

# Tyroon Tea Company Limited

## ANNUAL GENERAL MEETING

Date : 26th September, 2014  
Day : Thursday  
Time : 10.30 A.M.  
Venue : Bharatiya Bhasha Parishad  
36A, Shakespeare Sarani  
Kolkata - 700 017

## Directors :

INDRA JALAN  
J. K. BHAGAT  
ANIRUDHA JALAN  
S. ISSAR  
N. N. NAGPAUL  
SANJAY KEJRIWAL

## 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 : 033-2419-2641 / 42  
E-mail : rd.infotech@vsnl.net, investors@rdinfotech.in

## Bankers :

ALLAHABAD BANK

## Garden :

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

## Registered Office :

3, NETAJI SUBHAS ROAD  
KOLKATA - 700 001

## CONTENTS

1. Notice	2 - 10
2. Directors Report	11 - 16
3. Corporate governance report	17 - 22
4. Auditors Report	23 - 26
5. Balance Sheet	28
6. Profit and Loss Account	29
7. Cash Flow Statement	30
8. Significant Accounting Policies	31 - 33
9. Notes to Financial Statement	34 - 47

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 2014.

Day : Friday.

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 2014.
2. To Declare Dividend for the financial year ending 31st March, 2014.
3. To consider and if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution.

“Resolved that M/s. Lodha & Co. Chartered Accountants, Kolkata having Firm Registration No. 301051E be and are hereby appointed as statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting for three consecutive years after functioning as auditor for ten consecutive years subject to ratification at every Annual General Meeting, on such remuneration as may be fixed in this behalf by the Board of Directors of the Company”.

### 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, 152,161 and other applicable provisions of the Companies Act, 2013 and rules made there under Smt. Indra Jalan DIN 00046265 who was appointed as an additional Director of the Company and in respect of whom the Company has received a notice in writing from a Member proposing her candidature for the office of Director, be and is hereby appointed as a Promoter Director of the Company whose period of office shall be liable to be determined by retirement of Director by rotation”.

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 149,152,161 and other applicable provisions of the Companies Act, 2013 and rules made there under Sri. Anirudha Jalan DIN 02610396 who was appointed as an additional Director of the Company and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Promoter Director of the Company whose period of office shall be liable to be determined by retirement of Director by rotation”.

6. To consider and if thought fit to pass with or without modification(s) , the following resolution as an Ordinary Resolution.

“Resolved that pursuant to the provisions of sections 149,150,152,161 and other applicable provisions of the Companies Act, 2013 and rules made there under Sri Sanjay Kejriwal DIN 00061102 who was appointed as an additional Director of the Company and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director, be and is hereby appointed as a non-executive Independent Director of the Company to hold office for a term of five consecutive years from the conclusion of this Annual General Meeting whose period of Office shall not be liable to be determined by retirement of Director by rotation and to receive remuneration by way of fees, reimbursement of expenses for participation in the meeting of the Board and other meetings as may be determined by the Board from time to time”.

7. To consider and if thought fit to pass with or without modification(s) , the following resolution as an Ordinary Resolution.

“Resolved that pursuant to the provisions of sections 149,150,152 and other applicable provisions of the Companies Act, 2013 and rules made there under Mr. S. Issar holding DIN 00044295 Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director of the Company be and is hereby appointed as a Non-executive Independent Director of the Company to hold office for term of five consecutive years from the conclusion of this Annual General Meeting whose period of Office shall not be liable to be determined by retirement of Director by rotation and to receive remuneration by way of fees, reimbursement of expenses for participation in the Board and other meetings as may be determined by the Board from time to time”.

8. To consider and if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution.

“Resolved that pursuant to the provisions of sections 149,150,152 and other applicable provisions of the Companies Act, 2013 and rules made there under Mr. Narendra Nath Nagpaul holding DIN 00632063 Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director of the Company be and is hereby appointed as a Non-executive Independent Director of the Company to hold office for term of five consecutive years from the conclusion of this Annual General Meeting whose period of Office shall not be liable to be determined by retirement of Director by rotation and to receive remuneration by way of fees, reimbursement of expenses for participation in the Board and other meetings as determined by the Board from time to time”.

Registered Office :  
“McLeod House”  
3, Netaji Subhas Road,  
Kolkata 700 001  
The 17th day of July, 2014

By Order of the Board  
For Tyroon Tea Company Limited  
K. C. Mishra  
Company Secretary  
cum Cost Controller

**Notes :**

1. The Explanatory statement, pursuant to section 102 of the Companies Act, 2013, in respect of the special business as set out in the notice is annexed hereto.
2. 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. A person shall not act as a proxy for more than 50 members and holding in aggregate not more than 10% of the total

voting share capital of the Company. However, a single person may act as a proxy for a member holding more than 10% of the total voting Share capital of the Company provided that such person shall not act as a proxy for any other person.

3. The Register of Members of the Company will remain closed from 19th September 2014 to 26th September 2014 (both days inclusive) in connection with the Annual General Meeting and for the purpose of payment of Dividend, if approved by the members.

4. **DIVIDEND**

Dividend if declared at the Annual General Meeting, will be paid to the Members whose names appear in 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.

5. **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.

Members holding shares in physical form, in their own interest, are requested to dematerialize the shares to avail the benefits of electronic holding / trading.

6. **PAN DETAILS**

The Securities and Exchange Board of India (SEBI) vide Circular Ref.No. MRD/DoP/Cir-05/2007 dated April 27, 2007 made PAN mandatory for all securities market transaction. Thereafter, vide Circular No. MRD/DoP/Cir-05/2009 dated May 20, 2009 it was clarified that for securities market transaction and off market/private transactions involving transfer of shares in physical form of listed Companies, it shall be mandatory for the transferee(s) to furnish copy of PAN Card to the Company/RTA for registration of such transfer of shares.

SEBI further clarified that it shall be mandatory to furnish a copy of PAN in the following cases :

Deletion of name of the deceased shareholder(s), where the shares are held in the name of two or more shareholder(s).

Transmission of shares to the legal heir(s), where deceased shareholder was the sole holder of shares.

Transposition of shares – when there is a change in the order of names in which physical shares are held jointly in the names of two or more shareholders.

7. **LODGEMENT 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.

8. **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.

9. **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 in case of physical shares. Member holding shares in electronic form are requested to inform their depository participants.

10. **ATTENDANCE SLIP**

Members are requested to affix their signature at the space provided at the attendance slip annexed to the proxy form and hand over the slip at the entrance of the meeting hall. Corporate members are requested to send a duly certified copy of the Board Resolution/Power of attorney authorizing their representative to attend and vote at the Annual General Meeting.

11. Members may also note that the notice of Annual General Meeting and the Annual reports will also be available at the Company's website [www.tyroontea.com](http://www.tyroontea.com) for their download.

12. **Voting through Electronic means :**

- (a) The Company is pleased to provide members a facility to exercise their right to vote on the resolutions as set out in the Notice calling for the Annual General Meeting (AGM) by 'electronic means' and all the businesses may be transacted through e-Voting services provided by National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL), in compliance with the provisions of section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules 2014.
- (b) Voting rights are reckoned on the basis of the shares registered in the names of the members/beneficial owners as on the record date fixed for this purpose, viz., 25th July, 2014.
- (c) Mr. Dhruva Charan Sahoo of D. C. Sahoo & Co., Practicing company secretaries, Kolkata has been appointed as scrutinizer for conducting the e-Voting process in a fair and transparent manner.
- (d) Members are requested to read the instructions given below.
  - (A) The instructions for e-Voting are as under:
    - (i) Open e-mail and then open PDF file viz., "Tyroon Tea Company Limited – AGM 2014 e-Voting.pdf" with their Client ID or Folio No. as password. The said PDF file contains the User ID and password for e-Voting. Please note that the password is an initial password.
    - (ii) Launch internet browser by typing the following URL in the address bar: [www.eVoting.nsdl.com](http://www.eVoting.nsdl.com)
    - (iii) Click on shareholder – Login
    - (iv) Enter User ID and password as initial password noted in step (i) above. Click Login.
    - (v) Password change menu appears. Change the password with new password with minimum 8 digits/characters or combination thereof. Note the new password. It is strongly recommended not to share the password with any other person and take utmost care to keep the password confidential.

- (vi) Home page of e-Voting opens. Go to “eVoting” icon and select “Active Evoting Cycles”.
- (vii) Select “EVEN” of Tyroon Tea Company Limited.
- (viii) Now members are ready for e-Voting as Cast Vote page opens.
- (ix) Cast the vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
- (x) Upon confirmation, the message “Vote cast successfully” will be displayed.
- (xi) Once the member has voted on the resolution, such member will not be allowed to modify their vote, subsequently.
- (xii) Institutional members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant board resolution/authority letter etc. together with attested specimen signature of the duly authorized signatory(ies), who are authorized to vote, to the Scrutinizer through e-mail to dcsahoo123@rediffmail.com with copy marked to evoting@nsdl.co.in .

(B) In case of members receiving physical copy of the Notice of AGM:

- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

EVEN (e-Voting Event Number)	USER ID	PASSWORD/ PIN

- (ii) Please follow all steps from Sl.No. (ii) to Sl.No. (xii) of Item No.11(d)(A) above to cast vote.
- (e) In case of any queries, members may refer to the Frequently Asked Questions (FAQs) for Members and e-Voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following Telephone No. 022-24994600.
- (f) If members are already registered with NSDL for e-Voting, then they can use their existing user ID and password for casting the vote.
- (g) Members can also update their mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- (h) The e-Voting period commences on 19th September 2014 (9:00 am) and ends on 20th September 2014 (5:30 pm). During this period, members holding shares either in physical form or in dematerialized form, as on 25th July 2014, may cast their votes electronically. The e-Voting module will be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by a member, such member will not be allowed to change it subsequently.
- (i) The Scrutinizer shall within a period not exceeding three working days from the conclusion of the e-Voting period unblock the votes in the presence of at least two 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.
- (j) The Results declared along with the Scrutinizer's Report will be placed on the Company's website [www.tyroontea.com](http://www.tyroontea.com) and on the website of NSDL within two days of passing the resolutions at the AGM and communicated to the Stock Exchanges.
- (k) All documents referred to in the accompanying Notice and the Explanatory Statement will be open for inspection at the Registered Office of the Company during 10.00 am to 12.00 noon on all working days upto and including the date of the AGM.

- 13) In terms of Clause 49(IV)(G) of the Listing Agreement with the Stock Exchanges, a brief profile of directors, who are proposed to be re-appointed/appointed in this AGM, nature of their expertise in specific functional areas, their other directorships and committee memberships, their shareholding and relationship with other directors of the Company are given below:

**Details of Directors Seeking Appointment at the Annual General Meeting**

<b>Particulars</b>	<b>Mr. Anirudha Jalan</b> (Promoter)	<b>Smt. Indra Jalan</b> (Promoter)	<b>Mr. Sanjay Kejriwal</b> (Non-executive, Independent)
DIN	02610396	00046265	00061102
Date of Birth	06/06/1985	28/02/1941	17/10/1960
Date of Appointment	17/07/2014	17/07/2014	17/07/2014
Qualification	B.Sc. Finance	Graduate	Graduate
Nature of Experience Functional Area	Mr Anirudha Jalan has over 5 years experience in the tea industry, both in Assam and Dooars. He holds a Bsc in Finance from The University of Illinois at Urbana-Champaign. Mr Jalan has previously worked with financial companies like Morgan Stanley and Ernst & Young	Smt. Jalan is having wide experience in Tea Industry	Mr. Kejriwal is well versed with the accounting, Finance and General Corporate Management
Name of Directorship in other Companies	1. Rajgir Properties (P) Ltd.	1. Zee Software (P) Ltd.	1. James Alexander & Co. Ltd. 2. Dev Kunj Trade Enterprises Ltd. 3. Mangal Bhagya Exports India Ltd
Membership/ Chairmanship of committee in public Company	NIL	NIL	NIL
Shareholding	406819	26880	Nil
Relation	Relative of Mrs. Indra Jalan	Relative of Mr. Anirudha Jalan	Not Applicable

<b>Particulars</b>	<b>Mr.S. Issar</b> (Non-executive, Independent)	<b>Mr. Narendra Nath Nagpaul</b> (Non-executive, Independent)
DIN	00044295	00632063
Date of Birth	20/06/1934	13/04/1943
Date of Appointment	15/10/2004	31/01/2011
Qualification	B.Sc. (Agriculture)	B.Sc. (Agriculture)
Nature of Experience Functional Area	Mr. Issar having over 48 years experience in Tea Industry. He has been a member of the Governing body, chairman of Technical committee for 3 years and member of Export / Import committee of the Indian Tea Association	Mr. Nagpaul, having 45 years of experience in Tea Industry. He has worked in Jorhat Tea Co. Ltd.
Name of Directorship in other Companies	1. Huldibari Industries & Plantations Co. Ltd. 2. Supra Agrotech (P) Ltd. 3. Creative Services (P) Ltd	1. Rydak Enterprise & Investment Ltd. 2. Bhatkawa Tea Industries Ltd. 3. Gujarat Tea Processing & Packers Ltd.
Membership/ Chairmanship of Committee in Public Company	NIL	NIL
Shareholding	2400	NIL
Relation	Not Applicable	Not Applicable

The above report was placed and approved by the Board at its Meeting held on 17th of July, 2014.

#### **Explanatory Statement pursuant to Section 102 of the Companies Act, 2013**

The following explanatory statement sets out material facts relating to special business mentioned in the accompanying notice dated 17th July, 2014 and shall be taken as forming part of Notice.

#### **Item No. 4.**

The Board of Directors of the Company appointed Smt. Indra Jalan as an additional Director of the Company with effect from 17th July, 2014 and she holds the office up to the date of ensuing Annual General Meeting in terms of Section 161 of the Companies Act, 2013 herein after referred to as "ACT"

Pursuant to Section 160 of the Act the Company has received notice, together with requisite deposit proposing Smt. Indra Jalan as candidate for the office of Director of the Company, liable to retire by rotation.

The brief profile of Smt. Indra Jalan is included in the Notice.

Except Smt. Indra Jalan, Mr. Anirudha Jalan and their relatives, none other Director or Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise in the resolution as set out in Item No. 4 of the notice.

The Board consider that appointment of Smt. Indra Jalan will be beneficial to the Company and therefore recommend the passing of resolution set out in the Item no. 4 of the accompanying notice.



**Item No. 5.**

The Board of Directors of the Company appointed Mr. Anirudha Jalan as an additional Director of the Company with effect from 17th July, 2014 and he holds the office up to the date of ensuing Annual General Meeting in terms of Section 161 of the Companies Act, 2013 hereinafter referred to as "ACT".

Pursuant to Section 160 of the Act the Company has received notice, together with requisite deposit proposing Mr. Anirudha Jalan as candidate for the office of Director of the Company, liable to retire by rotation.

The brief profile of Mr. Anirudha Jalan is included in the Notice.

Except Mr. Anirudha Jalan, Smt. Indra Jalan and their relatives, none other Director or Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise in the resolution as set out in Item No. 5 of the notice.

The Board consider that appointment of Mr. Anirudha Jalan will be beneficial to the Company and therefore recommend the passing of resolution set out in the Item no. 5 of the accompanying notice.

**Item No. 6.**

The Board of Directors of the Company appointed Mr. Sanjay Kejriwal as an additional Director of the Company with effect from 17th July, 2014 and he holds the office upto the date of ensuing Annual General Meeting in terms of Section 161 of the Companies Act, 2013 hereinafter referred to as "ACT".

Pursuant to Section 160 of the Act the Company has received notice, together with requisite deposit proposing Mr. Sanjay Kejriwal as candidate for the office of Director of the Company.

The brief profile of Mr. Sanjay Kejriwal is included in the Notice.

In the opinion of the Board Mr. Kejriwal fulfils the conditions specified in the Act and Rules made there under and that the proposed director is independent of the Management for his appointment as an Independent Director for five consecutive years.

Except Mr. Sanjay Kejriwal, none other Director or Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise in the resolution as set out in Item No. 6 of the notice.

The Board consider that appointment of Mr. Sanjay Kejriwal will be beneficial to the Company and therefore recommend the passing of resolution set out in the Item no. 6 of the accompanying notice.

Copy of appointment letter setting out the Terms and conditions of appointment of Mr. Sanjay Kejriwal as Independent Director will be available for inspection by the members at the Registered Office of the Company during normal business hours except Saturday.

**Item No. 7.**

Mr. S. Issar is a Non-Executive Independent Director of the Company pursuant to clause 49 of the Listing Agreement and he joined the Board of Directors of your Company since October 2004. He is also the chairman of Audit Committee.

Mr. S. Issar retires by rotation at the ensuing Annual General Meeting under erstwhile Companies Act, 1956.

Mr. S. Issar has given a declaration that he meets with the criteria of Independent Director under section 149(6) of the Companies Act, 2013 hereinafter referred to as "ACT".

Pursuant to Section 160 of the Act the Company has received notice proposing Mr. S. Issar as candidate for the office of Director of the Company.

The brief profile of Mr. S. Issar is included in the Notice.

In the opinion of the Board Mr. S. Issar fulfils the condition specified in the Act and Rules made thereunder and that the proposed director is independent of the Management for his appointment as an Independent Director for five consecutive years.

Except Mr. S. Issar, none other Director or Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise in the resolution as set out in Item No. 7 of the notice.

The Board consider that the expertise of Mr. S. Issar will be beneficial to the Company and should continue to remain available to the Company and therefore recommend the passing of resolution set out in the Item no. 7 of the accompanying notice.

Copy of appointment letter setting out the Terms and conditions of appointment of Mr. S. Issar as Independent Director will be available for inspection by the members at the Registered Office of the Company during normal business hours except Saturday.

**Item No. 8.**

Mr. Narendra Nath Nagpaul is a Non-Executive Independent Director of the Company pursuant to clause 49 of the Listing Agreement and he joined the Board of Directors of your Company since January, 2011. He is also a member of Audit Committee.

Mr. Narendra Nath Nagpaul retires by rotation at the ensuing Annual General Meeting under erstwhile Companies Act, 1956.

Mr. Narendra Nath Nagpaul has given a declaration that he meets with the criteria of Independent Director under section 149(6) of the Companies Act, 2013 hereinafter referred to as "ACT".

Pursuant to Section 160 of the Act the Company has received notice proposing Mr. Narendra Nath Nagpaul as candidate for the office of Director of the Company.

The brief profile of Mr. Narendra Nath Nagpaul is included in the Notice.

In the opinion of the Board Mr. Narendra Nath Nagpaul fulfils the conditions specified in the Act and Rules made thereunder and that the proposed director is independent of the Management for his appointment as an Independent Director for five consecutive years.

Except Mr. Narendra Nath Nagpaul, none other Director or Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise in the resolution as set out in Item No. 8 of the notice.

The Board considers that the expertise of Mr. Narendra Nath Nagpaul will be beneficial to the Company and should continue to remain available to the Company and therefore recommend the passing of resolution set out in the Item no. 8 of the accompanying notice.

Copy of appointment letter setting out the Terms and conditions of appointment of Mr. Narendra Nath Nagpaul as Independent Director will be available for inspection by the members at the Registered Office of the Company during normal business hours except Saturday.

# 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, 2014.

### FINANCIAL RESULTS :

	<u>Rs.</u>	<u>Rs.</u>
Profit before Interest, Depreciation and Taxation		4,15,11,715
Less : Interest	16,78,380	
Depreciation	<u>31,78,393</u>	<u>48,56,773</u>
Profit / (loss) before Tax		3,66,54,942
Less : Provision for Taxation		<u>36,03,739</u>
Profit / (Loss) after Tax		3,30,51,203
Less : Proposed Dividend	34,02,100	
Tax on Proposed Dividend	<u>5,78,187</u>	<u>39,80,287</u>
Transferred to General Reserve		<u>2,90,70,916</u>

### DIVIDEND:

The Board of Directors of your Company is pleased to recommend a dividend of 10% i.e Re.1/- per equity share of Rs.10/- each. (Previous year 10%), which will absorb a sum of Rs. 39.80 Lacs including tax on dividend on paid up Capital of the Company, if approved in the Annual General Meeting.

### DIRECTORS:

Mrs. Indra Jalan appointed as an Additional Director of the Company w.e.f. 17th July, 2014. On appointment as Director by the shareholders of the Company whose period of Office shall be liable to be determined by retirement of Director by rotation.

Notice in writing signifying the intention to offer her candidature as Director of the Company along with the requisite deposits have been received from a member of the Company in terms of section 160 of the Companies Act, 2013.

Mr. Anirudha Jalan appointed as an Additional Director of the Company w.e.f. 17th July, 2014. On appointment as Director by the shareholders of the Company whose period of Office shall be liable to be determined by retirement of Director by rotation.

Notice in writing signifying the intention to offer his candidature as Director of the Company along with the requisite deposits have been received from a member of the Company in terms of section 160 of the Companies Act, 2013.

Mr. Sanjay Kejriwal appointed as an Additional Director of the Company w.e.f. 17th July, 2014. Since he meets the criteria of independence in terms of the requirements of relevant provisions under the Companies Act, 2013 the Board of Directors recommend the appointment of Mr. Sanjay Kejriwal as a Non-Executive Independent Director of the Company.

In terms of section 149(10) and section 149(5) of the Companies Act, 2013 Independent Director can hold office for a term up to 5 consecutive years on the Board and eligible for reappointment for second term on passing special resolution by the Company. During the period he will not be liable to "retire by rotation" as per section 150(2), 152(2) read with schedule IV to the Act, necessary declarations have been obtained from him as required under the Act.

Notice in writing signifying the intention to offer his candidature as Director of the Company along with the requisite deposits have been received from a member of the Company in terms of section 160 of the Companies Act, 2013.

Mr. S. Issar Director appointed as a Non-Executive Independent Director in the Board pursuant to clause 49 of the Listing Agreement since October, 2004. As per Companies Act, 2013 an existing Director can hold Directorship for further period of five consecutive years. In the opinion of the Board Mr. Issar fulfils the conditions specified in the Companies Act, 2013 for his appointment as an Independent Director for five consecutive years, hence the Board of Directors recommend the appointment of Mr. S. Issar as a Non-Executive Independent Director of the Company.

In terms of section 149(10) and section 149(5) of the Companies Act, 2013 Independent Director can hold office for a term up to 5 consecutive years on the Board and eligible for reappointment for second term on passing special resolution by the Company. During the period he will not be liable to "retire by rotation" as per section 150(2), 152(2) read with schedule IV to the Act, necessary declarations have been obtained from him as required under the Act.

Mr. N. N. Nagpaul Director appointed as a Non-Executive Independent Director in the Board pursuant to clause 49 of the Listing Agreement since January, 2011. As per Companies Act, 2013 an existing Director can hold Directorship for further period of five consecutive years. In the opinion of the Board Mr. N. N. Nagpaul fulfils the conditions specified in the Companies Act, 2013 for his appointment as a Non-Executive Independent Director for five consecutive years, hence the Board of Directors recommend the appointment of Mr. N. N. Nagpaul as Director of the Company.

In terms of section 149(10) and section 149(5) of the Companies Act, 2013 Independent Director can hold office for a term up to 5 consecutive years on the Board and eligible for reappointment for second term on passing special resolution by the Company. During the period he will not be liable to "retire by rotation" as per section 150(2), 152(2) read with schedule IV to the Act, necessary declarations have been obtained from him as required under the Act.

Mr. Arun Kumar Jalan has been in the Board since July, 1994. Owing to his health condition Mr. Jalan tendered his resignation from the Board of Directors w.e.f 17th July, 2014. The Board record its deep sense of appreciation for immense contribution towards the growth of the Company and visible leadership provided by him during his tenure of office as a Director of the Company.

Mr. B. K. Singh has been in the Board since July, 1994. Owing to his health condition Mr. Singh tendered his resignation from the Board of Directors w.e.f 17th July, 2014. The Board record its deep sense of appreciation for immense contribution towards the growth of the Company and visible leadership provided by him during his tenure of office as a Director of the Company.

#### **Cost Audit**

As required under the Companies (Cost Accounting Records) Rules 2011, The Company filed the Cost Audit Report along with the cost compliance report for the financial year 2012-13 in XBRL format.

#### **Secretarial Auditor**

As required under Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial personnel) Rules 2014, the Company is required to appoint a Secretarial Auditor for auditing the secretarial and related records of the Company and to provide a report in this regard.

Accordingly M/s. D C Sahoo & Co., Practicing Company Secretary, 32/41, Chandi Ghosh Road, 3rd Floor, Kolkata – 700 040 have been appointed as Secretarial Auditors for carrying out secretarial audit for the financial year 2014-15 for attaching their reports with the Board's report to the shareholders.

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

In accordance with the provision of Section 217(2AA) of Companies Act, 1956 Your Directors confirm:

- I. that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

- II. that the directors have 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 have 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 have prepared the annual accounts on a going concern basis.

**AUDITORS :**

Messrs. Lodha & Co., Chartered Accountants bearing ICAI Registration no. 301051E are proposed to be appointed as Auditors of the Company from conclusion of the ensuing Annual General Meeting till the conclusion of third Annual General Meeting held thereafter, subject to ratification of the appointment by the members at every Annual General Meeting held after the ensuing Annual General Meeting.

As required under section 139 of the Companies Act, 2013 the Company has obtained a written consent from M/s. Lodha & Co., to such appointment and also a Certificate to the effect that their appointment, if made, would be in accordance with section 139(1) of the Companies Act, 2013 and the rules made there under, as may be applicable.

**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 1200 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 2013 the tea production in India was 1200 million kgs against 1115 million kgs in the previous year. Favourable weather condition in Black Tea producing countries production during the year is higher by 150 million Kgs. As compared to previous year which have negative impact on price. The world price is lower by 15%. However tea price in India have declined only 2-3% due to low inventory and strong consumption growth.

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.

**Outlook**

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 realization. The average sale price is lower by Rs.3-4 per Kg. as compared to last year price. Barring unforeseen circumstances the Company expects satisfactory working results.

#### **Internal Control System and its adequacy**

The Company has an adequate Internal Control system to ensure proper and efficient use of the company's resources, its 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 2013-2014 the company reported a net sale of Rs. 24.55 Crores and net profit for the year ended 31st March 2014 after tax of Rs.3.31 Crores. This is higher than the previous year mainly due to increase in production. In spite of the increase in wages and other input cost the Management is able to increase the profitability by taking necessary steps to reduce debts and save interest cost. Steps are also being taken to improve quality and increase production.

#### **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 to monitor 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.

#### **ACKNOWLEDGEMENT :**

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.  
The 17th day of July, 2014

For and on behalf of the Board  
S. ISSAR | Directors  
N. N. NAGPAUL

# 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	8,93,846	7,20,765
Total Amount (Rs.)	72,85,211	54,20,139
Rate / Unit	8.15	7.52
b) Own generation		
i) Through diesel Generator		
Unit	2,99,700	4,21,527
ii) Units per Litre of diesel Oil		
Cost/Unit (Rs.)	12.64	10.09
2. (a) Natural Gas		
Quantity (Scum)	8,10,405	6,78,783
Total Amount	1,03,45,738	82,24,692
Average Rate	12.77	12.12
(b) Consumption per Unit of Production		
Black Tea (in Kgs.)	15,05,439	14,15,470
Electricity (In Unit)	0.59	0.51
Furnace Oil (in Litres)	—	—
Coal (in Kgs.)	—	—
Natural Gas (in Scum)	8,10,405	6,78,783
Natural Gas (per unit)	0.54	0.48

**(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

(c) Total R & D expenditure  
as percentage of total turnover

Rs. 1,69,924.00

**(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. 7,22,855/- (Previous year Rs. 7,29,987/-)

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

The 17th day of July, 2014.

For and on behalf of the Board  
S. ISSAR  
N. N. NAGPAUL | Directors



## ANNEXURE TO THE DIRECTOR'S REPORT.

### CORPORATE GOVERNANCE REPORT 2014.

#### 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 five times on the following dates during the financial year 2013-2014 as against the minimum requirement of four meetings and the maximum time gap between two meetings did not exceed three months. 14th May 2013, 14th August 2013, 26th September 2013, 13th November 2013 and 10th February 2014.

The names and categories of the Directors on the Board, their attendance at the Board Meeting held during the financial year 2013-2014 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, 2014 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 2013-2014.

Name	Category	Number of Board Meetings attended during the year 2013-2014	Whether attended AGM held on 26/09/2013	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	5	NO	NIL	NIL	NIL	NIL
Mr. S. Issar Director	Independent Non Executive	5	YES	NIL	1	NIL	NIL
Mr. J. K. Bhagat Director	Non Independent Non Executive	3	NO	2	6	1	3
Mr. B. K. Singh Director	Independent Non Executive	5	NO	NIL	NIL	NIL	NIL
Mr. N. N. Nagpaul Director	Independent Non Executive	5	NO	NIL	3	NIL	NIL

#### 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. 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, 2014.

The Audit Committee met on the following dates during the financial year 2013-2014

14th May 2013, 14th August 2013, 13th November 2013, 10th February 2014.

#### Attendance of the Audit Committee

Name of the Director	No of Meetings	
	Held	Attended
Mr. S. Issar	4	4
Mr. J. K. Bhagat	4	2
Mr. B. K. Singh	4	4
Mr. N. N. Nagpual	4	4

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 2013-14, on 14th May 2013 and 13th November 2013.

Given below is the position of Complaints received and attended during the year.

Complaints received	-	1
Complaints attended	-	1
Pending Complaints as on 31-03-2014	-	NIL

No transfers 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

Date	Time	Venue	No. of Special Resolutions passed
26-09-2011	10.30 A.M.	Auditorium of Bharatiya Bhasha Parishad 36A, Shakespeare Sarani, Kolkata – 700 017.	ONE
26-09-2012	10.30 A.M.	Auditorium of Bharatiya Bhasha Parishad 36A, Shakespeare Sarani, Kolkata – 700 017.	NIL
26-09-2013	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 placed 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 Duronto Bharat / Dainik Lipi and Company's Website at : [www.tyroontea.com](http://www.tyroontea.com)

The half yearly results are not sent to each household of shareholders. Management discussions and analysis report forms part of this annual report.

**9. GENERAL SHAREHOLDER'S INFORMATION.**

**a. A.G.M. Date** - 26th September 2014 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 – 19/09/2014 to 26/09/2014 (both days inclusive).

**d.** Dividend : Proposed Re 1/- per equity share of Rs. 10/- each (10%)

**e. Listing on Stock Exchanges:**

Name	Address
Bombay Stock Exchange Ltd.	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 Bombay Stock Exchanges for financial year 2013 – 2014.

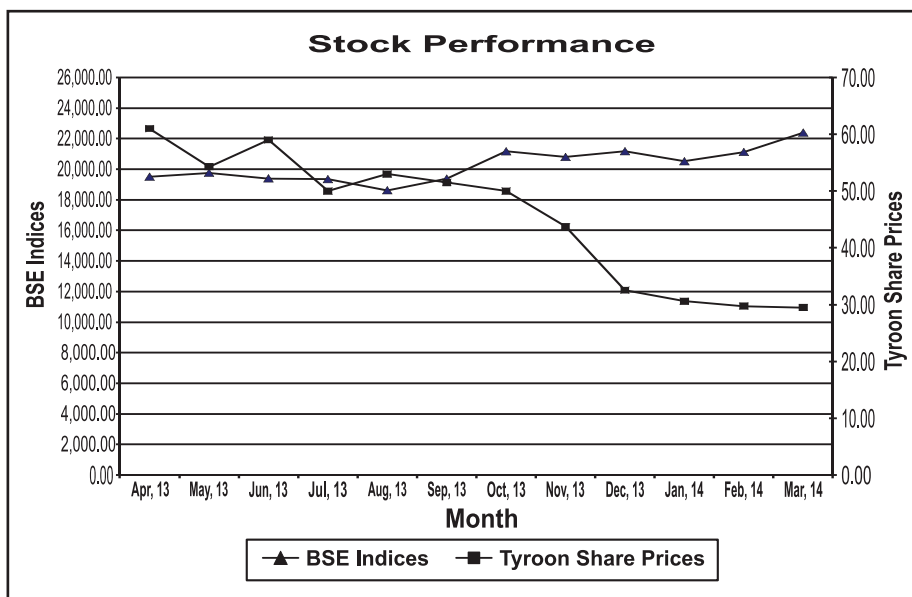
**f.** Stock Code : BSE – 526945

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, 13	64.00	53.55
May, 13	61.00	51.80
June, 13	59.85	51.60
July, 13	61.75	48.00
August, 13	53.00	48.00
September, 13	55.75	50.00
October, 13	54.00	48.50
November, 13	47.55	43.75
December, 13	44.80	29.50
January, 14	37.90	28.50
February, 14	37.30	28.75
March, 14	36.80	28.80

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



▲ BSE Sensex  
■ Share Prices

- i. Registrar & Transfer Agent - R & D Infotech Private Ltd.,  
1st Floor, 7A, Beltala Road  
Kolkata – 700 026  
Phone Nos.: 033-2419-2641 / 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 31-03-2014**

No. of Shares	SHAREHOLDERS		SHAREHOLDING	
	NOS.	%	NOS.	%
Upto 500	2392	91.82	317586	8.74
501-1000	106	4.07	86148	2.37
1001-2000	36	1.38	50895	1.40
2001-3000	19	0.73	45869	1.26
3001-4000	12	0.46	43728	1.20
4001-5000	5	0.19	23179	0.64
5001-10000	8	0.31	56840	1.56
Above 10001	27	1.04	3010255	82.83

**SHAREHOLDING PATTERN (AS ON 31-03-2014)**

Category	No.of Shares held	Shareholding (%)
Financial Institutions	27400	0.81
Mutual Funds	500	0.01
Bodies Corporate	1174930	34.54
Directors and relatives	1160472	34.11
NRI / OCB	86535	2.54
Others	952263	27.99
	<b>3402100</b>	<b>100.00</b>
Forfeited Shares	232400	
<b>Total</b>	<b>3634500</b>	

- l. Dematerialisation of shares and Liquidity :- 3077640 out of 3402100 equity shares have been dematerialised upto 31st March, 2014.
- 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.  
Phone Nos. : 2248-3236/6071, Website : [www.tyroon tea.com](http://www.tyroon tea.com), E-mail: [info@tyroon tea.com](mailto:info@tyroon tea.com)
- Transfer Agent - R & D Infotech Private Ltd.  
1st Floor, 7A, Beltala Road, Kolkata – 700 026, Phone Nos.: 033-2419-2641 / 42  
e-mail : [rd.infotech@vsnl.net](mailto:rd.infotech@vsnl.net) / [investors@rdinfotech.in](mailto: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, 2014.

Place: Kolkata  
Date : 17th day of July 2014

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

**To the Members of Tyroon Tea Company Limited**

1. We have examined the Compliance of the Conditions of Corporate Governance by Tyroon Tea Company Limited, for the year ended 31st March, 2014 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.
2. The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was carried out in accordance with the Guidance Note on certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement) issued by the Institute of Chartered Accountants of India and was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and explanations given to us, and representations made by the Directors and the Management, *except as given in para 4 below*, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.
4. The framework of Risk Management and its controls are yet to be defined.
5. We further report that such compliance is neither an assurance to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Kolkata  
Dated : 17th day of July, 2014

For LODHA & CO.  
Chartered Accountants  
Firm ICAI Registration No. : 301051E  
H. K. Verma  
(Partner)  
Membership No. 055104

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**  
**OF**  
**Tyroon Tea Company Limited**

**Report on the Financial Statements**

We have audited the accompanying financial statements of **Tyroon Tea Company Limited** ("the Company"), which comprise of the Balance Sheet as at 31st March, 2014 and the Statement of Profit and Loss, the Cash Flow Statement, significant accounting policies and other notes for the year ended on that date.

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

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

**Auditor's Responsibility**

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

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

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

**Basis for Qualified Opinion**

- a) *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. 12.2 and 12.3).*

## Opinion

*In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :*

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

## Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report Order, 2004) (the Order) issued by the Central Government of India in terms of Section 227 (4A) of the Act and according to the information and explanations given to us and also on the basis of such checks as we considered appropriate, we enclose in the Annexure a statement on the matters specified in the said order.

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 purposes of our audit;
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Section 211 (3C) of the Act read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act 2013.
- e. On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of Section 274 (1)(G) of the Act.

Place: Kolkata  
Dated: the 29th day of May, 2014

For Lodha & Co.  
Chartered Accountants  
Firm ICAI Registration No. : 301051E  
(H. K. Verma)  
Partner  
Membership No. 055104



## ANNEXURE REFERRED TO IN PARAGRAPH 6 OF OUR REPORT OF EVEN DATE

- i) (a) The company has maintained proper records showing full particulars including quantitative details and situations 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 procedure 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.
- 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, 58AA 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 explanation given to us, there is no undisputed amounts payable in respect of these which were in arrears as on 31st March, 2014 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 records and according to information and explanations 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 records and according to the information and explanations 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 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 Banks 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, 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 the 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.

Place: Kolkata  
Dated: the 29th day of May, 2014

For Lodha & Co.  
Chartered Accountants  
Firm ICAI Registration No. : 301051E  
(H. K. Verma)  
Partner  
Membership No. 055104

---

*STATEMENT OF ACCOUNTS*

---

# Tyroon Tea Company Limited

Balance Sheet as at 31st March, 2014

Particulars	Note No.	As at 31.03.2014 ₹	As at 31.03.2013
<b>EQUITY AND LIABILITIES</b>			
Shareholder's Funds			
a. Share Capital	2	3,51,20,208	3,51,20,208
b. Reserves and Surplus	3	15,67,25,593	12,76,54,677
Non-Current Liabilities			
a. Long Term Borrowings	4	16,44,116	52,19,310
b. Deferred tax liabilities (Net)	5	—	—
c. Long term Provisions	6	2,54,55,010	2,37,22,762
Current Liabilities			
a. Short Term Borrowings	7	54,59,420	1,00,13,113
b. Trade Payables	8	3,16,29,606	2,60,09,543
c. Other Current Liabilities	9	36,64,358	37,25,086
d. Short Term Provisions	10	1,28,64,363	1,51,14,133
<b>Total</b>		<b><u>27,25,62,674</u></b>	<b><u>24,65,78,832</u></b>
<b>ASSETS</b>			
Non-Current Assets			
a. Fixed Assets			
Tangible Assets	11	6,82,00,568	6,81,97,075
b. Capital Work in Progress		8,71,356	—
c. Non-Current Investments	12	2,28,97,365	2,29,02,698
d. Long Term Loans and Advances	13	2,81,49,365	2,75,64,305
e. Other Non-Current Assets	14	96,96,000	96,96,000
Current Assets			
a. Current Investments	15	10,54,98,762	8,27,01,353
b. Inventories	16	1,27,13,573	1,16,31,370
c. Trade receivables	17	11,60,178	27,96,602
d. Cash and Bank Balances	18	17,33,862	16,61,971
e. Short Term Loans and Advances	19	1,91,21,981	1,72,33,637
f. Other Current Assets	20	25,19,664	21,93,821
<b>Total</b>		<b><u>27,25,62,674</u></b>	<b><u>24,65,78,832</u></b>
Significant Accounting Policies	1		

See accompanying notes to the financial statements

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

FOR LODHA & CO. Chartered Accountants H. K. VERMA Partner	K. C. MISHRA Company Secretary cum Cost Controller	For and on behalf of the Board S. ISSAR N. N. NAGPAUL   Directors
Kolkata The 29th day of May, 2014		

# Tyroon Tea Company Limited

Statement of Profit and Loss for the year ended 31st March, 2014

Particulars	Note No.	For the year ended 31.03.2014	For the year ended 31.03.2013
Revenue from Operations	21	24,55,44,796	22,49,71,202
Other Income	22	1,06,06,650	1,07,94,776
<b>Total Revenue</b>		<b><u>25,61,51,446</u></b>	<b><u>23,57,65,978</u></b>
<b>Expenses</b>			
Cost of Materials Consumed	16B(ii)	3,36,75,874	3,53,62,610
Cultivation Expenses		2,73,84,544	2,59,80,191
Changes in inventories of finished goods, work in progress and Stock-in-Trade	23	4,34,876	5,48,691
Employee Benefits Expense	24	7,26,08,869	6,84,61,327
Finance Costs	25	16,78,380	23,77,527
Depreciation and amortization expense	11	31,78,393	31,67,640
Other Expenses	26	8,05,35,568	7,15,99,248
<b>Total Expenses</b>	₹	<b><u>21,94,96,504</u></b>	<b><u>20,74,97,234</u></b>
Profit before Tax		3,66,54,942	2,82,68,744
Tax Expense	27	36,03,739	21,62,887
<b>Profit for the year</b>		<b><u>3,30,51,203</u></b>	<b><u>2,61,05,857</u></b>
Earnings per Equity Share :	31		
Basic and Diluted		9.71	7.67
Significant Accounting Policies	1		

See accompanying notes to the financial statements  
This is the Statement of Profit & Loss referred to in our Report of even date.

Kolkata  
The 29th day of May, 2014

FOR LODHA & CO.  
Chartered Accountants  
H. K. VERMA  
Partner

K. C. MISHRA  
Company Secretary  
cum Cost Controller

For and on behalf of the Board  
S. ISSAR  
N. N. NAGPAUL | Directors

# Tyroon Tea Company Limited

Cash Flow Statement for the year ended 31st March, 2014

	2013-2014	2012-2013
<b>A. Cash Flow from Operating Activities :</b>		
Net Profit before Tax	3,66,54,942	2,82,68,743
Adjustments for :		
Depreciation	31,78,393	31,67,640
Interest Paid	16,78,380	23,77,527
(Profit) / Loss on Sale of Fixed Assets	(37,588)	(9,172)
Interest / Dividend received	(22,58,508)	(20,42,215)
(Profit) / Loss on Sale of Investments	(41,36,646)	(61,95,396)
Sundry Debit Balance written off	39,156	3,60,827
Sundry Credit Balance Written Back	(1,82,550)	—
Provision / Liability no longer required written back	(3,08,502)	(68,020)
<b>Operating Profit before working capital changes</b>	<b>3,46,27,077</b>	<b>2,58,59,934</b>
Adjustments for :		
(Increase) / Decrease in Trade and Other receivables	(31,60,655)	(64,77,417)
(Increase) / Decrease in Inventories	(10,82,203)	(2,12,218)
Increase / (Decrease) in Payables	73,09,783	40,52,249
<b>Cash generated from operations</b>	<b>3,76,94,002</b>	<b>2,32,22,548</b>
Direct Taxes paid	(24,50,339)	(30,03,180)
<b>Net Cash (used in) / from operating activities</b>	<b>3,52,43,663</b>	<b>2,02,19,368</b>
<b>B. Cash Flow from Investing Activities :</b>		
Purchase of fixed assets	(40,53,754)	(32,41,043)
Sale of fixed assets	38,100	3,96,053
Investments - Purchase of Investments	(15,20,20,023)	(9,61,52,572)
Proceeds from Sale of Investments	13,33,64,582	7,59,93,637
Loans and Inter-corporate Deposits (Net)	(5,85,060)	12,00,000
Interest received	19,18,228	34,89,942
Dividend received	14,437	12,780
<b>Net cash (used in) / from Investing activities</b>	<b>(2,13,23,490)</b>	<b>(1,83,01,203)</b>
<b>C. Cash Flow from Financing Activities :</b>		
Proceeds from Long Term Borrowing (net)	(35,02,782)	(28,74,890)
Proceeds from Short Term Borrowing (net)	(45,53,693)	77,12,911
Interest Paid	(18,11,520)	(24,18,004)
Dividend Paid	(34,02,100)	(34,02,100)
Tax on Dividend	(5,78,187)	(5,51,906)
<b>Net cash (used in) / from financing activities</b>	<b>(1,38,48,282)</b>	<b>(15,33,989)</b>
Net (Decrease) / Increase in cash and cash equivalents	71,891	3,84,176
Cash and Cash Equivalents (Opening Balance)*	16,61,971	12,77,795
Cash and Cash Equivalents (Closing Balance)*	17,33,862	16,61,971

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

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

	FOR LODHA & CO.		
	Chartered Accountants	K. C. MISHRA	For and on behalf of the Board
Kolkata	H. K. VERMA	Company Secretary	S. ISSAR
The 29th day of May, 2014	Partner	cum Cost Controller	N. N. NAGPAUL   Directors

# Tyroon Tea Company Limited

## Significant Accounting Policies

---

### 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 read with general circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.
- 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 represent 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

# Tyroon Tea Company Limited

## Significant Accounting Policies

---

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 costs 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.

# Tyroon Tea Company Limited

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

	AS AT 31.03.2014	AS AT 31.03.2013
<b>2. SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
40,00,000 Equity Shares of 10/- each (Previous year 40,00,000 Equity Shares of 10/- each)	<u>4,00,00,000</u>	<u>4,00,00,000</u>
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
34,02,100 Equity Shares of 10/- each fully paid up	3,40,21,000	3,40,21,000
Add : Forfeited Shares Amount	<u>10,99,208</u>	<u>10,99,208</u>
Paid-up on 2,32,400 Equity Shares	<u>3,51,20,208</u>	<u>3,51,20,208</u>

**2.1** The Company has only one class of equity shares having a par value of 10/- each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the shareholders are eligible to receive the remaining assets of the company, after distribution of all the preferential amounts, in proportion of their shareholding. During the year ended 31st March 2014, Board of Directors have proposed a dividend of 1 per share, as distribution to equity shareholders. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing annual general meeting.

**2.2** There is no movement in the number of shares outstanding at the beginning and at the end of the reporting period.

**2.3** Details of shareholders holding more than 5% shares along with the number of shares held :

	No. of Shares as on 31st March 2014	No. of Shares as on 31st March 2013
Name of shareholders		
Srikrishna Ajrun Trading & Investment Co. (P) Ltd.	9,55,442	9,43,456
Arun Kumar Jalan	6,54,778	6,54,778
Anirudha Jalan	4,06,819	4,06,819

### 3. RESERVE AND SURPLUS

	As at 31st March 2014	As at 31st March 2013
Securities Premium Account	3,86,57,000	3,86,57,000
<b>General Reserve :</b>		
As per last Balance Sheet	8,89,97,677	6,68,45,827
Add : Transferred from Surplus	<u>2,90,70,916</u>	<u>2,21,51,850</u>
<b>Surplus :</b>		
As per last Balance Sheet	—	—
Add : Profit for the year transferred from Statement of Profit & Loss	<u>3,30,51,203</u>	<u>2,61,05,856</u>
Less : Proposed Dividend on Equity Shares (Dividend per Share 1/- (Previous year 1/-)	(34,02,100)	(34,02,100)
Less : Tax on Proposed Dividend on Equity shares	(5,78,187)	(5,51,906)
Less : Transferred to General Reserve	(2,90,70,916)	(2,21,51,850)
<b>Net Surplus</b>	<u>15,67,25,593</u>	<u>12,76,54,677</u>

# Tyroon Tea Company Limited

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

		As at 31st March 2014		As at 31st March 2013	
<b>4. LONG TERM BORROWINGS (SECURED)</b>					
	Note No.	Non Current	Current	Non Current	Current
Term Loan from Allahabad Bank	4.1	15,43,981	33,00,000	48,43,981	31,00,000
Vehicle Loan from Banks	4.2	1,00,135	2,75,194	3,75,329	4,02,782
		<b>16,44,116</b>	<b>35,75,194</b>	<b>52,19,310</b>	<b>35,02,782</b>

- 4.1 Term Loans from Banks 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 two person, one of them is a Director. Term Loan carries interest of Base rate +5% and is repayable as follows :

Repayment details of Term Loan from Bank outstanding as on 31st March 2014 are as follows

2014-2015	33,00,000
2015-2016	15,43,981

- 4.2 Vehicle Loan is secured by hypothecation of vehicles acquired under Car Loan Scheme. Repayment details of Vehicle Finance Loan from Bank outstanding as on 31st March 2014 is as follows :

Repayment details of term Loan from Bank outstanding as on 31st March 2014 are as follows :

2014-2015	2,75,194
2015-2016	1,00,135

## 5. DEFERRED TAX LIABILITIES (NET)

The Components of deferred Tax Assets and Liabilities are as follows:-

	Opening Balance as on 01.04.2013	Charge/ (Credit) for the year	Closing Balance as on 31.03.2014
<b>Deferred Tax Liabilities :</b>			
Depreciation Difference	35,01,714	7,21,891	42,23,605
<b>Deferred Tax Assets :</b>			
Expenditure allowable on payment basis	35,01,714	(7,21,891)	42,23,605
<b>Net Deferred Tax Liabilities</b>	<u>—</u>	<u>—</u>	<u>—</u>
	As at 31.03.2014		As at 31.03.2013

## 6. LONG TERM PROVISIONS

**Provision for Employee Benefits :**

Provision for Gratuity & Leave Encashment	2,51,23,867	2,37,22,762
Provision for Dividend Tax (F.Y. 2012-13)	3,31,143	—
	<b>2,54,55,010</b>	<b>2,37,22,762</b>

# Tyroon Tea Company Limited

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

	Note No.	As at 31.03.2014	As at 31.03.2013
		<u>                    </u>	<u>                    </u>
<b>7. SHORT TERM BORROWINGS</b>	7.1		
Working Capital facilities from Bank repayable on demand		54,59,420	1,00,13,113
		<b><u>54,59,420</u></b>	<b><u>1,00,13,113</u></b>
<p>Note :</p> <p>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 Leasedhold Land at Garden by deposit of Title Deeds and guaranteed by Srikrishna Arjun Trading &amp; Investment Co. Private Limited and personal guarantee of two persons, one of them is a Director.</p>			
<b>8. TRADE PAYABLES</b>			
Payables for goods and services		3,16,29,606	2,60,09,543
	₹	<b><u>3,16,29,606</u></b>	<b><u>2,60,09,543</u></b>
<p>Note :</p> <p>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 is not applicable.</p>			
<b>9. OTHER CURRENT LIABILITIES</b>			
Current maturities of Term Loan from Allahabad Bank	4	33,00,000	31,00,000
Current maturities of Vehicle Loan [Refer Note 4(b)]	4	2,75,194	4,02,782
Interest Accrued but not due		89,164	2,22,304
		<b><u>36,64,358</u></b>	<b><u>37,25,086</u></b>
<b>10. SHORT TERM PROVISIONS</b>			
<i>Provision for Employee Benefits :</i>			
Provision for Gratuity & Leave Encashment		51,23,897	56,57,477
Provision for Taxation (net of advance tax)		37,60,179	55,02,650
Proposed Dividend on Equity Shares		34,02,100	34,02,100
Provision for Dividend Tax		5,78,187	5,51,906
		<b><u>1,28,64,363</u></b>	<b><u>1,51,14,133</u></b>

# Tyroon Tea Company Limited

11 – TANGIBLE FIXED ASSETS  
Notes to the Financial Statements for the year ended 31st March, 2014 (contd.)

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	Cost as on 01.04.2013	Additions	Deductions	Upto 31.03.2013	For the year	On Sales/ adjustment	Upto 31.03.2014	As on 31.03.2014	As on 31.03.2013
LAND (LEASEHOLD) AND DEVELOPMENT	1,62,34,749	—	—	—	—	—	—	1,62,34,749	1,62,34,749
BUILDINGS & GODOWNS	2,83,66,259	12,77,173	—	54,95,954	5,24,265	—	60,20,219	2,36,23,213	2,28,70,305
MACHINERY	3,96,80,637	12,35,279	47,260	2,33,96,896	14,07,181	46,748	2,47,57,329	1,61,11,327	1,62,83,741
FURNITURE & FITTINGS	9,88,192	55,867	—	5,39,112	39,312	—	5,78,424	4,65,635	4,49,080
VEHICLES	1,06,26,283	62,600	—	59,99,920	7,29,038	—	67,28,958	39,59,925	46,26,363
IRRIGATION EQUIPMENTS	1,10,19,909	5,51,479	—	32,97,322	4,78,597	—	37,75,919	77,95,469	77,22,587
WATER SUPPLY	2,33,230	—	—	2,22,980	—	—	2,22,980	10,250	10,250
	10,71,49,259	31,82,398	47,260	3,89,52,184	31,78,393	46,748	4,20,83,829	6,82,00,568	6,81,97,075
PREVIOUS YEAR	10,42,95,097	32,41,043	3,86,881	3,57,84,544	31,67,640	—	3,89,51,184	6,81,97,075	6,81,97,075

a. 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 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.

# Tyroon Tea Company Limited

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

## 12. NON-CURRENT INVESTMENTS

	As at 31.03.2014			As at 31.03.2013	
	FACE VALUE / NAV	NO. OF SHARES / UNITS	BOOK VALUE	NO. OF SHARES / UNITS	BOOK VALUE
<b>A. Non-Trade</b> (Valued at cost unless stated otherwise)					
<b>Quoted Equity Instruments :</b>					
<b>Other Bodies Corporate</b>					
Rajahbhat Tea Co. Ltd.	10	100	533	100	533
The Calcutta Investment Co. Ltd.	100	400	21,300	400	21,300
JSW Ispat Steel Ltd. (refer Note 12.4)	10	—	—	3,000	3,33,319
JSW Steel Ltd. (refer Note 12.4)	10	41	3,27,986	—	—
Maharashtra Polybutenes Ltd.	1	50	1,000	50	1,000
Century Enka Ltd.	10	250	54,800	250	54,800
Bank of Maharashtra	10	900	20,700	900	20,700
MVL Industries Ltd.	10	4,200	2,91,233	4,200	2,91,233
Gujrat Mineral Development Corporation Ltd. (Includes 1500 number of bonus shares.)	2	3,000	7,47,822	3,000	7,47,822
Jai Corporation Ltd.	1	1,100	8,92,628	1,100	8,92,628
M V L Limited	1 ₹	28,000	1,94,155	28,000	1,94,155
First Souce Solutions Limited	10	25,000	3,02,498	25,000	3,02,498
<b>B. Trade Investments</b> (Valued at cost unless stated otherwise)					
<b>Unquoted Equity Instruments :</b>					
<b>Other Bodies Corporate</b>					
Assam Bengal Cereals Ltd.	10	50	500	50	500
Assam Co-operative Sugar Mills Ltd.	20	174	3,480	174	3,480
Essar Steel Ltd.	10	200	18,730	200	18,730
<b>Preference Shares :</b>					
<b>Quoted Redeemable Preference Shares</b>					
<b>Other Bodies Corporate</b>					
JSW Steel Ltd. (0.01% Cumulative Redeemable Preference Shares)	10	2,000	20,000	2,000	20,000
<b>Un-Quoted Redeemable Preference Shares</b>					
<b>Other Bodies Corporate</b>					
Hasimara Industries Ltd (9% Non-Cumulative Redeemable Preference Shares)	100	50,000	50,00,000	50,000	50,00,000
Hasimara Industries Ltd (9% Non-Cumulative Redeemable Preference Shares)	100	25,000	25,00,000	25,000	25,00,000

# Tyroon Tea Company Limited

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

## 12. NON-CURRENT INVESTMENTS (Contd.)

	As at 31.03.2014			As at 31.03.2013	
	FACE VALUE / NAV	NO. OF SHARES / UNITS	BOOK VALUE	NO. OF SHARES / UNITS	BOOK VALUE
Presidency Exports & Industries Ltd. (9% Non-Cumulative Redeemable Preference Shares)	100	60,000	60,00,000	60,000	60,00,000
Creative Services Private Ltd. (9% Non-Cumulative Redeemable Preference Shares)	100	65,000	65,00,000	65,000	65,00,000
			<b>2,28,97,365</b>	<b>2,29,02,698</b>	

	As at 31.03.2014		As at 31.03.2013	
	COST	MARKET VALUE	COST	MARKET VALUE
<b>QUOTED</b>				
<b>Traded</b>	28,32,822	12,77,216	28,38,155	10,03,510
<b>Non Traded</b> * Rajahbhat Tea Co. Ltd.	533		533	
The Calcutta Investment Co. Ltd.	21,300		21,300	
<b>UNQUOTED</b>	2,00,42,710		2,00,42,710	
	<b>2,28,97,365</b>		<b>2,29,02,698</b>	

Note :

- 12.1 Market quotation in respect of non traded shares are not available since long, therefore the market value of these investments has not been stated
- 12.2 The decline in the market value of long term investments to the extent of 15,97,439/- (Previous year 19,02,300/-) 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.
- 12.3. The Company's investments of 2,00,00,000 in certain Non-Cumulative Redeemable Preference Shares and Long Term loans and advances of 1,75,00,000 (Note 13) 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.
- 12.4 Consequent upon amalgamation of JSW Ispat Steel Ltd. with JSW Steel Ltd. the Company has received 41 Equity Shares of 10/- each of JSW Steel Limited.

	Note No.	As at 31.03.2014	As at 31.03.2013
<b>13. LONG TERM LOANS AND ADVANCES</b>			
(Unsecured and considered good by the Management)			
Loan Given			
To Bodies Corporate	12.3	1,75,00,000	1,50,00,000
To Others	13.1	87,00,000	1,08,00,000
Sundry Deposits		19,49,365	17,64,305
		<b>2,81,49,365</b>	<b>2,75,64,305</b>

- 13.1 87,00,000 (Previous year 1,08,00,000/-) included under loans to others as above and 12,00,000 shown under loans and advances (Note 19) are being repaid in terms of the Order received from The Hon'ble High Court at Calcutta. Further, in terms of the said order interest of 96,96,000 accrued in earlier years on the above loan and shown under other non current assets (Note No. 14) is recoverable as per the settlement to be arrived at with the borrower. In view of the above, the amount outstanding in respect of Loans and interest thereon have been considered good and recoverable by the Management.

# Tyroon Tea Company Limited

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

	Note No.	As at 31.03.2014	As at 31.03.2013
<b>14. OTHER NON-CURRENT ASSETS</b>			
Others			
Interest receivable on Loans	13.1	96,96,000	96,96,000
		96,96,000	96,96,000
<b>15. CURRENT INVESTMENTS (Non-Trade)</b>			
		AS AT 31.03.2014	AS AT 31.03.2013
		FACE VALUE / NAV	NO. OF SHARES / UNITS
		BOOK VALUE	NO. OF SHARES / UNITS
		BOOK VALUE	BOOK VALUE
<b>Investment in Mutual Funds (Quoted)</b>			
ICICI Prudential Interval Fund II			
Quarterly Interval Plan F	10.3703	—	824,257.0000
Kotak Quarterly Interval Plan Series 7 - Growth	14.5743	1,866.641.9660	27205000
Kotak Floater Long Term Growth	18.6149	—	11,34,950.6150
Reliance Quarterly Interval Fund Series II - Growth	16.4425	2,230,973.0270	—
Reliance Liquid Fund - Treasury Plan - Growth	3010.0389	₹ 6,645.3790	—
ICICI Prudential Flexible Income Regular Plan	232.7537	28,403.3630	6610988
DWS Gilt Fund Regular Growth	12.8045	—	1,718,144.0000
ICICI Prudential Income Opportunities Fund Regular Plan Growth	15.2394	—	2,035,939.2740
Kotak FMP Series 127 730 Days Growth (NFO)	10.0000	1,000,000.0000	10000000
Kotak Select Focus Fund - Growth	14.7050	136,013.3690	2000000
ICICI Prudential Export and Other Service Fund	28.1200	106,523.5050	3000000
		105,498,762	82,701,353
Aggregate NAV of Investments in Mutual Fund		110,827,708	86,951,959
		As at 31.03.2014	As at 31.03.2013
<b>16. INVENTORIES</b>			
(As taken, valued and certified by the Management)			
Stores and Spare Parts		1,02,69,895	87,52,426
Less : Provision of Obsolete Stock		(1,45,413)	1,01,24,482
Stock of Foodstuff		51,631	(1,45,413)
Stock of Tea		25,37,460	86,07,013
		1,27,13,573	52,021
			29,72,336
			1,16,31,370



# Tyroon Tea Company Limited

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

	As at 31.03.2014		As at 31.03.2013	
<b>A. Information of tea sale and stock</b>	Quantity (Kgs)	Value ( )	Quantity (Kgs)	Value ( )
Gross Sale	14,52,775	24,63,01,757	13,69,153	22,56,85,635
Tea Cess		7,56,961		7,14,433
Net Sale		24,55,44,796		22,49,71,202
Opening Stock	22,665	29,72,336	29,774	35,21,027
Closing Stock	20,213	25,37,460	22,655	29,72,336
<b>B. Details of Raw Material consumed (100% indigeneous)</b>				
I. Green Tea Leaves plucked from own tea estate (Value of green leaf produced in Company's own estate is not ascertainable since production involves an integrated process of growing and cultivation)	48,76,901		46,04,968	
	₹			
II. Green Tea Leaves purchased and consumed	17,29,356	3,36,75,874	16,46,060	3,53,62,610
<b>17. TRADE RECEIVABLES</b>				
(Unsecured – considered good by the Management)				
Outstanding for a period for more than six months from the date they are due for payment				
– Considered Good		66,745		79,067
Other Debts				
– Considered Good		10,93,433		27,17,535
		<b>11,60,178</b>		<b>27,96,602</b>

# Tyroon Tea Company Limited

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

	Note No.	As at 31.03.2014	As at 31.03.2013
<b>18. CASH AND BANK BALANCES</b>			
<b>(As certified by the Management)</b>			
Cash and Cash Equivalents :			
Cash-in-Hand		6,10,746	5,74,941
Balances with Scheduled Banks :			
– Current Accounts		2,14,814	3,82,843
– Dividend Accounts		9,08,302	7,04,187
		<b>17,33,862</b>	<b>16,61,971</b>
<b>19. SHORT TERM LOANS AND ADVANCES</b>			
(Unsecured & considered good by the Management)			
Loan Given			
To Others	13.1	12,00,000	—
Advances recoverable in Cash or Kind		1,02,75,171	81,90,956
Advance Payment of Agricultural Income Tax		41,32,810	70,28,681
Sundry Deposits		35,14,000	20,14,000
		<b>1,91,21,981</b>	<b>1,72,33,637</b>
<b>20. OTHER CURRENT ASSETS</b>			
Interest receivable on Loans & Advances	₹	25,19,664	21,93,821
		<b>25,19,664</b>	<b>21,93,821</b>
		For the year ended 31.03.2014	For the year ended 31.03.2013
<b>21. REVENUE FROM OPERATIONS</b>			
Sale of Tea		24,63,01,757	22,56,85,635
Less : Tea Cess		(7,56,961)	(7,14,433)
Net Sales		<b>24,55,44,796</b>	<b>22,49,71,202</b>
<b>22. OTHER INCOME</b>			
Dividend from non-current investments		14,437	12,780
Profit on Sale of Fixed Assets (Net)		37,588	9,172
Profit on Sale of Current Investment (Net)		41,41,570	59,95,396
Profit on Sale of non current Investments (Net)		—	2,00,000
Interest on Loans & Deposits		22,44,071	20,29,435
Provision / Liabilities no longer required written back		3,08,502	68,020
Sundry Credit Balance written back		1,82,550	—
Replantation Subsidy		22,59,180	18,51,548
Orthodox Subsidy		—	34,302
Insurance Claim		4,507	41,923
Miscellaneous Receipts		14,14,245	5,52,200
		<b>1,06,06,650</b>	<b>1,07,94,776</b>

# Tyroon Tea Company Limited

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

	Note No.	For the year ended 31.03.2014	For the year ended 31.03.2013
<b>23. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE</b>			
Opening Stock of Tea		29,72,336	35,21,027
Closing Stock of Tea		25,37,460	29,72,336
		<b>4,34,876</b>	<b>5,48,691</b>
<b>24. EMPLOYEE BENEFIT EXPENSE</b>			
Salaries and Wages		4,10,49,786	3,89,53,302
Contribution to Provident and Other Funds		52,97,785	50,13,066
Staff Welfare Expense		2,62,61,298	2,44,94,959
		<b>7,26,08,869</b>	<b>6,84,61,327</b>
<b>25. FINANCE COST</b>			
Interest Expense		16,78,380	23,77,527
		<b>16,78,380</b>	<b>23,77,527</b>
<b>26. OTHER EXPENSES</b>			
Consumption of Stores and Spare Parts		1,14,46,272	1,07,29,866
Power and Fuel	₹	2,49,68,831	2,18,38,650
Rent		5,59,152	5,59,152
Repairs and maintenance			
Buildings		46,42,553	34,47,447
Plant and Machinery		37,34,446	41,99,130
Others		49,91,351	37,18,495
Insurance		6,52,368	5,13,280
Rates and Taxes		9,75,120	8,61,987
Travelling and conveyance		28,90,954	23,64,370
Transport Expenses		30,42,099	26,60,398
Legal and Professional charges	26.1	13,06,227	11,47,280
Directors' Fees		23,000	23,000
Brokerage & Selling Commission		33,91,257	29,54,777
Despatching & Selling Expenses		72,93,374	60,80,856
Subscription		5,84,866	4,80,895
Cess on Green Leaves		19,50,760	18,44,238
Sundry Debit Balance written off		39,156	3,60,827
Bad Debts written off		—	10,75,813
Loss on sale of Non Current Investments (Net)		4,924	—
Miscellaneous Expenses		80,38,858	67,38,789
		<b>8,05,35,568</b>	<b>7,15,99,248</b>

# Tyroon Tea Company Limited

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

	For the year ended 31.03.2014	For the year ended 31.03.2013
26.1		
Payment to Auditors :		
For Statutory Audit	60,000	60,000
For Tax Audit	15,000	15,000
Management services and certification works	75,000	15,000
Service Tax	18,540	—
	<b>1,68,540</b>	<b>90,000</b>
26.2		
Expenditure in Foreign currency		
Travelling Expenses	7,22,855	7,29,987
<b>27. PROVISION FOR TAXES</b>		
Current Tax	27,67,004	21,62,887
Agricultural Income Tax relating to earlier years	8,36,735	—
	<b>36,03,739</b>	<b>21,62,887</b>

Note :

- a. 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 and provision for tax has been made accordingly.
- b. Current tax includes 15,79,725/- (Previous year 11,10,317/-) of agricultural income tax payable under the Assam Agricultural Income Tax, 1939.

**28. RELATED PARTY DISCLOSURES**  
**required by Accounting Standard 18**  
**“Related Party Disclosure” as specified**  
**in the Companies (Accounting Standards)**  
**Rules, 2006 prescribed by the Central**  
**Government are as follows :**

**List of related parties**

- |   |   |
|---|---|
| a. Associates   | Srikrishna Arjun Trading & Investment Co. (P) Ltd.  |
| b. Directors / Relatives having significant influence, directly or indirectly | Mr. A. K. Jalan (Director)<br>Mr. S. P. Jalan (Relative of Director)<br>Mr. Anirudha Jalan (Relative of Director) |
| c. Enterprises where Directors and relatives have significant influence       | Creative Services (P) Ltd.<br>Hasimara Industries Ltd.<br>James Alexander & Co. Ltd.                              |

# Tyroon Tea Company Limited

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

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

	Director/ Relatives	Enterprises where Directors and relatives have significant influence
<b>I. Nature of Transaction</b>		
Director's Fees	5,000 (5,000)	— (—)
Remuneration to Relatives	9,24,994 (8,40,512)	— (—)
Loans given / (repaid) Hasimara Industries Ltd.		25,00,000
Interest received : Hasimara Industries Ltd.	— (—)	16,20,000 (18,00,000)
Creative Services Pvt. Ltd.	— (—)	0 (7,79,050)
<b>II. Balance Outstanding :</b>	<b>₹</b>	
i. Loans given		
Hasimara Industries Ltd.	— (—)	1,75,00,000 (1,50,00,000)
ii. Investments		
Hasimara Industries Ltd.	— (—)	75,00,000 (75,00,000)
Creative Services (P) Ltd.	— (—)	65,00,000 (65,00,000)
iii. Others		
Hasimara Industries Ltd.	— (—)	18,63,370 (16,20,000)
Creative Services (P) Ltd.	— (—)	5,00,000 (5,00,000)

"Figures in bracket represents previous year's amount"

Note :

- I. In respect of the above parties, there is no provision for doubtful debts as on 31.3.2014 and no amount has been written off or written back during the year in respect of debts due from / to them.
- II. The above related party information is as identified by the management and relied upon by the auditors.
- III. There are no transaction with Associate Company.

# Tyroon Tea Company Limited

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

## 29. DISCLOSURE UNDER ACCOUNTING STANDARD - 15

### EMPLOYEE BENEFITS

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

#### Defined Contribution Scheme :

Contribution to Defined Contribution Plan recognised for the year are as under :

	2013-14	2012-13
Employer's Contribution to Provident Fund	45,14,100	42,72,900
Employer's Contribution to Pension Fund	1,46,126	1,56,254

#### Defined Benefit Scheme :

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

( in Thousands)

	Gratuity (Unfunded)	
	31.03.2014	31.03.2013
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 ₹	28,721	24,583
Interest Cost	2,623	2,399
Current Service Cost	1,454	1,362
Actuarial (gain) / loss on obligations	174	2,139
Benefits paid	(3,415)	(1,762)
Liability at the end of the year	29,557	24,583
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	—	—
Contribution by the Company	3,415	1,762
Benefits Paid	(3,415)	(1,762)
Actuarial gain / (loss) on Plan Assets	—	—
Fair value of Plan Assets at the end of the year	—	—
iii. <b>Amount recognised in Balance Sheet</b>		
Liability at the end of the year	28,721	28,721
Fair value of Plan Assets at the end of the year	—	—
Amount Recognised in the Balance Sheet	<b>28,721</b>	<b>28,721</b>

# Tyroon Tea Company Limited

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

	31.03.2014	31.03.2013		
<b>iv. Expenses Recognised in the Income Statement</b>				
Current Service Cost	1,454	1,361		
Interest Cost	2,622	2,399		
Expected Return on Plan Assets	—	—		
Net Actuarial (gain)/loss to be Recognised	174	2,139		
<b>Expenses Recognised in Profit &amp; Loss Account</b>	<b>4,250</b>	<b>5,899</b>		
<b>v. Balance Sheet Reconciliation</b>				
Opening Net Liability	28,721	26,184		
Expenses as above	4,250	5,899		
Employer's Contribution	(3,414)	—		
<b>Amount Recognised in Balance Sheet</b>	<b>29,557</b>	<b>32,083</b>		
<b>vi. Principal Actuarial assumption at the Balance Sheet</b>				
Discount Rate	8.25%	8.25%		
Rate of Return on Plan Assets	0.00%	0.00%		
<b>vii. Experience gain /(loss) adjustments on plan liabilities</b>	<b>174</b>	<b>2,139</b>	<b>511</b>	<b>(1,055)</b>
<b>viii. Present value of Defined Benefit Obligation</b>	<b>29,557</b>	<b>28,721</b>	<b>24,583</b>	<b>22,553</b>

Notes :

Assumption 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.

30. 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.

	Year ended 31.03.2014	Year ended 31.03.2013
<b>31. EARNINGS PER SHARE</b>		
Net Profit / (Loss) attributable to equity shareholders ( )	3,30,51,203	2,61,05,857
Weighted average number of equity shares issued	34,02,100	34,02,100
Basic and diluted earnings per share ( ) (Face value 10/- per share)	9.71	7.67

32. Previous year figures has been regrouped / reclassified to conform with current year presentation, wherever considered necessary.

Kolkata  
The 29th day of May, 2014

FOR LODHA & CO.  
Chartered Accountants  
H. K. VERMA  
Partner

K. C. MISHRA  
Company Secretary  
cum Cost Controller

For and on behalf of the Board  
S. ISSAR  
N. N. NAGPAUL | Directors