



**NORBEN TEA & EXPORTS LTD.**



*Annual Report 2013-2014*



## **BOARD OF DIRECTORS**

Mr. M. K. Daga  
**Chairman & Mg. Director**

Mr. S.N. Bardhan, **Non-Executive Director**  
Mr. R.K. Jhalaria, **Independent Director**  
Ms. Swati Sharma, **Independent Director**  
Ms. Sweta Patodia, **Non-Executive Director**

Mr. Pawan Kothari  
Company Secretary

**AUDITORS**  
M/s.Goenka Shaw & Co.  
Chartered Accountants  
Kolkata

**BANKER**  
State Bank of India

## **REGISTRAR & SHARE TRANSFER AGENT**

C.B. Management Services (P) Limited  
P-22, Bondel Road, Kolkata-700019  
Telephone: 4011 6700 ; Fax : 4011 6739  
E-mail: rta@cbmsl.com

## **NORBEN TEA & EXPORTS LIMITED**

CIN : L01132WB1990PLC048991  
REGISTERED OFFICE & ADMINISTRATIVE OFFICE  
15-B, Hemanta Basu Sarani, 3rd Floor, Kolkata-700001  
Phone: 2210 0553, Fax: 2210 0541  
E-mail: enquiry@norbentea.com, Website: www.norbentea.com

## **PLANTATION & FACTORY:**

P.O.Kuripara,  
Dist.Jalpaiguri, Pin-735 132, West Bengal



## **NOTICE**

NOTICE is hereby given that the 24th Annual General Meeting of the Members of the Company will be held at **G.D.Birla Sabhagar, 29, Ashutosh Chowdhury Avenue, Kolkata-700019** on Wednesday, the 30th July, 2014 at 10.30 a.m. to transact the following business:

1. To receive, consider and adopt the Profit & Loss Account of the Company for the year ended 31<sup>st</sup> March, 2014 and the Balance Sheet as at that date and the Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Mr. S.N. Bardhan (holding DIN:00162772), who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint M/s. Goenka Shaw & Co., Chartered Accountants (F R No. 319075E) as Statutory Auditors of the Company and fix their remuneration.

### **SPECIAL BUSINESS**

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:  
"RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Ms. Swati Sharma (holding DIN: 06804522), Independent Director of the Company who retires by rotation at the Annual General Meeting be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years from the conclusion of this Annual General Meeting till the Annual General Meeting for the Financial Year ended 31<sup>st</sup> March, 2019."
5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:  
"RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Ranjan Kumar Jhalaria (holding DIN: 05353976), Independent Director of the Company who retires by rotation at the Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years from the conclusion of this Annual General Meeting till the Annual General Meeting for the Financial Year ended 31<sup>st</sup> March, 2019."
6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:  
"RESOLVED that Ms. Sweta Patodia (holding DIN: 06869426), who was appointed as a Non-Executive Additional Director of the Company by the Board of Directors with effect from 26<sup>th</sup> May, 2014, in terms of Section 161(1) of the Companies Act, 2013, and Article 80(a) of the Articles of Association of the Company and whose term of office expires at the Annual General Meeting, be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement of directors by rotation."
7. To consider and if thought fit, to pass with or without modifications, the following Resolution as an Ordinary Resolution:  
"RESOLVED that pursuant to the provisions of Sections 196, 197, 203 of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013 the consent of the Company be and is hereby accorded to the re-appointment of Mr. M.K. Daga (holding DIN: 00123386), as Managing Director of the Company for a period of five years with effect from 1<sup>st</sup> April, 2014, on the terms and conditions as set out in the Explanatory Statement annexed hereto."  
"RESOLVED FURTHER that aggregate amount of remuneration payable to him in a particular financial year will be subject to overall ceiling limit laid down in Sections 196 & 197 of the Companies Act, 2013."  
RESOLVED FURTHER that the Board of Directors be and is hereby authorised to alter and vary such terms of appointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act, 2013, as may be agreed to by the Board of Directors and Mr. Daga.
8. To consider and if thought fit, to pass with or without modifications, the following Resolution as an Ordinary Resolution:  
"RESOLVED that pursuant to section 148 of the Companies Act, 2013 and Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration of Rs. 10,000/- p.a. payable to M/s R.P.Mandal, Cost Auditors of the Company for the financial year 2014-15 be and is hereby ratified by the shareholders of the Company."

By Order of the Board  
For **NORBEN TEA & EXPORTS LTD.**

Regd.Office:  
15B, Hemanta Basu Sarani,  
3rd Floor, Kolkata-700001.  
Date : 18<sup>th</sup> June, 2014.

**M.K.DAGA**  
(Chairman & Mg.Director)



#### **IMPORTANT NOTES:**

1. The Register of Members and the Share Transfer books of the Company will remain closed from Wednesday, 23rd July, 2014 to Friday, 25th July, 2014 (both days inclusive) for annual closing.
2. The Explanatory Statement, pursuant to Section 102(2) of the Companies Act, 2013 (corresponding to 173(2) of the Companies Act, 1956), which sets out details relating to Special Business at the meeting, is annexed hereto.
3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.**

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

4. All documents referred to in the notice and the explanatory statement requiring the approval of the Members at the Meeting and other statutory registers shall be available for inspection by the Members at the registered office of the Company during office hours on all working days between 11.00 a.m. and 1.00 p.m. on all days except Saturdays, Sundays and public holidays, from the date hereof up to the date of Annual General Meeting.
5. Members holding shares in physical mode are requested to intimate changes in their address alongwith proof of address/bank mandate to the Registrar and Share Transfer Agents (RTA), M/s C.B. Management Services (P) Ltd. Members holding shares in electronic mode are requested to send the intimation for change of address / bank mandate to their respective Depository Participant.
6. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to write to the Company's RTA, enclosing their share certificates to enable the Company to consolidate their holdings into a single folio.
7. Shareholders are also requested to take immediate action to demat your shares to avail easy liquidity since trading of shares of the Company are under compulsory demat mode as per the regulation of SEBI and also to prevent any loss of physical Share Certificate (if already complied with, please ignore this).
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in Securities market. Members are, therefore, requested to submit the PAN details to the Company.
9. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
10. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
11. Electronic copy of the Notice and Annual Report of the 24th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 24th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
12. Members holding shares in physical form can now avail the facility of nomination in respect of shares held by them pursuant to the Companies Act, 2013. The prescribed Form (Form SH 13) can be obtained from the Share Department of the Company. Members desiring to avail this facility, may send their Nomination Form (in duplicate) duly filled in, to the Company or its Share Transfer Agents M/s. C.B. Management services (P) Limited, P-22, Bondel Road, Kolkata – 700 019, by quoting their respective Folio Numbers.
13. Members can now get their e-mail address registered with the Company if they want to receive the notices of the Company, for holding general meetings, postal ballot and any other purpose, through electronic mode.  
The Government vide Circular No.17/95/2011 CL-V dated 21/04/2011 has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by the Companies after considering sections 2, 4, 5 and 81 of the Information Technology Act, 2000 for legal validity of compliances under Companies Act through electronic mode.



Shareholders holding shares in physical mode are requested to visit the following webpage to register their e-mail ID and exercise their option accordingly:-

[www.cbmsl.com/green.php](http://www.cbmsl.com/green.php)

Shareholders holding shares in demat mode and intend to receive the Annual Reports in physical form may likewise visit the above mentioned webpage to exercise their option.

14. Members may also note that the Notice of the 24th Annual General Meeting and the Annual Report for 2014 will also be available on the Company's website [www.norbentea.com](http://www.norbentea.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Kolkata for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [investorcare@norbentea.com](mailto:investorcare@norbentea.com).

15. Voting through electronic means

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 24<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL):

The instructions for members for voting electronically are as under:-

**A. In case of members receiving e-mail:**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the Electronic Voting Sequence Number - "140616008" along with "NORBEN TEA & EXPORTS LIMITED" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.
- (v) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and cast your vote earlier for EVSN of any company, then your existing password is to be used. If you are a first time user follow the steps given below.
- (vi) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)	
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.	
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.	

\*PAN: It has to be 10 characters only. Only alphabets and numbers are allowed, no special characters allowed. If PAN is left blank the system will Insert following in that case : First 2 alphabets from First Holder Name field + 8 characters from right of BOID / Folio Number (If the BOID / Folio Number is shorter than 8 characters then the system will insert "0" (zero) to fulfill the 10 character requirements). No special character will be taken from the name.

# Bank Account Details: If the Date of Birth & Bank Account Details both are left blank then the system will record BOID / FOLIO NO. in the Bank Account Details.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the relevant EVSN on which you choose to vote.



- (xi) On the voting page, you will see Resolution Description and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- (xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

**B. In case of members receiving the physical copy:**

- (i) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- C. The voting period begins on 22<sup>nd</sup> July, 2014 (9:00 am) and ends on 24<sup>th</sup> July, 2014 (6:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 13<sup>th</sup> June 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- D. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- II. As the voting would be through electronic means, the members who do not have access to e-voting, may requisite a Physical Ballot Form from the Company. You are required to fill in the ballot form and enclose it in a sealed envelope and send it to the Scrutinizer. Unsigned, incomplete or incorrectly ticked forms shall be rejected. The ballot must be received by the Scrutinizer on or before 24<sup>th</sup> July, 2014 (6.00 pm). The Scrutinizers decision on the validity of the forms will be final. Members are required to vote only through the electronic system or through ballot only and in no other form. In the event a member casts his votes through both the processes, the votes in the electronic system would be considered and the ballot vote would be ignored.
- III. You can also update your mobile number and email id in the user profile details of the folio which may be used for sending future communication(s).
- IV. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 13<sup>th</sup> June 2014.
- V. Ms.Swati Bajaj, of P.S. & Associates, Practising Company Secretaries, (Membership No. ACS:13216) (Address: 225D, AJC Bose Road, 3<sup>rd</sup> Floor, Kolkata - 700020) has been appointed as the Scrutinizer to scrutinize the e-voting process (including the physical ballots received from members who don't have access to the e-voting process) in a fair and transparent manner.
- VI. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- VII. The Results shall be declared at the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website [www.norbentea.com](http://www.norbentea.com) and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the NSE and BSE Limited.



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

**ATTENDANCE WILL START AT 9.30 A.M.**

**I. EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**ITEM NO.4**

Ms. Swati Sharma is an Independent Director of the Company. Ms. Swati Sharma was appointed at the Meeting of the Board held on 14<sup>th</sup> February 2014, in the Casual Vacancy created due to the demise of Mr. Gautam Sen (who was to retire by rotation at the ensuing AGM).

She is a Fellow member of Institute of Chartered Accountants of India and an Associate member of Institute of Company Secretaries of India. She has worked with ICICI Bank Limited for 3 years and thereafter, since 2009 is working in a private firm, dealing in matters of finance and taxation.

Ms. Sharma is a Member of the Nomination & Remuneration Committee, Audit Committee and Share Transfer Committee of the Board of Directors of the Company.

Ms. Sharma is not a Director or Member in any other Company in India. She does not hold by herself or for any other person on a beneficial basis, any shares in the Company.

Ms. Sharma retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Ms. Sharma being eligible and offering herself for appointment, is proposed to be appointed as an Independent Director for five consecutive years from this Annual General Meeting to the Annual General Meeting for the Financial Year ended 31<sup>st</sup> March, 2019.

In the opinion of the Board, Ms. Sharma fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for her appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Ms. Sharma as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that her continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Ms. Sharma as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Ms. Sharma as an Independent Director, for the approval by the shareholders of the Company.

Except Ms. Sharma, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item 4. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

**ITEM NO.5**

Mr. Ranjan Kumar Jhalaria is an Independent Director of the Company. He joined the Board of Directors of the Company on 13<sup>th</sup> August, 2012.

Mr. Jhalaria is the Chairman of the Audit Committee and Nomination & Remuneration Committee and Member of Stakeholders Relationship Committee, Review Committee and Share Transfer Committee of the Board of Directors of the Company.

Mr. Jhalaria is a fellow member of The Institute of Chartered Accountants of India. His area of specialization includes audit, business consultancy, business valuation, corporate management, financial management, pre-acquisition studies, and corporate law. He was involved in audit and taxation of wide selection of Indian and multi-national clients.

He is a director in Ascot Digital Private Limited. He is not a member in any other Company in India. Mr. Jhalaria does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Mr. Jhalaria is an Independent Director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act 2013, Mr. Jhalaria being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years from the conclusion of this Annual General Meeting to the Annual General Meeting for the Financial Year ended 31<sup>st</sup> March, 2019.

In the opinion of the Board, Mr. Jhalaria fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Jhalaria as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Jhalaria as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Jhalaria as an Independent Director, for the approval by the shareholders of the Company.



Except Mr. Jhalaria, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item 5. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

#### **ITEM NO.6**

The Board of Directors at their meeting held on 26<sup>th</sup> May, 2014 appointed Ms. Sweta Patodia as a Non-Executive Additional Director of the Company with effect from 26<sup>th</sup> May 2014.

Ms. Patodia is Member of the Stakeholders Relationship Committee and Share Transfer Committee of the Board of Directors of the Company.

Ms. Sweta Patodia is an Associate member of Institute of Chartered Accountants of India and an Associate member of Institute of Company Secretaries of India. She is presently working with HSBC Bank.

Under Section 161(1) of the Companies Act, 2013 read with Article 80(a) of the Articles of Association of the Company, Ms. Patodia holds office only up to the date of this Annual General Meeting of the Company.

Ms. Patodia does not hold by herself or for any other person on a beneficial basis, any shares in the Company.

She is not a Director or a Member in any other Company in India

The Board considers that the appointment of Ms. Patodia as a Non-Executive Additional Director of the Company would be of immense benefit to the Company. Accordingly, the Board of Directors recommends her appointment as a Non-Executive Director of the Company whose period of office is liable to determination by retirement of directors by rotation.

Except Ms. Patodia being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.6. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

#### **ITEM NO.7**

The members in the Annual General Meeting held on 28<sup>th</sup> August, 2009 extended the tenure of Mr. Manoj Kumar Daga for period of five years till 31<sup>st</sup> March, 2014.

The Board of Directors at their meeting held on 30<sup>th</sup> May, 2014 decided to extend the tenure of Mr. Daga for a further period of five years from 1<sup>st</sup> April 2014 till 31<sup>st</sup> March, 2019.

He has been working in the Tea Industry for more than 30 years. He is a Bachelor of Commerce with Honours in Accountancy.

The appointment of Mr. Daga is appropriate and in the best interest of the Company. Mr. Daga is Director in Tongani Tea Company Limited, Joonktollee Tea & Industries Ltd., Cowcoody Builders Pvt Ltd. and Daga & Co Pvt. Ltd. and a member in Tongani Tea Company Limited. Mr. Daga hold by himself 120501 Equity shares in the Company. He does not hold for any other person on a beneficial basis, any shares in the Company.

He is also a Chairman of the Review Committee and Share Transfer Committee of the Board of Directors of the Company.

The approval of the members is being sought to the terms, conditions and stipulations for the appointment of Mr. Daga as the Managing Director and the remuneration payable to him. The terms and conditions proposed (approved by the Nomination & Remuneration Committee, at its meeting held on 26<sup>th</sup> May 2014 and fixed by the Board of Directors at their meeting held on 30<sup>th</sup> May, 2014) are keeping in line with the remuneration package that is necessary to encourage good professional managers with a sound career record to important position as that of the Managing Director.

The material terms of appointment and remuneration as contained in the draft Agreement are given below: -

- I. a) Consolidated Salary of Rs.55,000/- (Rupees fifty five thousand) only per month.
- b) Medical Reimbursement : For self and family subject to a ceiling of one month's salary in a year or three month's salary over a period of any three years.
- c) Club Fees: Fee of clubs subject to a maximum of two clubs. This will not include admission & other fees.
- d) Personal Accident Insurance : Premium not to exceed Rs.4,000/- per annum.
- e) Leave : 30 days in a year. Leave not availed is not encashable.
- f) Reimbursement of entertainment and all other expenses actually and properly incurred in the course of legitimate business of the Company.
- g) The following prerequisites which shall not be included in computation of the ceiling on the remuneration:
  - 1) Contribution to Provident Fund, Superannuation Fund as per the Scheme of the Company to the extent they, either singly or put together, are taxable under the Income Tax Act, 1961.





- 2) Gratuity as per Scheme of the Company but not exceeding half a month's salary for each completed year of service.
- II. In the event of loss or inadequacy of profits in any year during the continuance of this agreement the payment of remuneration by way of salary, perquisites etc. mentioned above shall be restricted to the ceiling limit prescribed under schedule XIII to the Act.
  - III. During the continuance of this agreement Mr. Daga shall not -
    - a) Be entitled to any sitting fees for attending meeting of Board of Directors or Committee thereof.
    - b) Accept whether directly or indirectly, any part time job or business assignment of any kind whatsoever.
    - c) Be interested or otherwise concerned directly or through his wife and/or minor children, in any selling agency of the Company.
    - d) Divulge or disclose to any person any secret or confidential information relating to the affairs of the Company or as to any trade secrets or secret processes and to use his best endeavours to prevent any other persons from doing so.
    - e) Be in employment directly or indirectly of any firm, Company or persons whether a manufacturer or dealer or trader in goods or products which are of the same or similar kind and nature as those of the Company.
  - IV. The Company shall be at liberty to terminate service of Mr. Daga without notice or payment in lieu of notice (i) if Mr. Daga remains absent for a period exceeding 90 days on account of ill health, accident or disability or similar other reason without notice or (ii) on being found in gross default of any terms of employment.
  - V. Subject to the provisions of the Act, the Board of Directors may alter, vary the terms and conditions of this agreement from time to time.

In view of the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013, the Board recommends the Ordinary Resolution set out at item no. 7 of the accompanying Notice for the approval of the Members.

Copy of the Draft Agreement referred to in the Resolution would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday, upto and including the date of the Annual General Meeting.

Except Mr. Daga, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.7.

This Explanatory Statement together with the accompanying Notice may also be regarded as an as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

#### **ITEM NO.8**

M/s. R.P. Mandal & Co., Cost Accountants holding F.R.No.102651 represented by their partner Mr. R.P. Mandal having Membership No. M/17788 have been appointed as the Cost Auditors of the Company at a remuneration of Rs.10,000/- p.a. at the Board of Directors Meeting held on 26<sup>th</sup> May 2014 after the same was recommended by the Audit Committee at its meeting held on 26<sup>th</sup> May 2014.

As per section 148 of the Companies Act, 2013 and Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration recommended by the Audit Committee shall be considered and approved by the Board of Directors and ratified subsequently by the shareholders.

The Board recommends the Ordinary Resolution set out at item no. 8 of the accompanying Notice for the approval of the Members.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 8.

#### **II. DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGE:**

##### **Re-appointment of Mr. S.N.Bardhan (Item No. 2)**

In terms of Section 149, 152 and any other applicable provisions of the Companies Act, 2013, effective from 1st April, 2014, for the purpose of determining the directors liable to retire by rotation, the Independent Directors shall not be included in the total number of directors of the Company.

Mr. S.N.Bardhan shall accordingly retire at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

Mr. Bardhan joined the Board of Directors as a Non-Executive Independent Director from 26<sup>th</sup> March, 2003.

Mr. Bardhan is the Chairman of the Stakeholders Relationship Committee and Member of Audit Committee, Nomination & Remuneration Committee, Review Committee and Share Transfer Committee of the Board of Directors of the Company.



Mr. Bardhan had been serving as a Senior bank executive having 37 years long experience. He was entrusted with executive functions relating to all departments of the Bank apart from credit activities. He has received Management Training from CMA and was also deputed to Kathmandu, Nepal to a joint venture bank for imparting training.

Mr. Bardhan is not a Director or Member in any other Company in India. He does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Upon his re-appointment as a director, Mr. Bardhan shall continue to hold office as a Non-Executive Director subject to retirement by rotation.

Accordingly, the Board recommends his re-appointment.

Except Mr. Bardhan, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in agenda Item No. 2.

**Appointment of other Directors (Item Nos. 4 to 7)**

For the details of Ms. Swati Sharma, Mr. R.K. Jhalaria, Ms. Sweta Patodia and Mr. M.K. Daga, please refer to the respective Explanatory Statements as above in respect of the Special Business set out at Item Nos. 4 to 7 of the Notice of Annual General Meeting pursuant to Section 102 of the Companies Act, 2013.

By Order of the Board  
For **NORBEN TEA & EXPORTS LTD.**

Regd. Office:  
15B, Hemanta Basu Sarani,  
3rd Floor, Kolkata-700001.  
Date : 18<sup>th</sup> June, 2014.

**M.K.DAGA**  
(Chairman & Mg. Director)

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**USAGE OF ELECTRONIC PAYMENT MODES FOR MAKING  
CASH PAYMENTS TO THE INVESTORS**

We would like to request you to please go through the below mentioned points and take action immediately to safeguard your interest.

In terms of Circular No. CIR/MRD/DP/10/2013 dated 21<sup>st</sup> March, 2013 issued by SEBI, henceforth, payment of dividend, if any, will be made electronically, through ECS/RTGS/NEFT etc.

**For shareholders holding shares in demat form**

Please send your correct bank details (including MICR No. and IFSC Code) to your Depository Participant.

**For shareholders holding shares in physical form**

Please send your correct bank details (including MICR No. and IFSC Code) alongwith a cancelled cheque to the Registrars and Transfer Agent (RTA) of the Company at the undernoted address:

RTA : C.B. Management Services (P) Limited  
Address : P-22, Bondel Road, Kolkata-700019  
Telephone: 4011 6700 ; Fax : 4011 6739  
E-mail: rta@cbmsl.com

**In cases where either the bank details such as MICR (Magnetic Ink Character Recognition), IFSC (Indian Financial System Code) etc. that are required for making electronic payment are not available or the electronic payment instructions have failed or have been rejected by Bank, Companies or their RTI & STA may use physical payment instruments for making cash payments to the investors. Companies shall mandatorily print the bank account details of the investors on such payment instruments.**

We shall be thankful if our valued Shareholders take necessary action positively by 22nd July, 2014.

By Order of the Board  
For **NORBEN TEA & EXPORTS LTD.**

Regd. Office:  
15B, Hemanta Basu Sarani,  
3rd Floor, Kolkata-700001.  
Date : 18<sup>th</sup> June, 2014.

**M.K.DAGA**  
(Chairman & Mg. Director)



## DIRECTORS' REPORT

### TO THE MEMBERS

Your Directors present the Twenty Fourth Annual Report together with the Audited Accounts for the Financial Year ended 31<sup>st</sup> March, 2014. The summarised financial performance of your Company is as follows:

### FINANCIAL RESULTS

	(Rupees in thousand)	
	Current Year	Previous Year
Total Revenue	45053	47954
Prior Period Item	1950	24
Profit before Finance Cost, Depreciation and Taxation	8443	15371
Less : Finance Cost	<u>2987</u>	<u>4562</u>
Profit/ (Loss) before Depreciation and Tax	5,456	10,809
Less : Depreciation	<u>3,204</u>	<u>3,152</u>
Profit/ (Loss) before tax	2,252	7,657
Less/(Add) : Provision of Deferred Tax Charge/(Credit)	<u>977</u>	<u>1,071</u>
Profit/ (Loss) after tax	1,275	6,586
Add : Balance brought forward from previous year	<u>16,644</u>	<u>11,137</u>
Surplus available for Appropriation	17,919	17,723
Less : Deferred Tax Charge for the earlier years	<u>882</u>	<u>—</u>
	<u>17,037</u>	<u>17,723</u>
Self Assessment Tax for earlier years	—	1,079
	<u>17,037</u>	<u>16,644</u>
<b>APPROPRIATIONS</b>		
Balance Carried to Balance Sheet	17,037	16,644

### DIVIDEND

Your Directors do not recommend any dividend for the year, with a view to conserve resources.

### OPERATIONS & PROSPECTS

During 2013-14 Norben's tea production has been almost same as last year but prices in tea market have been lower, besides steep increase in employee costs.

The Company continues to strive for improvement driven by a series of initiatives across the organisation which should start yielding results from the current year

### DIRECTORS

Mr. Gautam Sen, Director of the Company has expired on 7<sup>th</sup> January, 2014. The Directors wish to place on record their appreciation for the guidance and services rendered by Late Shri Gautam Sen. The Company stands by his family and extends condolences to them in their grief.

**Ms. Swati Sharma** was appointed as a Director of the Company in the Casual Vacancy created due to the demise of Shri Gautam Sen (who was to retire by rotation at the ensuing AGM).

Ms. Sharma retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of Companies Act, 1956. Ms. Sharma being eligible and offering herself for appointment, is proposed to be appointed as an **Independent Director** for five consecutive years from this Annual General Meeting to the Annual General Meeting for the Financial Year ended 31<sup>st</sup> March, 2019.

**Mr. R.K. Jhalaria** is an Independent Director whose period of office liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. Mr. Jhalaria being eligible and offering himself for appointment, is proposed to be appointed as an **Independent Director** for five consecutive years from the conclusion of this Annual General Meeting to the Annual General Meeting for the Financial Year ended 31<sup>st</sup> March, 2019.

**Ms. Sweta Patodia** was appointed as a Non-Executive Additional Director of the Company at the Board of Directors meeting held on 26<sup>th</sup> May, 2014.

Under Section 161(1) of the Companies Act, 2013 read with Article 80(a) of the Articles of Association of the Company, Ms. Patodia holds office only up to the date of this Annual General Meeting of the Company.

Accordingly, the Board of Directors recommends her appointment as a **Non-Executive Director** of the Company whose period of office is liable to determination by retirement of directors by rotation.

The members in the Annual General Meeting held on 28<sup>th</sup> August, 2009 extended the tenure of **Mr. Manoj Kumar Daga, Managing Director** for period of five years till 31<sup>st</sup> March, 2014.



The Board of Directors at their meeting held on 30th May, 2014 decided to extend the tenure of Mr. Daga for a further period of five years from 1st April 2014 till 31st March, 2019.

The terms and conditions proposed (approved by the Nomination & Remuneration Committee, at its meeting held on 26th May 2014 and fixed by the Board of Directors at their meeting held on 30th May, 2014) are keeping in line with the remuneration package that is necessary to encourage good professional managers with a sound career record to important position as that of the Managing Director.

**Mr. S.N.Bardhan** was appointed as an Independent Director, but the Board of Directors have at their meeting held on 26<sup>th</sup> May 2014, designated him as a **Non-Executive Rotational Director** of the Company.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. S. N. Bardhan retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

In accordance with the provisions of the Section 217(2AA) of the Companies Act, 1956, your Directors confirm that:

1. Applicable accounting standards have been followed in the preparation of the Annual Accounts for the year ended 31<sup>st</sup> March, 2014 with proper explanation relating to material departures.
2. Accounting policies have been selected and applied consistently and judgments and estimates have been made which are reasonable and prudent and have been applied so as to give a true and fair view of the state of affairs of the Company in respect of the year ended 31<sup>st</sup> March, 2014 and of the profit of the company for that period.
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. Annual Accounts for the year ended 31<sup>st</sup> March, 2014 have been prepared on the basis of going concern concept.

#### **CORPORATE GOVERNANCE**

Report on Corporate Governance forms a part of this report.

#### **MANAGEMENT DISCUSSION AND ANALYSIS**

##### **a) Industry Structure & Developments**

India produced 1200.04 m.kgs. of Tea during the year 2013 as compared to 1126.33 m.kgs. in 2012. Indian Tea production was higher by 73.71 m.kgs. during the year 2013. The North Indian crop was higher by 70.49 m.kgs. while South Indian crop was estimated higher by 3.22 m.kgs. during the year 2013. The average price of Tea stood at Rs.119.72 per kg. in 2013 as against Rs.121.81 per kg. in 2012 representing a drop in Tea price by Rs.2.09 per kg. The main reason for the drop in the average price was higher crop due to better weather condition.

##### **Opportunities, Threats, Risks & Concerns**

Because of the very small size of production the Company's teas are readily accepted in niche market for "NORBEN" created over the years.

All the plantations of Norben are of high yielding clones producing bright liquoring teas.

The age of the plantations is very young and provides a great advantage in terms of cost due to less disease and low maintenance cost due to vigorous health of the bush.

The Company has in place systems of Internal Control commensurate with the size of the Company and the nature of its business, which ensures that transactions are recorded, authorized and reported correctly apart from safeguarding its assets against loss from wastage, unauthorized use and removal.

The Internal Control System is supplemented by documented policies, guidelines and procedures. An extensive programme of review is carried out by the Company's Management cum Internal Audit team which submits detailed reports periodically to the Management.

Tea continues to enjoy the status of being the most popular beverage in the World.

The Tea Industry is largely dependent on the vagaries of nature. The Industry is highly labour intensive and is subject to stringent labour laws. Comparatively high labour costs, high social cost over most other tea producing countries, high infrastructure costs and the increasing energy and other input costs remain the major problems for the Indian Tea Industry. Shortage of labour during peak season is also a cause for concern.

These problems need to be addressed by improved productivity and energy conservation. The Tea Industry both in Assam and in West Bengal have discussed with the Trade Unions and implemented productivity linked wages for the tea workers with a view to regain the Industry's competitiveness in the global market.

The Special Purpose Tea Fund (SPTF) has been set up by Commerce Ministry to implement uprooting and replanting programme which would help improvement in the productivity and yield thereby reducing cost in the coming years.



The small tea growers and bought leaf factories form a considerable part of the Industry. A recent compilation of figures shows a total production of around 100 million kgs through these bought leaf factories in North India. There is a need to regulate these factories to maintain the quality. The Industry is also subject to taxation from the State Government as well as Central Government and while the level of direct taxes have come down over a period, some of the State levies like cess on green leaf and substantial increase in Land Revenue Charges put the industry at a very disadvantageous position.

**b) Cautionary Statement**

Statements in the Management Discussions and Analysis Report in regard to projections, estimates and expectations have been made in good faith. Many unforeseen factors may come into play and affect the actual results which could be different from what the Directors envisage in terms of future performance and outlook. Market data and product information contained in this Report have been based on information gathered from various published and unpublished reports, and their accuracy, reliability and completeness cannot be assured.

**AUDITORS**

Messers Goenka Shaw & Co., Chartered Accountants, the Statutory Auditors of the Company retire at the forthcoming Annual General Meeting and are eligible for re-appointment.

**AUDITORS' REPORT**

The report of the Auditors in respect of the accounts for the year ended 31<sup>st</sup> March, 2014 is self explanatory and has been also explained in the Notes on Accounts.

**PARTICULARS OF EMPLOYEES**

As on March 31, 2014 the Company did not have any employee in the category specified in Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

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

The Statement pursuant to Section 217(1)(e) of the Companies Act, 1956 read with companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, is given in the annexure forming part of this report.

**APPRECIATION**

The Directors wish to place on record their appreciation for the support received from the Local Gram Panchayat, Government Departments, Banks and all others.

By Order of the Board  
For **NORBEN TEA & EXPORTS LTD.**

Regd. Office:  
15B, Hemanta Basu Sarani,  
3rd Floor, Kolkata-700001.  
Date : 30<sup>th</sup> May, 2014.

**M.K.DAGA**  
(Chairman & Mg. Director)



## REPORT ON CORPORATE GOVERNANCE

### 1. Company's Philosophy

Your Company has always believed in the concept of good corporate governance involving transparency, empowerment, accountability and integrity with a view to enhancing shareholders value. The Company has professionals on its Board of Directors who are actively involved in the deliberations of the board on all important policy matters.

### 2. Board of Directors

The Company has an Executive Chairman & Managing Director and more than 50% of the total number of Directors are Independent as well as Non-Executive Directors who bring independent views/ opinions in the Board's deliberations and decisions.

During the financial year 2013-2014 the Board met 6 (six) times on 30-05-2013, 02-07-2013, 13-08-2013, 19-09-2013, 13-11-2013, 14-02-2014 and the gap between any two meetings did not exceed four months.

The information as required under Annexure 1C to Clause 49 of the Listing Agreement is as under:

Name	Relationships of Directors Inter-se	Category	Designation	No. of Board Meetings attended	No. of other Director-ship held	Total No. of Chairman/Membership of Companies Statutory Committee		Attendance at last AGM
						Membership	Chairmanship	
Mr. M. K. Daga	Not related	Promoter & Executive Director	Managing Director	6	2	—	1	Yes
Mr. S. N. Bardhan	Not related	Independent & Non-executive Director	Director	6	—	—	2	Yes
Mr. Gautam Sen #	Not related	Independent & Non-executive Director	Director	4	—	2	—	Yes
Mr. R. K. Jhalaria	Not related	Independent & Non-executive Director	Director	6	—	2	—	Yes
Ms. Swati Sharma \$	Not related	Independent & Non-executive Director	Director	1	—	2	—	—

# Mr. Gautam Sen expired on 7<sup>th</sup> January, 2014 and

\$ Ms. Swati Sharma was appointed on 14<sup>th</sup> February, 2014 to fill the casual vacancy created due to the demise of Mr. Gautam Sen.

None of the Non-Executive Directors hold any shares in the Company.

None of the Directors on the Board is a member of more than 10 committees nor Chairman of more than 5 committees [as per Clause 49(l)(C)(ii)] across all the public limited companies in which he is a Director.

Membership/Chairmanship of only the Audit Committee and Shareholders' / Investor's Grievance Committee of all the Public Limited Companies have been considered.

All the Directors have made the requisite disclosures regarding Committee positions occupied by them in other companies. The Company's Board as on 31.03.2014 has 4 Directors comprising 1 Managing Director and 3 Non-Executive Directors.

### 3. Audit Committee

The Audit Committee was constituted by the Board of Directors and the composition, powers, terms of reference and the role of the Committee were laid out to comply with the requirements of the Listing Agreement with the Stock Exchanges and with the spirit of Corporate Governance. The Audit Committee also complies with the relevant provisions of the Companies Act 1956 and performs all the roles as specified in the Listing Agreement. However, brief description of the terms of reference of the Audit Committee are :

- Overview of the Company's financial reporting process and the disclosure of its financial information.
- Recommend the appointment/removal of statutory auditors, nature and scope of audit, fixation of audit fee and payment for any other services to statutory auditors.



- c. Review with the management the quarterly and annual financial statements before submission to the Board.
- d. Review with the management, statutory and internal auditors, the internal audit reports and the reports of statutory auditors.
- e. Review of the adequacy and effectiveness of Internal Audit function, the internal control system of the Company, compliance with the Company's policies and applicable laws and regulations.
- f. Approval of appointment of CFO (i.e. the whole-time 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 Audit Committee may also review such matters as considered appropriate by it or referred to it by the Board.

**Composition and other details**

The Audit Committee of the Board comprises of 3 (three) Independent & Non Executive Directors viz: Mr. S. N. Bardhan, Mr. R.K. Jhalaria and Ms. Swati Sharma. Mr. S. N. Bardhan, Chairman of the Committee, has expert knowledge of finance and accounting.

Mr. Gautam Sen expired on 7<sup>th</sup> January, 2014. Ms. Swati Sharma has been appointed to the Committee in the Board Meeting held on 14<sup>th</sup> February, 2014.

During 2013-2014, the Audit Committee met 6 (six) times. Mr. S. N. Bardhan, Chairman and Mr. R.K. Jhalaria, Director, attended all the meetings. Mr. Gautam Sen, Director, attended 4 meetings. Ms. Swati Sharma, Director, attended 1 meeting.

The Audit Committee meetings are attended by such other Executives as required.

**4. Shareholders' / Investors' Grievance Committee**

The Company has an independent Shareholders'/Investors' Grievance Committee to redress the investors' complaints and requests like delay in transfer of shares, non receipt of dividend, Annual Report etc.

**Composition and other details**

The Committee comprises of 3 (three) Independent & Non Executive Directors viz: Mr. S. N. Bardhan, Mr. R.K. Jhalaria and Ms. Swati Sharma.

Mr. Gautam Sen expired on 7<sup>th</sup> January, 2014. Ms. Swati Sharma has been appointed to the Committee in the Board Meeting held on 14<sup>th</sup> February, 2014.

During 2013-2014 the Committee met 4 (four) times. Mr. S. N. Bardhan, Chairman, and Mr. R.K. Jhalaria, Director, attended all the meetings. Mr. Gautam Sen, Director, attended 2 meetings. Ms. Swati Sharma, Director, attended 1 meeting.

The Shareholders'/Investors' Grievance Committee meetings are attended by such other Executives as required. With effect from 27<sup>th</sup> June, 2011 in terms of SEBI Circular No. CIR/OIAE/2/2011, dated 3<sup>rd</sup> June, 2011, processing and updating of all investor complaints in SEBI Complaints Redress System (SCORES) is being done on behalf of the Company by its RTA, M/s. C.B. Management Services (P) Ltd.

All complaints received during the year from the Shareholders/Investors were resolved to the satisfaction of the Shareholders / Investors.

There were no complaints from shareholders pending unresolved as on 31<sup>st</sup> March, 2014.

**5. Share Transfer Committee**

Pursuant to Clause 49(IV)(G) of the Listing Agreement, the Board has unanimously delegated the powers of share transfer, transmission, sub-division, consolidation etc. to Share Transfer Committee in order to expedite the process of share transfer etc. The Committee generally meets once in a fortnight.

**Composition and other details**

The Committee comprises of 4 (four) Directors: Mr. M. K. Daga, MD, Mr. S.N. Bardhan, Mr. R.K. Jhalaria and Ms. Swati Sharma.

Mr. R.K. Jhalaria and Ms. Swati Sharma have been appointed to the Committee in the Board Meeting held on 14<sup>th</sup> February, 2014.

There were no valid requests pending for share transfer as on 31<sup>st</sup> March, 2014. All requests for dematerialisation and rematerialisation of shares received in the aforesaid period were confirmed or rejected into the NSDL/CDSL system.

A call centre has been set up to attend to the calls of the investors. The call centre number is (033) 2210-0553.

**6. Remuneration Committee**

The Remuneration Committee was constituted by the Board of Directors to evaluate compensation and benefits to Executive Director(s). The broad terms of reference are to determine and recommend to the Board, compensation payable to Executive Directors, appraisal of performance of the Managing Director/Wholetime Director(s) and to determine and advise the Board for the payment of annual commission / compensation to the Non Executive Directors.



**Composition and other details**

The Committee comprises of 3 (three) Independent & Non Executive Directors viz: Mr. S. N. Bardhan, Mr. R.K.Jhalaria and Ms. Swati Sharma.

Mr. Gautam Sen expired on 7<sup>th</sup> January, 2014. Ms. Swati Sharma has been appointed to the Committee in the Board Meeting held on 14<sup>th</sup> February, 2014.

During the year, one meeting of the Committee was held. Mr. S. N. Bardhan, Chairman, and Mr. R.K.Jhalaria, Director, attended the meeting.

The Remuneration Committee meeting is attended by such other Executives as required.

The terms of reference of the Remuneration Committee is to determine and recommend to the Board, the remuneration package of the Executive Director(s), in compliance with the requirements of the provision of Schedule XIII to the Companies Act, 1956 and Clause 49 of the Listing Agreements with the Stock Exchanges. The remuneration and terms of appointment of the Wholtime / Managing Director are approved by the Board of Directors and the shareholders of the Company subject to Government approval whenever required as per the provisions of the Companies Act 1956. The Company has only one whole time Director, Mr. M. K. Daga who is the Managing Director (MD) of the Company. He is paid a salary of Rupees Six Lakhs Sixty Thousand annually, besides other perquisites.

**7. Review Committee**

The Review Committee was constituted by the Board of Directors to review the Limited Review Report as prepared by the Statutory Auditor of the Company under clause 41 of Listing Agreement with Stock Exchanges. The broad terms of reference are to review the Limited Review Report before sending the same to the Stock Exchanges.

**Composition and other details**

The Review Committee of the Board comprises of 3 (three) Directors viz: Mr. M.K.Daga, MD, Mr. S.N.Bardhan, Independent & Non-Executive Director and Mr. R.K.Jhalaria, Independent & Non-Executive Director.

Mr. Gautam Sen expired on 7<sup>th</sup> January, 2014. Mr. R.K.Jhalaria has been appointed to the Committee in the Board Meeting held on 14<sup>th</sup> February, 2014.

During 2013-2014, the Review Committee met 3 (three) times. Mr. M.K.Daga, Chairman, Mr. S. N. Bardhan, Director, attended all the meetings. Mr. Gautam Sen, Director, attended 2 meetings. Mr. R.K.Jhalaria, Director, attended 1 meeting.

The Review Committee meetings are attended by such other Executives as required.

A sitting fee of Rs.2500/- is paid to the Non-Executive Directors for attending each meeting of the Board and Rs.1000/- for each meeting of the Committee.

The details of remuneration to Directors during the Financial Year 2013-2014 are given below:

Director	Sitting Fee	Salary	Contribution to PF & Others	Perquisite	Commission
	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Mr. M. K. Daga	-	6,60,000	9,360	-	-
Mr. S.N. Bardhan	29,000	-	-	-	-
Mr. R.K.Jhalaria	27,000	-	-	-	-
Ms. Swati Sharma	4,500	-	-	-	-
Mr. Gautam Sen	18,000	-	-	-	-

**8. General Body Meetings**

Details of the last three Annual General Meetings are given:-

Financial year ended	Date	Time	Venue	No. of Special Resolution	Members presented by	
					Person	Proxy
2011	09.09.11	11.00 a.m.	G. D. Birla Sabhagar 29, Ashutosh Chowdhury Avenue Kolkata-700019.	Nil	842	186
2012	27.07.12	11.00 a.m.	G.D.Birla Sabhagar 29, Ashutosh Chowdhury Avenue Kolkata-700019	Nil	666	302
2013	26.07.13	11.00 a.m.	G.D.Birla Sabhagar 29, Ashutosh Chowdhury Avenue Kolkata-700019	Nil	740	381





No special resolution was passed during the previous year through postal ballot. No special resolution is proposed to be conducted through postal ballot at this Annual General Meeting.

**9. Disclosures**

There are no materially significant related party transactions i.e. transactions material in nature, with its Promoters, Directors or the Management, their relatives or subsidiaries etc. having potential conflict with the interests of the company at large.

The Company's shares are listed with Bombay and National Stock Exchange and the listing fees for the year 2014-2015 have been paid to both Stock Exchanges. The Company has completed the paper publications and other formalities for delisting from the other Stock Exchanges but is yet to receive their certificates of delisting. No penalty or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

For revocation of suspension in trading of Equity Shares of the Company at Bombay Stock Exchange, the Exchange has demanded a huge amount as reinstatement fees which is apparently not justified in terms of the Listing Agreement. Therefore, the Company has taken legal opinion and has been advised to move the matter at Securities Appellate Tribunal, Bombay, pending correspondence with Bombay Stock Exchange to resolve the issue.

**10. Means of Communication**

The quarterly financial results are being sent to the Stock Exchanges and also published in the newspapers as per proforma prescribed under the Listing Agreements.

All material information about the Company is promptly sent through fax to the Stock Exchanges where the company's shares are listed.

Management Discussions and Analysis forms part of the Annual Report.

**11. General Shareholders Information**

(i)	As indicated in the Notice to our shareholders, the Annual General Meeting of the Company will be held on Wednesday, the 30th day of July, 2014 at 10.30 a.m. at G.D.Birla Sabhagar, 29, Ashutosh Chowdhury Avenue, Kolkata – 700 019.		
(ii)	Tentative calendar of events for the financial year 2014-2015 (April - March), is given below:		
	First Quarter	July, 2014	
	Second Quarter	October, 2014	
	Third Quarter	January, 2015	
	Fourth Quarter	April, 2015	
(iii)	Book Closure :		
	From	To	Purpose
	23rd July, 2014	25th July, 2014 (both days inclusive)	Annual General Meeting
(iv)	(i) The shares of the Company are listed on :		
	(a) National Stock Exchange of India Limited, Exchange Plaza, 5th Floor, Plot no: C/1G Block, Bandra (E), Mumbai - 400 051.		
	(b) Bombay Stock Exchange Ltd, Phiroze Jeejeebhoy Towers, 25th Floor, Dalal Street, Mumbai - 400 001.		
	(ii) Depositories for Equity shares :		NSDL & CDSL ;
	ISIN for the Company's Equity shares :		INE 369C01017
(v)	Annual Listing fees : The Company's shares are listed with Bombay and National Stock Exchange and the listing fees for the year 2014-15 have been paid for both Stock Exchanges.		
(vi)	Stock code		
	National Stock Exchange of India Limited :	NORBTEAEXP	
	Bombay Stock Exchange Ltd. :	519528	
(vii)	Dematerialisation of shares and liquidity		
	Demat ISIN No:	INE 369C01017	
	76.56% of the Company's share capital has been dematerialised as on 31st March, 2014.		



(viii) Market Price Data:

The monthly high and low stock quotations during the last financial year at NSE and performance in comparison to BSE Sensex are given below:

Month & Year	at NSE			Sensex (BSE)	
	High	Low (Rs.)	Closing (Rs.)	High (Rs.)	Low (Rs.)
April '13	5.50	5.00	5.10	19622.68	18144.22
May '13	5.25	5.10	5.10	20443.62	19451.26
June '13	5.70	5.00	5.10	19860.19	18467.16
July '13	5.55	5.00	5.10	20351.06	19126.82
Aug '13	5.20	4.85	5.10	19569.20	17448.71
Sept '13	5.35	4.85	5.10	20739.69	18166.17
Oct '13	5.35	4.85	5.35	21205.44	19264.72
Nov '13	5.10	4.10	4.30	21321.53	20137.67
Dec '13	5.35	4.50	5.30	21483.74	20568.70
Jan '14	6.30	5.10	5.80	21409.66	20343.78
Feb '14	6.20	5.70	5.70	21140.51	19963.12
Mar '14	5.70	4.55	4.55	22467.21	20920.98

(ix) Registrar and Share Transfer Agents:

M/s. C B Management Services Pvt Ltd  
P-22, Bondel Road, Kolkata – 700019.  
Telephone - 4011-6700 / 6711 / 6718 / 6723  
Fax: 4011 6739. E-mail: rta@cbmsl.com

(x) The Company's shares are covered under the compulsory dematerialization list and are transferable through the depository system. The Company's shares are compulsorily traded in the dematerialized form through depository systems of both NSDL & CDSL.

Shares in physical mode which are lodged for transfer are processed and returned to the shareholder within the stipulated time.

(xi) As on 31.03.2014, the distribution of Company's shareholding is as follows:

Category (No. of shares)		No. of Shareholders		No. of Shares held		% of Equity	
Form	To	Physical Form	Demat Form	Physical Form	Demat Form	Physical Form	Demat Form
1	500	15765	9429	2243806	1432802	19.10	12.19
501	1000	138	494	118000	414840	1.01	3.53
1001	2000	54	225	80500	343065	0.69	2.92
2001	3000	7	62	18100	157943	0.15	1.34
3001	4000	4	31	14100	110959	0.12	0.95
4001	5000	7	30	32200	142155	0.27	1.21
5001	10000	23	30	137200	215411	1.17	1.83
10001 and above		7	21	109700	6179219	0.93	52.59
Total		16005	10322	2753606	8996394	23.44	76.56
Grand Total		26327		11750000		100.00	

Shareholding Pattern as on 31 <sup>st</sup> March 2014		
Category	No. of shares held	% of shares held
Promoters, Directors & Relatives	5285004	44.98
Foreign Institutional Investors/Foreign Company/Non Resident Individual	38263	0.33
Indian Financial Institute	0	0.00
Nationalised Banks and Mutual Funds	14400	0.12
Other Bodies Corporate	758584	6.46
Public	5641704	48.01
Any other (clearing member)	12045	0.10
Total	11750000	100.00



xii) Shares received for dematerialisation are generally confirmed within a period of seven days from the date of receipt, if the documents are clear in all respects.

(xiii) Location of Plant: P.O. Kuripara, Dist: Jalpaiguri, Pin-735132, West Bengal.

(xiv) Address for correspondence: Norben Tea & Exports Limited,  
15B Hemanta Basu Sarani, 3rd Floor,  
Kolkata-700 001.  
Telephone No: 2210-0553. Fax : 2210 0541.

#### CEO/CFO Certification

The Company is duly placing a certificate to the Board from Mr. M.K.Daga, Managing Director (CEO) and Ms. Dipa Chatterjee, Chief Financial Officer (CFO) of the Company, in accordance with the provisions of **Clause 49(IX)** of the Listing Agreement as per SEBI Circular No.CIR/CFD/POLICYCELL/2/2014 dated 17<sup>th</sup> April 2014 (corresponding to the prior Clause 49(V) of the Listing Agreement). The aforesaid certificate duly signed by the said persons in respect of the financial year ended 31<sup>st</sup> March, 2014 has been placed before the Board at the Meeting held on 30<sup>th</sup> May, 2014.

#### DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

The Company has framed a specific Code of Conduct for the members of the Board of Directors and the Senior Management Personnel of the Company pursuant to Clause 49 of the Listing Agreement with Stock Exchanges to further strengthen corporate governance practices in the Company.

All the members of the Board and Senior Management Personnel of the Company have affirmed due observance of the said Code of Conduct in so far as it is applicable to them and there is no non compliance thereof during the year ended 31<sup>st</sup> March, 2014.

Date: 30th May, 2014

**M. K. DAGA**  
Managing Director

#### AUDITORS' CERTIFICATE

To the Members of Norben Tea & Exports Limited  
Kolkata.

We have examined the compliance of conditions of corporate governance by Norben Tea & Exports Limited for the year ended 31<sup>st</sup> March, 2014 as stipulated in clause 49 of the Listing Agreement of the Company with stock exchanges.

The compliance of corporate governance is the responsibility of the management. Our examination was limited to 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 opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreements.

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

Place: Kolkata  
Date : 30th May, 2014.

For **GOENKA SHAW & CO.**  
Chartered Accountants  
FRNo.319075E  
**CA. S. K. SWAIN**  
Partner  
Membership No: 061912



**STATEMENT OF PARTICULARS UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES 1988.**

**A. CONSERVATION OF ENERGY**

**FORM 'A'**

	<b>For the year ended 31-03- 2014</b>	<b>For the year ended 31-03- 2013</b>
<b>I. POWER AND FUEL CONSUMPTION</b>		
<b>1. Electricity</b>		
(a) Purchased Units (KWH)	<b>164075</b>	192861
Total Amount (Rs.)	<b>2273945</b>	2304819
Rate/Unit (Rs.)	<b>13.86</b>	11.95
(b) Own Generation		
Through Diesel Generator Units(KWH)	<b>20167</b>	23595
Unit per litre of Diesel	<b>2.12</b>	2.28
Cost/Unit (Rs.)	<b>38.02</b>	20.51
<b>2. Coal</b>		
Quantity (Tonnes)	<b>2800</b>	6200
Total Cost (Rs.)	<b>19628</b>	66997
Average Rate (Rs./Tonne)	<b>7.01</b>	10.81
<b>3. Furnace Oil</b>		
FO/LDO/HSD for Dryer		
Quantity (Ltrs.)	<b>96884</b>	91303
Total Cost (Rs.)	<b>4105600</b>	3645729
Average Rate (Rs./Ltr.)	<b>42.38</b>	39.93
<b>4. Other/Internal Generation</b>		NIL
<b>II. CONSUMPTION PER UNIT OF PRODUCTION</b>		
Production – Tea (Kgs.)	<b>280140</b>	292185
Electricity (KWH)	<b>0.59</b>	0.66
Coal (Kg.)	<b>0.07</b>	0.02
FO/LDO/HSD for Dryer (Litres)	<b>0.35</b>	0.31

**B. TECHNOLOGY ABSORPTION**

**FORM 'B'**

- I. Research & Development:**  
The Company has no R&D Unit.  
The Company subscribes to the Tea Research Association which is registered under Section 35(1)(ii) of the Income Tax Act, 1961.
- II. Technology absorption, adaptation and innovation:**
1. Constant efforts are made towards absorption of technology by maintaining close contact with the Tea Research Association. We adopt their recommendations and also carry out required modifications/innovations where required.
  2. Imported Technology : Nil
- C. FOREIGN EXCHANGE EARNING AND OUTGO:**
- a) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans : Export potentialities are being explored
  - b) Total Foreign Exchange used : NIL
  - c) Total Foreign Exchange earned : NIL



## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF NORBEN TEA & EXPORTS LIMITED

#### Report on the Financial Statements

1. We have audited the accompanying financial statements of M/s. **Norben Tea & Exports Ltd** which comprise the Balance Sheet as at 31 March 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

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

#### Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

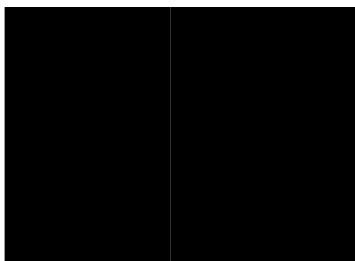
6. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
  - i. in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2014;
  - ii. in the case of the statement of profit and loss, of the profit for the year ended on that date; and
  - iii. in the case of the cash flow statement, of the cash flows for the year ended on that date.

#### Emphasis of Matters

7. Without qualifying our report, we draw attention to :
  - i) *Note No.11 (b) regarding capitalization of expenses relating to maintenance & plantation of young tea amounting to Rs.1339 thousands which are of revenue in nature. In the opinion of the management, the cost of deployment of labour for young tea plantation in nursery division and maintenance thereof till to the commencement of commercial production have been capitalized on prudent consideration of accepted accounting principles.*
  - ii) *Note No.29 regarding written back of earlier years liability in respect of W.B.R.E. & P.E. Cess of Rs.278 thousands, which in opinion of the management is not payable.*

#### Report on Other Legal and Regulatory Requirements

8. 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.
9. 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 and proper returns/statements adequate for the purposes of our audit have been received from garden not visited by us;
- 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 and with the returns/statements received from garden not visited by us;
- 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 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013; and
- e. on the basis of written representations received from the directors as on 31 March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

For **GOENKA SHAW & CO.**  
Chartered Accountants  
FRNo.319075E  
**CA. Saroj K. Swain**  
Partner.  
Membership No. 061912

Place : Kolkata.  
Dated : The 30<sup>th</sup> Day of May, 2014

#### **ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT**

The Annexure referred to in our report to the members of M/s. NORBEN TEA & EXPORTS LTD. for the year ended 31 March, 2014, We report that :

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.  
(b) As informed, the fixed assets have been physically verified by the management at the year end and no material discrepancies are reported to have been noticed on such verification.  
(c) During the year the company has not disposed off any of its fixed assets, during the year.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion the frequency of verification is reasonable.  
(b) In our opinion and according to the information & explanations given to us, the procedures of physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and nature of its business.  
(c) On the basis of our examination of records of inventory and in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material in relation to the operation of the company.
- (iii) (a) On the basis of our examination of the books of account and according to the information and explanations given to us, the Company has not granted any loans secured or unsecured to Companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act' 1956.  
(b) On the basis of our examination of the books of account and according to the information and explanations given to us, the company has not taken any loan secured or unsecured from Companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act' 1956.
- (iv) In our opinion and according to the information and explanations given to us there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and services. Further during the course of our audit, we have neither come across, nor have we been informed of any continuing failure to correct major weaknesses in internal control system.
- (v) (a) On the basis of our examination of the books of account and according to the information and explanations given to us, the Company has during the year entered into transaction that needs to be entered into the Register maintained under Section 301 of the Companies Act 1956.  
(b) According to the information and explanations given to us, the transaction made in pursuance of such contract or arrangement have been made at prices, which are reasonable having regard to the prevailing market prices as on the date of such transaction.



- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public within the meaning of section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rule 1975. To the best of our knowledge and according to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any other Tribunal against the company.
- (vii) According to the information & explanations given to us, the Company has no internal audit system commensurate with the size and nature of its business during the year.
- (viii) On the basis of report produced, we are of the opinion that, prima facie, the Cost records as prescribed by the central government under clause (d) of subsection (1) of section 209 of the Act have been made and maintained. We have however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (ix) (a) *On the basis of examination of the books of account and according to the information & explanations given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues, except Professional Tax. According to the information and explanations given to us, the undisputed amount payable in respect of Professional Tax is Rs.138 thousands, which were outstanding as at 31<sup>st</sup> March 2014 for a period of more than six months from the date they became payable.*
- (b) According to the information and explanations given to us there are no statutory dues, which have not been deposited on account of any dispute.
- (x) The Company has no accumulated losses and it has incurred no cash loss during the financial year covered by our report and also in the immediately preceding financial year.
- (xi) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institution, banks or debenture holders during the year.
- (xii) The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other similar securities.
- (xiii) In our opinion the Company is not a chit fund or a nidhi / mutual benefit fund / society, therefore the provision of clause (xiii) of paragraph 4 of the aforesaid Order is not applicable to the Company.
- (xiv) As per records of the Company and the information & explanations given to us by the management, the Company is dealing in or trading in shares, securities, debenture and other investments and in our opinion, proper records have been maintained of the transactions and contracts, and timely entries have been made therein, also the shares, securities, debentures and the other investments have been held by the Company in its own name.
- (xv) According to the information & explanations given to us, the Company has not given any guarantee for loans taken by others, from banks or financial institutions, the terms & conditions whereof are prejudicial to the interest of the Company.
- (xvi) On the basis of our examinations and according to the information and explanations given to us, no term loan has been raised during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised during the year on short-term basis have been used for long-term investment.
- (xviii) The Company has not raised any money by issue of shares during the year. Therefore the provisions of clause (xviii) of paragraph 4 of the aforesaid Order are not applicable to the Company.
- (xix) The Company has not issued any debentures during the year under audit. Accordingly, the provision of clause (xix) of paragraph 4 of the aforesaid Order is not applicable to the Company.
- (xx) The Company has not raised any money by way of public issue during the year. Therefore the provisions of clause (xx) of the paragraph 4 of the aforesaid Order are not applicable to the Company.
- (xxi) During the course of our examination of the books of accounts carried out in accordance with Generally Accepted Auditing Practices, we have neither come across any instance of fraud on or by the Company, nor have we been informed of any such case by the Management.

Place : Kolkata.  
Dated : The 30<sup>th</sup> Day of May, 2014

For **GOENKA SHAW & CO.**  
Chartered Accountants  
FRNo. 319075E  
**CA. Saroj K. Swain**  
Partner.  
Membership No. 061912



## BALANCE SHEET AS AT 31ST MARCH, 2014

Particulars	Note No.	As at 31-03-2014 Rs. in thousand	As at 31-03-2013 Rs. in thousand
<b>EQUITY &amp; LIABILITIES</b>			
<b>Shareholders' Fund</b>			
Share Capital	2	1,17,500	1,17,500
Reserves and Surplus	3	<u>36,540</u>	<u>36,147</u>
		1,54,040	1,53,647
<b>Deferred Government Grants</b>		—	12
<b>Non-Current Liabilities</b>			
Long Term Borrowings	4	3,640	4,024
Long Term Trade Payables	5	—	1,010
Long Term Provisions	6	2,250	—
<b>Current Liabilities</b>			
Short Term Borrowings	7	17,687	14,952
Trade Payables	8	2,939	3,397
Other current Liabilities	9	1,079	918
Short Term Provisions	10	<u>82</u>	—
		21,787	19,267
<b>TOTAL</b>		<u>1,81,717</u>	<u>1,77,960</u>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets			
Tangible Assets	11	1,49,685	1,46,049
Deferred Tax Assets	12	9,879	11,738
Long Term Loans & Advances	13	<u>175</u>	<u>175</u>
		1,59,739	1,57,962
<b>Current Assets</b>			
Current investments	14	24	24
Inventories	15	5,772	5,455
Trade Receivables	16	1,483	1,301
Cash & Bank Balances	17	2,290	3,434
Short Term Loan & Advances	18	<u>12,409</u>	<u>9,784</u>
		21,978	19,998
<b>TOTAL</b>		<u>1,81,717</u>	<u>1,77,960</u>
Notes on Financial Statements	1 to 36		
As per our Report of even date			

For **GOENKA SHAW & CO.**  
Chartered Accountants  
FR No. 319075E

**PAWAN KOTHARI**  
Company Secretary

**M.K.DAGA**  
Chairman & Mg. Director

**CA. S.K.SWAIN**  
Partner  
Membership No.:061912

**S.N.BARDHAN**  
Non-Executive Director

**R.K.JHALARIA**  
Independent Director

Place : Kolkata  
Date : 30th May, 2014

**SWETA PATODIA**  
Non-Executive Director

**SWATI SHARMA**  
Independent Director





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

	Note No.	For the Year ended on 31-03-2014 Rs. in thousand	For the Year ended on 31-03-2013 Rs. in thousand
<b>INCOME</b>			
Revenue from Operations	19	39,415	46,098
Less : Cess on Tea		<u>137</u>	<u>145</u>
		<b>39,278</b>	<b>45,953</b>
Other Income	20	<u>5,775</u>	<u>2,001</u>
<b>A. TOTAL</b>		<b><u>45,053</u></b>	<b><u>47,954</u></b>
<b>EXPENDITURE</b>			
Changes in Inventory of finished goods		750	552
Employee Benefit Expense	21	20,643	18,191
Finance Costs	22	2,987	4,562
Depreciation & Amortization Expense	23	3,204	3,152
Other Expenses	24	13,267	13,816
Prior Period Items	31	<u>1,950</u>	<u>24</u>
<b>B. TOTAL</b>		<b><u>42,801</u></b>	<b><u>40,297</u></b>
<b>PROFIT BEFORE TAX (A-B)</b>		<b>2,252</b>	<b>7,657</b>
<b>Tax Expenses</b>			
Current Tax		—	—
Deferred Tax charge / (credit)		977	1,071
Income Tax for earlier years		—	1,079
<b>PROFIT/(LOSS) FOR THE YEAR AFTER TAX</b>		<b><u>1,275</u></b>	<b><u>5,507</u></b>
Earnings per equity share (Basic/Diluted)	25	<b>0.11</b>	<b>0.47</b>
Notes on Financial Statements	1 to 36		
As per our Report of even date			

For **GOENKA SHAW & CO.**  
Chartered Accountants  
FR No. 319075E

**CA. S.K.SWAIN**  
Partner  
Membership No.:061912

Place : Kolkata  
Date : 30th May, 2014

**PAWAN KOTHARI**  
Company Secretary

**S.N.BARDHAN**  
Non-Executive Director

**SWETA PATODIA**  
Non-Executive Director

**M.K.DAGA**  
Chairman & Mg. Director

**R.K.JHALARIA**  
Independent Director

**SWATI SHARMA**  
Independent Director



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

	For the Year ended 31-03-2014 Rs.in thousand	For the Year ended 31-03-2013 Rs.in thousand
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit/(Loss) before tax and extraordinary items	2,252	7,657
<b>Adjustments for :</b>		
Depreciation	3,204	3,152
Loss / (Profit) on sale of Fixed Assets	—	(440)
Interest paid	2,821	4,327
Interest Received	(924)	(1,404)
Dividend Received	(17)	(23)
Government Grant	—	—
Miscellaneous Expenditure Written off	—	—
Operating Profit before working capital changes	<u>7,336</u>	<u>13,269</u>
<b>Adjustments for :</b>		
Trade and other receivables	(296)	1,845
Inventories	(317)	(3)
Trade payables	972	228
Cash generated from operations	<u>7,695</u>	<u>15,339</u>
Direct Tax (paid) / Refund (Net)	(83)	841
<b>Cash Flow Before Extraordinary Items</b>	<u>7,612</u>	<u>16,180</u>
<b>Extraordinary Items</b>		
Government Grant	(12)	—
<b>Net Cash from operating activities</b>	<b>(A) <u>7,600</u></b>	<b><u>16,180</u></b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets including Capital WIP	(6,840)	(9,225)
Proceeds from Sale of Fixed Assets	—	1,400
Interest Received	1,996	1,335
Dividend Received	17	23
Short Term Loans & Advances	(3,500)	(2,100)
Proceed from maturity of Earmark balance with bank	257	—
<b>Net Cash used in investing activities</b>	<b>(B) <u>(8,070)</u></b>	<b><u>(8,567)</u></b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds/(Repayment) of Borrowings		
Short Term Borrowings from Bank	2,735	2,474
Long Term borrowing from Bank & Financial Institution (including interest)	(325)	(910)
Unsecured Loans	—	(5,000)
Interest Paid	(2,827)	(4,327)
<b>Net Cash used in Financing Activities</b>	<b>(C) <u>(417)</u></b>	<b><u>(7,763)</u></b>
Net increase/(Decrease) in cash and cash equivalents (A+B+C)	<b>(887)</b>	<b>(150)</b>
Cash and cash equivalents at the beginning of the year	<u>2,293</u>	<u>2,443</u>
Cash and cash equivalents at the end of the year	<u>1,406</u>	<u>2,293</u>
Earmark Balances with Bank	<u>884</u>	<u>1,141</u>
<b>Cash &amp; Bank Balances at the end of the year</b>	<b><u>2,290</u></b>	<b><u>3,434</u></b>

**Note :** 1. Figures shown in bracket shows cash outflow.  
2. Previous year's Figures have been regrouped/rearranged wherever necessary.  
This is the Cash Flow Statement referred to in our report of even date.

For **GOENKA SHAW & CO.**  
Chartered Accountants  
FR No. 319075E

**PAWAN KOTHARI**  
Company Secretary

**M.K.DAGA**  
Chairman & Mg. Director

**CA. S.K.SWAIN**  
Partner  
Membership No.:061912

**S.N.BARDHAN**  
Non-Executive Director

**R.K.JHALARIA**  
Independent Director

Place : Kolkata  
Date : 30th May, 2014

**SWETA PATODIA**  
Non-Executive Director

**SWATI SHARMA**  
Independent Director



## **NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2014**

### **Note No.**

#### **1 SIGNIFICANT ACCOUNTING POLICIES**

##### **1.1 Basis of Presentation**

The accounts have been prepared using historical cost convention and on the basis of going concern concept. Accounting policies not referred to otherwise are consistent with generally accepted accounting policies.

##### **1.2 Fixed Assets**

Fixed Assets are stated at cost less accumulated depreciation. Cost includes cost of acquisition and all direct expenses relating thereto.

##### **1.3 Depreciation**

Depreciation on Fixed Assets are provided on the basis of Straight Line Method and at the rates specified in Schedule XIV to the Companies Act, 1956.

##### **1.4 Investments**

Current investments are carried at lower of cost and fair value. Long Term Investments are stated at cost. Provision for diminution in the value of investments is made only if such a decline is other than temporary.

##### **1.5 Inventories**

Inventories are valued at lower of cost or net value since realized/estimated net realizable value.

##### **1.6 Recognition of Revenue**

- i) Sales represent invoice value of goods sold and are exclusive of Sales Tax but inclusive of discount, rebate and all incidental expenses relating thereto.
- ii) Income & Expenditure are recognized on accrual basis, except rates and taxes and certain petty items which can not be estimated with reasonable certainty.

##### **1.7 Borrowing Cost**

Interest and other costs on borrowed funds used to finance the acquisition of fixed assets, upto the date the assets are ready for use are capitalised under respective fixed assets on a rational basis.

Other interest and costs incurred on borrowed funds are recognized as expenses in the year in which they are incurred.

##### **1.8 Excise Duty and Cess**

Excise Duty payable on Black Tea has been accounted for on the basis of both, payments made in respect of tea cleared from factory and also provision made for tea made lying at factory.

##### **1.9 Accounting for Taxes on Income**

Current tax is recognized as per Income Tax Act, 1961 based on applicable tax rates & laws. Deferred Tax is recognized subject to consideration of prudence on timing differences being differences between taxable and accounting income/expenditure that originate in one period and are capable of reversal in one or more subsequent period(s) and is measured using tax rates and laws that have been enacted or substantially enacted as at the balance sheet date. Deferred Tax assets are recognized unless there is virtual certainty that sufficient future taxable income will be available against which such Deferred Tax assets will be realized.



#### **1.10 Employee Benefits**

i) Short-term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the period when the employee renders the service except leave encashment.

Leave Encashment: Liability for leave is treated as short term liability. For Internal control, leave as per management's policy is not to be accumulated but availed of during the year. Accordingly the employees have been advised to plan their leave in advance while in service and immediately before superannuation. Leave not availed is not encashable.

ii) Post employment benefits plans

a) Defined Contribution Plan

Contribution under defined contribution plans payable in keeping with the related schemes are recognized as expenses for the year.

b) Defined Benefit Plan

Gratuity liability, being a defined benefit obligation, is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

#### **1.11 Government Grants**

Remission of Sales Tax under State Incentive Scheme is being credited to reserves.

Government grants related to revenue are recognized on a systematic basis in the profit & loss account over the periods necessary to match them with their related cost.

#### **1.12 Impairments**

An Asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

#### **1.13 Contingent liabilities**

Provision of contingent liabilities are not made, unless & until the demand raised by statutory authorities, against which the company has preferred an appeal which is pending with the different forum of the said authorities are ascertained.



**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014**

**NOTE NO.**

**2.0 SHARE CAPITAL**

	As at 31-03-2014		As at 31-03-2013	
	No.of Shares	Rs.in thousand	No.of Shares	Rs.in thousand
<b>Authorised</b>				
Equity shares of Rs.10 each	1,20,00,000	<u>120,000</u>	1,20,00,000	<u>120,000</u>
		<u>120,000</u>		<u>120,000</u>
<b>Issued,Subscribed and Paid up</b>				
Equity shares of Rs.10 each	11,750,000	<u>117,500</u>	11,750,000	<u>117,500</u>
		<u>117,500</u>		<u>117,500</u>

**2.1 The reconciliation of the number of share outstanding:**

<b>PARTICULARS</b>	No.of Shares	Rs.in thousand	No.of Shares	Rs.in thousand
Equity shares at the beginning of the year	11,750,000	117,500	11,750,000	117,500
Add : Shares issued during the year	—	—	—	—
Less : Shares bought back during the year	—	—	—	—
Shares outstanding at the end of the year	<u>11,750,000</u>	<u>117,500</u>	<u>11,750,000</u>	<u>117,500</u>

**2.2 The details of Shareholders holding more than 5% shares :**

<b>Name of the shareholder</b>	No.of shares	% held	No. of shares	% held
Mangalam Products Pvt. Limited	1,205,950	10.26	1,205,950	10.26
Tongani Tea Company Limited	2,260,650	19.24	2,260,650	19.24

2.3 The Company has only one class of equity share having a par value of Rs.10 per share. Each holder of equity share will be entitled to one vote per share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amount. The distribution will be in proportion to the no. of equity shares held by the shareholders.

**3.0 RESERVES AND SURPLUS**

State Capital Investment Subsidy		3,431		3,431
Sales Tax Remission Reserve		1,072		1,072
<b>General Reserve:</b>				
As per last Balance Sheet	15,000		15,000	
Add: Transferred from Profit & Loss A/c	—	15,000	—	15,000
<b>Profit &amp; Loss Account</b>				
As per Last Balance Sheet	16,644		11,137	
Less: Deferred tax charges for earlier years	882		—	
	15,762		11,137	
Add Profit for the year	<u>1,275</u>		<u>5,507</u>	
	17,037		16,644	
Less: Appropriations				
Transferred to General Reserve	—		—	
Balance Carried forward		<u>17,037</u>		16,644
		<u>36,540</u>		<u>36,147</u>

3.1 Remission of Sales Tax was granted to the Company upto 30th October, 2004 in view of eligible certificate issued under West Bengal State Incentives Schemes. Remission of sales tax amounting to Rs.1,109 thousands (previous year Rs.1,109 thousands) on tea sold in Auction by the Auctioneer Agents has not yet been received and has not been accounted for as it is under appeal.



NOTE NO.	As at 31-03-2014 Rs.in thousand	As at 31-03-2013 Rs.in thousand
<b>4.0 LONG TERM BORROWINGS</b>		
<b>Term Loans -</b>		
From State Bank of India	1,200	2,000
<b>Unsecured Loans -</b>		
From Body Corporate	2,000	2,000
Deferred payment Credit from Bank & Financial Institutions:		
HDFC Bank Ltd.	—	24
Sundaram Finance Ltd.	440	—
<b>TOTAL</b>	<u>3,640</u>	<u>4,024</u>
4.1 Term Loan from State Bank of India is secured by way of Equitable Mortgage of Company's Tea Estate at Nagar Berubari, Jalpaiguri, West Bengal, Building created out of Bank's Finance, extension of charge on Hypothecation of Plant & Machinerics and other Fixed Assets and Lien on SBI Life/SBI MF of Rs. 500 thousands and further secured by personal guarantee of Promoter Director.		
4.2 The aggregate amount of loan guaranteed by Director is Rs.2,018 thousands (Previous Year Rs.2,824 thousands)		
4.3 Deferred payment credits from Bank and Financial Institutions are secured against hypothecation of respective vehicles.		
4.4 Term Loan from State Bank of India is repayable within 5 years starting from 30th Sept,2011 and the applicable rate of interest is 10.95% p.a.		
5.0 <b>LONG TERM TRADE PAYABLES</b>	<u>—</u>	<u>1,010</u>
5.1 The Trade Payable with maturity period of more than 12 months from the end of the current financial year are classified as non current liabilities.		
6.0 <b>LONG TERM PROVISIONS</b>		
Provision for employee benefits	2,250	—
	<u>2,250</u>	<u>—</u>
7.0 <b>SHORT TERM BORROWINGS</b>		
Loans repayable on demand from banks		
Cash Credit - From State Bank of India	17,687	14,952
7.1 The cash credit loan is secured by way of hypothecation of stocks of tea crops, green leaves, stores & spares, book debts and other current assets, EQM on Company's Tea Estate at Nagar Berubari, Jalpaiguri, West Bengal extension of charge on hypothecation of Plant and Machinery, other Fixed Assets & Lien on SBI Life/SBI MF for Rs. 500 thousands and further secured by personal guarantee of Promoter Director.		
7.2 The aggregate amount of loan guaranteed by Director is Rs.18,000 thousands (Previous Year Rs.15,000 thousands)		
7.3 The present applicable rate of interest for cash credit loan is 10.95% p.a.		
8.0 <b>TRADE PAYABLES</b>	<u>2,939</u>	<u>3,397</u>
8.1 Sundry Creditors both under long term and short term trade payable do not include any dues to micro, small and medium enterprise on account of principal amount together with interest and accordingly no additional disclosures have been made. The above information regarding micro, small and medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.		
9.0 <b>OTHER CURRENT LIABILITIES</b>		
<b>Current Maturity of long term debt</b>		
Term Loan from SBI payable within 31-03-14	800	800
Hire Purchase loan payable within 31-03-14	24	91
Hire Purchase loan payable within 31-03-14	126	—
Interest accrued but not due on Term Loan	18	24
Cess on Closing stock of tea	11	3
Other Liabilities	100	—
<b>TOTAL</b>	<u>1,079</u>	<u>918</u>
9.1 The aggregate amount of term loan guaranteed by Director is Rs.2,018 thousands (Previous Year Rs.2,824 thousands)		



**NOTE NO.**

**10.0 SHORT TERM PROVISIONS**  
Provision for employee benefits

<b>As at 31-03-2014 Rs.in thousand</b>	<b>As at 31-03-2013 Rs.in thousand</b>
<b>82</b>	—
<b>82</b>	—

**11.0 FIXED ASSETS**

**Rs. in Thousand**

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01-04-2013	Additions During the Year	Deductions During the Year	As at 31-03-2014	As at 01-04-2013	Depreciation for the Year	Deducting/ Adjustment During the year	As at 31-03-2014	As at 31-03-2013	
Land	6,796	—	—	6,796	—	—	—	6,796	6,796	
Plantations	87,268	1,339	—	88,607	—	—	—	88,607	87,268	
Buildings	43,779	53	—	43,832	18,439	1,157	—	19,596	25,340	
Computer	93	305	—	398	72	41	—	113	285	
Plant & Machinery	20,850	209	—	21,059	10,531	960	—	11,491	10,319	
Electric Installation	10,678	74	—	10,752	8,692	508	—	9,200	1,986	
Irrigation Equipments	1,699	84	—	1,783	1,242	89	—	1,331	452	
Ring & Tubewells/Wells	6,467	1,052	—	7,519	166	105	—	271	6,301	
Road & Bridges	7,978	2,877	—	10,855	1,950	130	—	2,080	6,028	
Furniture & Fixtures	176	—	—	176	162	3	—	165	14	
Office Equipments	25	—	—	25	19	1	—	20	5	
Tractors	679	—	—	679	645	—	—	645	34	
Vehicles	836	847	—	1,683	456	67	—	523	380	
Water Installation	3,010	—	—	3,010	1,911	143	—	2,054	1,099	
<b>Total</b>	<b>190,334</b>	<b>6,840</b>	<b>—</b>	<b>197,174</b>	<b>44,285</b>	<b>3,204</b>	<b>—</b>	<b>47,489</b>	<b>149,685</b>	
Previous Year	183,675	9,589	2,930	190,334	43,102	3,152	1,969	44,285	146,049	

**Notes :**

- Land includes Rs.5,559 thousands (previous year Rs.5,559 thousands) in respect of which Conveyance Deed has not been executed in the name of the Company.
- During the year expenses relating to maintenance & plantation of young tea amounting to Rs.1,339 thousands (previous year Rs.4,545 thousands) which are of revenue in nature, has been capitalised. The cost of deployment of labour for young tea plantation in nursery division and maintenance thereof till to the commencement of commercial production have been capitalised on prudent consideration of accepted accounting principles, simultaneously availing the permissible tax incentives and reliefs.

**12.0 Deferred Tax Assets**

The major components of Deferred Tax Assets/(Liabilities) as at 31-03-2014 are as follows :

	<b>As at 31-03-2014</b>	<b>(Charge)/Credit during the year</b>	<b>As at 31-03-2013</b>
Brought Forward Loss & unabsorbed Depreciation			
Central	<b>856</b>	1,197	2,053
Agriculture	<b>17,080</b>	732	17,812
Depreciation	<b>(9,284)</b>	(67)	(9,351)
Disallowance u/s 43B			
Central	<b>153</b>	(1)	152
Agriculture	<b>767</b>	(2)	765
Disallowance u/s 40a(ia)			
Central	<b>125</b>	—	125
Agriculture	<b>182</b>	—	182
<b>TOTAL</b>	<b>9,879</b>	<b>* 1,859</b>	<b>11,738</b>
Previous Year	<b>11,738</b>	1,071	12,809
*Reconciliation of Deferred Tax Charged			
Relating to current year reversal	<b>977</b>		1,071
Relating to lapse of period in respect of carried forward business losses of earlier years	<b>882</b>		—
	<b>1,859</b>		<b>1,071</b>



NOTE NO.	As at 31-03-2014 Rs.in thousand		As at 31-03-2013 Rs.in thousand	
<b>13.0 LONG TERM LOANS &amp; ADVANCES :</b>				
(Unsecured and Considered Good)				
Capital Advances		25		25
Security Deposit with WBSEB		20		20
Income Tax Adhoc Payment		<u>130</u>		<u>130</u>
<b>TOTAL</b>		<u>175</u>		<u>175</u>
<b>14.0 CURRENT INVESTMENT</b>	<b>No.of units</b>	<b>Amount</b>	<b>No.of units</b>	<b>Amount</b>
(Non-Trade, Quoted, Fully paid-up)				
Equity Shares of Bansions Tea Industries Ltd formerly EsselsTea & Exports Ltd of Rs.10/- each	100	1	100	1
Equity Shares of Longview Tea Company Ltd. of Rs.10/- each	200	7	200	7
Equity Shares of T & I Global Ltd. of Rs.10/- each	100	2	100	2
Equity Shares of Dhunseri Petrochem & Tea Ltd. formerly Tezpore Tea Co. of Rs.10/- each	<u>100</u>	<u>14</u>	<u>100</u>	<u>14</u>
Aggregate amount of Quoted Investments	<u>500</u>	<u>24</u>	<u>500</u>	<u>24</u>
Market Value of Quoted Investments		<u>15</u>		<u>15</u>
<b>15.0 INVENTORIES</b>				
(as taken, valued and certified by the management)				
Finished Goods	1,832		2,582	
Store & Spares	<u>3,940</u>		<u>2,873</u>	
<b>TOTAL</b>		<u>5,772</u>		<u>5,455</u>
15.1 Inventories are valued at lower of cost or net value since realised/estimated net realisable value.				
15.2 Closing Stock of Tea includes stock with third parties Rs.756 thousands (Previous year Rs.1,864 thousands).				
<b>16.0 TRADE RECEIVABLE</b>				
(Unsecured & considered good)				
Debts over 6 months	345		324	
Other Debts	<u>1,138</u>		<u>977</u>	
<b>TOTAL</b>		<u>1,483</u>		<u>1,301</u>
16.1 Trade Receivable includes Rs.217 thousands (Previous year Rs.324 thousands) due since long. Pending the persuasive and other steps taken by the Company, these are considered good and recoverable.				
<b>17.0 CASH &amp; BANK BALANCES</b>				
<b>17.1 CASH &amp; CASH EQUIVALENTS</b>				
Balances with Bank - In Current Account	42		1,335	
Cash on Hand	<u>1,364</u>	1,406	<u>958</u>	<u>2,293</u>
<b>17.2 OTHER BANK BALANCES</b>				
In Fixed Deposit Account (Lien with bank against Bank Guarantee) *	384		641	
Other Bank Deposit (Lien with bank as collateral security against Cash Credit Loans)	<u>500</u>	<u>884</u>	<u>500</u>	<u>1,141</u>
<b>TOTAL</b>		<u>2,290</u>		<u>3,434</u>
*Fixed Deposit with bank with maturity period of more than 12 months.				
<b>18.0 SHORT TERM LOAN &amp; ADVANCES</b>				
(Unsecured & considered good)				
Short Term Loans	6,800		3,300	
Accrued interest on such loan	1,433		2,505	
Tax Deducted at Source	<u>3,382</u>		<u>3,299</u>	
Prepaid Expenses	53		54	
Other Advances	<u>741</u>		<u>626</u>	
<b>TOTAL</b>		<u>12,409</u>		<u>9,784</u>





**NOTE NO.**

18.1 Other advances include Rs.418 thousands (previous year Rs. 366 thousands) due since long. Keeping the nature of advance and relationship with the parties in view the management is of the opinion that these are good and recoverable.

	<b>For the year ended on 31-03-2014 Rs.in thousand</b>	<b>For the year ended on 31-03-2013 Rs.in thousand</b>
<b>19.0 REVENUE FROM OPERATIONS</b>		
Sale of Products :	<b>39,415</b>	42,000
Sale of services: (TDS Rs.NIL thousands,previous year Rs.10 thousands)	<u>—</u>	<u>4,098</u>
<b>TOTAL</b>	<b><u>39,415</u></b>	<b><u>46,098</u></b>
<b>20.0 OTHER INCOME</b>		
Interest Income (TDS Rs.96 thousands,previous year Rs.39 thousands)	<b>924</b>	1,404
Dividend Income	<b>17</b>	23
Other Non Operating Income	<b>4,834</b>	574
<b>TOTAL</b>	<b><u>5,775</u></b>	<b><u>2,001</u></b>
<b>21.0 EMPLOYEE BENEFIT EXPENSES</b>		
Salary, Wages, Bonus & Ex-gratia	<b>16,198</b>	14,887
Contribution to Provident & Allied Funds	<b>1,967</b>	1,575
Staff Welfare	<b>1,958</b>	1,729
Gratuity	<b>520</b>	—
<b>TOTAL</b>	<b><u>20,643</u></b>	<b><u>18,191</u></b>
21.1 The company has defined gratuity plan. Every employee who has completed five years of more of service in entitled to Gratuity on terms not less favorable than the provisions of The Payment of Gratuity Act, 1972.		
<b>i) Reconciliation of Fair Value of Obligation :</b>		
Opening Defined Benefit Obligation	<b>2,020</b>	—
Adjustment of :		
Current Service Cost	<b>135</b>	124
Interest Cost	<b>196</b>	91
Actuarial Loss/(Gain)	<b>189</b>	1,805
Benefits Paid	<b>(207)</b>	—
<b>Closing Defined Benefit Obligation</b>	<b><u>2,333</u></b>	<b><u>2,020</u></b>
<b>ii) Net Liabilities/(Assets) recognised in the Balance Sheet:</b>		
Present Value of Defined Benefit Obligation at the end of the period	<b>2,333</b>	2,020
Fair Value of Plan Assets	<b>—</b>	—
<b>Net Liabilities/(Assets) recognised in the Balance Sheet</b>	<b><u>2,333</u></b>	<b><u>2,020</u></b>
<b>iii) Amount of Gratuity recognised under Employee Benefits Expenses in the Statement of Profit &amp; Loss:</b>		
Current Service Cost	<b>135</b>	124
Interest on Defined Benefit Obligation	<b>196</b>	91
Net Actuarial Loss/(Gain) recognised during the year	<b>189</b>	1,805
<b>Net Charge to the Statement of Profit &amp; Loss</b>	<b><u>520</u></b>	<b><u>2,020</u></b>

Note : Gratuity Expenses up to the year 2012-13 has been shown as prior period expenses in Statement of Profit & Loss



	<b>For the year ended on 31-03-2014 Rs.in thousand</b>	<b>For the year ended on 31-03-2013 Rs.in thousand</b>	
iv) Principal Actuarial Assumptions at the Balance Sheet Date :			
Discount Rate per annum compound	8.25%	8.25%	
Estimated Rate of Return on Plan Assets	0.00%	0.00%	
Salary Escalation Rate	5.00%	5.00%	
Mortality	Indian Assured Lives 2006-2008 Mortality Table	Indian Assured Lives 2006-2008 Mortality Table	
Expected average remaining working lives of employees (years)	12.13	13.13	
Withdrawal rates	Varying between 8% per annum to 1% per annum depending on duration and age of employees		
<b>22.0 FINANCE COST</b>			
Interest Expenses	<b>2,821</b>	4,327	
Bank Charges	<b>166</b>	<u>235</u>	
<b>TOTAL</b>	<u><b>2,987</b></u>	<u>4,562</u>	
<b>23.0 DEPRECIATION AND AMORTISATION</b>			
Depreciation	<u><b>3,204</b></u>	<u>3,152</u>	
<b>24.0 OTHER EXPENSES</b>			
<b>Manufacturing Expenses</b>			
Power & Fuel consumed	<b>7,868</b>	7,579	
Stores, spares, packing material etc. consumed	<b>843</b>	1,478	
Cess on Closing Stock of Tea	<b>11</b>	3	
Repair to Buildings	<b>270</b>	201	
Repair Plant & Machinery	<b>15</b>	277	
Repair Others	<b>146</b>	126	
Rent, Rates & Taxes	<u><b>168</b></u>	<u>720</u>	10,384
<b>Selling and Distribution Expenses</b>			
Transportation	<b>1,051</b>	679	
Brokerages	<b>399</b>	391	
Tea Sales Expenses	<u><b>425</b></u>	<u>355</u>	1,425
<b>Establishment Expenses</b>			
General Charges	<b>531</b>	563	
Director Fees	<b>75</b>	84	
Auditor's Remuneration:			
For Statutory Audit	<b>32</b>	32	
For Tax Audit	<b>10</b>	10	
For Certification and others	<b>16</b>	16	
Cost Audit fees	<b>10</b>	—	
Registrars & Share Transfer Agent Fees	<b>134</b>	121	
Demat Registrar's & other charges	<b>67</b>	90	
Postage - Telegram	<b>127</b>	125	
Professional & Consultancy	<b>90</b>	45	
Insurance	<b>82</b>	84	
Travelling - Conveyance	<b>48</b>	34	
Misc.Expenses	<u><b>849</b></u>	<u>803</u>	2,007
<b>TOTAL</b>	<u><b>13,267</b></u>	<u>13,816</u>	



	For the year ended on 31-03-2014 Rs.in thousand	For the year ended on 31-03-2013 Rs.in thousand
<b>25. EARNING PER SHARE (BASIC/DILUTED)</b>		
Net Profit after Tax as per Statement of Profit and Loss Account attributable to Equity Shareholders (in thousand)	<b>1,275</b>	5,507
Weighted average Number of Equity shares used as denominator for calculating EPS	<b>11,750,000</b>	11,750,000
Basic and Diluted Earnings per share	<b>0.11</b>	0.47
Face value per equity share	<b>Rs.10</b>	Rs.10
<b>26.</b> Contingent Liabilities not provided for (a) Disputed Income Tax liabilities for the Assessment Years 1995-96 Rs.2,465 thousands (Previous year Rs.2,465 thousands). The Company filed rectification petition u/s.154 for the demand and the same is pending with DCIT.		
<b>27.</b> In view of brought forward losses, no provision for Tax has been made both under normal provision of I.T. Act and Minimum Alternate Tax (MAT) under section 115JB.		
<b>28.</b> Balance confirmation from some Sundry Creditors and Sundry Debtors are still awaited.		
<b>29.</b> In respect of W.B.R.E. & P.E. Cess payable the tea industry has disputed the cess liability; pending the outcome of the dispute the management is of the opinion that it is not payable and liabilities provided in earlier years of Rs. 278 thousands have been written back in the books of accounts.		
<b>30.</b> Change of Accounting Policy : To comply with the Accounting Standard (AS) – 15 (Revised-2005) issued by the ICAI, the Company has recognized the gratuity liability of Rs. 2,540 thousand on the basis of actuarial valuation. The accrued gratuity liability up to 31.03.2013 has been shown as prior period expenses.		
<b>31.</b> Prior period item consist of following expenses/(income) :		
	<b>2013-2014</b>	<b>2012-2013</b>
	<b>Rs. in thousand</b>	<b>Rs. in thousand</b>
VAT excess provided	—	6
Warehousing charges	—	9
Discount Allowed	—	9
Electricity Charges for previous year	<b>229</b>	—
Expenses of Garden for 2012-13	<b>74</b>	—
Expenses of Head Office for 2012-13	<b>12</b>	—
Accrual of Gratuity up to 31/03/2013 as a result of change in accounting policy	<b>2020</b>	—
Interest Income	<b>(385)</b>	—
<b>Total</b>	<b>1950</b>	24
<b>32.</b> In terms of the Accounting Standard (AS)-17, issued by the ICAI, neither a business segment nor a geographical segment has been identified as reportable segment during the year.		



**NOTE NO.**

33. Related Party Transactions -

Names of related parties and description of relationship:-

Relationship	Name
Enterprises over which Key Management Personnel have significant influence	Tongani Tea Company Ltd.
Key Management Personnel	Mr. M.K. Daga

Particulars of transactions and closing balances during the year: **(Rs.in thousand)**

Nature of transactions	Enterprises over which Key Management Personnel have significant influence	Key Management Personnel	Balance as on 31 <sup>st</sup> March, 2014
Remuneration	—	Rs.669/-	—
	(—)	(Rs.669/-)	(—)
Loan taken	—	—	—
	(—)	(Rs.1,405/-)	(—)
Agricultural Sale	Rs.1,575/-	—	—
	(Rs.1,530/-)	(—)	(—)

The figures in bracket represent corresponding amount of the previous year.

34. Total value of stores & spare parts and packing material consumed. Indigenous – 100% - Rs.843 thousands (Previous year – Indigenous – 100% - Rs.1,478 thousands).

35. Income and Expenditure in Foreign Currency :

	Current Year Rs.in thousand	Previous Year Rs.in thousand
a. Income		
FOB Value of Export of tea	169	227
b. Expenditure	Nil	Nil

36. Previous year's figures have been regrouped, rearranged and recast wherever necessary.

As per our report of even date attached.

For **GOENKA SHAW & CO.**  
Chartered Accountants  
FR No. 319075E

**CA. S.K.SWAIN**  
Partner  
Membership No.:061912

Place : Kolkata  
Date : 30th May, 2014

**PAWAN KOTHARI**  
Company Secretary

**S.N.BARDHAN**  
Non-Executive Director

**SWETA PATODIA**  
Non-Executive Director

**M.K.DAGA**  
Chairman & Mg. Director

**R.K.JHALARIA**  
Independent Director

**SWATI SHARMA**  
Independent Director



**NORBEN TEA & EXPORTS LIMITED**

CIN : L01132WB1990PLC048991

Regd. Office : 15B, Hemanta Basu Sarani, 3<sup>rd</sup> Floor, Kolkata 700 001

Phone : 033 2210 0553 • Website : www.norbentea.com

**PROXY FORM (FORM NO.MGT-11)**

Name of the member (s): .....

Registered Address: .....

E-mail ID: .....

Folio No. / Client Id: ..... DP ID: .....

I/We, being the member (s) of ..... shares of the Norben Tea & Exports Limited, hereby appoint.

1. Name : ..... Address : .....

Email Id : ..... Signature : .....

2. Name : ..... Address : .....

Email Id : ..... Signature : .....

3. Name : ..... Address : .....

Email Id : ..... Signature : .....

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24<sup>th</sup> Annual General Meeting of the Company, to be held on Wednesday, July 30, 2014 at 10:30 a.m. at G.D.Birla Sabhagar, 29, Ashutosh Chowdhury Avenue, Kolkata – 700 019 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1..... 2..... 3..... 4.....

5..... 6..... 7..... 8.....

Signed this ..... day of ..... 2014.

Signature of Shareholder: .....

(Affix Revenue Stamp)

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, at 15B, Hemanta Basu Sarani, 3<sup>rd</sup> Floor, Kolkata 700 001, not less than FORTY EIGHT HOURS before the meeting.**



**NORBEN TEA & EXPORTS LIMITED**

CIN : L01132WB1990PLC048991

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**ATTENDANCE SLIP**

(To be handed over at the entrance of the Meeting hall)

24<sup>th</sup> Annual General Meeting – July 30, 2014

I hereby record my presence at the TWENTY FOURTH ANNUAL GENERAL MEETING of the Company at G.D.Birla Sabhagar, 29, Ashutosh Chowdhury Avenue, Kolkata – 700 019. on Wednesday, July 30, 2014 at 10.30 a.m.

Full name of the member (In BLOCK LETTERS) : .....

Folio No. .... DP ID No. .... Client ID No. ....

No. of Shares held .....

Full name of proxy (In BLOCK LETTERS) : .....

Member's/Proxy's Signature : .....



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