25,245,097	9,800,206	103,445,673	-	-	-	-	-	103,445,673	38,710,877
TOTAL	776,738,656	162,320,165	121,566,237	12,809,283	1,047,815,775	232,801,634	47,615,381	22,054,846	2,484,336	299,987,525	747,828,250	543,937,022
(ii) Intangible Assets												
Computer Software	3,053,013	2,310,534	69,816	-	5,433,363	2,485,435	537,740	703,612	-	3,726,787	1,706,576	567,578
TOTAL	3,053,013	2,310,534	69,816	-	5,433,363	2,485,435	537,740	703,612	-	3,726,787	1,706,576	567,578
(iii) Capital Work-in-Progress												
TOTAL											10,860,616	2,577,578
GRAND TOTAL	779,791,669	164,630,699	121,636,053	12,809,283	1,053,249,138	235,287,069	48,153,121	22,758,458	2,484,336	303,714,312	760,395,442	547,082,178
Corresponding figures for previous year	763,939,617	-	19,998,892	4,146,840	779,791,669	221,047,543	-	17,559,791	3,320,265	235,287,069	544,504,600	2,577,578
Capital Work-in-Progress											2,577,578	
TOTAL											547,082,178	

- * Land amounting to ₹ 1,067,166/- cannot be distinguished between freehold & leasehold. The same has been included under Freehold Land .
- # Title deeds in respect of land purchased in Assam during the years 1985, 1986, 1998 and 1999 amounting to ₹ 225,320/- (Previous year - ₹ 225,320/-) are under registration. However, the Company is in the possession of the said land and is already under plantation. Such delay is on the part of relevant authorities.
- \$ Addition to Land, Buildings, Plant & Equipment and Furniture & Fixtures includes ₹ 1,492,080/-, ₹ 37,537,500/-, ₹ 42,233,121/- and ₹ 766,279/- respectively on account of acquisition of Shreemoni Tea Factory (Refer Note 2.24 F)

Notes to Financial Statements

As at and for the year ended 31st March, 2013

As at 31st March, 2013	As at 31st March, 2012	Particulars	As at 31st March, 2013	As at 31st March, 2012
No. of Shares		2.10 : NON-CURRENT INVESTMENTS	Amount in ₹	
		(Fully Paid up Equity Shares of ₹ 10/- each, unless otherwise stated)		
		Long-Term (Valued at Cost)		
		Trade Investment		
		In Subsidiary Company - Unquoted :		
63,135	63,135	- Gloster Real Estate Pvt. Ltd.	53,235,000	53,235,000
156,982	156,982	- Cowcoody Builders Pvt. Ltd.	147,082,000	147,082,000
212,271	212,271	- Pranav Infradev Co. Pvt. Ltd.	202,371,000	202,371,000
		In Subsidiary Company - Quoted :		
406,420	406,420	- The Cochin Malabar Estates & Industries Ltd. (Trade Investment)	50,210,540	50,210,540
		Other Investment		
		In other Companies - Quoted :		
200	200	- Camphor & Allied Products Ltd.	4,740	4,740
100	100	- Duncan Industries Ltd.	1,665	1,665
138,680	138,680	- The Phosphate Co. Ltd.	3,859,645	3,859,645
70	70	- Goodrick Group Ltd.	3,245	3,245
60	60	- Warren Tea Co. Ltd.	425	425
1,260	1,260	- Hindustan Lever Ltd.	500	500
		(Face Value of ₹ 1/- per share)		
200	200	- Apeejay Tea Ltd.	1,030	1,030
400	400	- Essar Ports Ltd.*		
200	200	- Essar Shipping Ltd.*		
203,210	-	Beneficial Interest in JTIL Share Trust (Refer Note 2.24 C)		
		Investment in Government & Trusted Securities - Unquoted :		
-	-	- 12 Years National Defence Certificate, 1983	1,000	1,000
		TOTAL NON-CURRENT INVESTMENT	456,770,790	456,770,790
		Aggregate Book Value of Non-Current Quoted Investments	54,081,790	54,081,790
		Aggregate Book Value of Non-Current Unquoted Investments	402,689,000	402,689,000
		Aggregate Market Value of Non-Current Quoted Investments	60,794,702	25,047,409
		* Received under scheme of arrangement		

Notes to Financial Statements

As at and for the year ended 31st March, 2013

(Amount in ₹)

	Long-Term		Short-Term	
	As at 31st March, 2013	As at 31st March, 2012	As at 31st March, 2013	As at 31st March, 2012
2.11 : LOANS AND ADVANCES				
(Unsecured & Considered good unless mentioned)				
Capital Advances	9,005,312	1,940,908	–	–
	9,005,312	1,940,908	–	–
Security Deposits	13,787,201	11,683,689	–	–
	13,787,201	11,683,689	–	–
Loan and Advances to Related Parties				
Debts of a Subsidiary acquired - Secured *	52,427,000	52,427,000	–	–
(Maximum amount outstanding during the year ₹ 524.27 Lacs, Previous Year ₹ 524.27 Lacs)				
Advance to a subsidiary	–	–	188,552,105	–
	52,427,000	52,427,000	188,552,105	–

* “Debts of a subsidiary acquired” represents financial investments made by the Company in its subsidiary “The Cochin Malabar Estates & Industries Limited” in earlier years. Such financial investments of the Company in its subsidiary do not form part of “Cochin Plantation Division” of the said subsidiary which has been demerged by the said subsidiary to the Company. In the previous year, the said subsidiary had entered into a fresh revival agreement granting the management rights of its Kinalur Rubber Estate, forming part of its retained undertaking, to the Company for a period of ten years with effect from 1st April, 2011, so as to enable the Company to secure/recover its investments.

Other Loans and Advances (Unsecured, Considered good unless otherwise mention) :

	Long-Term		Short-Term	
	As at 31st March, 2013	As at 31st March, 2012	As at 31st March, 2013	As at 31st March, 2012
Deposit with Nabard	–	–	9,004,400	4,400
Deposit with Assam Financial Corporation	–	–	1,510,000	10,000
Advance Tax and TDS (Net of provisions)	–	–	14,588,638	16,715,812
Advance Receivable in cash or in kind *	–	–	36,129,619	6,237,388
Prepaid Expenses	–	–	2,532,752	1,745,779
Loan/Advance to Employees	1,069,389	1,239,965	3,784,661	2,418,002
Balances with Government & Statutory Authorities **	–	–	2,181,142	2,335,635
Income Tax Refundable	–	–	1,233,337	1,233,337
Others	–	–	800,887	800,000
	1,069,389	1,239,965	71,765,436	31,500,353
TOTAL	76,288,902	67,291,562	260,317,541	31,500,353

* Includes payment under protest ₹ 22,388,788/- (Previous Year - ₹ Nil)

** Includes payment under protest ₹ 1,783,041/- (Previous Year - ₹ Nil)

Notes to Financial Statements

As at and for the year ended 31st March, 2013

(Amount in ₹)

	As at 31st March, 2013	As at 31st March, 2012
2.12 : INVENTORIES		
(As valued and certified by the Management)		
Finished Goods	58,447,091	45,425,766
Semi-Finished Goods	2,155,140	–
Stores and Spares (net of obsolesce)	39,022,479	28,102,904
TOTAL	99,624,710	73,528,670
Details of Inventories :	Finished Goods	
Tea	19,816,197	15,645,989
Coffee	23,298,900	29,222,014
Rubber - Semi-Finished	2,155,140	–
Rubber - Finished	14,190,646	–
Minor Produce	1,141,348	557,763
TOTAL	60,602,231	45,425,766

	As at 31st March, 2013	As at 31st March, 2012
2.13 : TRADE RECEIVABLES		
Outstanding for a period exceeding six months :		
Unsecured, considered good	306,111	484,055
Doubtful	492,848	622,848
	798,959	1,106,903
Less : Provision for doubtful receivables	492,848	622,848
	306,111	484,055
Other Receivables		
Unsecured, considered good	28,808,165	7,927,019
	28,808,165	7,927,019
TOTAL	29,114,276	8,411,074

Notes to Financial Statements

As at and for the year ended 31st March, 2013

(Amount in ₹)

	As at 31st March, 2013	As at 31st March, 2012
2.14 : CASH AND BANK BALANCES		
Cash and Cash Equivalents		
Balances With Banks :		
In Current Account	8,094,806	8,133,522
Cash on hand	3,592,260	781,923
	11,687,066	8,915,445
Other Bank Balances		
Unpaid Dividend Account	930,485	838,128
Fixed Deposit with Banks	131,528	123,283
(Kept under lien ₹ 99,028/-, Previous Year - ₹ 90,783/-)	1,062,013	961,411
TOTAL	12,749,079	9,876,856

	As at 31st March, 2013	As at 31st March, 2012
2.15: OTHER CURRENT ASSETS		
Interest accrued on Fixed deposit/Loan	35,956,680	782,464
Subsidy Receivable	19,033,422	10,037,365
Fixed Asset held for Disposal (net of provision ₹ 250,000/-)	70,814	83,123
MAT credit Entitlement	1,800,000	1,800,000
Others Receivable	738,991	250,562
TOTAL	57,599,907	12,953,514

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
2.16: REVENUE FROM OPERATIONS		
Sale of Finished Goods	841,934,260	497,551,861
Other Operating Revenues		
Sale of Minor Produce/Timber	11,684,549	3,596,104
Incentives & Subsidies	3,745,108	235,385
Insurance and Other Claims (Net)	1,463,563	1,214,444
	16,893,220	5,045,933
TOTAL	858,827,480	502,597,794
Details of Sale of Finished Goods :		
Tea	623,326,612	455,633,340
Rubber	182,746,446	-
Coffee	35,861,202	41,918,521
TOTAL	841,934,260	497,551,861

Notes to Financial Statements

As at and for the year ended 31st March, 2013

(Amount in ₹)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
2.17 : OTHER INCOME		
Interest Income		
On Bank Deposits	9,151	8,571
On Inter Corporate Deposits and Others	36,041,095	914,470
Interest Subsidy	–	7,046,842
Dividend on Long-Term Investment	21,270	1,089,094
Other Non Operating Income		
Profit on sale of Long-Term Investments	–	40,069,355
Rent	88,245	19,531
Excess Liabilities and Unclaimed Balances written back	4,964,805	290,651
Provision for Doubtful Debts for earlier years written back	130,000	–
Recovery of Bad Debts	–	726,163
Miscellaneous Income	3,873,260	2,216,955
TOTAL	45,127,826	52,381,632

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
2.18 : COST OF RAW MATERIALS CONSUMED		
Purchase of Green Leaf	111,929,158	64,169,788
Purchase of Latex	2,493,925	–
TOTAL	114,423,083	64,169,788

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
2.19 : (INCREASE)/DECREASE IN INVENTORIES OF FINISHED GOODS		
Inventories at the end of the year		
Tea	19,816,197	15,645,989
Rubber	16,345,786	–
Coffee	23,298,900	29,222,014
Minor Produce	1,141,348	557,763
TOTAL	60,602,231	45,425,766
Inventories at the beginning of the year		
Tea (includes ₹ 5,638,220/- on account of Scheme of Arrangement)	21,284,209	19,543,346
Rubber (represents addition on account of Scheme of Arrangement)	31,669,258	–
Coffee	29,222,014	25,217,951
Minor Produce	557,763	495,797
TOTAL	82,733,244	45,257,094
(Increase)/ Decrease in Inventories of Finished Goods	22,131,013	(168,672)

Notes to Financial Statements

As at and for the year ended 31st March, 2013

(Amount in ₹)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
2.20 : EMPLOYEE BENEFITS EXPENSE		
Salaries & Wages	287,591,736	162,231,138
Contribution to Provident Funds and Others	26,625,139	14,844,355
Contribution to Gratuity Fund	28,072,000	20,518,670
Contribution to Superannuation Fund	3,197,280	1,703,156
Staff Welfare Expenses	24,228,921	21,977,819
TOTAL	369,715,076	221,275,138

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
2.21 : FINANCE COSTS		
Interest Expenses		
Term Loans	8,341,120	5,521,577
Working Capital Loans	18,533,296	15,466,506
Others	4,165,713	6,192,757
TOTAL	31,040,129	27,180,840

Notes to Financial Statements

As at and for the year ended 31st March, 2013

(Amount in ₹)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
2.22 : OTHER EXPENSES		
Manufacturing Expenses		
Stores, Spare Parts & Packing Materials Consumed	12,273,748	7,470,950
Power & Fuel	50,949,940	38,623,710
Cultivations	65,146,272	43,980,383
Repairs to Buildings	8,071,094	7,637,058
Repairs to Machinery	9,462,264	6,283,778
Repairs to Other Assets	163,553	454,630
Cess on Green Leaf	4,086,595	4,263,124
	150,153,466	108,713,633
Selling and Administration		
Freight & Cartage	17,269,321	17,093,273
Commission , Brokerage & Discount	10,126,811	7,935,547
Rent	827,567	689,800
Rates & Taxes	3,895,637	2,585,313
Insurance	7,486,916	6,941,386
Vehicle Running & Maintenance Expenses	11,207,927	8,105,143
Charity & Donation	14,000	52,500
Auditors' Remuneration -		
Statutory Auditors :		
- Auditor	865,000	750,000
- Issue of Certificates	605,000	653,750
- Reimbursement of Expenses	6,844	6,662
- Reimbursement of Service Tax	182,539	167,942
Cost Auditors' Remuneration		
Other Services	65,000	-
Bad debts & Advances written off	142,823	22,076
Travelling Expenses	6,977,541	4,262,566
Director Sitting Fees	237,000	169,000
Prior Period Expenditure (Net)	121,617	26,468
Loss on sale/discard of Fixed Assets (Net)	599,827	(1,173,706)
Other Miscellaneous Expenses	22,990,999	13,924,418
	83,622,369	62,212,138
TOTAL	233,775,835	170,925,771
	For the year ended 31st March, 2013	For the year ended 31st March, 2012
2.23 : DEPRECIATION AND AMORTIZATION EXPENSES		
On Tangible Assets	22,054,846	17,118,889
On Intangible Assets	703,612	440,902
TOTAL	22,758,458	17,559,791

Notes to Financial Statements

As at and for the year ended 31st March, 2013

2.24 : NOTES TO ACCOUNTS

A. Contingent Liability not provided for –

Claims against the Company not acknowledged as debts :

(Amount in ₹)

	2012-2013	2011-2012
i) Income Tax under appeal* * ₹ 74,044/- (Previous Year - ₹ 74,044/-) paid under protest.	17,276,245	12,865,495
ii) Sales Tax under appeal (Total amount paid under protest)	1,783,041	1,783,041
iii) Claims of Creditors & workers	2,039,725	–
iv) Seigniorage Charges (KERALA Forest Dept.) (Total amount paid under protest)	17,702,033	–
v) Provident Fund Damages	6,241,601	–
vi) Lease Rent **	4,686,755	–

** The Government of Kerala has increased the Lease Rent payable in respect of Chemoni and Pudukad Estates from ₹ 2/- per Acre to ₹ 1,350/- per Hectare with effect from 25th November, 2009. The Company filed Writ Petition before the Hon'ble Court of Kerala challenging the increase and the case is subjudice. The Company has paid the increased Lease rental under protest.

B. Estimated amount of contract remaining to be executed on capital account and not provided for ₹ 1,084,686/- (31.03.2012 – ₹ 263,234/-) (Net of Advances).

C. Pursuant to the Scheme of Arrangement (the Scheme) between “Joonktolee Tea and Industries Limited” (herein after referred as Company) and “The Cochin Malabar Estates & Industries Limited” (herein after referred as CMEIL) as approved by Shareholders of the respective Companies on 5th April, 2012 and sanctioned by the Hon'ble High Court at Calcutta on 3rd December, 2012 under the provisions of The Companies Act, 1956, the Cochin Plantation Division of CMEIL (herein after referred as CPD) been demerged from CMEIL and merged with the Company w.e.f. 01.04.2011 (the appointed date)

The Certified copy of the order of Hon'ble High Court at Calcutta was filed with the Registrar of the Companies, West Bengal on 15th January, 2013. The accounts of the Company for the year have been prepared by giving the effect of the scheme. According to the scheme, with effect from the appointed date, CMEIL have carried out CPD related business activities in trust till the scheme becomes effective.

The Salient Features of the scheme are as under :

- I. CMEIL is a subsidiary of the Company and engaged mainly in the business of cultivation & manufacture of Rubber and Tea. The CPD of CMEIL is consisting of Chemoni, Pudukad & Eichipara Rubber Estate & Factory, Sampaji Rubber Estate (under legal proceedings) and Pullikanam Tea Estate & Factory. From appointed date all the assets and liabilities of CPD have been incorporated in the books of the Company at their respective books values, as segregated by the management, on the basis of the audited accounts of CMEIL.
- II. In terms of the Scheme, the Company had issued 1 (one) ordinary share of ₹ 10/- (ten) each fully paid up, ranking pari passu, for 2 (two) equity shares of ₹ 10/- (ten) each fully paid up held by the shareholders in CMEIL.
- III. In respect of the equity shares held by the Company in CMEIL, the shares which are required to be issued by the Company in terms of II supra, has been allotted to the Board of the Trustees of “JTIL Share Trust” to have and to hold such shares in trust exclusively for the benefit of the Company and deal with same as they deem fit. For the purpose of ascertaining acquisition cost of shares held in trust provisions of Income Tax Act, 1961 has been applied. Being negative net worth of CMEIL, no cost has been allocated to the newly issued shares held in trust.

Notes to Financial Statements

As at and for the year ended 31st March, 2013

- IV. In terms of Accounting Standard 14 "Accounting for Amalgamation" and based on Expert Advisory Committee opinion of ICAI, the difference between the purchase consideration and value of net assets acquired of CPD after carrying out necessary amendments and/or adjustments, an amount of ₹ 69,839,106/- has been treated as Share Premium in the nature of capital reserve being amalgamation in the nature of Merger. As per the scheme the Company has issued 21.39% of its post amalgamated equity base to the shareholders of CMEIL.
- V. In view of the scheme, the Company has issued and allotted 885,954 ordinary share of ₹ 10/- each and these shares shall be entitled to a dividend @ ₹ 2.50 each per share as approved by the Board of directors at their meeting dated 28th January, 2013.
- VI. As per the scheme a sum of ₹ 2,214,885/- and ₹ 143,724/- respectively has been provided as proposed dividend and corporate dividend tax respectively for the year 2011-12 for the shares issued in lieu of scheme.
- VII. In the above financial statement, impact has been given for all the transactions of CPD during the period from 01.04.2012 to 31.03.2013. The net accounting impact for all the transactions of CPD during the period from 01.04.2011 to 31.03.2012 has been carried as on 01.04.2012. In view of the above a sum of ₹ 60,805,938/- (after impact of current tax of ₹ 2,000,000/- and deferred tax of ₹ 966,600/-) has been adjusted with the balance of surplus account as on 01.04.2012.
- VIII. Pending completion of the relevant formalities of transfer in/out of certain assets and liabilities of CPD, such assets and liabilities remain to be transferred in the name of the Company.
- IX. Transfer of certain assets/liabilities from/to transferor companies/demerged units under the scheme of arrangement/amalgamations carried out in earlier years are still in the process of completion.
- D. During the year the Company has filed a special leave petition before the Hon'ble Supreme Court in the matter of transfer of rights of legal proceedings of "Sampaji Rubber Estate", an erstwhile property of The Cochin Malabar Estates and Industries Ltd., against the order passed by the Division Bench of Hon'ble High Court at Madras. The above rights has been transferred to the Company under the Scheme as above. The matter is subjudice and value of above rubber estate in the books of the company is ₹ Nil.
- E. The Pullikkanam Tea Estate of the Company (previously part of Cochin Plantation Division) had taken up in earlier year the task of replantation of substantial part its tea estate which was abandoned in earlier years and the then existing tea plants could not be revived. As per the consistent accounting policy followed by the Cochin Plantation Division in earlier years, the replantation expenditure incurred above specified areas has been capitalized during the year as the benefit of the same shall accrue over a very long period of time. A sum of ₹ 18,444,751/- has been incurred during the year on the above account.
- F. During the year the Company has acquired a tea factory "Shreemoni Tea Factory" having a tea manufacturing capacity of 12,00,000 Kgs. The production in the above factory was started on 1st April, 2013. The title deeds of the immoveable properties to above factory is in the process of transfer in the name of the Company.
- G. Trade Receivables, Loans & Advances and Deposits include certain overdue and unconfirmed balances. However, in the opinion of the management, these current assets would, in the ordinary course of business, realize the value stated in the accounts.
- H. Miscellaneous Expenditure under Note No. 2.22 includes revenue expenditure on research and development ₹ 295,268/- (Previous Year ₹ 361,511/-) incurred towards subscription to Tea Research Association.
- I. There are no outstanding dues to suppliers/service providers covered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED'). The disclosures as required under the said Act are as under :-

Notes to Financial Statements

As at and for the year ended 31st March, 2013

Particulars	Amount (₹)
a) Principal amount due to Supplier under MSMED	NIL
b) Interest due to Supplier on above	NIL
c) Any payment made to supplier beyond appointed date (under section 16 of the Act)	NIL
d) Interest due and payable to Suppliers under MSMED	NIL
e) Interest accrued and remaining unpaid as at 31st March, 2013	NIL
f) Interest remaining due and payable under section 23 of the Act	NIL

The above information has been determined to the extent such parties identified on the basis of information available with the Company.

- J. The amount of borrowing cost capitalized during the year is ₹ Nil.
- K. The exposure of the Company in foreign currency at the end of the year is ₹ Nil (Previous year ₹ Nil).
- L. The Company has considered business segments as the primary segment for disclosure. The business segments of Company are Tea, Coffee and Rubber which have been identified taking into account the organizational structure as well as the differing risks and returns of these segments. The segment wise revenue, assets and liabilities relate to the respective amounts directly identifiable with each other of the segments. There is no inter-segment revenue. The company does not have any secondary/geographical segments :

(Amount in ₹)

Particulars	Tea	Coffee	Rubber	Others	Total
Segment Revenue	628,535,283	44,036,307	182,746,446	3,509,444	858,827,480
Segment Results Profit/(Loss)	99,678,096	(1,914,569)	39,541,767	2,355,886	139,661,180
Interest Expenses	-	-	-	-	31,040,129
Interest Income					36,050,246
Add : Other Unallocated Income (net of Unallocated Expenditure)	-	-	-	-	(34,559,585)
Profit Before Tax	99,678,096	(1,914,569)	39,541,767	2,355,886	110,111,712
Less : Income Taxes	-	-	-	-	15,321,600
Profit After Tax	99,678,096	(1,914,569)	39,541,767	2,335,886	94,790,112
Other Information :					
Segment Assets	819,117,886	73,069,084	58,389,953	-	950,576,923
Unallocated Assets	-	-	-	-	802,283,724
Total Assets	819,117,886	73,069,084	58,389,953	-	1,752,860,647
Segment Liabilities	267,050,766	803,920	47,989,470	-	315,844,156
Unallocated Liabilities	-	-	-	-	43,523,075
Total Liabilities	267,050,766	803,920	47,989,470	-	359,367,231
Segment Capital Expenditure	119,615,572	2,003,386	4,033,059	-	125,652,017
Unallocated Capital Expenditure	-	-	-	-	4,267,074
Total Capital Expenditure	119,615,572	2,003,386	4,033,059	-	129,919,091
Segment Depreciation	17,300,312	2,309,133	701,781	-	20,311,226
Unallocated Depreciation	-	-	-	-	2,447,232
Total Depreciation	17,300,312	2,309,133	701,781	-	22,758,458

Since Segment Reporting is given for the first time, previous year's figures have not been furnished.

Notes to Financial Statements

As at and for the year ended 31st March, 2013

M. As per the requirements of Accounting Standard – 28 on “Impairment of Assets”, the Company has assessed the carrying amount of assets vis a vis their recoverable values and no impairment is envisaged at the balance sheet date.

N. Employee Benefits (Revised Accounting Standard 15)

a) Defined Contribution Plan :

The Company makes contribution towards provident fund and superannuation fund to a defined contribution retirement plan for qualifying employees. The Provident fund plan is operated by duly constituted and approved independent trustees /governments. Under the said scheme the company is required to contribute a specific percentage of pay roll costs in respect of eligible employees to the retirement benefit scheme to fund the benefits.

The Company operates a superannuation scheme for certain employees and contributions by the Company under the scheme, is charged against revenue every year.

During the year the company has contributed ₹ 22,028,286/- (Previous Year ₹ 13,084,772/-) for Provident Fund and Pension Fund and ₹ 3,197,280/- (Previous Year ₹ 1,703,156/-) for Superannuation Fund. The contributions payable to these plans by the Company are at the rates specified in the rules of the scheme.

b) Defined Benefit Plans :

i) The Company makes annual contribution of gratuity to gratuity funds duly constituted and administered by independent trustees and funded with LIC/independent trust for the qualifying employees. The scheme provides for a lump sum payment to vested employees upon retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of 5 years of continuous service.

ii) The employees of the Company are also eligible for encashment of leave upon retirement up to 30 days for each year (maximum 120 days). The benefit obligation related to leave liability are funded with Life Insurance Corporation of India.

iii) The present value of defined obligation and related current cost are measured using the projected unit credit method with actuarial valuation being carried out at each balance sheet date.

Disclosure as per Accounting Standard - 15 related to Employee Benefits

(₹ in Lacs)

Particulars	2012-13 Gratuity	2011-12 Gratuity
Expenses recognised in the Statement of Profit and Loss for the year ended 31st March, 2013		
A Current Service Cost	81.68	43.59
Interest Cost	93.42	36.52
Expected return on Plan Assets	(52.27)	(35.06)
Actuarial (Gain) / Losses	157.89	160.14
Expenses recognised in Statement of Profit and Loss	280.72	205.19
B. Net (Asset) / Liabilities recognised in Balance Sheet as at 31st March, 2013		
Present Value of the Defined Benefit Obligation	1,365.52	675.21
Fair value of Plan Assets	683.08	493.36
Net (Asset) / Liabilities recognised in Balance Sheet	682.44	181.85

Notes to Financial Statements

As at and for the year ended 31st March, 2013

Disclosure as per Accounting Standard - 15 related to Employee Benefits (contd.)

(₹ in Lacs)

Particulars	2012-13 Gratuity	2011-12 Gratuity
C. Changes in the Present Value of Defined Benefit Obligation during the year ended 31st March, 2013		
Present Value of Defined Benefit Obligations at 1st April, 2012	1,137.10	480.06
Current Service Cost	81.68	43.59
Interest Cost	93.42	36.52
Actuarial Gain / (Losses)	154.87	162.14
Benefits Paid	(101.55)	(47.10)
Present Value of Obligation as at 31st March, 2013	1,365.52	675.21
D. Changes in Fair Value of Plan Assets during the year ended 31st March, 2013		
Fair Value of Plan Assets as at 1st April, 2012	527.71	420.25
Expected return on Plan Assets	52.27	35.06
Actuarial Gain / (Losses)	(3.02)	2.00
Benefits Paid	(101.55)	(47.10)
Contributions	207.67	83.15
Fair Value of Plan Assets as at 31st March, 2013	683.08	493.36
E. Principal Actuarial Assumptions used		
Discount rates as at 31st March, 2013	8.10%	8.60%
Expected return on Plan Assets	9.00%	9.00%
Expected salary increase rates	8.00%	8.00%
Mortality Rates	LIC (94-96) Ultimate Rate	LIC (94-96) Ultimate Rate
F. Withdrawal Rate	1% to 2% depending on age	1% to 2% depending on age
G. Major categories of Plan Assets as a percentage of Fair Value of Plan Assets	Fund with LIC of India & Government Securities	Fund with LIC of India & Government Securities

- (a) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- (b) The Gratuity Scheme is invested in a Group Gratuity-Cum-Life Assurance-Cum-Accumulation Policy offered by Life Insurance Corporation of India and the Independent Administered Gratuity Fund. The information on the allocations of fund managed by LIC into major assets classes and expected return on each major classes are not readily available. In case of company's administered trust, 100% allocation of fund has been made towards government securities. The expected rate of return on plan assets is based on the assumed rate of return provided by company's actuary.
- (c) The Company expects to contribute ₹ 632.53 lacs (Previous Year - ₹ 171.51 lacs) to its gratuity fund in 2013-14.
- (d) The table below illustrates experience adjustment disclosure as per Para 120 (n) (ii) of Accounting Standard 15 – Employee Benefits.

Notes to Financial Statements

As at and for the year ended 31st March, 2013

(₹ in Lacs)

	2012-13	2011-12	2010-11	2009-08	2008-09
Defined benefit obligation	1,365.52	675.21	480.06	466.08	309.27
Plan asset	683.08	493.36	420.25	251.58	226.83
Surplus / (Deficit)	(682.44)	(181.85)	(59.81)	(214.50)	(82.44)
Experience adjustments on plan liability	(92.68)	(19.27)	(0.55)	24.61	44.01
Experience adjustments on plan asset	(3.02)	2.00	2.12	(0.66)	(0.70)

(e) The disclosure as required by Para 120 of Accounting Standard -15 "Employee Benefit" have been made to the extent applicable to the Company.

O. Related party disclosures as required by Accounting Standard – 18 "Related Party Disclosures" are given below :

Relationships :

(a) Subsidiaries of the Company :

- Gloster Real Estate Private Limited (GREPL)
- Cowcoody Builders Private Limited (CBPL)
- Pranav Infradev Company Private Limited (PICPL)
- The Cochin Malabar Estates & Industries Limited (CMEI)
- Cochin Estates Limited (sub subsidiary) (upto 12.02.2013)

(b) Enterprises/Individual having control over the Company :

- i) Gopal Das Bangur
- ii) Pushpa Devi Bangur
- iii) Hemant Bangur
- iv) Vinita Bangur
- v) Kettlewell Bullen & Company Limited (KBCL)
- vi) The Oriental Company Limited (TOCL)
- vii) Madhav Trading Corporation Limited (MTCL)
- viii) The Cambay Investment Corporation Limited (TCICL)
- ix) Credwyn Holdings (I) Private Limited (CHPL)
- x) Wind Power Vinimay Private Limited (WPVPL)

(c) Other Companies over which the Key Management Personnel are able to exercise a significant influence :

- i) Gloster Ltd. (GL)
- ii) PDGD Investments & Trading Private Limited (PDGD)
- iii) Kherapati Vanijya Limited (KVL)

(d) Key Management Personnel :

- i) Mr. Hemant Bangur - Executive Vice-Chairman
- ii) Mr. K. C. Mohta - Executive Director & C.E.O.

Notes to Financial Statements

As at and for the year ended 31st March, 2013

The following transactions were carried out with the related parties in the ordinary course of business :

(i) Relating to parties referred to in (a), (b), (c) and (d) above.

Sl.	Particulars	TCICL	KVL	WPVPL	CHPL	MTCL	GL	TOCL	KBCL	KMP	Relatives of KMP	CMEI	PICPL
1	Loans Given/(Received) during the Year (Net) Previous Year	- (7,500,000)	(12,500,000)	(10,000,000)	(2,500,000)	(20,000,000)	(10,000,000)	-	(10,000,000)	-	-	-	-
2	Loans Received/(Refunded) during the Year (Net) Previous Year	- (7,500,000)	(12,500,000)	(10,000,000)	(2,500,000)	(20,000,000)	(10,000,000)	-	(10,000,000)	-	-	-	-
3	Advances Given/(Received) during the Year (Net) Previous Year	- (30,000,000)	(21,500,000)	(40,000,000)	-	-	-	-	-	-	-	188,552,105	(2,639,808)
4	Closing balance of advance receivable/(payable) as on 31.03.2013 Previous Year	-	-	-	-	-	-	-	-	-	-	188,552,105	-
5	Interest Expenditure Previous Year	- 505,480	773,629	880,000	203,425	771,507	893,835	-	683,014	-	-	-	-
6	Rent Paid Previous Year	- 136,849	-	4,129,315	-	-	674,160	-	661,800	-	-	-	-
7	Rent Deposit as at 31.03.2013 Previous Year	-	-	-	-	-	7,500,000	-	7,500,000	-	-	-	-
8	Purchase Previous Year	-	-	-	-	7,655,539	-	-	-	-	-	-	-
9	Sales Previous Year	-	-	-	-	3,521,058	-	-	-	-	-	-	-
10	Dividend Income Previous Year	-	-	-	-	68,264	-	-	-	-	-	-	-
11	Dividend Paid Previous Year	1,084,368	83,157	295,572	162,306	22,500	1,616,514	1,480,929	1,223,423	546,633	*3,109,218	-	-
12	Balance of Debt Acquired Previous Year	626,798	67,498	246,310	135,255	-	938,243	-	-	351,768	*2,589,140	1,800	-
13	Interest Income / Receivable Previous Year	-	-	-	-	-	-	-	-	-	-	52,427,000	-
		-	-	-	-	-	-	-	-	-	-	52,427,000	-
		-	-	-	-	-	-	-	-	-	-	35,671,386	-

* Also includes dividend paid to party mentioned in (b) (i), (ii) & (iv).

(ii) Relating to persons referred to in (d) above :

Remuneration/Sitting Fees ₹ 12,150,744/- (31.03.2012 - ₹ 8,776,004/-).

The management certifies that there are no other payments to any relatives of Key Management Personnel.

Notes to Financial Statements

As at and for the year ended 31st March, 2013

P. Earnings Per Share

(Amount in ₹)

	2012-13	2011-12
a) Profit/(Loss) after Taxation as per Statement of Profit & Loss	94,790,112	42,286,585
b) Number of equity shares outstanding (including shares to be issued in lieu of scheme)	4,142,201	3,256,247
c) Basic and Diluted Earnings Per Share (in ₹) (Face value ₹ 10/- per share)	22.88	12.19

Q. a) Expenditure in Foreign Currency :

	2012-13	2011-12
Travelling	383,264	533,731
Others	89,520	67,605

b) Value of Raw Materials and Spares Consumed :

	Raw Material Consumed				Stores and Spare-Parts Consumed			
	2012-13		2011-12		2012-13		2011-12	
	Value	%	Value	%	Value	%	Value	%
Imported	-	-	-	-	-	-	-	-
Indigenous	114,423,083	100	64,169,788	100	81,156,651	100	54,601,222	100

R. In view of impact of the scheme, the figures of the previous year are not strictly comparable with the current year figures. The previous year figures have been regrouped / rearranged wherever considered necessary.

For and on behalf of

SINGHI & CO.

Chartered Accountants

Firm Registration No. 302049E

Gopal Jain

Partner

Membership No. 059147

Place : Kolkata

Dated : 11th May, 2013

S. Bagree

Manager (Finance) &
Company Secretary

G. D. Bangur Chairman

H. Bangur Executive Vice-Chairman

P. D. Bangur Director

A. Ghosh Director

M. K. Daga Director

J. K. Surana Director

M. M. Pyne Director

K. C. Mohta Executive Director

Consolidated Accounts

Consolidated Auditors' Report

TO THE BOARD OF DIRECTORS
JOONKTOLLEE TEA & INDUSTRIES LIMITED

INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

- We have audited the accompanying consolidated financial statements of Joonktollee Tea & Industries Limited (the "Company") and its subsidiaries (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

- Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the group in accordance with accounting principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

- Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
- An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and presentation of the consolidated financial statements that give a true & fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

QUALIFIED OPINION

- Refer note no 2.10, inter alia, regarding non provision of depreciation for the year to the tune of ₹ 13.19 lacs (cumulative depreciation unprovided up to balance sheet date is ₹ 92.11 lacs) in respect of rubber wood divisions and Kinalur Rubber Estate.
 - We are unable to express an opinion about the profitability of the Kinalur Estate, the physical conditions of the assets of the estate and adjustment arising out of cancellation of contract as appended in Note No.2.8.
- In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of the reports of the other auditors on the financial statements of the subsidiaries as noted below, except for the effects of the matter described in the basis for qualified opinion paragraph, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India :
 - in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2013;
 - 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
 - in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

OTHER MATTERS

- We did not audit the financial statements of the subsidiaries whose financial statements reflect total assets of ₹ 432,174,740/- as at 31st March, 2013, total revenues of ₹ 10,738,685/- and net cash inflow of ₹ 2,205,341/- for the year ended on that date as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of the subsidiaries is based solely on the report of the other auditors.
- Our opinion is not qualified in respect of other matters.

For and on behalf of
SINGHI & CO.
Chartered Accountants
Firm Registration No. 302049E
Gopal Jain

Place : Kolkata
Date : 11th May, 2013

Partner
Membership No. 059147

Consolidated Balance Sheet

As at 31st March 2013

(Amount in ₹)

	Notes	As at 31st March, 2013		As at 31st March, 2012	
EQUITY AND LIABILITIES					
Shareholders' Funds					
Share Capital	2.1	41,422,011		32,562,471	
Reserves and Surplus	2.2	1,000,019,733		961,594,422	
Minority Interest		-	1,041,441,744	226,336,656	1,220,493,549
Non-Current Liabilities					
Long-Term Borrowings	2.3	106,517,188		61,994,001	
Other Long-Term Liabilities	2.4	2,487,060		3,389,774	
Deferred Tax Liabilities (Net)	2.5	1,973,817	110,978,065	3,876,903	69,260,678
Current Liabilities					
Short-Term Borrowings	2.6	170,528,982		148,739,836	
Trade Payables	2.7	32,060,149		20,475,550	
Other Current Liabilities	2.8	218,064,112		212,927,068	
Short-Term Provisions	2.9	119,093,328	539,746,571	100,822,165	482,964,619
TOTAL			1,692,166,380		1,772,718,846
ASSETS					
Non-Current Assets					
Goodwill on Consolidation			9,200,730		9,200,730
Fixed Assets :	2.10				
- Tangible Assets		1,362,085,185		1,499,176,140	
- Intangible assets		1,706,576		2,340,372	
- Capital Work-In-Progress		12,661,093	1,376,452,854	4,624,567	1,506,141,079
Non-Current Investments		3,872,250		4,121,891	
Long-Term Loans and Advances	2.11	23,865,602	27,737,852	18,989,600	23,111,491
Current Assets					
Inventories	2.12	99,624,710		118,429,638	
Trade Receivables	2.13	31,520,469		14,102,011	
Cash and Bank Balances	2.14	16,551,314		13,090,349	
Short-Term Loans and Advances	2.11	108,607,658		75,193,391	
Other Current Assets	2.15	22,470,793	278,774,944	13,450,157	234,265,546
TOTAL			1,692,166,380		1,772,718,846
Significant Accounting Policies	1				

The accompanying notes 2.1 to 2.24 are an integral part of the Consolidated Financial Statements.

As per our report of even date annexed.

For and on behalf of

SINGHI & CO.

Chartered Accountants

Firm Registration No. 302049E

Gopal Jain

Partner

Membership No. 059147

Place : Kolkata

Dated : 11th May, 2013

S. Bagree

Manager (Finance) &
Company Secretary

G. D. Bangur Chairman

H. Bangur Executive Vice-Chairman

P. D. Bangur Director

A. Ghosh Director

M. K. Daga Director

J. K. Surana Director

M. M. Pyne Director

K. C. Mohta Executive Director

Consolidated Statement of Profit & Loss

For the year ended 31st March, 2013

(Amount in ₹)

	Notes	For the year ended 31st March, 2013	For the year ended 31st March, 2012
INCOME			
Revenue from Operations	2.16	858,827,480	742,129,089
Other Income	2.17	21,030,947	70,640,478
TOTAL		879,858,427	812,769,567
EXPENSES			
Cost of Raw Materials Consumed	2.18	114,423,083	76,033,033
(Increase)/Decrease in Inventories of Finished/Semi-Finished Goods	2.19	22,131,013	(13,785,744)
Employee Benefits Expense	2.20	370,533,851	351,896,183
Finance Costs	2.21	31,274,162	40,656,927
Other Expenses	2.22	241,410,838	220,619,956
TOTAL		779,772,947	675,420,355
Profit before Tax, Depreciation and Amortization		100,085,480	137,349,212
Depreciation and Amortization Expense	2.23	24,523,111	24,368,983
Profit before Tax		75,562,369	112,980,229
Tax Expense :			
Current Tax		20,090,403	12,157,775
Less : MAT credit entitlement		(5,403)	(28,550)
Earlier Year		(5,729,928)	389,926
Deferred Tax		(2,869,685)	796,253
Profit for the year		64,076,982	99,664,825
Less : Minority Interest		–	39,714,360
		64,076,982	59,950,465
Basic & Diluted Earnings Per Share [nominal value ₹ 10 /-] (Refer Note No. 2.24 S)		15.47	18.41
Significant Accounting Policies	1		

The accompanying notes 2.1 to 2.24 are an integral part of the Consolidated Financial Statements.

As per our report of even date annexed.

For and on behalf of
SINGHI & CO.
 Chartered Accountants
 Firm Registration No. 302049E
Gopal Jain
 Partner
 Membership No. 059147
 Place : Kolkata
 Dated : 11th May, 2013

S. Bagree
 Manager (Finance) &
 Company Secretary

G. D. Bangur Chairman
H. Bangur Executive Vice-Chairman
P. D. Bangur Director
A. Ghosh Director
M. K. Daga Director
J. K. Surana Director
M. M. Pyne Director
K. C. Mohta Executive Director

Consolidated Cash Flow Statement

For the year ended 31st March, 2013

(Amount in ₹)

	2012 - 2013		2011 - 2012	
A) CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before Tax and extra ordinary items		75,562,369		112,980,229
Adjustments for :				
Depreciation	24,523,111		24,368,983	
Loss/(Profit) on Sale/discard of Fixed Assets (net)	920,138		(475,058)	
Profit on Sale of Investment	(614,732)		(40,069,355)	
Interest and Dividend Income	(2,887,033)		(3,751,366)	
Investments Written Off	7,432		-	
Inventories Written Off	7,172		-	
Finance Cost	31,274,162		40,656,927	
Interest Subsidy	-		(7,046,842)	
Sundry Credit balance no longer required written back	(5,197,672)		(5,056,984)	
Bad Debts & Provision for doubtful debts/Advances (Net)	12,823	48,045,401	605,120	9,231,425
Operating Profit before working capital changes		123,607,770		122,211,654
Adjustments for :				
Trade Receivables, Current Assets and Loans & Advances	(64,593,565)		80,923,819	
Inventories	18,797,756		(18,408,483)	
Trade Payables , Current Liabilities and Provisions	26,236,668	(19,559,141)	40,320,426	102,835,762
Cash Generated from Operations		104,048,629		225,047,416
Direct Taxes (Paid)/Refund received (Net)		(14,128,224)		(18,827,414)
Net Cash from operating activities		89,920,405		206,220,002
B) CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets/WIP	(130,294,643)		(42,536,720)	
Sale of Fixed Assets	10,002,229		3,025,687	
(Purchase)/ Sale of Investments	864,373		42,146,465	
Loans & Advances	-		(5,600,000)	
Interest Received	2,838,028		2,521,820	
Dividend Received	49,005		1,120,576	
Net cash used in Investing Activities		(116,541,008)		677,828
		(26,620,603)		206,897,830

Consolidated Cash Flow Statement

For the year ended 31st March, 2013

(Amount in ₹)

	2012 - 2013	2011 - 2012
C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	54,939,852	50,000,000
Payments of Long Term Borrowings	(6,330,007)	(109,468,524)
Proceeds from Other Borrowings (Net)	22,204,588	66,479,833
Payments of Short Term Borrowings	(415,442)	(165,471,820)
Interest paid	(31,274,162)	(40,483,933)
Dividends Paid (including Tax on Dividend)	(8,668,863)	(8,668,863)
Net Cash from/(used in) Financing Activities	30,455,966	(207,613,307)
Net Change in Cash and Cash Equivalents	3,835,363	(715,477)
Cash and Cash Equivalents - Opening Balance **	11,643,938	12,359,415
Cash and Cash Equivalents - Closing Balance	15,479,301	11,643,938

Notes :

- Cash and Cash Equivalents consists of Cash-on-Hand and balances with banks in Current/Cash Credit accounts as per note 2.14.
- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard 3 on Cash Flow Statement as notified under "The Companies Accounting Standard Rules 2006".
- Previous year's figures have been re-grouped/re-arranged wherever necessary.
- Cash and Cash Equivalents consists of :

	2012 - 2013	2011 - 2012
Cash on hand	3,800,409	1,143,825
Bank Balance	11,678,892	10,500,113
TOTAL	15,479,301	11,643,938

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

For and on behalf of
SINGHI & CO.
Chartered Accountants
Firm Registration No. 302049E
Gopal Jain
Partner
Membership No. 059147
Place : Kolkata
Dated : 11th May, 2013

S. Bagree
Manager (Finance) &
Company Secretary

G. D. Bangur Chairman
H. Bangur Executive Vice-Chairman
P. D. Bangur Director
A. Ghosh Director
M. K. Daga Director
J. K. Surana Director
M. M. Pyne Director
K. C. Mohta Executive Director

Notes to Consolidated Financial Statements

As at and for the year ended 31st March, 2013

1. SIGNIFICANT ACCOUNTING POLICIES

a) Accounting Convention

The financial statements have been prepared in accordance with historical cost convention, on accrual basis, in accordance with the generally accepted accounting principles in India, the applicable mandatory Accounting Standards and the relevant provisions of Companies Act, 1956.

b) Use of Estimates

The preparation of financial statements require estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period in which the results are known /materialized.

c) Fixed Assets and Depreciation

Fixed Assets :

- i) Tangible Fixed Assets are stated at their original cost less depreciation. Cost includes incidental expenses. Profits or Losses on sale of tangible fixed assets are included in the Statement of Profit & Loss and calculated as difference between the value realized and book value. Capital Work-in-Progress is stated at cost. Subsidies received in respect of tangible fixed assets are deducted from the cost of respective assets.
- ii) Items of machinery spares to be used in connection with an item of tangible fixed assets are amortized over the useful life of the assets.
- iii) Tangible Fixed Asset taken on lease (other than land taken on perpetual lease) is not capitalized and the annual lease rentals are absorbed in the Statement of Profit & Loss. The excess of lease rentals paid over the amount accrued in respect thereof is treated as prepaid lease rental.

Depreciation :

- iv) Depreciation on tangible fixed assets other

than land and tea plantation is provided on written down value basis in accordance with the provisions of Schedule XIV of the Companies Act, 1956. No depreciation has been provided in respect of Rubberwood Division and Kinalur Estate of Rubber Division during the year since these divisions are not in operation.

- v) All expenses incurred for extension of new areas of cultivation are capitalized. Cost of upkeep and maintenance of areas till not matured for plucking and cost of replanting in existing areas are charged to revenue.

- vi) Intangible Assets are being amortized over a period of 5 years.

d) Government Grants

Grants and subsidies from the Government are recognized when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

Government grants related to specific tangible fixed assets are deducted from gross value of related assets in arriving at their book value. Government grants related to revenue are recognized in the Statement of Profit & Loss.

e) Investment

Long -Term and Unquoted Investments are considered at cost, unless there is a permanent decline in value thereof, in which case, adequate provision is made in the accounts. Current Investments are stated at lower of cost or market/fair value.

f) Inventories

- i) Stock of finished rubber, tea, coffee and other minor produce (i.e. pepper and cardamom) are valued at cost (determined on weighted average basis) or net realizable value whichever is lower.

- ii) Stock of stores and spare parts are valued at cost (using the weighted average cost basis) or net realizable value which ever is lower.

Notes to Consolidated Financial Statements

As at and for the year ended 31st March, 2013

- iii) Cost comprises all direct and indirect expenses.
- iv) Net realizable value is the estimated selling price in ordinary course of business less estimated cost of completion and estimated cost necessary to make the sale.
- v) Materials and other items held for use in the production of Inventories are not written down below the cost of the finished products in which they will be incorporated are expected to be sold at or above cost.
- vi) Provision is made for obsolete and slow moving stocks where necessary.

g) Foreign Currency Transactions

- i) Foreign Currency Transactions are recorded at the rate of exchange prevailing on the dates when the relevant transactions take place.
- ii) Year end balances of foreign currency transactions are translated at exchange rates prevailing at the end of the year.
- iii) Any income or expense on account of exchange difference either on settlement or translation is recognized in the Statement of Profit & Loss.

h) Revenue Recognition

Sales are recognized in the accounts on passing of titles of the goods, i.e. delivery as per terms of sales or completion of auction in case of auction sale. Other income with related tax credits and expenditure are accounted for on accrual basis. Dividend from Companies is accounted as income in the year in which they are received.

i) Employee Benefits

Short-Term Employee Benefits :

The undiscounted amount of short-term employee benefit expected to be paid in exchange for the services rendered by employee is recognized during the period when the employee rendered the service. This benefit includes salary, wages, short term compensatory absences and bonus.

Long - Term Employee Benefits :

Defined Contribution Scheme -

This benefit includes contribution to provident fund

schemes and superannuation fund. The contribution is recognized during the period in which the employee renders service.

Defined Benefit Scheme -

For defined benefit scheme the cost of providing benefit is determined using the projected unit credit method with actuarial valuation being carried out at each balance sheet date. The benefit obligation recognized in the balance sheet represents value of defined benefit obligation determined at the end of the year. Actuarial gains and losses are recognized in full during the period in which they occur.

Other Long-Term Benefits -

Long-term compensation absence is provided for on the basis of an actuarial valuation, using the projected unit credit method as at the date of balance sheet.

j) Borrowing Costs

Borrowing costs, if attributable to qualifying assets (i.e. assets that necessarily take substantial period of time to get ready for its intended use or sale) are capitalized. Other borrowing costs are charged to Statement of Profit & Loss in the period they are incurred.

k) Taxes on Income

Current Tax comprise of Income Tax and Wealth Tax that would be payable based on computation of tax as per taxation laws under the Income Tax Act, 1961 and under the respective state Agricultural Income Tax Acts. Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Assets are not recognized unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Tax credit for Minimum Alternate Tax (MAT) is recognized when there is convincing evidence of its realisability against future normal tax liability.

Notes to Consolidated Financial Statements

As at and for the year ended 31st March, 2013

l) Leases

- i) For assets acquired under operating lease, rentals payable are charged to the Statement of Profit and Loss.
- ii) For assets acquired under finance lease/hire purchase agreement, the assets are capitalized at lower of their respective fair value and present value of minimum lease payments after discounting them at an appropriate discount rate.
- iii) Hire purchase charges are being amortized based on a constant periodic rate of interest on the remaining balance of the liability of each period.

m) Impairment

An impairment loss is recognized where applicable when the carrying value of fixed assets exceeds its market value or value in use whichever is higher. Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exist or have decreased.

n) Provisions and Contingent Liabilities

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made. Contingent Assets are not provided for or disclosed.

Notes to Consolidated Financial Statements

As at and for the year ended 31st March, 2013

(Amount in ₹)

	As at 31st March, 2013	As at 31st March, 2012
2.1 : SHARE CAPITAL		
Authorized :		
Equity Shares :		
11,249,000 Ordinary Shares of ₹ 10/- each	112,490,000	112,490,000
35,000 Ordinary Shares of ₹ 100/- each	3,500,000	3,500,000
Preference Shares :		
50,000 Redeemable Cumulative Shares of ₹ 10/- each	500,000	500,000
100 13.5% Redeemable Cumulative Shares of ₹ 100/- each	10,000	10,000
	116,500,000	116,500,000
Issued :		
4,142,201 Ordinary Shares of ₹ 10/- each (Previous year 3,256,247 Ordinary Shares of ₹ 10/- each)	41,422,011	32,562,471
	41,422,011	32,562,471
Subscribed and Paid-up :		
4,142,201 Ordinary Shares of ₹ 10/- each fully paid-up (Previous year 3,256,247 Ordinary Shares of ₹ 10/- each fully paid-up)	41,422,011	32,562,471
	41,422,011	32,562,471

a) **Reconciliation of Shares outstanding at the beginning and at the end of year :**

	No. of Shares	No. of Shares
Shares outstanding at the beginning of the year	3,256,247	3,256,247
Shares Issued during the year pursuant to scheme of Amalgamation and Arrangement (Refer Note 2.24 G)	885,954	-
Shares outstanding at the end of the year	4,142,201	3,256,247

b) The Company has only one class of issued shares i.e. Ordinary Shares having par value of ₹ 10/- per share. Each holder of Ordinary Shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the ordinary shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

c) The Company does not have any holding company or ultimate holding company.

d) **Details of shareholders holding more than 5% shares in the Company :**

	As at 31st March, 2013		As at 31st March, 2012	
	No. of Shares	%	No. of Shares	%
Ordinary Shares of ₹ 10/- each fully paid up				
1) Kettlewell Bullen and Company Limited	538,838	13.01	489,369	15.03
2) The Oriental Company Limited	493,643	11.92	375,297	11.53
3) Gopal Das Bangur	487,788	11.78	487,538	14.97
4) Pushpa Devi Bangur	436,916	10.55	436,666	13.41
5) The Cambay Investment Corporation Limited	361,456	8.73	250,719	7.70
6) Life Insurance Corporation of India	246,493	5.95	-	-

Notes to Consolidated Financial Statements

As at and for the year ended 31st March, 2013

- e) No Ordinary Shares have been reserved for issue under options and contracts/commitments for the sale of shares/disinvestment as at the Balance Sheet date.
- f) No Ordinary Shares have been bought back by the Company during the period of 5 years preceding the date as at which the Balance Sheet is prepared.
- g) 3,046,213 (Previous year 2,160,259) Ordinary Shares of ₹ 10/- each fully paid-up have been issued pursuant to scheme of amalgamation and arrangement for consideration other than cash in immediately preceding five years.
- h) No securities convertible into Ordinary/Preference Shares have been issued by the Company during the year.
- i) No calls are unpaid by any Director or Officer of the Company during the year.

(Amount in ₹)

	As at 31st March, 2013	As at 31st March, 2012
2.2 : RESERVES AND SURPLUS		
Capital Reserves		
As per the last Financial Statements	592,515,077	592,927,063
Add : Due to reversal of minority interest	179,608,166	–
Less : On account of Issuance of shares under the Scheme (refer note no. 2.24 G)	8,859,540	–
Less : Due to set off of reserve with fixed asset value due to impact of Scheme	224,537,390	–
Less : Adjustment on Depreciation/asset discarded	277,109	411,986
	538,449,204	592,515,077
Capital Redemption Reserve		
As per the last Financial Statements	41,600	41,600
Securities/Share Premium		
As per the last Financial Statements	24,701,440	24,701,440
Revaluation Reserve (created on revaluation of land)		
As per the last Financial Statements	40,386,019	40,386,019
General Reserve		
As per the last Financial Statements	225,912,447	205,912,447
Add : Transferred from Surplus	50,000,000	20,000,000
	275,912,447	225,912,447
Surplus		
As per the last Financial Statements	78,037,839	45,152,576
Add : Profit for the year	64,076,982	59,950,465
Add : Loss of subsidiary ceased to exit during the year	282,284	–
Add : Reversal of minority interest	46,728,490	–
Less : Tax provision for 2011-12 under the Scheme	2,966,600	–
	186,158,995	105,103,041
Less : Appropriations		
- Proposed Dividend	14,641,488	8,140,618
- Corporate Dividend Tax	988,484	528,245
- Corporate Dividend Tax for earlier year written back	–	(1,603,661)
- Transferred to General Reserve	50,000,000	20,000,000
Net Surplus	120,529,023	78,037,839
TOTAL	1,000,019,733	961,594,422

Notes to Consolidated Financial Statements

As at and for the year ended 31st March, 2013

(Amount in ₹)

	Non-Current portion		Current Maturities	
	As at 31st March, 2013	As at 31st March, 2012	As at 31st March, 2013	As at 31st March, 2012
2.3 : LONG-TERM BORROWINGS				
Secured				
Term Loan from banks *	83,333,336	43,750,001	10,416,665	6,249,999
Against hypothecation of vehicle §	–	–	–	80,008
Loan from Life Insurance Corporation of India #	23,183,852	18,244,000	–	–
Total Secured Borrowings	106,517,188	61,994,001	10,416,665	6,330,007
Amount disclosed under the head "Other Current Liabilities" (Note 2.8)	–	–	10,416,665	6,330,007
TOTAL	106,517,188	61,994,001	–	–

Security and Repayment Terms :

- * i) Term Loan from a Bank amounting to ₹ 43,750,001/- is secured by equitable mortgage of Jamirah Tea Estate and Pullikanam Tea Estate and also by way of hypothecation of current assets of Kerala Division. The Loan is repayable in 21 remaining equal installment of ₹ 2,083,333/-.
- ii) Term Loan from a Bank amounting to ₹ 50,000,000/- is secured by equitable mortgage of Jamirah Tea Estate and Pullikanam Tea Estate. The Loan is repayable in 24 equal quarterly installment of ₹ 2,083,333/-.
- # Secured against assignment of key man insurance policy in favour of lender. The loan is repayable upon maturity of insurance policy in 2016.
- § Vehicle Loan is secured against hypothecation of the asset.

	As at 31st March, 2013	As at 31st March, 2012
2.4 : OTHER LONG-TERM LIABILITIES		
Trade and Security Deposit	2,487,060	3,389,774
TOTAL	2,487,060	3,389,774

	As at 31st March, 2013	As at 31st March, 2012
2.5 : DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liabilities		
Arising on account of :		
- Accumulated Depreciation	3,673,871	4,262,462
Less : Deferred Tax Assets		
Arising on account of :		
- Section 43B of Income Tax Act	1,700,054	385,559
DEFERRED TAX LIABILITIES (NET)	1,973,817	3,876,903

Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation law.

Notes to Consolidated Financial Statements

As at and for the year ended 31st March, 2013

(Amount in ₹)

	As at 31st March, 2013	As at 31st March, 2012
2.6 : SHORT-TERM BORROWINGS		
Working Capital Borrowings		
From Banks (Secured)	168,528,982	96,324,394
From Banks (Unsecured)	–	50,000,000
From Others (Unsecured)	2,000,000	2,415,442
TOTAL	170,528,982	148,739,836

Security and Charge :

- Working Capital Loan of ₹ 115,000,000 secured by way of exclusive charge on all the Current Assets of the Karnataka Division both present and future and also secured by exclusive charge on the fixed assets of Nilmoni Tea Estate.
- Working Capital Loan of ₹ 50,000,000 secured by equitable mortgage of Jamirah Tea Estate and Pullikanam Tea Estate and also by way of hypothecation of current assets of Jamirah Tea Estate.
- Working Capital Loan of ₹ 3,528,982 secured by equitable mortgage of Jamirah Tea Estate and Pullikanam Tea Estate and also by way of hypothecation of current assets of Kerala Division.

	As at 31st March, 2013	As at 31st March, 2012
2.7 : TRADE PAYABLES		
For Goods and Services (Refer Note 2.24 M for details of dues to Micro, Small & Medium Enterprises)	32,060,149	20,475,550
TOTAL	32,060,149	20,475,550

	As at 31st March, 2013	As at 31st March, 2012
2.8 : OTHER CURRENT LIABILITIES		
Current maturities of Long Term Debt (See Note 2.3)	10,416,665	6,330,007
Employee Related Liability	10,139,036	26,410,483
Interest accrued but not due on Borrowings	4,824,496	4,781,870
Interest accrued and due on Borrowings	20,967	–
Unpaid and unclaimed dividends #	920,081	810,163
Unclaimed Redeemed Preference Shares #	14,200	14,200
Short term deposits	449,856	430,063
Statutory Dues Payable	17,565,596	10,072,363
Amount payable for Capital Goods	11,862,588	588,497
Advance against Sale of Land (Refer note below)	159,497,251	159,497,251
Advances Received from Customers	2,343,376	3,982,171
Others	10,000	10,000
TOTAL	218,064,112	212,927,068

There are no amounts due for payment for the Investor Education and Protection Fund under Section 205 C of the Companies Act, 1956 as at the end of the year.

Notes to Consolidated Financial Statements

As at and for the year ended 31st March, 2013

Note : The Memorandum of Understanding for sale of Kinalur Estate to Mr. P. K. C. Ahammed Kutty has been terminated by the Company and other statutory bodies in earlier years due to non-fulfillment of obligations on his part. As mentioned in previous year, the Hon'ble High Court of Kerala vide its Order and Judgment both dated 25th November, 2009 dismissed the suit and closed all interlocutory applications in respect of Kinalur Estate of the Company and accordingly the Receiver appointed was also released. Aggrieved by the High Court Order, some of the Applicants have filed Appeal before the Division Bench of the High Court. Also some other Applicants have filed suit before the Sub-Court, Koyilandy and Kozhikode against Mr. P. K. C. Ahammed Kutty in respect of Kinalur estate impleading the Company. Pending finalization of the matter the amount so received continues to be shown under 'Other Current Liabilities'.

(Amount in ₹)

	As at 31st March, 2013	As at 31st March, 2012
2.9 : SHORT-TERM PROVISIONS		
Provision for Employee Benefits		
Gratuity	68,244,198	60,939,658
Bonus	15,372,899	14,264,449
Leave	2,203,646	1,101,611
Other Provisions		
Provisions for Taxation (Net of advance) **	17,642,613	15,847,584
Proposed Dividend	14,641,488	8,140,618
Corporate Dividend Tax ##	988,484	528,245
TOTAL	119,093,328	100,822,165

** The company's entitlement to deduction under section 80-IC of the Income Tax Act, 1961 in respect of income generated from facilities situated in North East states is pending before Hon'ble High Court since assessment year 04-05. Pending disposal of appeal by the Hon'ble High Court, the Company continues to claim benefit under section 80-IC which for the year amounts to ₹ 87.97 (till date ₹ 175.60 lacs). The management of the Company does not foresee any additional liability of the income tax at this point.

In view of favorable order from Hon'ble Supreme Court in case of other tea Company, the liability for dividend distribution tax has been provided to the extent of 40% of the proposed dividend.

Notes to Consolidated Financial Statements

As at and for the year ended 31st March, 2013

	(Amount in ₹)													
	GROSS BLOCK						DEPRECIATION						NET BLOCK	
	Balance as at 31.03.2012	Adjustment on a/c of scheme (Net)	Additions \$ Disposals	Balance as at 31.03.2013	Balance as at 31.03.2012	Adjustment on a/c of scheme (Net)	Depreciation charge for the year	On Disposals	Balance as at 31.03.2013	Balance as at 31.03.2012	Balance as at 31.03.2013	Balance as at 31.03.2012		
2.10 : FIXED ASSETS														
(i) Tangible Assets														
Land * #														
- Freehold	592,201,123	933,139	-	591,267,984	-	-	-	-	-	-	591,267,984	592,201,123		
- Leasehold	572,330,213	216,764,615	1,492,080	357,057,678	-	-	-	-	-	-	357,057,678	572,330,213		
Buildings	283,078,513	16,540,802	43,053,607	309,390,001	125,174,087	11,660,798	7,795,345	59,430	121,249,204	188,140,797	157,904,426			
Plant and Equipment	237,945,968	3,430,639	45,190,437	271,917,962	176,125,699	3,257,919	9,986,751	7,262,147	175,592,384	96,325,578	61,820,269			
Furniture and Fixtures	17,038,443	913,156	2,036,045	17,260,749	11,951,483	880,721	1,050,142	691,394	11,429,510	5,831,239	5,086,960			
Vehicles	45,528,812	673,968	4,105,969	45,489,542	30,745,083	673,196	4,766,736	3,256,422	31,582,201	13,907,341	14,783,729			
Office equipment	4,394,613	-	1,065,066	4,969,797	3,362,792	-	220,525	459,303	3,124,014	1,845,783	1,031,821			
Plantation/Development	91,209,790	2,893,014	-	2,094,559	2,179,764	1,139,309	-	-	1,040,455	1,054,104	91,209,790			
Roads and Bridges	4,987,573	2,893,014	-	106,654,681	-	-	-	-	-	106,654,681	91,209,790			
TOTAL	1,848,715,048	242,149,333	122,188,301	1,706,102,953	349,538,908	17,611,943	23,819,499	11,728,696	344,017,768	1,362,085,185	1,499,176,140			
(ii) Intangible Assets														
Computer Software	5,363,547	-	69,816	5,433,363	3,023,175	-	703,612	-	3,726,787	1,706,576	2,340,372			
TOTAL	5,363,547	-	69,816	5,433,363	3,023,175	-	703,612	-	3,726,787	1,706,576	2,340,372			
(iii) Capital Work-in-Progress														
TOTAL														
GRAND TOTAL	1,854,078,595	242,149,333	122,258,117	1,711,536,316	352,562,083	17,611,943	24,523,111	11,728,696	347,744,555	1,376,452,854	1,506,141,079			
Corresponding figures for previous year	1,817,630,208	-	42,457,342	1,854,078,595	331,239,440	-	24,780,969	3,458,326	352,562,083	1,501,516,512	1,506,141,079			
Capital Work-in-Progress														
TOTAL														

* Land amounting to ₹ 1,067,166/- cannot be distinguished between freehold & leasehold. The same has been included under Freehold Land .

Title deeds in respect of land purchased in Assam during the years 1985, 1986, 1998 and 1999 amounting to ₹ 225,320/- (Previous year - ₹ 225,320/-) are under registration. However, the company is in the possession of the said land and is already under plantation. Such delay is on the part of relevant authorities.

\$ Addition to Land, Buildings, Plant & Equipment and Furniture & Fixtures includes ₹ 1,492,080/-, ₹ 37,537,500/-, ₹ 42,233,121/- and ₹ 766,279/- respectively on account of acquisition of Shreemoni Tea Factory (Refer Note 2.24)

In view of no operation in Rubber Wood Division and Kinalur Estate of Rubber Division, depreciation amounting to ₹ 13.19 lacs for the year has not been provided in the accounts (cumulative amount not provided till 31.03.2012 ₹ 92.11 lacs).

Notes to Consolidated Financial Statements

As at and for the year ended 31st March, 2013

(Amount in ₹)

	Long-Term		Short-Term	
	As at 31st March, 2013	As at 31st March, 2012	As at 31st March, 2013	As at 31st March, 2012
2.11 : LOANS AND ADVANCES				
(Unsecured & Considered good unless mentioned)				
Capital Advances	9,005,312	4,575,908	-	-
	9,005,312	4,575,908	-	-
Security Deposits	13,790,901	12,883,994	614,024	464,024
	13,790,901	12,883,994	614,024	464,024

Other Loans and Advances (Unsecured, Considered good unless otherwise mention) :

	Long-Term		Short-Term	
	As at 31st March, 2013	As at 31st March, 2012	As at 31st March, 2013	As at 31st March, 2012
Deposit with Nabard	-	-	9,004,400	4,400
Deposit with Assam Financial Corporation	-	-	1,510,000	10,000
Advance Tax and TDS (Net of provisions)	-	-	20,134,446	20,506,481
Advance against supply of Goods and Services *	-	-	39,197,474	6,874,656
Advances to Bodies Corporate	-	-	27,158,718	14,600,000
Prepaid Expenses	-	-	2,532,752	2,453,039
Loan/Advance to Employees	1,069,389	1,239,965	3,784,661	2,926,004
Balances with Government & Statutory Authorities **	-	-	2,236,959	2,538,468
Income Tax Refundable	-	-	1,233,337	1,233,337
Payment under protest	-	-	400,000	22,694,150
Others	-	289,733	800,887	888,832
	1,069,389	1,529,698	107,993,634	74,729,367
TOTAL	23,865,602	18,989,600	108,607,658	75,193,391

* Includes payment under protest ₹ 22,388,788/- (Previous year - ₹ Nil)

** Includes payment under protest ₹ 1,783,041/- (Previous year - ₹ Nil)

Notes to Consolidated Financial Statements

As at and for the year ended 31st March, 2013

(Amount in ₹)

	As at 31st March, 2013	As at 31st March, 2012
2.12 : INVENTORIES		
(As valued and certified by the Management)		
Finished Goods	58,447,091	76,089,864
Semi-Finished Goods	2,155,140	6,643,380
Stores and Spares (net of obsolesce)	39,022,479	35,696,394
TOTAL	99,624,710	118,429,638
Details of Inventories :	Finished Goods	
Tea	19,816,197	21,284,209
Coffee	23,298,900	29,222,014
Rubber - Finished	14,190,646	25,025,878
Rubber - Semi Finished	2,155,140	6,643,380
Minor Produce	1,141,348	557,763
TOTAL	60,602,231	82,733,244

	As at 31st March, 2013	As at 31st March, 2012
2.13 : TRADE RECEIVABLES		
Outstanding for a period exceeding six months :		
Unsecured, considered good	628,411	829,254
Doubtful	492,848	622,848
	1,121,259	1,452,102
Less : Provision for doubtful receivables	492,848	622,848
	628,411	829,254
Other Receivables		
Unsecured, considered good	30,892,058	13,272,757
	30,892,058	13,272,757
TOTAL	31,520,469	14,102,011

Notes to Consolidated Financial Statements

As at and for the year ended 31st March, 2013

	As at 31st March, 2013	As at 31st March, 2012
2.14 : CASH AND BANK BALANCES		
Cash and Cash Equivalents		
Balances With Banks :		
- In Current Account	11,678,892	10,500,113
- Cash on hand	3,800,409	1,143,825
	15,479,301	11,643,938
Other Bank Balances		
Unpaid Dividend Account	930,485	838,128
Fixed Deposit with Banks	141,528	608,283
(Kept under lien ₹ 99,028/-, Previous Year - ₹ 158,368/-)	1,072,013	1,446,411
TOTAL	16,551,314	13,090,349

	As at 31st March, 2013	As at 31st March, 2012
2.15 : OTHER CURRENT ASSETS		
Interest accrued on Fixed deposit	290,638	792,752
Subsidy Receivable	19,033,422	10,037,365
Fixed Asset held for Disposal (net of provision ₹ 250,000)	70,814	124,615
MAT credit Entitlement	1,833,953	1,828,550
Others Receivable	1,241,966	666,875
TOTAL	22,470,793	13,450,157

Notes to Consolidated Financial Statements

As at and for the year ended 31st March, 2013

(Amount in ₹)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
2.16 : REVENUE FROM OPERATIONS		
Sale of Finished Goods	841,934,260	701,859,110
Other Operating Revenues		
Sale of Minor Produce/Timber	11,684,549	38,820,150
Incentives & Subsidies	3,745,108	235,385
Insurance and Other Claims (Net)	1,463,563	1,214,444
TOTAL	858,827,480	742,129,089
Details of Sale of Finished Goods :		
Tea	623,326,612	478,288,456
Coffee	35,861,202	41,918,521
Rubber - Processed	182,746,446	181,652,133
TOTAL	841,934,260	701,859,110

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
2.17 : OTHER INCOME		
Interest Income		
On Bank Deposits	9,939	17,162
On Other Deposits	2,828,089	2,613,628
Interest Subsidy	–	7,046,842
Dividend on Long term investment	49,005	1,120,576
Other Non Operating Income		
Profit on sale of Long Term Investments	614,732	40,069,355
Rent	7,716,800	7,676,474
Provision for doubtful debts for earlier years written back	130,000	–
Excess Liabilities and Unclaimed Balances written back	5,197,672	5,056,984
Recovery of Bad Debts	–	726,163
Miscellaneous Income	4,484,710	6,313,294
TOTAL	21,030,947	70,640,478

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
2.18 : COST OF RAW MATERIALS CONSUMED		
Purchase of Green Leaf	111,929,158	64,169,788
Purchase of Latex	2,493,925	11,863,245
TOTAL	114,423,083	76,033,033

Notes to Consolidated Financial Statements

As at and for the year ended 31st March, 2013

(Amount in ₹)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
2.19 : (INCREASE)/DECREASE IN INVENTORIES OF FINISHED/SEMI-FINISHED GOODS		
Inventories at the end of the year		
Tea	19,816,197	21,284,209
Coffee	23,298,900	29,222,014
Rubber	16,345,786	31,669,258
Minor Produce	1,141,348	557,763
TOTAL	60,602,231	82,733,244
Inventories at the beginning of the year		
Tea	21,284,209	23,670,202
Coffee	29,222,014	25,621,655
Rubber	31,669,258	19,159,846
Minor Produce	557,763	495,797
TOTAL	82,733,244	68,947,500
(Increase)/Decrease in Inventories of Finished/Semi-Finished Goods	22,131,013	(13,785,744)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
2.20 : EMPLOYEE BENEFITS EXPENSE		
Salaries & Wages	288,367,753	263,441,380
Contribution to Provident Funds and Others	26,667,897	22,713,250
Contribution to Gratuity Fund	28,072,000	36,355,133
Contribution to Superannuation Fund	3,197,280	1,938,236
Staff Welfare Expenses	24,228,921	27,448,184
TOTAL	370,533,851	351,896,183

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
2.21 : FINANCE COSTS		
Interest Expenses		
Term Loans	8,341,120	5,521,577
Vehicle Loan	–	107,814
Working Capital Loans	18,533,296	15,466,506
Others	4,399,746	19,561,030
TOTAL	31,274,162	40,656,927

Notes to Consolidated Financial Statements

As at and for the year ended 31st March, 2013

2.24 : NOTES TO ACCOUNTS

- A. The consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21 on 'Consolidated Financial Statements' as notified under "The Companies Accounting Standard Rule, 2006" and represents consolidation of accounts of Joonktollee Tea & Industries Limited and its subsidiaries as detailed below :-

Name of the Company	Country of Incorporation	Proportion of Ownership Interest	Reporting Period and Date
Gloster Real Estate Pvt. Ltd. (GREPL)	India	100.00%	Year ended 31st March 2013
Cowcoody Builders Pvt. Ltd. (CBPL)	India	100.00%	Year ended 31st March 2013
Pranav Infradev Co. Pvt. Ltd. (PICPL)	India	100.00%	Year ended 31st March 2013
The Cochin Malabar Estates & Industries Ltd. (CMEI) *	India	22.94%	Year ended 31st March 2013

* CMEI is subsidiary by virtue of control of the board of directors.

- B. Goodwill amounting to ₹ 9,200,730/- has arisen on consolidation of accounts between Joonktollee Tea & Industries Limited and its subsidiaries. Such goodwill represents excess of cost to Joonktollee Tea & Industries Limited of its investments over shares of equity in its subsidiaries.
- C. In view of negative net worth of CMEI during the year, no minority interest has been considered during the year.
- D. The consolidated financial statements have been prepared using the same accounting policies as that of Joonktollee Tea & Industries Limited.
- E. **Contingent Liability not provided for -**

Claims against the Company not acknowledged as debts :

	(Amount in ₹)	
	2012-2013	2011-2012
i) Income Tax under appeal *	17,276,245	12,865,495
ii) Sales Tax under appeal (Total amount paid under protest)	1,783,041	1,976,605
iii) Claims of Creditors & workers	2,039,725	2,039,725
iv) Central Sales Tax	213,331	213,331
v) Commitment towards future lease rentals	-	377,233
vi) Seigniorage Charges (KERALA Forest Dept.) (Total amount paid under protest)	17,702,033	17,602,033
vii) Provident Fund Damages	6,241,601	6,241,601
viii) Lease Rent **	4,686,755	4,692,117

* ₹ 74,044/- (Previous Year - ₹ 74,044/-) paid under protest.

** The Government of Kerala has increased the Lease Rent payable in respect of Chemoni and Pudukad Estates from ₹ 2 /- per Acre to ₹ 1,350 /- per Hectare with effect from 25th November, 2009. The Company filed Writ Petition before the Hon'ble Court of Kerala challenging the increase and the case is pending. The Company has paid the increased Lease rental under protest.

- F. Estimated amount of contract remaining to be executed on capital account and not provided for ₹ 1,084,686/- (31.03.2012 - ₹ 263,234/-) (Net of Advances).

Notes to Consolidated Financial Statements

As at and for the year ended 31st March, 2013

- G. Pursuant to the Scheme of Arrangement (the Scheme) between “Joonktolee Tea and Industries Limited” (herein after referred as parent or Company) and “The Cochin Malabar Estates and Industries Limited” (herein after referred as a subsidiary/CMEIL) as approved by Shareholders of the respective companies on 5th April, 2012 and sanctioned by the Hon’ble High Court at Calcutta on 3rd December, 2012 under the provisions of The Companies Act, 1956, the Cochin Plantation division of CMEIL (herein after referred as CPD) been demerged from CMEIL and merged with the Company w.e.f. 01.04.2011(the appointed date)

The Certified copy of the order of Hon’ble High Court at Calcutta was filed with the Registrar of the Companies, West Bengal on 15th January, 2013. The accounts of the Company for the year have been prepared by giving the effect of the scheme. According to the scheme, with effect from the appointed date, CMEIL have carried out CPD related business activities in trust till the scheme becomes effective.

The Salient Features of the scheme are as under :

- I. CMEIL is a subsidiary of the Company and engaged mainly in the business of cultivation & manufacture of Rubber and Tea. The CPD of CMEIL is consisting of Chemoni, Pudukad & Eichipara Rubber Estate & Factory, Sampaji Rubber Estate (under legal proceedings) and Pullikanam Tea Estate & Factory. From appointed date all the assets and liabilities of CPD have been incorporated in the books of the Company at their respective books values, as segregated by the management, on the basis of the audited accounts of CMEIL.
 - II. In terms of the Scheme, the Company had issued 1 (one) ordinary share of ₹ 10/- (ten) each fully paid up, ranking pari passu, for 2 (two) equity shares of ₹ 10/- (ten) each fully paid up held by the shareholders in CMEIL.
 - III. In respect of the equity shares held by the company in CMEIL, the shares which are required to be issued by the Company in terms of II supra, has been allotted to the Board of the Trustees of “JTIL Share Trust” to have and to hold such shares in trust exclusively for the benefit of the Company and deal with same as they deem fit. For the purpose of ascertaining acquisition cost of shares held in trust provisions of Income Tax Act, 1961 has been applied. Being negative net worth of CMEIL, no cost has been allocated to the newly issued shares held in trust.
 - IV. In terms of Accounting standard 14 “Accounting for Amalgamation” and based on Expert Advisory Committee opinion of ICAI, the difference between the purchase consideration and value of net assets acquired of CPD after carrying out necessary amendments and/or adjustments, an amount of ₹ 69,839,106/- has been treated as Share Premium in the nature of capital reserve being amalgamation in the nature of Merger. As per the scheme the Company has issued 21.39% of its post amalgamated equity base to the shareholders of CMEIL.
 - V. In view of the scheme, the Company has issued and allotted 885,954 ordinary share of ₹ 10/- each and these shares shall be entitled to a dividend @ ₹ 2.50 each per share as approved by the Board of Directors at their meeting dated 28th January, 2013.
 - VI. As per the scheme a sum of ₹ 2,214,885/- and ₹ 143,724/- respectively has been provided as proposed dividend and corporate dividend tax respectively for the year 2011-12 for the shares issued in lieu of scheme.
 - VII. In the above financial statement, impact has been given for all the transactions of CPD during the period from 01.04.2012 to 31.03.2013. In view of the above current tax of ₹ 2,000,000/- and deferred tax of ₹ 966,600/- has been adjusted with the balance of surplus account as on 01.04.2012.
- H. During the year the Company has filed a special leave petition before the Hon’ble Supreme Court in the matter of transfer of rights of legal proceedings of “Sampaji Rubber Estate”, an erstwhile property of The Cochin Malabar Estates and Industries Ltd., against the order passed by the Division Bench of Hon’ble High Court at Madras. The above right has been

Notes to Consolidated Financial Statements

As at and for the year ended 31st March, 2013

transferred to the Company under the Scheme as above. The matter is subjudice and value of above rubber estate in the books of the Company is ₹ Nil.

- I. The Pullikanam Tea Estate of the Company (previously part of Cochin Plantation Division) had taken up in earlier year the task of replantation of substantial part its tea estate which was abandoned in earlier years and the then existing tea plants could not be revived. As per the consistent accounting policy followed by the Cochin Plantation Division in earlier years, the replantation expenditure incurred above specified areas has been capitalized during the year as the benefit of the same shall accrue over a very long period of time. A sum of ₹ 18,444,751/- has been incurred during the year on the above account.
- J. During the year the Company has acquired a tea factory “Shreemoni Tea Factory” having a tea manufacturing capacity of 1,200,000 Kgs. The production in the above factory was started on 1st April, 2013. The title deeds of the immoveable properties to above factory is in the process of transfer in the name of the Company.
- K. Trade Receivables, Loans & Advances and Deposits include certain overdue and unconfirmed balances. However, in the opinion of the management, these current assets would, in the ordinary course of business, realize the value stated in the accounts.
- L. Miscellaneous Expenditure under Note No. 2.22 includes revenue expenditure on research and development ₹ 295,268/- (Previous Year ₹ 361,511/-) incurred towards subscription to Tea Research Association.
- M. There are no outstanding dues to suppliers/ service providers covered under Micro, Small and Medium Enterprises Development Act, 2006 (‘MSMED’). The disclosures as required under the said Act are as under :-

Particulars	Amount (₹)
a) Principal amount due to Supplier under MSMED	NIL
b) Interest due to Supplier on above	NIL
c) Any payment made to supplier beyond appointed date (under Section 16 of the Act)	NIL
d) Interest due and payable to Suppliers under MSMED	NIL
e) Interest accrued and remaining unpaid as at 31st March, 2013	NIL
f) Interest remaining due and payable under Section 23 of the Act	NIL

The above information has been determined to the extent such parties identified on the basis of information available with the Company.

- N. The amount of borrowing cost capitalized during the year is ₹ Nil.
- O. The exposure of the Company in foreign currency at the end of the year is ₹ Nil (Previous year ₹ Nil).
- P. The Company has considered business segments as the primary segment for disclosure. The business segments of Company are Tea, Coffee and Rubber which have been identified taking into account the organizational structure as well as the differing risks and returns of these segments. The segment wise revenue, assets and liabilities relate to the respective amounts directly identifiable with each other of the segments. There is no inter-segment revenue. The Company does not have any secondary/geographical segments :

Notes to Consolidated Financial Statements

As at and for the year ended 31st March, 2013

(Amount in ₹)

Particulars	Tea	Coffee	Rubber	Others	Total
Segment Revenue	628,535,283	44,036,307	182,742,446	3,509,444	858,827,480
Segment Results Profit/(Loss)	99,679,096	(1,914,569)	39,541,767	2,355,886	139,661,180
Interest Expenses	–	–	–	–	31,274,162
Interest Income					2,838,028
Add : Other Unallocated income (net of unallocated Expenditure)	–	–	–	–	(35,662,677)
Profit Before Tax	99,678,096	(1,914,569)	39,541,767	2,355,886	75,562,369
Less : Income Taxes	–	–	–	–	11,485,387
Profit After Tax	99,678,096	1,914,569	39,541,767	2,355,886	64,076,982
Other Information :					
Segment Assets	819,117,886	73,069,084	58,389,953	–	950,576,923
Unallocated Assets	–	–	–	–	732,388,727
Total Assets	819,117,886	73,069,084	58,389,953	–	1,682,965,650
Segment Liabilities	267,050,766	803,920	47,989,470	–	315,844,156
Unallocated Liabilities	–	–	–	–	223,902,415
Total Liabilities	267,050,766	803,920	47,989,470	–	539,746,571
Segment Capital Expenditure	119,615,572	2,003,386	4,033,059	–	125,652,017
Unallocated Capital Expenditure	–	–	–	–	4,642,626
Total Capital Expenditure	119,615,572	2,003,386	4,033,059	–	130,294,643
Segment Depreciation	17,300,312	2,309,133	701,781	–	20,311,226
Unallocated Depreciation	–	–	–	–	4,211,885
Total Depreciation	17,300,312	2,309,133	701,781	–	24,523,111

Since Segment Reporting is given for the first time, previous year's figure have not been furnished.

Q. Employee Benefits (Revised Accounting Standard 15)

a) Defined Contribution Plan

The Company makes contribution towards Provident Fund and Superannuation Fund to a defined contribution retirement plan for qualifying employees. The Provident Fund plan is operated by duly constituted and approved independent Trustees/Governments. Under the said scheme the Company is required to contribute a specific percentage of pay roll costs in respect of eligible employees to the retirement benefit scheme to fund the benefits.

The Company operates a Superannuation Scheme for certain employees and contributions by the Company under the scheme, is charged against revenue every year.

During the year the Company has recognized ₹ 22,071,044/- (Previous Year - ₹ 20,953,667/-) for Provident Fund contribution and ₹ 3,197,280/- (Previous Year - ₹ 1,938,236/-) for Superannuation Fund contribution. The contributions payable to these plans by the Company are at the rates specified in the rules of the scheme.

b) Defined Benefit Plans :

i) The Company makes annual contribution of gratuity to gratuity funds duly constituted and administered by independent trustees and funded with LIC/independent trust for the qualifying employees. The scheme provides for a lump sum payment to vested employees upon retirement, death while in employment or on termination of

Notes to Consolidated Financial Statements

As at and for the year ended 31st March, 2013

employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of 5 years of continuous service.

ii) The employees of the Company are also eligible for encashment of leave upon retirement up to 30 days for each year (maximum 120 days). The benefit obligation related to leave liability is funded with Life Insurance Corporation of India of holding Company however the leave liability of CMEIL is unfunded.

iii) The present value of defined obligation and related current cost are measured using the projected unit credit method with actuarial valuation being carried out at each balance sheet date.

Disclosure as per Accounting Standard AS -15

(₹ in Lacs)

Particulars	2012-2013 Gratuity		2011-2012 Gratuity	
	Funded	Funded	Unfunded	
Expenses recognised in the Statement of Profit & Loss for the year ended 31st March, 2013				
A Current Service Cost	81.68	64.56		–
Interest Cost	93.42	61.76		–
Expected return on Plan Assets	(52.27)	(39.01)		–
Expected return on any reimbursement rights recognised as an assets	–	–		–
Actuarial (Gain)/Losses	157.89	275.19		–
Past Service Cost	–	–		–
Effect of any Curtailment/Settlement	–	–		–
Actuarial (Losses)/Gains on Plan Assets	–	–		–
Unrecognised Defined Benefit Obligation	–	–		–
Expenses recognised in Statement of Profit and Loss	280.72	362.50		1.05
B. Net (Asset)/Liabilities recognised in Balance Sheet as at 31st March, 2013				
Present Value of the Defined Benefit Obligation	1,365.52	1,137.10		–
Fair value of Plan Assets	683.08	527.71		–
Unrecognised Defined Obligation	–	–		–
Net (Asset)/Liabilities recognised in Balance Sheet	682.44	609.39		–
C. Changes in the Present Value of Defined Benefit Obligation during the year ended 31st March, 2013				
Present Value of Defined Benefit Obligations at 1st April, 2012	1,137.10	810.27		–
Current Service Cost	81.68	64.56		–
Past Service Cost	–	–		–
Interest Cost	93.42	61.76		–
Actuarial Gain/(Losses)	154.87	277.14		–
Benefits Paid	(101.55)	(76.63)		–
Present Value of Obligation as at 31st March, 2013	1,365.52	1,137.10		–

Notes to Consolidated Financial Statements

As at and for the year ended 31st March, 2013

Particulars	2012-2013 Gratuity		2011-2012 Gratuity	
	Funded	Funded	Unfunded	
D. Changes in Fair Value of Plan Assets during the year ended 31st March, 2013				
Fair Value of Plan Assets as at 1st April, 2012	527.71	477.57		–
Expected return on Plan Assets	52.27	39.01		–
Actuarial Gain / (Losses)	(3.02)	1.95		–
Past Service Cost	–	–		–
Losses/ (Gains) on curtailments liabilities extinguished on settlements	–	–		–
Benefits Paid	(101.55)	(76.63)		–
Settlements	–	–		–
Contributions	207.67	85.81		–
Fair Value of Plan Assets as at 31st March, 2013	683.08	527.71		–
E. Principal Actuarial Assumptions used				
Discount rates as at 31st March, 2013	8.10%	8.60%		8.00%
Expected return on Plan Assets	9.00%	9.00%		–
Expected salary increase rates	8.00%	8.00%		5.00%
Mortality Rates	LIC(94-96) Ultimate Rate	LIC(94-96) Ultimate Rate		LIC(94-96) Ultimate Rate
F. Withdrawal Rate	1% to 2% depending on age	1% to 2% depending on age		1% to 2% depending on age
G. Major categories of Plan Assets as a percentage of Fair Value of Plan Assets	Fund with LIC of India and Government Securities	Fund with LIC of India and Government Securities		Fund with LIC of India and Government Securities

- (a) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- (b) The Gratuity Scheme is invested in a Group Gratuity-Cum-Life Assurance-Cum-Accumulation Policy offered by Life Insurance Corporation of India and the Independent Administered Gratuity Fund. The information on the allocations of fund managed by LIC into major assets classes and expected return on each major classes are not readily available. In case of Company's administered trust, 100% allocation of fund has been made towards government securities. The expected rate of return on plan assets is based on the assumed rate of return provided by Company's actuary.
- (c) The Group expects to contribute ₹ 632.53 lacs (Previous Year - ₹ 171.51) to its gratuity fund in 2013-14.
- (d) The table below illustrates experience adjustment disclosure as per Para 120 (n) (ii) of Accounting Standard 15 - Employee Benefits.

Notes to Consolidated Financial Statements

As at and for the year ended 31st March, 2013

(₹ in Lacs)

	2012-13	2011-12	2010-11	2009-10	2008-09
Defined benefit obligation	1,365.52	1137.10	810.27	806.26	309.27
Plan assets	683.08	527.71	477.57	324.53	226.83
Surplus/(Deficit)	(682.44)	(609.39)	(332.70)	(481.73)	(82.44)
Experience adjustments on plan liabilities	(92.68)	277.14	(5.61)	24.56	44.01
Experience adjustments on plan assets	(3.02)	1.95	8.22	(3.14)	(0.70)

(e) The disclosure as required by Para 120 of Accounting Standard-15 "Employee Benefit" has been made to the extent applicable to the Company.

R. Related party disclosures as required by AS - 18 "Related Party Disclosures" are given below :

Relationships :

(a) Enterprises/Individual having control over the Company

- i. Gopal Das Bangur
- ii. Pushpa Devi Bangur
- iii. Hemant Bangur
- iv. Vinita Bangur
- v. Kettlewell Bullen & Company Limited (KBCL)
- vi. The Oriental Company Limited (TOCL)
- vii. Madhav Trading Corporation Limited (MTCL)
- viii. The Cambay Investment Corporation Limited (TCICL)
- ix. Credwyn Holdings (I) Private Limited (CHPL)
- x. Wind Power Vinimay Private Limited (WPVPL)

(b) Other Companies over which the Key Management Personnel are able to exercise a significant influence:

- i. Gloster Ltd. (GL)
- ii. PDGD Investments & Trading Private Limited (PDGD)
- iii. Kherapati Vanijya Limited (KVL)

(c) Key Management Personnel

- i. Mr. Hemant Bangur - Executive Vice-Chairman
- ii. Mr. K. C. Mohta - Executive Director & C.E.O.

Notes to Consolidated Financial Statements

As at and for the year ended 31st March, 2013

The following transactions were carried out with the related parties in the ordinary course of business :

(i) Relating to parties referred to in (a), (b) and (c) above.

Sl. Particulars	TCICL	KVL	WPVPL	CHPL	MTCL	PDGD	GL	TOCL	KBCL	KMP	Relatives of KMP
1 Loans Given/(Received) during the year (Net) Previous Year	-	(7,500,000) (25,000,000)	(12,500,000) (7,500,000)	-	(2,500,000)	-	(20,000,000)	-	(10,000,000) (15,000,000)	-	-
2 Loans Received/(Refunded) during the year (Net) Previous Year	-	(7,500,000) (52,500,000)	(12,500,000) (64,000,000)	(83,000,000)	(2,500,000)	(10,000,000)	(20,000,000)	-	(10,000,000) (55,000,000)	-	-
3 Interest Expenditure Previous Year	-	505,480 1,399,849	773,629 2,644,000	5,886,315	203,425	579,000	771,507	-	893,835 3595,014	-	-
4 Rent Paid Previous Year	-	-	-	-	-	-	-	-	674,160 661,800	-	-
5 Rent Deposit as at 31.03.2013 Previous Year	-	-	-	-	-	-	-	-	7,500,000 7,500,000	-	-
6 Purchase Previous Year	-	-	-	-	-	-	7,655,539 3,521,058	-	-	-	-
7 Sales Previous Year	-	-	-	-	-	-	68,264 28,364	-	-	-	-
8 Dividend Income Previous Year	-	-	-	-	-	-	1,079,624	-	-	-	-
9 Dividend Paid Previous Year	1,084,368 626,798	-	83,157 67,498	295,572 246,310	162,306 135,255	-	22,500	1,480,979 938,243	1,616,514 1,223,423	546,633 351,768	* 3,109,218 *2,589,140

* Also includes dividend paid to party mentioned in (a) (i), (ii) & (iv).

(ii) Relating to persons referred to in 1 (c) above :

Remuneration/Sitting Fees ₹ 12,150,744/- (31.03.2012 - ₹ 8,776,004/-)

The management certifies that there are no other payments to any relatives of Key Management Personnel.

Notes to Consolidated Financial Statements

As at and for the year ended 31st March, 2013

S. Earnings Per Share

(Amount in ₹)

	2012-13	2011-12
(a) Profit/(Loss) after taxation as per Statement of Profit & Loss (in ₹)	64,076,982	59,950,465
(b) Number of equity shares outstanding (including shares to be issued in lieu of scheme)	4,142,201	3,256,247
(c) Basic and Diluted Earnings Per Share in (in ₹) (Face value ₹ 10/- per share)	15.47	18.41

T. Previous year figures have been arranged/re-grouped wherever necessary.

For and on behalf of

SINGHI & CO.

Chartered Accountants

Firm Registration No. 302049E

Gopal Jain

Partner

Membership No. 059147

Place : Kolkata

Dated : 11th May, 2013

S. Bagree

Manager (Finance) &
Company Secretary

G. D. Bangur Chairman

H. Bangur Executive Vice-Chairman

P. D. Bangur Director

A. Ghosh Director

M. K. Daga Director

J. K. Surana Director

M. M. Pyne Director

K. C. Mohta Executive Director

Statement

containing brief financial details of Subsidiaries of the Company

In terms of General Circular No : 02/2011 dated 8th February, 2011 issued by the Ministry of Corporate Affairs, a statement containing brief details of the subsidiaries for the year ended 31st March, 2013 is given hereunder :

(Amount in ₹)

Item	Gloster Real Estates Pvt. Ltd.	Cowcoody Builders Pvt. Ltd.	Pranav Infradev Co. Pvt. Ltd.	The Cochin Malabar Estates & Ind. Ltd.
1. Capital	631,350	1,569,820	2,122,710	17,719,080
2. Reserves	46,802,174	160,525,859	200,925,461	(230,123,317)
3. Total Assets	47,574,947	179,542,669	205,057,124	227,520,479
4. Total Liabilities	141,423	17,446,990	2,008,953	439,924,716
5. Investments	–	–	–	–
6. Turnover	443,162	9,734,525	560,998	835,822
7. Profit before Taxation	(41,558)	6,765,860	28,353	(41,301,998)
8. Provision for Taxation	40,000	1,845,000	8,715	(5,729,928)
9. Profit after Taxation	(81,558)	4,920,860	19,638	(35,572,070)
10. Proposed Dividend	–	–	–	–
11. Reporting Currency	INDIAN RUPEES	INDIAN RUPEES	INDIAN RUPEES	INDIAN RUPEES

The Annual Accounts of the Subsidiaries and the related detailed information will be made available to any member of the Company seeking such information at any point of time and are also available for inspection by any member of the Company at the Registered Office of the Company. The Annual Accounts of the said subsidiaries will also be available for inspection as above, at the Registered Office of the Subsidiaries.

Safe Harbour

The statements made in this Annual Report including the Management's Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be "Forward Looking Statements" within the meaning of applicable Securities Laws & Regulations and are based on the currently held beliefs and assumptions of our management, which are expressed in good faith and in their opinion, reasonable. Actual results could differ from those expressed and implied since the Company's operations are influenced by many external and internal factors beyond the control of the Company. Several factors could make a significant difference to the Company's operations which includes climatic conditions, economic conditions affecting demand and supply, government regulations and taxation, natural calamities, raw material price changes, domestic supply and prices conditions, Company's success in attracting and retaining Key Personnel, integration and re-structuring activities, general business and economic conditions over which the Company does not have any direct control. Because such statements deal with the future events they are subject to various risks and uncertainties. You are cautioned not to place undue relies on these forward looking statements.

The Company undertakes no obligations to revise or update the forward looking statements, whether as a result of new information, future events or otherwise.

Concept, design and printing by

MANJARI ENTERPRISES (print@manjari.net)
Phone : (033) 22303495



JOONKTOLLEE TEA & INDUSTRIES LTD.

www.joonktolleetea.in



Joonktollee Tea & Industries Ltd.

Registered Office : 21, Strand Road, Kolkata - 700 001

NOTICE

NOTICE is hereby given that the 139 Annual General Meeting (AGM) of the Members of Joonktollee Tea & Industries Limited will be held on Saturday, August 31, 2013 at 11.15 a.m. IST at 'Shripati Singhanian Hall', Rotary Sadan, 94/2, Chowringhee Road. Kolkata - 700 020 to transact the following Business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Statement of Profit and Loss for the year ended 31st March, 2013, the Balance Sheet as on that date and the Reports of the Auditors' and the Directors' thereon.
2. To declare a dividend for the financial year ended 31st March, 2013.
3. To appoint a Director in place of Mr. M. M. Pyne who retires by rotation and is eligible for re-appointment.
4. To consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution :

"RESOLVED THAT Mr. A. Ghosh, a Director liable to retire by rotation, who does not offer himself for re-appointment, be not re-appointed as a Director of the Company and the vacancy, so caused on the Board of the Company, be not filled up."

5. To appoint Auditors and to fix their remuneration. In this connection, to consider and, if thought fit, to pass the following Resolution which will be proposed as an Ordinary Resolution :

RESOLVED THAT M/s. Singhi & Co., Chartered Accountants (firm registration No.302049E), be and are hereby re-appointed as the auditors of the Company to hold office from the conclusion of this AGM to the conclusion of the next AGM on such remuneration as may be determined by the Board of Directors in consultation with the auditors.

By Order of the Board

Registered Office :

21, Strand Road,
Kolkata - 700 001
Dated : 11th May, 2013

S. Bagree
Manager (Finance)
& *Company Secretary*

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING MAY APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ON HIS/HER/ITS BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Proxies, in order to be effective, must be received by the Company/Registrar & Share Transfer Agent (the "RTA") not less than 48 hours before commencement of the Annual General Meeting.

2. In terms of Article 116 of the Articles of Association of the Company, Mr. M. M. Pyne and Mr. A. Ghosh Directors, retire by rotation at the ensuing Annual General Meeting and are eligible for re-appointment. However, Mr. A. Ghosh would not like to be re-elected at the Meeting. A brief resume of Mr. M. M. Pyne, nature of this expertise in specific functional areas, names of other Companies in which he holds Directorship and Membership /Chairmanship of Board Committees and Shareholding, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange(s), are annexed to this Notice. The Board of Directors of the Company recommends his re-appointment.
3. Corporate Members are requested to send to the Company/RTA, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting and send the same to the Company or RTA so as to reach the Company preferably before 48 hours of the time of the Meeting for making necessary arrangements.
4. The Register of Members and Share Transfer Books in respect of Equity Shares of the Company will remain closed from Friday, the 23rd August, 2013 to Saturday, the 31st August, 2013.
5. Members are requested to produce the attendance slip duly signed as per the specimen signature recorded with the Company for admission to the Meeting hall.
6. Members who hold shares in dematerialized form are requested to furnish their Client ID and DP ID Nos. for easy identification of members, at the Meeting.
7. Members holding shares in physical form are requested to inform the Company or the RTA, the changes, if any, in their address or Bank particulars so that the same can

be incorporated in the Dividend Warrant and in case their shares are held in dematerialized form, this information should be furnished to their respective Depository Participants immediately.

8. The Securities and Exchange Board of India (SEBI) has made it mandatory for all Companies to use the bank account details furnished by the depositories for depositing dividends. Dividend will be credited to the Members' bank account through NECS wherever complete core banking details are available with the Company. In cases where the core banking details are not available, dividend warrants will be issued to the Members with bank details printed thereon as available in the Company's records.
9. Shareholders, who have not dematerialized their shares as yet, are advised to have their shares dematerialized to avail the benefits of paperless trading as well as easy liquidity, as the trading in shares of the Company is under compulsory dematerialized form.
10. In all correspondence with the Company or the RTA, Members are requested to quote their Folio Number and in case their shares are held in the dematerialized form, they must quote their DP ID and Client ID Number.
11. Dividend on Equity Shares as recommended by the Board, if declared at the Meeting, will be paid :
 - a. to those Members whose names appear in the Register of Members of the Company, after giving effect to all valid share transfers in physical form lodged with the Company on or before 23rd August, 2013; and
 - b. in respect of shares held in electronic form, to those "deemed members" whose names appear on the statements of beneficial ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) at the end of business hours on (date).
12. In accordance with the provisions of Section 205A read with Section 205C of the Companies Act, 1956, the unclaimed / unpaid dividends relating to year ended 31st March, 2006 has been transferred to Investor Education and Protection Fund. Unpaid and unclaimed dividend for the year ended 31st March, 2007, 2008, 2009, 2010, 2011 & 2012 will be transferred to Investor Education and Protection Fund on 23rd September, 2013, 22nd December, 2014, 29th November, 2015, 2nd September, 2016, 29th September, 2017, 28th September, 2018 & 20th December, 2019 respectively. Members who have a valid claim on any of the unclaimed/unpaid dividends, for these years are requested to lodge their claim before the amount is transferred to the said fund on the respective dates as aforesaid with the Company's RTA, M/s. Maheshwari Datamatics Pvt. Ltd., 6, Mangoe Lane, Kolkata-700 001.
13. In terms of Circular No.MRD/DoP/Cir - 05/2009 dated 20th May, 2009 issued by the Securities and Exchange Board of India (SEBI), it is now mandatory for the transferee of the physical shares to furnish copy of PAN card to the Company or the RTA for registration of transfer of shares. Shareholders are requested to furnish copy of PAN card at the time of transferring physical shares.
14. Members who wish to obtain any information on the Company or the Accounts for the financial year ended 31st March, 2013 may send their queries to the Company Secretary at the Registered Office of the Company at least 10 days before the Annual General Meeting.
15. Pursuant to Section 109A of the Companies Act, 1956, Shareholders can make nomination in respect of shares held by them in Physical form in the prescribed Form 2B (in duplicate) and send the same to the Company or the RTA for necessary recording.
16. The Company's Equity Shares are listed on The Calcutta Stock Exchange Ltd. at 7, Lyons Range, Kolkata-700 001 and upto date listing fees have been paid in time. Further, the Company has got permission from the Bombay Stock Exchange for trading of its securities. The Company is in the process of making application to Bombay Stock Exchange for direct listing of its securities.
17. Members who are holding Shares in identical order of names in more than one folio are requested to send to the Company the details of such folios together with the Share Certificates for consolidating their holding into one folio. The Share Certificates will be returned to the Members after incorporating requisite changes thereon.
18. The Ministry of Corporate Affairs (MCA) has undertaken a "Green Initiative in the Corporate Governance" vide its Circular Nos.17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively and allowed companies to share documents with its shareholders through electronic mode. In line with the above Circulars, the Company now proposes to send to its members, notices, annual reports and accounts and other communication through electronic mode. Members are requested to register/update their e-mail addresses, in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with Maheshwari Datamatics Private Limited, the Registrar and Share Transfer Agent of the Company.
19. MEMBERS ARE REQUESTED TO BRING THEIR COPY OF THE ANNUAL REPORT TO THE MEETING.

DETAILS OF DIRECTORS RETIRING BY ROTATION & SEEKING RE-APPOINTMENT
(In Pursuance of Clause 49 of the Listing Agreement)

Name	Shri M. M. Pyne		
Date of Birth	22nd October, 1947		
Date of Appointment	10th February, 1997		
Qualifications	B. Sc.		
Expertise in specific functional areas	Shri Mihir Mohan Pyne (66), a Director of the Company, is a Science Graduate and has more than 22 years experience in Stock Broking.		
	COMPANY		POSITION
Directorship in other Companies	Bloomfield Tea Co. Ltd. Gloster Real Estates Pvt. Ltd. The Camperdown Pressing Co. Ltd. Pyne Properties Pvt. Ltd. GMP Consultants Pvt. Ltd. Muskan Trade Links Pvt. Ltd. Excellent Suppliers Pvt. Ltd. Sambhav Dealers Pvt. Ltd. Gracious Traders Pvt. Ltd. Nimbus Suppliers Pvt. Ltd. Everlike Dealers Pvt. Ltd. Zed Vinimay Pvt. Ltd.		Director Director Director Director Director Director Director Director Director Director Director Director
	COMPANY	COMMITTEE	POSITION
Chairman / Member of Committees of the Board of other Companies of which he is a Director	-	-	-
Shareholding in the Company	-		



Joonktolllee Tea & Industries Ltd.

Registered Office : 21, Strand Road, Kolkata - 700 001

Dear Shareholder,

Sub : **Green Initiative**

Ministry of Corporate Affairs (MCA) has issued Circulars regarding 'Green Initiative' in Corporate Governance' by allowing paperless compliances by serving documents through electronic mode. Accordingly, we propose to send all shareholders' communications like Notices, Company's Annual Report etc. through electronic mode. This will ensure prompt receipt of communication, avoid loss in postal transit and most importantly, will enable your Company to help in conservation of forest resources.

If you are holding shares in electronic form, we would request you to register your e-mail address with your Depository Participant only in case you have not already done so. You are also requested to intimate to the Depository Participant on or before that date, changes, if any, in your registered addresses, e-mail id and/or changes in your bank account details. You are not required to re-register unless there is a change in your e-mail address etc.

If you are holding shares in Physical form, you may provide your e-mail address by filling the enclosed printed form and send it to our Registrar & Share Transfer Agent at following address and also intimate whether you desire to receive documents in electronic mode or not.

Maheshwari Datamatics Pvt. Ltd.

6, Mangoe Lane (Surendra Mohan Ghosh Sarani)

2nd Floor, Kolkata - 700 001

Phone : +91 33 22482248, Fax No : +91 33 22484787,

E-mail : mdpldc@yahoo.com

You may note that documents sent through e-mail will also be available on the Company's website www.joonktolleetea.in. As a Member of the Company, you will continue to be entitled to be furnished, free of cost, with printed copy of Annual Report and all other documents, upon receipt of a request from you for the same.

We appreciate the 'Green Initiative' taken by MCA and trust you would help in implementing the e-governance initiative of the Government.

With best wishes,

Thanking you,

Yours faithfully

For **JOONKTOLLEE TEA & INDUSTRIES LTD.**

S. Bagree

Company Secretary

Place : Kolkata



Joonktollie Tea & Industries Ltd.

Registered Office : 21, Strand Road, Kolkata - 700 001

ATTENDANCE SLIP

I/We hereby record my/our presence at the One Hundred Thirty Ninth Annual General Meeting of the Company to be held at Shripati Singhanian Hall, Rotary Sadan, 94/2, Chowringhee Road, Kolkata - 700 020 on Saturday, the 31st August, 2013 at 11.15 A.M. IST and at any adjournment thereof.

Date : _____

Signature _____

IMPORTANT : This attendance slip should be signed and handed over at the entrance of the Meeting Hall.



Joonktollie Tea & Industries Ltd.

Registered Office : 21, Strand Road, Kolkata - 700 001

PROXY FORM

Ledger Folio No./D.P. ID*/Client ID* _____

No. of Shares held _____

I/We _____ of

_____ being a member of JOONKTOLLEE TEA & INDUSTRIES LTD.

hereby appoint Mr./Mrs./Miss _____ of

_____ (or failing him/her,

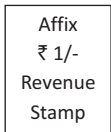
Mr./Mrs./Miss _____ of

_____) as my/our proxy to vote for

me/us and on my/our behalf at the One Hundred Thirty Ninth Annual General Meeting of the Company to be held at Shripati Singhanian Hall, Rotary Sadan, 94/2, Chowringhee Road, Kolkata - 700 020 on Saturday, the 31st August, 2013 at 11.15 A.M. IST and at any adjournment thereof.

Signed this _____ day of _____, 2013

Signature of Member _____



Note : This proxy must be deposited at the Registered Office of the Company at 21, Strand Road, Kolkata - 700 001 not less than forty eight hours before the time for holding the meeting.

* Applicable for Members holding shares in dematerialised form.



JOONKTOLLEE TEA & INDUSTRIES LTD.

20.06.2013

To
Bombay Stock Exchange Ltd.,
25th Floor,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001.

FORM 'A'

1.	Name of the company	Joonktollée Tea & Industries Limited
2.	Annual financial statements for the year ended	31 st March, 2013
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable.
5.	To be signed by – <ul style="list-style-type: none">* CEO & Executive Director * CFO (Manager Finance & Company Secretary) * Auditor of the company • Audit Committee Chairman	<p>For Joonktollée Tea & Industries Ltd. <i>Kailash Mohite</i> Executive Director</p> <p>For JOONKTOLLEE TEA & INDUSTRIES LTD. <i>Shreed Beget</i> Manager (Fin) & Company Secretary</p> <p>SINGHI & CO. Chartered Accountants Firm Registration No. 1000043E</p> <p><i>Al JAIN</i> Partner Membership No. 259147</p> <p><i>M. S. D.</i></p>

21, STRAND ROAD, KOLKATA - 700 001

☎: +91 (33) 2230-9601 (4 lines), Fax : +91 (33) 2230 2105, E-mail : info@joonktolleetea.in, Web. : www.joonktolleetea.in

JOONKTOLLEE TEA ESTATE • JAMIRAH TEA ESTATE • NILMONI TEA ESTATE
GOODMANKHAN TEA ESTATE • COWDOODY COFFEE ESTATE