

TYROON TEA COMPANY LIMITED

ANNUAL GENERAL MEETING

Date: 26th September 2011
Day: Monday
Time: 10.30 A. M.
Venue: Bharatiya Bhasha Parishad
36A, Shakespeare Sarani,
Kolkata – 700 017

Directors

A. K. JALAN
J. K. BHAGAT
B. K. SINGH
S. ISSAR
N. N. NAGPAUL

Company Secretary cum Cost Controller

K. C. MISHRA

Auditors:

MESSRS. LODHA & CO.
CHARTERED ACCOUNTANTS
14, GOVERNMENT PLACE EAST
KOLKATA - 700 069

Registrars & Transfer Agents:

R & D INFOTECH PRIVATE LTD.
CORPORATE OFFICE:
1st Floor, 7A, BELTALA ROAD,
Kolkata – 700 026
Phone Nos.: 033-24192641/42
Email: rd.infotech@vsnl.net,
investors@rdinfotech.in

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Bankers:

ALLAHABAD BANK

Garden:

TYROON TEA ESTATE
P. O. KHARIKATIA
DIST. JORHAT
ASSAM

Registered Office:

3, NETAJI SUBHAS ROAD
KOLKATA – 700 001

The practice of distributing copies of the Annual Report at the Annual General Meeting has been discontinued as a measure of economy. Members are therefore requested to bring their copies of the Annual Report at the meeting.

TYROON TEA COMPANY LIMITED

NOTICE

Notice is hereby given that the Annual General Meeting of TYROON TEA COMPANY LIMITED will be held as scheduled below:

Date : 26th September 2011.

Day : Monday

Place : Bharatiya Bhasha Parishad
36A, Shakespeare Sarani,
Kolkata – 700 017.

Time: 10.30 A.M.

ORDINARY BUSINESS:

1. To receive, consider and adopt Reports of the Auditors and Directors and the Audited Accounts of the Company for the year ended 31st March 2011.
2. To Declare Dividend for the Financial year ending March, 2011.
3. To appoint a Director in place of Mr. A. K. Jalan, who retires by rotation, and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. J. K. Bhagat, who retires by rotation, and being eligible offers himself for re-appointment.
5. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS

6. ORDINARY RESOLUTION

To consider and, if thought fit, to pass with or without modification(s) the following resolution as an ordinary resolution:

RESOLVED THAT as per Article 115 of the Articles of Association of the company and in terms of section 260 and other applicable provisions of the Companies Act, 1956 Mr. Narendra Nath Nagpaul who was appointed as an additional director at a meeting of the Board of Directors of the company with effect from 31st January, 2011 and a notice under section 257 of the Companies Act 1956 has been received from a member proposing his candidature for the office of directorship 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. SPECIAL RESOLUTION

To consider and, if thought fit, to pass with or without modification(s) the following resolution as a special resolution:

RESOLVED THAT pursuant to section 314 and other applicable provisions of the Companies Act, 1956 hereinafter referred to as 'the Act' and any amendments thereto Mr. Anirudha Jalan a relative as defined in section 2 (41) and section 6 read with schedule IA to the Act of Mr. Arun Kumar Jalan a director of the Company be and is hereby appointed as Junior Executive of the Company with effect from 01-02-2011.

Registered Office:
"McLeod House"
3, Netaji Subhas Road,
Kolkata – 700 001

By Order of the Board
For Tyroon Tea Company Limited

K. C. Mishra
Company Secretary cum Cost Controller

The 30th day of July, 2011.

Notes:

1. PROXY

A member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. Proxy in order to be effective must be deposited with the Company at its Registered Office at least forty-eight hours before the commencement of the meeting.

2. CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will remain closed from 19th September 2011 to 26th September 2011 both days inclusive. Shares transfer requisition received at Messrs. R & D Infotech Private Ltd., or at the Registered Office of the Company by 5.00 P.M. on 19th September, 2011 will be in time for payment of Dividend subject to provision of Section 206A of the Companies Act, 1956.

3. DIVIDEND

PAYMENT OF DIVIDEND

Dividend if declared at the Annual General Meeting, will be paid to the Members whose names appear on the Register of members as on the book closure date in respect of Shares held in physical form and in respect of shares held in electronic form (Demat), dividend will be paid to the beneficial owners as per the list to be provided by the depositories, as on the Book Closure Date.

UNPAID OR UNCLAIMED DIVIDEND

Pursuant to section 205A of the Companies Act, 1956 all unclaimed / unpaid dividends upto the year ended 31st March, 1995 have been transferred to General Revenue Account of Central Government. Shareholders who have not encashed the dividend warrants for the said period are requested to claim the amount from the Registrar of Companies, West Bengal at Kolkata.

4. DEPOSITORY SYSTEM

The Company, consequent to introduction of the Depository System entered into agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Members, therefore now have the option of holding and dealing in the shares of the Company in the electronic form through NSDL or CDSL.

Effective from 28th May 2001, trading in the shares of the Company on any stock exchanges is permitted only in the dematerialised form.

5. LODGMENT OF TRANSFER DOCUMENTS

The instruments of share transfer complete in all respects should reach the Company prior to closure of the Register of Members as stated above.

6. CONSOLIDATION OF MULTIPLE FOLIOS

Shareholders who are holding shares in identical order of names in more than one folio, are requested to write to the Company enclosing their Share Certificates to enable the Company to consolidate their holdings in one folio.

7. CHANGE OF ADDRESS

Members are requested to quote their Registered Folio Number in all correspondence with the Company and notify the Company immediately of change, if any, in their registered address and / or their mandates.

8. ATTENDANCE SLIP

Members are requested to handover the enclosed "Attendance Slip" duly signed in accordance with the specimen signatures registered with Company for admission to the Meeting Hall.

9. MEMBERS' QUERIES

Members desiring any information regarding Accounts are requested to write seven days in advance to the Company before the date of Meeting to enable the Management to keep full information ready.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 IN RESPECT OF THE SPECIAL BUSINESS AS PER NOTICE OF ANNUAL GENERAL MEETING ON 26TH SEPTEMBER 2011

ITEM NO. 6

APPOINTMENT OF MR. NARENDRA NATH NAGPAUL AS A DIRECTOR OF THE COMPANY

As per Article 115 of the Articles of Association of the company and in terms of section 260 of the Companies Act, 1956 Mr. Narendra Nath Nagpaul who was appointed at a meeting of the Board of Directors of the company as an additional director with effect from 31st January, 2011.

Section 260 of the Companies Act, 1956 requires that an additional director will hold office as a director only upto the ensuing Annual General Meeting. Hence appointment of Mr. Nagpaul is to be done by passing an ordinary resolution at the Annual General Meeting.

In terms of Section 257 of the Company Act, 1956, the Company has received a notice in writing from a member proposing the candidature of Mr. Narendra Nath Nagpaul as a Director of the company whose period of office shall be liable to determination by retirement of directors by rotation.

Mr. Nagpaul has filed his consent to act as a director of the company, if appointed, under section 264 of the Companies Act, 1956 as well as Form 'DD-A' under Companies (Disqualification of Directors under Section 274(1)(g) of the Companies Act, 1956) Rules, 2003 in respect of Intimation by Director pursuant to Section 274(1)(g)

Mr. Narendra Nath Nagpaul's expertise and directorship details are provided in the Corporate Governance Report which forms part of the Annual Report 2010-11.

He has more than 45 years experience in the tea industry. His experience would be beneficial to the company.

Your directors recommend the resolution for approval by the members.

None of the directors of the company except Mr. Narendra Nath Nagpaul is concerned or interested in the said resolution.

ITEM NO. 7

APPOINTMENT OF MR. ANIRUDHA JALAN AS JUNIOR EXECUTIVE OF THE COMPANY

Pursuant to section 314 and other applicable provisions of the Companies Act, 1956 hereinafter referred to as 'the Act' and any amendments thereto Mr. Anirudha Jalan a relative (as defined in section 2 (41) and section 6 read with schedule IA to the Act) of Mr. Arun Kumar Jalan a director of the Company was appointed as Junior Executive of the Company with effect from 01-02-2011 at a meeting of the Board of Directors of the Company held on 31-01-2011.

Section 314 of the Act requires that appointment of a relative of a director is to be secured by a special resolution passed at a general meeting held before or after the appointment if the monthly salary is Rs. 10,000 or more. Since monthly salary of Mr. Anirudha Jalan is more than Rs.10,000 hence the special resolution is required.

Your Director feel that the remuneration paid to Mr. Anirudha Jalan is reasonable and in-line with the salary offered to other Junior Executive and will be in the interest of the Company.

A copy of the appointment letter of Mr. Anirudha Jalan is kept open for inspection by any member of the company at the Registered Office of the company at 3, Netaji Subhas Road, Kolkata-700 001 during office hours between 11.00 a.m. to 4.00 p.m. prior to the date of the Annual General Meeting and also at the Annual General Meeting.

Your directors recommend the resolution at item no. 7 of the notice for your approval.

None of the directors except Mr. Arun Kumar Jalan is concerned or interest in the said resolution .

Details of Directors Seeking Appointment at the Annual General Meeting

Particulars	Mr. A. K. Jalan	Mr. J. K. Bhagat	Mr. N. N. Nagpaul
DIN	00196846	00055972	00632063
Date of Birth	18/10/1938	22/11/1943	13/04/1943
Date of Appointment	28/07/1994	28/07/1994	31/01/2011
Qualification	Graduate	Graduate	B.Sc (Agri)
Nature of Experience Functional Area	Mr. Jalan, having 49 years of experience in Tea and Jute Industry	Mr. Bhagat, Industrialist, having rich business experience .	Mr. Nagpaul, having 45 years of experience in Tea Industry. He has worked in Jorhaut Tea Co. Ltd
Name of Directorship in other Companies	1. Rajgir Properties (P) Ltd.	1. Ludlow Jute & Specialist Ltd. 2. Ginni Filaments Ltd. 3. The Naihati Jute Mills Co. Ltd. 4. Ludlow Exports Ltd. 5. Ginni Flour & Foods Ltd. 6. Shiva Mercantile & Trading Co. (P) Ltd. 7. Bhagat Refineries & Chemicals (P) Ltd. 8. Dhan Lakshmi Trading Corporation (P) Ltd. 9. Reform Flour Mills (P) Ltd. 10. Vedant Credit Finance (P) Ltd. 11. Lotus Enclave (P) Ltd.	1. Rydak Enterprise & Investment Ltd. 2. Bhatkawa Tea Industries Ltd. 3. Jubilee Shipping & Logistics Ltd. 4. ABJ Industries (P) Ltd.
Membership/ Chairmanship of committee in public Company	NIL	1. Ludlow Jute & Specialist Ltd – Chairman Investor/ Shareholder Grievance Committee . 2. Ginni Filaments Ltd. – Member of Remuneration Committee / Investor / Shareholder grievance committee and Audit Committee.	

The above report was placed and approved by the Board at its Meeting held on 30th of July, 2011.

TYROON TEA COMPANY LIMITED

REPORT OF THE DIRECTORS

The Directors of the Company have pleasure in presenting the Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March, 2011.

FINANCIAL RESULTS :	Rs.	Rs.
Profit before Interest, Depreciation and Taxation		3,04,12,029
Less: Interest	27,17,203	
Depreciation	24,56,963	51,74,166
Profit / (loss) before tax		2,52,37,863
Less : Provision for Taxation		45,23,000
		2,07,14,863
ADD: EXCESS PROVISION OF INCOME TAX RELATING TO EARLIER YEAR WRITTEN BACK		14,42,999
Profit / (Loss) after tax		2,21,57,862
Less: Proposed dividend	34,02,100	
Tax on Proposed Dividend	5,65,046	(39,67,146)
Transferred to General Reserve		1,81,90,716

DIVIDEND:

The Board of Directors of your Company are pleased to recommend a final dividend of Re.1/- per equity share of Rs.10/- each (10%). (Previous year Nil), which will absorb a sum of Rs.39.67 Lacs including tax on dividend on paid up Capital of the Company, if approved in the Annual General Meeting.

DIRECTORS:

Mr. A. K. Jalan and Mr. J. K. Bhagat retire by rotation and being eligible offer themselves for re-appointment. Mr. N. N. Nagpaul appointed as an additional Director of the Company w.e.f. 31-01-2011. The required information about Mr. A. K. Jalan, Mr. J. K. Bhagat and Mr. N. N. Nagpaul as stipulated in clause 49 of the listing agreement, have been given separately. Mr. C. N. Tripathi, a director of the Company left for heavenly abode on 6th January, 11. The Board of Directors pray to the almighty may his soul rest in peace.

DIRECTORS' RESPONSIBILITY STATEMENT:

Your Directors confirm:

- I. that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- II. that the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- III. that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- IV. that the directors had prepared the annual accounts on a going concern basis.

AUDITORS:

Messrs. Lodha & Co., Chartered Accountants will cease to hold office as Auditors of the Company at the conclusion of the forthcoming Annual General Meeting and being eligible offer themselves for reappointment. Necessary certificate has been obtained from the Auditors as per section 224 (1) of the Companies Act, 1956.

The other observations made in the Auditors' Report are self-explanatory and therefore, do not call for any further comments under Section 217 of the Companies Act, 1956.

PARTICULARS OF EMPLOYEES:

No employee of the Company was in receipt of such remuneration as to disclose particulars U/S. 217(2A) of the Companies Act, 1956 and rules framed thereunder.

ENERGY, TECHNOLOGY, FOREIGN EXCHANGE:

The information in accordance with the provisions of Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are given in Annexure 'A' which forms part of this Report.

REPORT ON CORPORATE GOVERNANCE

A separate report on Corporate Governance alongwith the Auditor's Certificate on its compliance is annexed to this Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industrial Structure and Development.

India is the largest producer of Tea in the world, producing about 980 million Kgs annually representing 40% of World Black Tea Production. The Tea Industry plays a vital role in the Indian Economy by way of contributing valuable foreign exchange and providing employment to a vast work force in remote areas.

During 2010 the Tea production in India was 967 million kgs against 980 million kgs in the previous year. The decline in the production was due to adverse weather condition and pest attack in some gardens in upper Assam. This is second consecutive year of shortfall in the all India Tea crop. Low inventory, lower production and continuous strong consumption growth has helped in maintaining price during the year. Global Tea Production increased during the year 2010 mainly due to substantial increase in Kenya and Sri Lanka

Opportunities, threats, risks and concern

The company has one tea estate together with own processing unit. Your company is committed to improve quality. Tea continues to enjoy the status of a popular beverage in the world. The huge domestic market offers a significant opportunity for the Tea industry in India. Tea is now also being promoted as a health drink and offers significant opportunities for increase in consumption world wide. Increase in demand of orthodox Tea in Foreign countries should have a positive impact on export.

Out Look

The health of our industry depends to a large extent on the geographical conditions which are outside the realm of the control of the company. The tea industry is a highly labour intensive. The wages of workers are determined according to periodic wage settlement agreement which often increase the labour cost to a significant extent irrespective of any improvement in productivity and realisation. World tea production during the 1st half of 2011 is estimated to be behind last year's actual. However exports from India are below last year's figure till now and may put some pressure on prices prevailing in India.

Internal Control System and there adequacy

The Company has an adequate Internal Control system to ensure proper and efficient use of the company's resources, their protection against any unauthorized use, accuracy in financial reporting and due compliance of the company policy procedure as well as the statutes. Statutory and internal auditors also review its implementation and progress at periodic intervals and take corrective action where any short comings are identified. The audit committee similarly reviews the internal control system and provides guidance for improvement.

Financial and operational performance

During the year 2010-2011 the company reported a net sale of Rs. 21.67 Crores and net profit for the year ended 31st March 2011 after tax of Rs. 2.22 Crores. The management took necessary steps to reduce debts to save on interest cost. Steps are also being taken to improve quality and increase production. The company started producing Orthodox Tea, which is expected to earn better prices.

Human resources and development

The company has around 1500 permanent employees employed at the tea estate. The labour welfare officer employed specifically for the purpose monitors the welfare of the workers. Your company runs a hospital, ambulance and dispensaries at its out divisions providing medical care to the employees.

Personnel

The Industrial relation remains satisfactory for the year under review.

ACKNOWLEDGMENT:

The Directors wish to express their appreciation to all officers, members, staff and workmen of the Company for valuable services rendered and dedication exhibited by them. They also express their gratitude to Tea Board and Bankers for their co-operation and support extended to the Company and express their thanks to Shareholders for their confidence and understanding.

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

FOR AND ON BEHALF OF THE BOARD

Kolkata, The 30th day of July, 2011.

DIRECTORS

TYROON TEA COMPANY LIMITED

ANNEXURE "A"

ANNEXURE TO DIRECTORS' REPORT

Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988.

(A) CONSERVATION OF ENERGY

1. Energy Conservation Measure taken: ---
2. Additional investments and proposals if any, being implemented for reduction of consumption of energy : Installation of Automatic Voltage Regulator
3. Impact of the measures at : (1) and (2) above for reduction of energy consumption and consequent impact on the cost of production. The cost of production has been reduced after installation of the energy saving equipments barring increase in rates of inputs.

4. Power and Fuel Consumption	Current Year	Previous Year
1. Electricity		
a) Purchased Unit	6,34,992	2,82,551
Total Amount (Rs.)	68,81,172	28,42,140
Rate / Unit	10.84	10.06
b) Own Generation		
i) Through diesel Generator Unit	3,17,404	81,871
ii) Units per Litre of diesel oil		
Cost/Unit (Rs.)	9.67	8.62
2. (a) Natural Gas		
Quantity (Scum)	8,16,864	8,33,745
Total Amount	63,72,144	50,14,747
Average Rate	7.77	6.01
(b) Consumption Per Unit of Production		
Black Tea (in Kgs.)	15,62,375	14,49,170
Electricity (In Unit)	0.41	0.19
Furnace Oil (in Litres)	---	---
Coal (in Kgs.)	---	---
Natural Gas (in Scum)	8,16,864	8,33,745
Natural Gas (per unit)	0.52	0.58

(B) RESEARCH AND DEVELOPMENT

1. Specific area in which R & D carried out by the Company – Vermiculture farming.

2. Future plan of action

Works are in hand to improve all aspects of field management which will improve both quality and production.

3. Expenditure on R & D

(a) Capital	:	
	:	
(b) Recurring	:	
	:	Rs.2,13,480.00
(c) Total R & D expenditure	:	
as percentage of total	:	
turnover.	:	

(C) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. Efforts are being made towards technology absorption, adaptation and innovation: -

2. In case of imported technology (imported during the last 6 years from the beginning of the financial year) following information may be furnished:

(a) Technology imported (b) year of import (c) has technology been fully absorbed (d) if not fully absorbed areas where they have not taken place, reason and future plan of actions.

No Technology was imported during last 5 years.

FOREIGN EXCHANGE EARNING - Rs. Nil (Previous year Rs. Nil)

FOREIGN EXCHANGE OUTGO - Rs. 80,330 (Previous year Rs. 74,511)

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

FOR AND ON BEHALF OF THE BOARD

DIRECTORS

Kolkata, The 30th Day of July, 2011.

AUDITOR'S REPORT

To the members of Tyroon Tea Company Limited

We have audited the attached Balance Sheet of **Tyroon Tea Company Limited** as at 31st March, 2011, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

- I. As required by the Companies (Auditor's Report) Order, 2003 ("the order") as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956 ("the Act") and according to the information and explanations given to us and on the basis of such checks as we considered appropriate, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
- II. Attention is invited to the following notes of Schedule 15 regarding:
 - i. *Certain loans which have become overdue for repayment in respect of which eventual shortfall in values thereof and their impact, if any, are currently not ascertainable (Note 5).*
 - ii. *Computation of income tax based on certain opinion / interpretation and their impact, if any, are currently not ascertainable (Note 7(i))*
 - iii. *Investments in respect of which eventual shortfall in value thereof and recoverability of advances and their impact, if any are currently not ascertainable (Note no.9 and 10)*
- III. *We further report that the overall impact of items mentioned in Para II above has not been ascertained and therefore, cannot be commented upon by us.*
- IV. Further to the above 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 it appears from our examination of such books;
 - c) The Balance Sheet, and the Profit and Loss Account dealt with by this report are in agreement with the books of account;

- d) In our opinion, the Balance Sheet, Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Section 211 (3C) of the Act;
- e) On the basis of written representations received from the Directors and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March 2011 from being appointed as a director of the company in terms of clause (g) of sub-section (1) of section 274 of the Act ;
- f) In our opinion, and to the best of our information and according to the explanations given to us the said accounts *subject to our remarks as given in Para II above with their resultant impact and including overall impact as given in Para III above (presently not ascertainable) and Note 13 of Schedule 15 regarding non-availability of details relating to Micro, Small and Medium Enterprise Development Act, 2006* and read together with the other notes thereon give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
- i. In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
 - ii. In the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - iii. In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For Lodha & Co.
Chartered Accountants
Firm ICAI Registration No: 301051E

H.S. Jha
Partner
Membership No. 55854

Place: Kolkata
Date: 30th July, 2011

ANNEXURE REFERRED TO IN PARAGRAPH I OF AUDITORS' REPORT OF EVEN DATE

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The Fixed assets of the company were physically verified by the Management according to phased program of verification, which in our opinion is reasonable having regard to the size of the Company and the nature of its business. Discrepancies noticed on such verifications were not material.
- (c) The company has not disposed off a substantial part of its fixed assets during the year, which affect its going concern status.
- ii. (a) As explained to us, the inventories of the Company *except materials lying with the third parties* have been physically verified by the management at reasonable intervals during the year / at the year-end. In our opinion and according to the information and explanations given to us, the frequency of the verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories except in respect of materials lying with third parties followed by the management is reasonable and adequate in relation to the size of the Company and nature of its business.
- (c) On the basis of examination of the records of inventory and according to the information and explanations given to us, we are of the opinion that the Company is maintaining proper records of inventory. Discrepancies noticed on the physical verification of stocks were not material.
- iii. On the basis of examination of the records and according to the information and explanations given to us, the Company has not taken/ granted any loans, secured or unsecured to companies, firms, or other parties covered in the register maintained under Section 301 of the Act during the year. Accordingly, the provisions of clause 4 (iii)(b) to (g) of the order are not applicable to the company. *However, interest amounting to Rs. 15,79,050 is overdue from a company covered in the register maintained under Section 301 of the Act.*
- 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 nature of its business with regard to the purchase of inventory, fixed assets and sale of goods. During the course of our audit we have not observed any continuing failure to correct major weakness in internal control system.
- v. According to the information and explanations given to us there are no transactions that need to entered into the register in pursuance of Section 301 of the Act. Accordingly, the provisions of clause 4(v) (b) of the order are not applicable to the company.
- vi. The Company has not accepted any deposits from the public during the year within the meaning of the provisions of Section 58A, 58 AA or any other relevant provision of the Act and rules made thereunder.

- vii. The Company has an internal audit system which covers certain specific areas of operations/ process and therefore the scope thereof needs to be enlarged and the system followed needs to be further strengthened.
- viii. As explained to us, the Central Government has prescribed the maintenance of cost records under section 209(1) (d) of the Act for manufacture of tea. The Company is in the process of compiling such records. However in the absence of these records we have not been able to carry out the review of the same.
- ix. According to the information and explanations given to us and as per the records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Professional Tax, Sales Tax, Wealth tax, Service Tax, Excise Duty, Cess and any other statutory dues applicable to it. However, according to the information and explanations given to us, there is no undisputed amounts payable in respect of these which were in arrears as on 31st March, 2011 for a period of more than six months from the date they became payable.
- x. There are no accumulated losses as at the close of the financial year. The Company has not incurred cash losses during the year and in the immediately preceding previous financial year.
- xi. Based on our examination of documents and record and according to information and explanation given to us, the company has not defaulted in repayment of dues to Financial Institutions and banks. There are no debenture holders.
- xii. Based on our examination of documents and record and according to information and explanation given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. The Company is not a Chit fund or a Nidhi / Mutual benefit fund / society. Accordingly, the provisions of the clause 4(xiii) of the Order are not applicable to the Company.
- xiv. The Company is not dealing and trading in shares, securities, debentures and other investments. Accordingly, the provisions of the clause 4(xiv) of the Order are not applicable to the company.
- xv. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from Bank or Financial Institutions.
- xvi. As per the information and explanation given to us, the Company has not availed fresh term loan 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, considering the loans as mentioned in Note 5 of Schedule 15 as short term, we report that the company has not utilized short term funds for long term purposes.
- xviii. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- xix. On the basis of examination of the records, the Company has not issued any debentures.
- xx. The Company has not raised any money by public issue during the year.

- xxi. During the course of our examination of the books of account carried out in accordance with generally accepted auditing practices in India, we have neither come across any incidence of fraud on or by the Company nor have we been informed of any such case by the Management.

For Lodha & Co.
Chartered Accountants
Firm ICAI Registration No: 301051E

Place: Kolkata
Date: 30th July, 2011

H.S. Jha
Partner
Membership No. 55854

ANNEXURE TO THE DIRECTOR'S REPORT.

CORPORATE GOVERNANCE REPORT 2011.

1. A brief statement on Company's philosophy on code of governance.

The Company's philosophy on corporate governance adopted by your Board is to ensure transparency consistent with the business environment in which the Company operates, in its dealings and operations as well as the functioning of the Management and the Board.

It seeks to enhance overall shareholder value over a sustained period of time.

2. Board of Directors.

The Company's Board of Directors comprises of five Directors. There are no Executive Directors on the Board.

The Board met six times on the following dates during the financial year 2010-2011 as against the minimum requirement of four meetings and the maximum time gap between two meetings did not exceed three months.

1st April, 2010, 30th April, 2010, 31st July, 2010, 27th September, 2010, 30th October 2010, 31st January, 2011

The names and categories of the Directors on the Board, their attendance at the Board Meeting held during the financial year 2010-2011 and at the last Annual General Meeting, and also the Directorship and Committee position held by them in other Public Limited Companies as on 31st March, 2011 are given below: -

The Information under Annexure I to Clause 49 of the Listing Agreement is made available to the Board.

The Company did not have any pecuniary relationship or transaction with the non executive Directors during 2010-2011.

Name	Category	Number of Board Meetings attended during 2010-2011	Whether attended AGM held on 27/09/2010	No. of Directorship held in other Public Limited Companies.		No. of Committee position held in other Public Limited Companies	
				Chairman	Members	Chairman	Members
Mr. A. K. Jalan Director	Promoter Non Executive	6	YES	NIL	NIL	NIL	NIL
Mr. S. Issar Director	Non Executive Non Independent	6	YES	NIL	4	6	1
Mr. J. K. Bhagat Director	Independent Non Executive	6	NO	1	4	1	2
Mr. B. K. Singh Director	Independent Non Executive	4	NO	NIL	NIL	NIL	NIL
Mr. N. N. Nagpaul, Director	Independent Non Executive	1	NO	NIL	3	NIL	NIL
Mr. C. N. Tripathi, Director	Independent Non Executive	5	YES	4	NIL	NIL	NIL

Note : Mr. C. N. Tripathi ceased to be a Director with effect from 6th January, 2011 due to death.
Mr. N. N. Nagpaul appointed as An additional Director with effect from 31st January, 2011.

3. Audit Committee

Mr. S. Issar	Chairman	Independent, Non-executive.
Mr. J. K. Bhagat	Member	Non-Independent, Non-executive.
Mr. B. K. Singh	Member	Independent, Non-executive.
Mr. C. N. Tripathi	Member	Independent, Non-executive.
Mr. N. N. Nagpaul	Member	Independent, Non-executive.

Mr. K. C. Mishra Company Secretary cum Cost Controller acts as a Secretary to the Committee.

The Statutory Auditors, Internal Auditors and heads of the Finance are invitees to the Meetings.
The Audit Committee met four times during the year ended 31st March, 2011.
The Audit Committee met on the following dates during the financial year 2010-2011.

30TH April, 2010
31st July, 2010
30th Oct, 2010
31st Jan, 2011

Attendance of the Audit Committee

Name of Director	No of Meetings	
	<u>Held</u>	<u>Attended</u>
Mr. S. Issar	4	4
Mr. J. K. Bhagat	4	4
Mr. B. K. Singh	4	4
Mr. C. N. Tripathi	4	3
Mr. N. N. Nagpaul	4	1

*Note : Mr. C. N. Tripathi ceased to be a Director with effect from 6th January, 2011 due to death.
Mr. N. N. Nagpaul appointed as a Director with effect from 31st January, 2011.*

The terms of reference of the Audit Committee includes

- Review of annual accounts of the Company before submission to the Board.
- Review with the Management, Statutory Auditors and the annual financial Statements before submission to the Board;
- Review with the Management, Statutory Auditors and Internal Auditors the adequacy of the Internal Control System.
- Consideration of the Reports submitted by Internal Auditors and discussion about their findings with the Management and suggesting corrective actions whenever necessary.

4. Remuneration Committee

There is no remuneration committee because non-executive directors do not receive any remuneration except sitting fees paid for attending the meeting of the Board of Directors and Committee thereof.

5. Investors' / Shareholders' grievance Committee.

The committee consists of Mr. A. K. Jalan and Mr. J. K. Bhagat.
Mr. A. K. Jalan – Chairman.
Mr. J. K. Bhagat - Member.

The Investors' / Shareholders' Grievance Committee met two times during the financial year 2010-11.
On 31st July, 2010 and 31st January, 2011
Given below is the position of Complaints received and attended during the year.

Complaints received	-	19
Complaints attended	-	19
Pending Complaints as on 31-03-2011	-	NIL

No transfer were pending at the end of the financial year.

Name and Designation of the Compliance officer. Mr. K. C. Mishra
Company Secretary cum Cost Controller.

6. General Body Meetings

<u>Date</u>	<u>Time</u>	<u>Venue</u>	<u>No. of Special Resolution passed</u>
26-09-2008	10.30 A. M	Auditorium of Bharatiya Bhasha Parishad 36A, Shakespeare Sarani, Kolkata – 700 017.	NIL
23-09-2009	3.00 P. M	Auditorium of Bharatiya Bhasha Parishad 36A, Shakespeare Sarani, Kolkata – 700 017.	NIL
27-09-2010	10.30 A. M	Auditorium of Bharatiya Bhasha Parishad 36A, Shakespeare Sarani, Kolkata – 700 017.	NIL

At the ensuing Annual General Meeting no Resolution is proposed to be passed by Postal ballot.

7. Disclosures:

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

The Register of Contracts containing transactions in which Directors are interested is placed before the Board for its approval whenever such transaction exists.

Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years: NIL

Disclosure on Risk Management: The Company has in place mechanism to inform Board Member about the risk assessment and minimization procedure which is subject to review by the Management and is required to be place by the Board on an annual basis.

CEO/CFO Certificate: A certificate from Director (who is head of financial function also) on the financial statement of the Company was placed before the Board.

Declaration of Compliance with the Code of Conduct: All the Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct as approved and adopted by the Board of Directors. A declaration to this effect signed by the Director of the Company is given elsewhere in this Annual Report.

8. Means of Communication

The quarterly results are published in the Financial Express and Arthik Lipi.

There is no web site at present, nor are half yearly results sent to each household of shareholders. Management discussions and analysis report forms part of this annual report.

9. GENERAL SHAREHOLDERS' INFORMATION.

- a. **A.G.M. Date** – 26th September 2011 at 10.30 A. M.
Venue : - Bharatiya Bhasha Parishad,
36A, Shakespeare Sarani,
Kolkata – 700 017.
- b. Financial Calendar – April to March.
- c. Date of Book Closure – 19/09/2011 to 26/09/2011 (both days inclusive).
- d. Dividend : Proposed Re.1 per equity share of Rs.10 each (10%).

e. Listing on Stock Exchanges:

<u>Name</u>	<u>Address</u>
Bombay Stock Exchange Limited	Phirojee Jeejeebhoy Tower Dalal Street, Mumbai – 400 001.
The Calcutta Stock Exchange Association Ltd.	7, Lyons Range, Kolkata – 700 001.

The Company has paid annual listing fees to Kolkata and Mumbai stock exchanges for financial year 2010 – 2011.

f. Stock Code : BSE – 526945

Demat ISIN in NSDL and
CDSL for the Equity Shares. : INE 945B01016

g. Market Price Data: High Low during each month in the last financial year.

MONTH	BOMBAY STOCK EXCHANGE (In Rs.)	
	High	Low
April, 10	32.00	26.60
May, 10	31.45	24.50
June, 10	33.80	24.35
July, 10	35.00	24.10
August, 10	32.00	21.75
September, 10	27.75	25.10
October, 10	27.95	24.15
November, 10	39.85	24.90
December, 10	33.10	27.05
January, 11	31.00	28.25
February, 11	33.95	28.55
March, 11	34.75	30.50

h. Performance in comparison to Broad based indices such as BSE Sensex.

i. Registrar & Transfer Agent - R & D Infotech Private Limited.
1st Floor, 7A, BELTALA ROAD,
Kolkata – 700 026
Phone Nos.: 033-24192641/42
Email: rd.infotech@vsnl.net, investors@rdinfotech.in

j. Share Transfer System

Share Transfer documents received are approved by the Share Transfer Committee every fortnight, if documents are complete in all respects.

k. DISTRIBUTION OF SHAREHOLDING AS ON 31-03-2011

No. of Shares	SHAREHOLDERS		SHAREHOLDING	
	NOS.	%	NOS.	%
Upto 500	2042	87.83	346096	9.52
501-1000	142	6.11	115697	3.18
1001-2000	59	2.54	84052	2.31
2001-3000	21	0.90	51451	1.42
3001-4000	10	0.43	36152	1.00
4001-5000	8	0.34	37414	1.03
5001-10000	12	0.51	94953	2.61
Above 10001	31	1.34	2868685	78.93

SHAREHOLDING PATTERN (AS ON 31-03-2011)

Category	No. of Shares held	Shareholding (%)
Financial Institutions	127400	3.74
Mutual Funds	24100	0.71
Bodies Corporate	985071	28.95
Directors and relatives	1160472	34.11
NRI / OCB	85104	2.50
Others	1019953	29.98
	3402100	100
Forfeited Shares	232400	
	3634500	

l. Dematerialisation of shares and Liquidity

1828799 out of 3402100 equity shares have been dematerialised upto 31st March, 2011.

m. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity. Not Applicable.

n. Plant Location : Tyroon Tea Estate,
P.O. Kharikatia,
Dist. Jorhat,
Assam.
Pin - 785633

o. Address for Correspondence

Company - K. C. Mishra, Company Secretary cum Cost Controller,
Tyroon Tea Company Limited
3, N. S. Road,
Kolkata – 700 001.
Tel. 2248-3236/6071
Tyroon@vsnl.com Tyroon.tea@gmail.com

Transfer Agent - R & D Infotech Private Ltd.,
1st Floor, 7A, BELTALA ROAD,
Kolkata – 700 026
Phone Nos.: 033-24192641/42
Email: rd.infotech@vsnl.net, investors@rdinfotech.in

Certificate of the Director of the Company in terms of Clause 49-1(D) of Listing Agreement

To
The Members of
Tyroon Tea Company Limited

In terms of Clause 49-1(D) of the Listing Agreement it is hereby declared that all the Directors and Senior Management personnel including functional heads have affirmed the Code of Conduct as applicable to them for the year ended 31st March, 2011.

For and on behalf of
Tyroon Tea Company Limited

Director

Place: Kolkata

Date : 30th Day of July, 2011.

TYROON TEA COMPANY LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2011

	SCHEDULES	AS AT 31-03-2011 <u>Rs.</u>	AS AT 31-03-2010 <u>Rs.</u>
SOURCES OF FUNDS			
SHAREHOLDERS' FUND			
CAPITAL	1	35120208	35120208
RESERVE & SURPLUS	2	92025085	73834369
		127145293	108954577
LOAN FUNDS			
SECURED LOANS	3	33760155	17229393
		33760155	17229393
DEFERRED TAX LIABILITY (Refer Note 7 of Schedule 15)		-	-
		160905448	126183970
APPLICATION OF FUNDS			
FIXED ASSETS			
GROSS BLOCK	4	87453139	83150852
LESS: DEPRECIATION		35065226	32926788
NET BLOCK		52387913	50224064
CAPITAL WORK IN PROGRESS		1595298	-
INVESTMENTS	5	84033866	36144059
CURRENT ASSETS, LOANS & ADVANCES			
INVENTORIES	6	9388597	6465034
SUNDRY DEBTORS	7	3141930	3697740
CASH & BANK BALANCES	8	10544912	3218528
LOANS & ADVANCES	9A	45725036	58856789
OTHER CURRENT ASSETS	9B	13845118	18461511
		82645592	90699602
LESS: CURRENT LIABILITIES & PROVISIONS	10	(59757221)	(50883755)
NET CURRENT ASSETS		22888371	39815847
		160905448	126183970
NOTES ON ACCOUNTS	15		

SCHEDULES REFERRED TO ABOVE FORM PART OF BALANCE SHEET
THIS IS THE BALANCE SHEET REFERRED TO IN OUR REPORT OF EVEN DATE

FOR LODHA & CO.
Chartered Accountants

For and on behalf of the Board

(H. S JHA)
Partner
Kolkata
The 30th day of July, 2011

(K. C. Mishra)
Company Secretary cum
Cost Controller

Directors

TYROON TEA COMPANY LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011

	SCHEDULES	2010-2011 Rs.	2009-2010 Rs.
INCOME			
SALE PROCEEDS OF TEA		217185566	175507663
LESS: TEA CESS		<u>475020</u>	<u>441902</u>
OTHER INCOME	11	3928824	7832625
INCREASE/(DECREASE) IN STOCKS	12	<u>842814</u>	<u>534956</u>
		<u>221482184</u>	<u>183433342</u>
EXPENDITURE			
PURCHASE OF GREEN TEA LEAVES		35795004	27764333
EXPENSES	13	133510389	124653380
INTEREST	14	2717203	2873630
DEPRECIATION		2456963	2161768
IRRECOVERABLE BALANCES WRITTEN OFF		21730973	-
SUNDRY DEBIT BALANCE WRITTEN OFF		<u>33789</u>	<u>-</u>
		<u>196244321</u>	<u>157453111</u>
PROFIT/(LOSS) BEFORE TAXATION		25237863	25980231
LESS: PROVISION FOR TAXATION:		4523000	2877000
ADD: EXCESS PROVISION OF INCOME TAX RELATING TO EARLIER YEAR WRITTEN BACK		<u>1442999</u>	<u>-</u>
PROFIT AFTER TAX		22157862	23103231
BALANCE BROUGHT FORWARD FROM PREVIOUS YEAR		-	(21694741)
LESS: APPROPRIATION			
PROPOSED DIVIDEND		3402100	
TAX ON PROPOSED DIVIDEND		565046	
TRANSFERRED TO GENERAL RESERVE		18190716	1408490
PROFIT/(LOSS) CARRIED TO BALANCE SHEET		<u>-</u>	<u>-</u>
BASIC AND DILUTED EARNING PER SHARE		6.51	6.79

NOTES ON ACCOUNTS

15

SCHEDULES REFERRED TO ABOVE FORM PART OF THE PROFIT & LOSS ACCOUNT.
THIS IS THE PROFIT & LOSS ACCOUNT REFERRED TO IN OUR REPORT OF EVEN DATE

FOR LODHA & CO.
Chartered Accountants

For and on behalf of the Board

(H. S JHA)
Partner
Kolkata
The 30th Day of July, 2011

(K. C. Mishra)
Company Secretary cum
Cost Controller

Directors

TYROON TEA COMPANY LIMITED

Cash Flow Statement for the year ending 31st March, 2011

FIGURES IN BRACKETS REPRESENTS DEDUCTIONS

(IN RUPEES)

	Current Year Rs.	Previous Year Rs.
A. Cash Flow from Operating Activities :		
Net Profit before Tax	25237863	25980231
Adjustments for :		
Depreciation	2456963	2161768
Interest Paid	2717203	2873630
(Profit)/Loss on Sale of Fixed Assets	(62865)	(29591)
Interest / Dividend received	(2232026)	(1947882)
(Profit)/Loss on Sale of Investments	(367995)	(20612)
Irrecoverable balance/ Bad debt written off	21764762	-
Sundry Credit Balance Written back	(61565)	-
Liability no longer required written back	(423954)	-
	49028386	29017544
Operating Profit before working capital changes		
Adjustments for :		
(Increase) / Decrease in Trade and Other receivables	(1937243)	(3164915)
(Increase) / Decrease in Inventories	(2923563)	2052650
Increase / (Decrease) in Payables	3056589	6263537
	47224169	34168816
Cash generated from operations		
Direct Taxes paid	(2469949)	(3286803)
	44754220	30882013
Net Cash (used in) / from operating activities		
B. Cash Flow from Investing Activities :		
Purchase of fixed assets including capital working progress	(6220047)	(13797032)
Capital Subsidy Received	-	249549
Sale of fixed assets	66802	87424
Investments - Purchase of Investments	(47521812)	(17573247)
Proceeds from Sale of Investments	-	5050000
Loans and Inter-corporate Deposits (Net)	-	(5000000)
Interest received	2410037	1107046
Dividend received	34594	83800
	(51230426)	(29792460)
Net cash (used in) / from Investing activities		
C. Cash Flow from Financing Activities :		
Proceeds from Long Term Borrowing	16530762	2859912
Interest Paid	(2728172)	(2868219)
	13802590	(8307)
Net cash (used in) / from financing activities		
Net (Decrease) / Increase in cash and cash equivalents	7326384	1081246
Cash and Cash Equivalents (Opening Balance)*	3218528	2137282
Cash and Cash Equivalents (Closing Balance)*	10544912	3218528

Note:-

1. The above Cash Flow Statement has been prepared under the "Indirect Method " set out in Accounting Standard (AS) -3 on cash Flow Statement.
2. * Refer Schedule '8'

THIS IS THE CASH FLOW STATEMENT REFERRED TO IN OUR REPORT OF EVEN DATE

FOR LODHA & CO.
14, Government Place East,
Chartered Accountants
Kolkata, 30th day of July , 2011
(H. S. Jha)

K. C. Mishra
Company Secretary cum
Cost Controller

For and on behalf of the Board

Directors

Partner

TYROON TEA COMPANY LIMITED

Schedules annexed to and forming part of the accounts for the year ended 31st March, 2011

		AS AT 31-03-2011 Rs.	AS AT 31-03-2010 Rs.
		<u> </u>	<u> </u>
1. SHARE CAPITAL			
Authorised			
40,00,000 Equity Shares of Rs.10/- each.		40000000	40000000
Issued, Subscribed and Paid up			
34,02,100 Equity Shares of Rs.10/- each	34021000		
fully paid up			
(Of the above 42,000 Equity Shares were allotted as Fully Paid Up pursuant to a contract without payment being received in cash and 11,96,000 Equity Shares of Rs.10/- each were allotted as Fully Paid Up by way of Bonus Shares by Capitalisation of General Reserve)			
Add : Forfeited Shares	1099208	35120208	35120208
Amount paid-up on			
2,32,400 Equity Shares			

2. RESERVE AND SURPLUS

	AS AT 31-03-2010 Rs.	Additions	Deductions	AS AT 31-03-2011 Rs.
		<u> </u>	<u> </u>	<u> </u>
Share Premium	38657000	-	-	38657000
General Reserve	35177369	18190716	-	53368085
	<u>73834369</u>	<u>18190716</u>	<u>-</u>	<u>92025085</u>

TYROON TEA COMPANY LIMITED

Schedules annexed to and forming part of the accounts for the year ended 31st March, 2011

3. SECURED LOANS	AS AT 31-03-2011 <u>Rs.</u>	AS AT 31-03-2010 <u>Rs.</u>
I. Term Loan from Allahabad Bank. (Repayable within one year Rs.25,00,000. Previous year Rs.25,00,000)	12943981	15443981
II. Cash Credit A/c. (The above loans are secured by hypothecation of crops, entire stocks, book debts and other current assets and Plant and machinery, both present and future and equitable mortgage of Leasehold Land at Garden by deposit of Title Deeds and guaranteed by Srikrishna Arjun Trading & Investment Co. Private Limited and personal guarantee of one of the Directors)	19158064	-
Vehicle Loan (Secured by hypothecation of vehicles acquired under Car Loan Scheme)	1658110	1785412
	<u>-----</u> <u>33760155</u>	<u>-----</u> <u>17229393</u>

TYROON TEA COMPANY LIMITED

SCHEDULE '4'

Schedule of Fixed Assets annexed to and forming part of Balance Sheet as at 31st March, 2011

(Figures in Rupees)

Particulars	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	Cost As on 01/04/2010	Additions	Deductions	Cost As on 31/03/2011	Upto 31/03/2010	For the Year	On Sales/ Adjustment	Upto 31/03/2011	As on 31/03/2011	As on 31/03/2010
LAND (LEASEHOLD) AND DEVELOPMENT	16234749	-	-	16234749	-	-	-	-	16234749	16234749
BUILDINGS AND GODOWNS	12317028	1676367	-	13993395	4322740	228944	-	4551684	9441711	7994288
MACHINERY	34399706	1356439	34936	35721209	20290131	1076273	34013	21332391	14388818	14109575
FURNITURE & FITTINGS	624041	358002	71801	910242	495913	26766	68873	453806	456436	128128
VEHICLES	10506221	496885	215725	10787381	5530865	733449	215639	6048675	4738706	4975356
IRRIGATION EQUIPMENTS	8835877	737056	-	9572933	2064159	391531	-	2455690	7117243	6771718
WATER SUPPLY	233230	-	-	233230	222980	-	-	222980	10250	10250
	83150852	4624749	322462	87453139	32926788	2456963	318525	35065226	52387913	50224064
PREVIOUS YEAR	70280311	14463966	1593425	83150852	32051063	2161768	1286043	32926788	50224064	

TYROON TEA COMPANY LIMITED

Schedule annexed to and forming part of the accounts for the year ended 31st March, 2011

5. INVESTMENTS

	AS AT 31-03-2011		AS AT 31-03-2010		
	Face Value/ N.A.V. Rs.	No. of Shares/ Units	Book Value Rs.	No. of Shares	Book Value Rs.
	Long Term Investments				
In Shares and Debentures of Companies (at Cost) :					
A. Other than trade					
(Quoted Equity Shares, Fully paid up unless otherwise stated)					
Equity Shares :					
Rajahbhat Tea Co. Ltd.	10	100	533	100	533
The Calcutta Investment Co. Ltd.	100	400	21300	400	21300
Ispat Industries Ltd	10	3000	333319	3000	333319
Maharashtra Polybutenes Ltd.	10	100	1000	100	1000
Century Enka Ltd.	10	250	54800	250	54800
Hasimara Industries Ltd. *	10	100000	1000000	100000	1000000
Bank of Maharashtra	10	900	20700	900	20700
MVL Industries Ltd.	10	4200	291233	4200	291233
Gujrat Mineral Development Corporation Ltd. (Includes 1500 number of bonus shares issued previous year).	2	3000	747822	3000	747822
Jai Corporation Ltd.	1	1100	892628	1100	892628
MVL Limited (subdivided from Rs.2/- per share to Re. 1/- per share)	1	28000	194155	14000	194155
Mutual Funds					
Kotak Quarterly Interval Plan Series 3 - Growth	11.7509	-	-	427,268.16	5,020,785
ICICI Prudential Flexible Income Plan Regular Daily Dividend	100.28	-	-	25,160.30	2,523,074
Birla Sunlife Cash Manager Institutional Plan Growth	15.9058	880650.7540	14007470.76	-	-
ICICI Prudential Interval Fund II Quarterly Interval Plan F	10.3703	824257.0000	8547807.50	-	-
ICICI Prudential Interval Fund II Quarterly Interval Plan A	10.1544	984794.0000	9999992.19	-	-
Kotak Floater Long Term Growth	15.2639	662405.6110	10110900.00	-	-
BSL Interval Income Fund INSTL Service Growth	10.1787	736832.7980	7500000.00	-	-
ICICI Prudential Interval Fund III Quarterly Interval Plan Institutional Cumulative	10.3503	508922.0000	5267495.37	-	-
Carried Forward			58991155.82	11101349	

TYROON TEA COMPANY LIMITED

Schedule annexed to and forming part of the accounts for the year ended 31st March, 2011

5. INVESTMENTS (Contd.)

	AS AT 31-03-2011		AS AT 31-03-2010		
	Face Value/ N.A.V. Rs.	No. of Shares/ Units	Book Value Rs.	No. of Shares	Book Value Rs.
	Brought Forward			58991155.82	
B. Trade Investments					
(Unquoted Equity Shares, Fully paid up unless otherwise stated)					
Equity Shares :					
Assam Bengal Cereals Ltd.	10	50	500	50	500
Assam Co-operative Sugar Mills Ltd.	20	174	3480	174	3480
Essar Steel Ltd.	10	200	18730	200	18730
Preference Shares :					
Quoted Redeemable Preference Shares					
Ispat Industries Ltd (0.01% Cumulative Redeemable Preference Shares)	10	2000	20000	2000	20000
Un-quoted Redeemable Preference Shares					
Hasimara Industries Ltd. (9% Non-Cumulative Redeemable Preference Shares)	100	50000	5000000	50000	5000000
Hasimara Industries Ltd. (9% Non-Cumulative Redeemable Preference Shares)	100	25000	2500000	25000	2500000
Presidency Exports & Industries Ltd. (9% Non-Cumulative Redeemable Preference Shares)	100	60000	6000000	60000	6000000
Creative Services Private Ltd. (9% Non-Cumulative Redeemable Preference Shares)	100	65000	6500000	65000	6500000
Debentures					
Kotak Sec Ltd. NDPMS Structured Opp-	1000000	5	5000000	5	5000000
			<u>84033865.82</u>		<u>36144059</u>
			AS AT 31-03-2011	AS AT 31-03-2010	
	Cost	Market Value	Cost	Market Value	
	Rs.	Rs.	Rs.	Rs.	
QUOTED					
Traded	57969322.82	58557323	10079516	9214089	
Non Traded *					
Rajahbhat Tea Co. Ltd.	533		533		
The Calcutta Investment Co. Ltd.	21300		21300		
Hasimara Industries Ltd.	1000000		1000000		
UNQUOTED	<u>25042710.00</u>		<u>25042710</u>		
	<u>84033865.82</u>		<u>36144059</u>		

* Market quotation in respect of non traded shares are not available since long, therefore the market value of these investments has not been stated

Note : The following Mutual Fund purchased and sold during the year

- 1 Birla Sunlife Cash Manager Institutional Plan Growth
- 2 ICICI Prudential Interval Fund II Quarterly Interval Plan F
- 3 ICICI Prudential Interval Fund II Quarterly Interval Plan A
- 4 Kotak Floater Long Term Growth
- 5 BSL Interval Income Fund INSTL Service Growth
- ICICI Prudential Interval Fund III Quarterly Interval Plan
- 6 Institutional Cumulative

TYROON TEA COMPANY LIMITED

Schedules annexed to and forming part of the accounts for the year ended 31st March, 2011

	AS AT 31-03-2011 Rs.	AS AT 31-03-2010 Rs.
6. INVENTORIES		
Stock in Trade :		
(As taken, valued and certified by the Management)		
Stores and Spare Parts	5890287	3812138
Less: Provision for obsolete Stock	<u>(145413)</u>	<u>(145413)</u>
Stock of Foodstuff	31025	28425
Stock of Tea	<u>3612698</u>	<u>2769884</u>
	<u>9388597</u>	<u>6465034</u>
7. SUNDRY DEBTORS		
(Unsecured and considered good by the Management)		
Debts outstanding for a period exceeding six months	531965	531967
Others	<u>2609965</u>	<u>3165773</u>
	<u>3141930</u>	<u>3697740</u>
8. CASH AND BANK BALANCES		
Cash - in - Hand (As certified)	499347	447321
Balances with Scheduled Banks:		
On Cash Credit Accounts	-	2664024
On Current Accounts	<u>10045564</u>	<u>107183</u>
	<u>10544912</u>	<u>3218528</u>
9A. LOANS AND ADVANCES		
(Unsecured and considered good by the Management)		
(A) Loans:		
To Companies	17170000	29670000
To Others	12000000	15500000
(B) Advances:		
Advances recoverable in cash or in kind or for value to be received	8019971	8143727
Sundry Deposits (including Excise duty Deposit Rs.2287/-) (Previous year Rs.2287/-)	2621996	1366160
Advance Payment of Fringe Benefit Tax	-	157781
Income Tax deducted at Source	462999	654460
Advance Payment of MAT	450000	1705591
Advance Payment of Agricultural Income Tax	<u>5000070</u>	<u>1659070</u>
	<u>45725036</u>	<u>58856789</u>
9B. Other current Assets		
Interest receivable on Loans and Advances	<u>13845118</u>	<u>18461511</u>
	<u>13845118</u>	<u>18461511</u>

TYROON TEA COMPANY LIMITED

Schedules annexed to and forming part of the accounts for the year ended 31st March, 2011

	AS AT 31-03-2011 Rs.	AS AT 31-03-2010 Rs.
10. CURRENT LIABILITIES & PROVISIONS		
(A) Current Liabilities :		
Sundry Creditors:(Refer Note 11 of schedule 15)	27009360	24568532
Advance against Tea proceeds	108488	133101
Interest accrued but not due	279251	290220
For Gratuity and leave encashment	23011976	22857121
	50409075	47848974
	50409075	47848974
(B) Provisions :		
For Fringe Benefit Tax	-	157781
For Wealth Tax	-	-
For Taxation	5381000	2877000
For Dividend	3402100	-
For Dividend Tax	565046	-
	9348146	3034781
	9348146	3034781
	59757221	50883755
11. OTHER INCOME		
	2010-2011	2009-2010
Insurance Claims	128637	95624
Dividend Income from Other Investments - LongTerm	34594	83800
Miscellaneous Receipts	635270	714803
Profit on Sale of Fixed Assets	62865	31676
Less: Loss on sale of Fixed Assets	-	2085
Profit on Sale of Investments - others:		
Long Term	-	-
Short Term	367995	20612
Replantation Subsidy	-	3210262
Interest on Loans and deposits (Including Tax deducted at Source Rs.208754/-) (Previous year Rs.178076/-)	2197432	1864082
Liability no longer required written back	423954	-
Sundry Credit Balance Written back	61565	-
Interest Subsidy	-	1776051
Orthodox Subsidy	16512	37800
	3928824	7832625
	3928824	7832625
12. INCREASE/(DECREASE) IN STOCK OF TEA		
Closing Stock	3612698	2769884
Less :Opening Stock	(2769884)	(2234928)
Increase / (Decrease)	842814	534956

TYROON TEA COMPANY LIMITED

Schedules annexed to and forming part of the accounts for the year ended 31st March, 2011

	2010-2011	2009-2010
	Rs.	Rs.
13. EXPENSES		
Cultivation Expenses	29006294	28107500
Manufacturing Expenses	20253389	16853040
Establishment Expenses	19528581	21875251
Contribution to Provident Fund & Other Funds	4170235	3696433
Gratuity	2099770	4250141
Medical, Labour & Staff Welfare	10249748	10651900
Power & Fuel	18998105	12839653
Brokerage & Commission on Sales	2977190	2301998
Despatching & Selling Expenses	5690308	5150790
Rent	61834	61834
Rates and Taxes (Including Wealth Tax)	1078671	1250818
Cess on Green Tea Leaves	1926347	1530277
Repairs to Machinery	2549561	3656568
Repairs to Buildings	2421468	2531880
Repairs to Others	4383548	1685812
Insurance	374315	310956
Transport Expenses	2394253	2178436
Legal and Professional Charges (Including Consultancy Charges)	1077789	907534
Subscription	490055	413414
Directors' Fees	28000	5000
Miscellaneous Expenses	2236028	2894095
Travelling expenses	1429899	1430054
Auditors' Remuneration:		
For Statutory audit	60000	50000
For Tax Audit	15000	10000
In Other Capacity	10000	70000
	133510389	124653380
	133510389	124653380
14. INTEREST		
On Term Loan	1882739	1884945
On Cash Credit	666363	840788
On Vehicle Loan	167906	143372
On Others	195	4525
	2717203	2873630
	2717203	2873630

TYROON TEA COMPANY LIMITED

SCHEDULES (Contd.)

15. ACCOUNTING POLICIES AND NOTES ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2011

1. SIGNIFICANT ACCOUNTING POLICIES

A. GENERAL

- i. These accounts have been prepared on the historical cost convention in accordance with provisions of the Companies Act, 1956 and mandatory Accounting Standards Rules 2006.
- ii. All income and expenses to the extent considered receivable and payable respectively, unless specifically stated to be otherwise are accounted for on mercantile basis.
- iii. Accounting policies unless specifically stated to be otherwise are consistent and are in consonance with generally accepted accounting principles.

B. USE OF ESTIMATES

The Preparation of financial Statements require Management to make estimates and assumption that affect the reported amount of Assets and Liabilities and disclosure relating to contingent liabilities as at the Balance Sheet date and the reported amounts of Income and Expenses during the year.

Contingencies are recorded when it is probable that a liability will be incurred and the amounts can reasonably be estimated. Differences between the actual results and the estimates are recognized in the year in which the results are known / materialized.

C. REVENUE RECOGNITION

- (i) Sales is recognised in the accounts on passing of title of goods i.e. delivery as per terms of sale or on completion of auction in case of auction sale.
- (ii) Sales represents the invoice value of goods supplied less tax, if any.

D. FIXED ASSETS

Fixed Assets are stated at cost of acquisition. The cost of extension planting on cultivable land including cost of development is capitalised whereas expenses in respect of replanting of tea bushes are charged to revenue. Subsidy related to fixed assets is adjusted against the cost of the same.

E. DEPRECIATION

Depreciation on Fixed Assets is provided in the manner and at the applicable rates as specified in Schedule XIV of the Companies Act, 1956 under Straight Line Method.

F. IMPAIRMENT

Fixed Assets are reviewed at each Balance Sheet date for impairment. In case event and circumstances indicate any impairment, recoverable amount of fixed assets is determined. An impairment loss is recognized, wherever the carrying amounts of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the greater of asset's net selling price or its value in use. In assessing the value in use, the estimated future Cash Flow from the use of assets is discounted to their present value at appropriate rate. An impairment loss is reversed if there has been change in the recoverable amount and such loss no longer exists or has decreased. Impairment Loss / reversal thereof is adjusted to the carrying value of the respective asset which in case of CGU, are allocated to the assets on a pro-rata basis. Subsequent to recognition of impairment loss / reversal thereof, depreciation is provided on the revised carrying amount of the assets, on a systematic basis, over its remaining useful life.

G. INVESTMENTS

Investments are classified under Long Term and Current Investments depending on the intention for holding the same. Long Term Investments are stated at cost. Provision for diminution is made to recognise a decline, other than

the temporary, in the value of investments. Current Investments are stated at lower of cost or fair value. Gains/Losses on disposal of investments are recognised in the Profit and Loss account.

H. INVENTORIES

Inventories are valued at cost or net realisable value whichever is lower. Cost in respect of finished product is determined on average basis and represents works cost and appropriate portion of overheads.

Cost in respect of Stores and Spares and Foodstuff is computed on FIFO basis.

Excise duty /Tea Cess/ Education Cess if any leviable/ payable on closing stock of Tea is provided and included in valuation of closing stock.

I. EMPLOYEE BENEFITS

Employee benefits are accrued in the year services are rendered by the employees.

Contribution to defined contribution schemes such as Provident Fund etc. are recognized as and when incurred.

Long-term employee benefits under defined benefit scheme such as contribution to gratuity are determined at close of the year at present value of the amount payable using actuarial valuation techniques. Leave Encashment is provided on the basis of actual valuation as computed by the company.

Actuarial gain and losses are recognized in the year when they arise

J. FOREIGN EXCHANGE TRANSACTION :

Transaction in foreign currencies are accounted for at the exchange rate prevailing on the date of the transaction. Foreign currency, monetary assets and liabilities at the year end are translated using exchange rate prevailing on the last day of the financial year. The loss or gain thereon and also the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expenses and adjusted to the profit and loss account.

K. SUBSIDY

Tea Replantation subsidy and other subsidies is accounted for on acceptance/receipt by/from the concerned authorities.

L. BORROWING COST

Borrowing cost incurred in relation to acquisition, construction or production of a qualifying asset is capitalized as a part of the cost of such assets up to the date when such assets are ready for intended use or sale. Other borrowing cost are charged as an expense in the year in which they are incurred.

M. TAXES ON INCOME

Provision for Tax is made for current and deferred taxes. Current tax is provided on the taxable income using the applicable tax rates and tax laws. Deferred tax assets and liabilities arising on account of timing difference, which are capable of reversal in subsequent period are recognized using tax rates and tax laws, which have been enacted or substantively enacted. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets will be realized. In case of carry forward of unabsorbed depreciation and tax losses, deferred tax assets are recognized only if there is a "virtual certainty" that such deferred tax assets can be realized against future taxable profits.

N. PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS.

Provision involving substantial degree of estimates in measurement is recognized when there is a present obligation as a result of past events, and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Contingent assets are neither recognized nor disclosed in the financial statements. Contingent liabilities are not provided in the books but disclosed by way of a note in the Notes to Account.

NOTES TO ACCOUNTS

- | | | |
|-----------------------|-----------------|-----------------|
| | As On | As on |
| | <u>31-03-11</u> | <u>31-03-10</u> |
| 2. Capital commitment | -- | Rs.3,47,500 |
3. In respect of 4995.07 bighas of land acquired by Assam Government under the Land Ceiling Act, the Company received an ad-hoc payment of Rs.15,200 as compensation. Pending ascertainment of the overall compensation to be received as well as cost of such undeveloped Land acquired out of total 11,829 bighas of land included under Land (Leasehold) and Development, the said compensation remains included in liabilities and necessary adjustment in respect of cost of land and profit/loss on such acquisition, if any has not been considered.
 4. Certain balances under current liabilities, sundry debtors and advances are subject to confirmation and reconciliation thereof.
 5. Loans and Advances include (a) Loan of Rs.2,23,71,813 (including interest amounting to Rs.1,03,71,813) recoverable from certain parties which have become overdue. The Company has filed suits for the recovery of the loan amounts together with interest due. Interest on these loans considering the uncertainty as to the realisation will be accounted for as and when realised/settled.
 6. Cash Credit loans are secured by hypothecation of crops, entire stocks, book debts and other current assets and Plant and machinery, both present and future and equitable mortgage of Leasehold Land at Garden by deposit of Title Deeds and guaranteed by Srikrishna Arjun Trading & Investment Co. Private Limited and personal guarantee of one of the Directors).
 7. (i) Current income tax has been computed considering that the benefits available under section 80I E of Income Tax Act, 1961 on substantial expansion is available on the entire profit. Accordingly, no tax has been considered under current tax. Further while computing the Minimum Alternate tax certain adjustments have been considered based on opinion received **by the company**.

(ii) Current tax includes Rs.37,86,381 of agricultural income tax payable under the Assam Agricultural Income Tax, 1939.
 8. In accordance with Accounting Standard – 22 “Accounting for Taxes on Income” the Company has accounted for deferred tax. The tax authorities have disputed the claims made by the company seeking tax benefit on non moving interest receivable. Further interest to the extent not provided in the books as the possibility of recoverability being doubtful has also been added in various assessment years while computing taxable income by the tax authorities. As the matter is at various stages of dispute with tax authorities neither deferred tax assets nor deferred tax liability has been considered in this respect. Considerable amount of gratuity provided in the books has remained unpaid. In the absence of any future plan of payment Deferred tax Assets in this respect has been considered only to the extent of Deferred Tax Liability.

The components of Deferred Tax Assets and Liabilities are as follows: -

<u>Deferred Tax Assets</u>	Opening as on 01-04-2010 (Rs.)	(Charge) / Credit during the year (Rs.)	Closing as on 31-03-2011 (Rs.)
Expenditure allowable on payment basis	8,43,973	16,25,858	24,69,831
Total	8,43,973	16,25,858	24,69,831
<u>Deferred Tax Liability</u>			
Depreciation Differences	8,43,973	(16,25,858)	24,69,831
Total	8,43,973	(16,25,858)	24,69,831
Net Deferred Tax (Liability) / assets	-----	-----	-----

9. The decline in the market value of long term investments to the extent of Rs. 15,51,760 (Rs.8,65,427) in respect of actively traded securities has been considered to be temporary in nature and accordingly provision for such decline has not been considered necessary by the Management .

10. The Company's investments of Rs.2,00,00,000 in certain Non-Cumulative Redeemable Preference Shares and loans and advances of Rs.1,71,70,000 in group/associated companies are strategic in nature. Considering the long term involvement and the intrinsic values of these companies, these investments and balances have been considered good and fully recoverable.
11. Total salaries, wages and bonus included under various heads of accounts Rs. 6,33,58,590 (Rs. 5,97,91,256)
12. Stores and spare parts consumed (all indigenous) included under various heads of accounts Rs.1,70,11,685(Rs. 1,33,80,152).
13. The Company is in the process of compiling information with regards to suppliers covered under Micro, Small and Medium Enterprise Development Act, 2006. To the extent identified, the Company has no information from the suppliers under the Act and accordingly the disclosure as acquired in Section 22 of the said Act could not be given in said accounts.
14. Employee Benefits

The disclosure required under Accounting Standard 15 "Employee Benefits" notified in the Companies (Accounting Standards) Rules 2006, are given below:

a) Defined contribution scheme

	2010-11	2009-10
Employer's Contribution to provident fund	35,97,989	31,59,752
Employer's Contribution to Pension Fund	1,55,815	1,40,387

b) Defined benefit Scheme

The present value of obligation is determined based on actuarial valuation using the projected unit Credit, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to built up the final obligation.

(Amount in '000')

		Gratuity (Unfunded)	
		31-03-2011	31-03-2010
i.	Change in the present value of the defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:		
	Liability at the beginning of the year		
	Interest Cost	22464	19804
	Current Service Cost	1800	1691
	Actuarial (gain) / loss on obligations	1317	1275
	Benefits paid	(1055)	1284
	Liability at the end of the year	(1973)	(1590)
	22553	22464	

		31-03-2011	31-03-2010
ii.	Changes in the Fair Value of Plan Asset representing reconciliation of opening and closing balances thereof are as follows:		
	Fair value of Plan Assets at the beginning of the year		
	Expected Return on Plan Assets	-	-
	Contributions by the Company	-	-
	Benefits paid	1973	1590
	Actuarial gain / (loss) on Plan Assets	(1973)	(1590)
	Fair value of Plan Assets at the end of the year		
Total actuarial gain / (loss) to be Recognized	--	--	

iii.	Amount Recognized in Balance Sheet	31-03-2011	31-03-2010
		Liability at the end of the year	22553
	Fair value of Plan Assets at the end of the year	--	--
	Amount Recognized in the Balance Sheet	22553	22464

iv.	Expenses Recognized in the Income Statement	31-03-2011	31-03-2010
		Current Service Cost	1317
	Interest Cost	1800	1691
	Expected Return on Plan Assets	--	--
	Net Actuarial (gain) / loss to be Recognized	(1055)	1284
	Expenses Recognized in Profit & Loss Account	2062	4250

v.	Balance Sheet Reconciliation	31-03-2011	31-03-2010
		Opening Net Liability	22464
	Expenses as above	2062	4250
	Employers Contribution	(1973)	(1590)
	Amount Recognized in Balance Sheet	22553	22464

vi.	Principal Actuarial assumptions at the Balance Sheet	31-03-2011	31-03-2010
		Discount Rate	8.00%
	Rate of Return on Plan Assets	0.00%	0.00%

vii.	Experience gain / (Loss) adjustments on plan liabilities	31-03-2011	31-03-2010	31-03-2009
		(1055)	(1284)	564
viii.	Present Value of Defined Benefit Obligation	22553	22464	19804

Notes:

Assumptions relating to future salary increases, attrition, interest rate for discount & overall expected rate of return on Assets have been considered based on relevant economic factors such as inflation, market growth & other factors applicable to the period over which the obligation is expected to be settled.

15. Electricity charges are being provided as per the bill raised by CESC Ltd. The amount receivable from CESC Ltd on account of excess electricity charges for the earlier years will be recognised as and when adjusted in future bills.
16. The Company's main business is growing and manufacturing Tea. As such there is no separate reportable segments as per the Accounting Standard 17 "Segment reporting". Further, as the company operates entirely in India no secondary segment has been identified.
17. Related party disclosure as identified by the Management in accordance with the Accounting Standard 18 "Related Party Disclosure" are as given below: -

A. List of related Parties.

i)	Companies where control exists.	-	None
ii)	Associates	-	Srikrishna Arjun Trading & Investment Co. (P) Ltd.
iii)	Directors / Relatives having significant influence, directly or indirectly	-	Mr. A. K. Jalan (Director)
		-	Mr. S. P. Jalan (Relative of Director)
		-	Mr. Anirudha Jalan (Relative of Director)
iv)	Enterprises where Directors and relatives have Significant influence	-	Creative Services (P) Ltd.
		-	Hasimara Industries Ltd.
		-	James Alexander & Co. Ltd.

B. The following transactions were carried out during the year with related parties.

I) Nature of Transaction	Directors/Relatives (Rs.)	Enterprises where Directors and relatives have Significant influence. (Rs.)
Director's Fees	6,000 (1,100)	---- (----)
Remuneration to Relatives	5,32,514 (4,32,001)	---- (----)
Loans given: Hasimara Industries Ltd.	---- (----)	--- (50,00,000)
Interest received : Hasimara Industries Ltd.	---- (----)	15,83,620 (8,73,426)
Creative Services Pvt Ltd	---- (----)	5,00,000 (---)
II) Balance outstanding –		
i) Loans given Hasimara Industries Ltd.	---- (----)	1,71,70,000 (1,71,70,000)
	-----	-----
	---- (----)	1,71,70,000 (1,71,70,000)
ii) Investments Hasimara Industries Ltd	---- (----)	75,00,000 (75,00,000)
Creative Services (P) Ltd	---- (----)	65,00,000 (65,00,000)
	-----	-----
	---- (----)	1,40,00,000 (1,40,00,000)
iii)Others	-----	-----
Hasimara Industries Ltd	---- (----)	18,54,360 (15,83,620)
Creative Services (P) Ltd	---- (----)	15,79,050 (20,79,050)
	-----	-----
	---- (----)	34,33,410 (36,62,670)

Note:

- i. There are no transaction with associate Company.
- ii. No amounts pertaining to related parties have been provided for as doubtful debts. Also no amount have been written off or written back during the year.
- iii. The above related party in information is as identified by the management.

18. In accordance with Accounting Standard – 20 “Earning per Share”, basic and diluted earning per share (EPS) are calculated as below:

	Year ended <u>31-03-2011</u>	Year ended <u>31-03-2010</u>
a. Profit / (Loss) attributable to Equity Shares Includes (Rs.)	2,21,57,862	2,31,03,231
b. Basic and weighted average number of Equity Shares during the year (Nos.)	34,02,100	34,02,100
c. Nominal value of equity shares (Rs.)	10	10
d. Basic and diluted EPS (Rs.)	6.51	6.79

19. Quantitative and other information.

A. Information as regards capacity, actual production of tea:

	Year ended <u>31-03-2011</u>	Year ended <u>31-03-2010</u>
Licensed Capacity	Not Applicable	Not Applicable
*Installed Capacity	15,50,000 Kgs.	15,50,000 Kgs.
Actual production	15,62,375 Kgs.	14,49,170 Kgs.

including tea used at garden, trade samples and shortage in weight etc. 23929 Kgs (30735 Kgs.) [Exclusive of tea waste]

* As certified by the Management

B. Information of tea sale and stock

	2010 -2011		2009– 2010	
	Quantity Kgs. -----	Value Rs. -----	Quantity Kgs -----	Value Rs. -----
D) Gross Sale	15,09,241	21,71,85,566	13,95,093	17,55,07,663
Less: Tea Cess		4,75,020		4,41,902
Net Sales		----- 21,67,10,546		----- 17,50,65,761
II) Opening Stock	31,104	27,69,884	26,060	22,34,928
III) Closing Stock	36,869	36,12,698	31,104	27,69,884

C. Details of Raw Material consumed

(100% Indigenous)

I. Green Tea Leaves

plucked from own
Estate

48,12,524

47,66,107

(In Tea Industry value of green leaf produced in Company’s own Estate is not ascertainable since production involves an integrated process of growing and cultivation).

II. Green Tea Leaves Purchased

20,71,500

3,57,95,004

17,31,515

2,73,91,985

20. Expenditure and Income in Foreign Currency:
- a) Traveling Expenses: Rs. 80,330 (Rs.74,511)
 - b) Income in Foreign Currency: Nil.

21. Previous year's figures have been re-arranged and / or regrouped wherever considered necessary.

Note : All figures given in brackets are for the previous year unless otherwise stated.

Schedules "1" to "15" form an integral part of the Balance Sheet and the Profit and Loss Account.

For Lodha & Co.,
Chartered Accountants

For and on behalf of the Board

(H.S. JHA)
Partner

(K. C. Mishra)
Company Secretary Cum Cost Controller

Directors

Kolkata
The 30th day of July, 2011

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

(1) Registration Details

C.I.N. No. L15421WB1890PLC000612

Balance Sheet Date 31-03-2011

(2) Capital Raised during the year (Amount in Rs. Thousands)

Public Issue -----

Rights Issue -----

Bonus Issue -----

Private Placement -----

(3) Position of Mobilisation and Deployment of Fund (Rs. In Thousands)

Total Liabilities 2,20,662 Total Assets 2,20,662

Sources of Funds:

Paid-Up Capital 35,120

Reserve & Surplus 92,025

Secured Loans 33,760

Unsecured Loans Nil

Application of Funds:

Net Fixed Assets 52,387

Investments 84,033

Net Current Assets 22,888

Misc. Expenditure Nil

(4) Performance of the Company (Rs. In Thousands)

Turnover 2,21,482
(Including other income)

Total Expenditure 1,96,244

Profit /(Loss) before Tax 25,237

Profit /(Loss) after Tax 22,157

Earning per Share (in Rs.) 6.51

Dividend Rate 10%

(5) Generic name of Principal Product of the Company

Item Code No. 09023000

(ITC Code)

Product Description Black Tea

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

Kolkata, The 30th day of July, 2011

FOR AND ON BEHALF OF THE BOARD

DIRECTORS

TYROON TEA COMPANY LIMITED

Regd. Office: 'McLeod House', 3, Netaji Subhas Road, Kolkata – 700 001

PROXY

Folio no./Client ID Number..... No. of Shares held

D.P. Id No.

I/We

.....

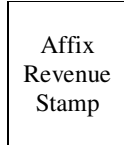
of

.....

being a Member / Members of Tyroon Tea Company Limited, hereby appoint
..... of or
failing him..... of

as my / our proxy in my / our presence to attend and vote for me / us, and on my / our behalf at the Annual General Meeting of the Company to be held at Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, Kolkata – 700 017 on Monday the 26th day of September, 2011 at 10.30 A.M and / or at any adjournment thereof.

Signed this day of 2011.



Signature

Note: The proxy must be deposited at the Registered Office of the Company at "McLeod House", 3, Netaji Subhas Road,, Kolkata – 700 001 not less than 48 hours before the meeting.

----- tear off -----

TYROON TEA COMPANY LIMITED

Regd. Office: 'McLeod House', 3, Netaji Subhas Road, Kolkata – 700 001

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND OVER AT THE ENTRANCE

.....

Name of Shareholder/s (in block letters)

Folio no./Client ID Number..... No. of Shares held

D.P. Id No.

.....

Name of the Proxy (in block letters) in case the Proxy attends instead of the Shareholder/s

I hereby record my presence at the ANNUAL GENERAL MEETING of the Company at the auditorium of Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, Kolkata – 700 017, on Monday the 26th September, 2011 at 10.30 A.M.

Signature of the Shareholder or Proxy.....