

ANNUAL REPORT

2009 - 2010

{15 Months}



GREENLINE TEA & EXPORTS LTD



GREENLINE TEA & EXPORTS LIMITED

26th Annual Report *(15 Months)* *2009-2010*

BOARDS OF DIRECTORS

B. P. Kale, *Executive Chairman*
P. L. Sutodiya, *Managing Director*
P. Sutodiya, *Whole-time Director*
K. Ramesh, *Director Finance*
P. V. V. Satyanarayana
Prince Tulsian
G. S. S. Prasad
K. S. Rao
V. K. Jain

AUDITORS

Hanumaiah & Co., Chartered Accounts
#1 & 2 - Ground, Ram's VSR Apartment
Mogalrajpuram, Vijayawada - 520010

BANKERS

Indian Bank
UCO Bank

REGISTERED OFFICE

14, N.S.Road, 3rd floor, Sathi chamber, Room No. 314B,
Kolkata - 700 001

REGISTRATION & SHARE TRANSFER AGENT

R & D Infotech Pvt. Ltd.
22/4, Nakuleswar Bhattacharjee Lane
Kolkata - 700 026



GREENLINE TEA & EXPORTS LTD.

Notice is hereby given that the 26th Annual General Meeting of the Members of Greenline Tea & Exports Limited will be held at Aseela Restaurant, Exotica Hall, 6A, S. N. Banerjee Road, Near Elite Cinema, Kolkata - 700 013 on 28th March, 2011 at 10.30 A.M. to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 30th September 2010 (15 months) and the Profit & Loss Account for the year ended on that date and the reports of the Auditors' and Directors' thereon.
2. To not to appoint any director in place of Mr. B. P. Kale, who retires and has expressed his unwillingness for re-appointment.
3. To appoint M/s. Hanumaiah & Co., Chartered Accountants, as Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

NOTE:

- i) A MEMBER ENTITLED TO ATTEND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIM/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- ii) A Proxy to be effective should be deposited at the Registered Office of the Company not later than 48 hours before the meeting.
- iii) The Register of Members and Share Transfer Books will remain closed from 24.03.2011 to 30.03.2011 (both days inclusive)
- iv) Members are requested to bring with them the Attendance Slip attached hereto duly filled in and signed and also their respective copies of the Annual Report.
- v) Any query relating to Accounts must be sent to the Company's registered office at 14.N.S.Road, 3rd Floor, Suit No. 314B, Sathi Chamber Kolkata - 700 001, at least 7 days before the date of the meeting, otherwise the company shall not be answerable to entertain any other query raised at the meeting.
- vi) Details in terms of clause 49 of listing agreement in respect of the Directors.



GREENLINE TEA & EXPORTS LTD.

DIRECTORS' REPORT

To

The Members,

Your Director has pleasure in submitting 26th Annual Report together with the Audited statement of Account for the period (15 months) ended on 30th, September 2010.

OPERATIONS OF THE COMPANY:

The details of operating results for the year are furnished below:

(Rupees in lacs)

Financial Results	30.03.2010	30.06.2009
Gross Sales	182.01	132.24
Increase/(Decrease) in Stock	19.83	19.69
Other Income	82.34	42.64
Gross Income	284.18	194.57
Less : Total Expenditure	174.67	155.93
Profit (Loss) Before Depreciation and Tax	69.85	38.64
Less : Depreciation	13.92	13.97
Profit (Loss) After Depreciation Before Tax	55.93	24.67
Less : Interest	25.13	0.16
Profit (Loss) After Depreciation, Int Before Tax	30.80	24.51
Less : Provision For Tax & FBT	—	0.38
Profit (Loss) After Tax	30.80	24.13
Balance carried forward from previous year	(91.91)	(117.79)
	(61.11)	(93.66)
Revaluation reserve written back	1.73	1.74
Amount Carried to Balance Sheet	(59.38)	(91.92)

Performance :

During the Year, the company has taken efficient measures to control its costs and increase its sales and that has helped the Company to remain in Profits.



GREENLINE TEA & EXPORTS LTD.

DIVIDEND :

In view of the losses incurred in earlier years and requirement of funds, your Directors regret their inability to recommend any dividend

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions of sub-section (2AA) of Section 217 of the Companies Act, 1956, your Directors confirm:

- i. That the preparation of the Annual Accounts, the applicable accounting Standards had been followed along with proper explanation, relating to material departures;
- ii. That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the financial period as on 30th, September 2010 and of the profit of the company for that period;
- iii. That the directors had taken proper and sufficient care for the maintenance of adequate account records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities; and iv) that the Directors had prepared the annual accounts on a going concern basis.

STATUTORY REQUIREMENTS

- A) As per provision of section 217(2A) of the companies Act, 1956 the statement of particulars of the employees, etc forms part of this report. However, as per the provisions of section 219 (1) (b)(iv) of companies Act 1956, the Annual Report excluding the above said information is being sent to all the members and other entitled persons. Any member interested in obtaining such particulars may write to the company Secretary at the registered office of the company.
- B) A statement showing particulars of the conservation of energy etc. as are required under Sec (1) (e) of the Companies Act, 1956 read with the Companies' (disclosures of Particulars in the Report of Board of Directors) Rules, 1988 is annexed herewith.

CORPORATE GOVERNANCE AND COMPLIANCE CERTIFICATE:

A separate report on Corporate Governance is enclosed as a part of this Annual Report. A certificate from the Auditor regarding compliance with Corporate Governance norms stipulated in clause 49 of the Listing Agreement is annexed to the Report on Corporate Governance.

LISTING AGREEMENTS REQUIREMENTS:

The securities of your company are listed at Bombay Stock Exchange Ltd, Mumbai. Trading in company's securities remain suspended at Stock Exchanges for non compliance. Now all formalities are completed by the management to get shares traded at the floor of the Exchange.



GREENLINE TEA & EXPORTS LTD.

PARTICULARS OF THE EMPLOYEES:

None of the employees employed during the year was in receipt of remuneration in excess of the Prescribed limit specified in section 217 (2A) of the Companies Act, 1956 Hence, furnishing of particulars under the Companies Act (Particulars of Employees) 1975 does not arise.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The domestic consumption is increasing every year and exports are likely to improve further. Further this year has started again with lower carry forward stock. The above factors augur well for a steady tea market.

Continuous extension programme is being implemented in the large vacant area of land available in our tea estate for three consecutive years will add up much more to the production of made tea and total development of the company. Based on these positive factors, we can take an optimistic view for the industry.

AUDITORS :

The Auditors Report and the Notes on Accounts being self-explanatory are not dealt with separately. The Auditors of the company M/s. Hanumaiah & Co., Chartered Accountant retires and being eligible offer themselves for re-appointment.

DIRECTORS :

Mr. G S S Prasad retires by rotation at the forth-coming annual general meeting and he being eligible, offers himself for re-appointment.

ACKNOWLEDGMENT :

The Directors wish to place on record their sincere thanks to the officials of concerned Govt. Departments Statutory Authorities, banks and other Institutions for their co-operation and assistance. The Directors also wish to express their sincere thanks to the shareholders and the investing public who have placed due trust on the company and the Staff and Employees for rendering loyal and efficient services to the company.

For and on Order of the Board
K. Ramesh
Director

Special Note :

The control of the management of the Company has been transferred as duly approved by the process of postal ballot passed vide notice dated 22.11.2010 with effect from 24.12.2010. Mr. P. L. Sutodiya who occupied the position of the Managing Director of the Company and Mr. Pradeep Sutodiya who occupied the position of Wholtime Director of the company resigned with effect from 24.12.2010. So, as decided and authorised by the Board in its last meeting Mr. P.V.V. Satyanarayana, Director and Mr. K. Ramesh, Director are the signatory for this Annual Report, moreover Mr. K. Ramesh, Director is also authorised to give report as C.E.O.



GREENLINE TEA & EXPORTS LTD.

ANNEXURE TO THE DIRECTORS REPORT :

Particular of conservation of energy and technology absorption in terms of Section 217 (1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988 forming part of the Directors' Report for the period ended 30th September 2010.

A. CONSERVATION OF ENERGY:

- (a) Energy conservation measures taken:
Constant monitoring of power factor.
- (b) Additional Investment proposals, if any being implemented for Reduction of consumption of energy: Fuel inefficient engines will be phased out.
- (c) Impact of measures at (a) & (b) above for reduction of energy consumption and consequent impact on the Cost of Production of goods Benefits have accrued at tea factory of the Company.
- (d) Total energy consumption per unit of production.

FORM - A

FORM DISCLOSURE OF PARTICULARS WITH RESPECT OF CONSERVATION OF ENERGY :

Power and Fuel Consumption :

	Current Period (15 months)	Previous Period (15 months)
1. Electricity : (15 months)		
(a) Purchased Unit	127912.00	69924.00
Total Amount (Rs.)	1158607.00	642404.00
Rate/Unit	9.05	9.18
(b) Own Generation		
(i) Through Diesels Generator Unit	904166.28	1226177.00
Unit per Ltr. of Diesel Oil	25504	36630
Cost/Unit.	35.45	33.47
(ii) Through Steam Not Applicable Turbine/Generator Unit	---	---
(iii) Unit per Ltr. of Fuel Oil/Gas	---	---
Cost/Unit	---	---
2. Coal (Consumed at garden)		
Qty. (MT)	325.191	312.023
Total Cost (Rs.)	1278350.73	1186140.28
Avg. Rate (Rs.)	3931.07	3801.45
3. Furnace Oil	21164.27	26896.75
Qty. (K. Ltrs.)	136.550	162.250
Avg. Rate	154.99	165.77
4. Other/Internal generation		



GREENLINE TEA & EXPORTS LTD.

B. CONSUMPTION PER UNIT PRODUCTION:

	Standard (If any)	Current Period (15 months)	Previous Year (15 months)
Production with details Unit	NIL	201677 kg	212473 Kgs
Electricity	NIL	3.15	3.02
Furnace Oil	NIL	9.53	7.89
Coal (Mixture)	NIL	6.33	5.58
Other (Specify)	NIL	NIL	NIL

FORM - B

FORM OF DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION ADAPTION AND INNOVATION, RESEARCH AND DEVELOPMENT (R & D)

RESEARCH AND DEVELOPMENT (R & D)

1. Specific Areas in which A & B carried out by the Company.

The main concentration of R & D activity was in the field of plantation. Trials were carried out on purning cycle, growth regulators, optimum use of fertilizers and manures, some agro chemical were applied.

2. Benefit derived as a result of above R & D.

The findings helped to improve tea husbandry for sustained high cropping in years to come.

3. Future Plan of action:

Long terms trials will be continued to solve some problem and fresh field will be introduced for short term, medium term gains.

4. Expenditure on R & D:

	Current Year	Previous Year
(A) Capital	1,07,969.00	97,025.00
(B) Recurring	10,764.00	14,721.00
(C) Percentage of R & D expenditure on turnover	00.065	00.08

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

1. Efforts in brief made towards technology absorption adaptation and innovation improvement were brought out in the manufacturing process by bringing in new generation machines and better processing conditions



GREENLINE TEA & EXPORTS LTD.

2. Benefits derived as a result of above efforts e.g. product improvement, cost reduction product development etc. Standardization of product and field practices to a large extent
3. Imported Technology

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:	Current Yr.	Previous Yr
Foreign Exchange outgo	NIL	NIL
Foreign Exchange earned	NIL	NIL

For and on Order of the Board

K. Ramesh
Director

Place : Kolkata

Dated : 12th February 2011



GREENLINE TEA & EXPORTS LTD.

REPORT ON CORPORATE GOVERNANCE

Company Philosophy on Code of Governance:

The Company's core business is the cultivation and production of Tea

The Company strives to produce Teas of good quality. It has a large garden at Cachar in Assam.

The Company endeavours to care for all its employees by providing medical and welfare facilities to its employees at maximum possible extent

The Company's overall philosophy is excellence in all spheres of its operations.

Code of Conduct :

The Company has already implemented a Code of Conduct for all Board Members and Senior Managements of the company in compliance with clause 49(1) of the Listing Agreement.

DECLARATION – COMPLIANCE WITH THE CODE OF CONDUCT

In accordance with clause 49 of the Listing Agreement with the Stock Exchanges, Mr. K. Ramesh Executive Director of the Company, hereby declare that the Board Members and senior Management Personnel have affirmed compliance with the said Code of Conduct, as mentioned in this report, for the period ended on 30.09.2010.

Place : Kolkata

Date : 11.02.2011

For Greenline Tea & Exports Ltd.

Sd/- K. Ramesh
Executive Director

Details of Board of Directors, Board Meetings & Annual General Meeting:

Name	Executive/ Non-Executive	Independent/ Non-Independent	No Of Directorship in Other Companies	No Of Board Meeting Attended	Whether Attended the Last AGM
Mr. P. L. Sutodiya	Executive	Non-Independent	NIL	6	YES
Mr. Pradeep Sutodiya	Executive	Non-Independent	NIL	8	YES
B. P. Kale	Executive	Non-Independent	NIL	7	YES
K. Ramesh	Non-Executive	Non-Independent	NIL	7	YES
P.V.V. Satyanarayana	Non-Executive	Independent	NIL	5	YES
G. S. S. Prasad	Non-Executive	Independent	NIL	7	YES
K. S. Rao	Non-Executive	Independent	NIL	4	YES
V. K. Jain	Non-Executive	Independent	NIL	6	YES
Prince Tulsian	Non-Executive	Independent	NIL	8	YES

- Excludes Directorship in Indian Private Limited Companies, Foreign Companies, Companies u/s 25 of the Companies act, 1956
- The Director(s) are neither Chairman nor members of any other committee(s) other than Audit committee, grievance committee, remuneration committee of Greenline Tea & Exports Ltd as mentioned in this report.
- Leave of absence was given to Mr. K.S. Rao for those meetings which he could not attend.



GREENLINE TEA & EXPORTS LTD.

The Board of Directors includes four Executive and five Non-Executive Directors. During the period, nine Board Meetings were held on 24th July 2009, 20th August 2009, 25th September 2009, 26th October 2009, 23rd January 2010, 28th April 2010, 16th June 2010, 22nd July 2010 and 18th September 2010.

Detailed Agenda is circulated/ sent to the members of the Board in advance. The Board discusses/ deliberates and decides on all the topics/ matters including those suggested in the Listing Agreement, as and when the requirement arises.

Audit Committee :

The Audit Committee of the Company, inter-alia has the terms and roles as specified under Clause 49 of the Listing Agreement/Section 292A of the Companies Act, 1956. The Audit Committee has all three directors of the Company. The members of the Committee have suitable financial backgrounds. Mr. Prince Tulsian has good accounting knowledge and he is the Chairman of the committee and this committee consists of Mr. V. K. Jain and Mr. G. S. S. Prasad, all being Independent Directors. During the period, five meetings of the committee were held on 15th July 2009, 18th November 2009, 17th February 2010, 19th May 2010 and 18th August 2010 and all members of the committee attended these meetings. The main functions of the Audit Committee are following:

- To review the Quarterly, Half Yearly and Annual Accounts before submission to the Board.
- To recommend the Appointment, remuneration and removal of Statutory Auditors.
- To review the Company's financial policies.
- To review and suggest measures for bringing more transparency and fair view of account of the Company.

Remuneration Committee:

The Committee is responsible for recommending to the Board the Remuneration of Whole time Directors. The Remuneration Committee consists of all the three Directors, Mr. K. S. Rao is its Chairman and Mr. V. K. Jain and Mr. G. S. S. Prasad, all being Independent Directors. The Committee was formed in the year under review and has met once during the year on 25th June 2010. The Committee has decided to fix Remuneration of Whole time Directors in its next meeting after considering the prospects of the Company. The Company has not paid any sitting fees to its Directors during the year under review.

Investor Grievance and Share Transfer Committee:

- The Committee comprises of all its three Directors, Mr. Prince Tulsian as its Chairman and Mr. K. S. Rao and Mr. G. S. S. Prasad, all being Independent Directors.
- Mr. Udayan Bal is the Compliance Officer.
- The committee has met Six times during the period.
- There were no pending complaints at the end of the period.

General Body Meetings :

Location and time where the last three Annual General Meetings (AGMs) were held are as under:

Year Ended	Venue	Date	Time
1/4/2008 to 30/6/2009	26, Chowringhee Road, Kol-87	30-12-2009	9:30 A. M.
1/4/2007 to 31/3/2008	— Do —	30-09-2008	9:30 A.M.
1/4/2006 to 31/3/2007	— Do —	28-09-2007	9:30 A. M.

No other General Meeting was held during the year.



GREENLINE TEA & EXPORTS LTD.

Disclosures:

The Company has not any transaction of significant material nature with the Directors and/or their relatives.

During the year under review that would have conflict with the interest of the Company at large. No any penalty was levied on the Company for non-compliance of any laws or any matter relating to capital market, during the last three years.

Means of Communication:

- No half-yearly report is sent to the shareholders directly.
- Quarterly results and Half-Yearly results are published in Newspapers such as Echo of India (English) and Aarthik Lipi (Bengali). These results are subject to Limited Review by the statutory auditors The Annual Audited Results are published.
- Company's E-mail address is greenline_tea@yahoo.com
- No formal presentation has been made to Institutional Investors or Analyst during the Year.

Compliance of Insider Trading Norms:

Company has adopted the code of internal procedures and thus complies with the insider trading norms.

Shareholders Information:

1. AGMs, Date, Time & Venue:
Monday, the 28th March 2011 at 10.30 AM, Aseela Restaurant, Exotica Hall, 6A, S. N. Banerjee Road, Near Elite Cinema, Kolkata - 700 013
2. Financial Calendar & Publication of Results:
The Financial Year of the Company is April to March but this time result is prepared for 15th Months i.e. July 2009 to September 2010

Publication of Results will be as follows:

Period	Approval by the Board of Directors
1st Quarter ending 31st December 2010	2nd Week of January, 2011
2nd Quarter ending 31st March 2011	Last week of April, 2011
3rd Quarter ending 30th June, 2011	Last week of July 2011
Fourth Quarter September, 2011	Final Audited results including fourth Quarter AGM for the period ending at 30 th September, 2011 AGM will be held in December 2011

3. Book Closure:

From 24.03.2011 to 30.03.2011 (both days inclusive)



GREENLINE TEA & EXPORTS LTD.

4. Listing on Stock Exchanges:

Company's equity shares are listed and are under suspension at the following Stock Exchanges.

- i. Bombay Stock Exchange Ltd. (BSE), Mumbai,
- ii. The Calcutta Stock Exchange Association Ltd. (CSE), Kolkata,
- iii. Jaipur Stock Exchange (JSE), Jaipur
- iv. Madras Stock Exchange (MSE), Chennai and
- v. The Ahmedabad Stock Exchange (ASE), Ahmedabad.

The Company has completed all its formalities to resume trading of its shares at BSE. The Stock code of Company' Shares at BSE is 530689.

Distribution schedule as on 30-09-2010

R-A-N-G-E IN NO. OF SHARES	R-A-N-G-E IN VALUE OF SHARES	NUM.OF SHARE HOLDERS	% TO TOT HOLDERS	NUM.OF SHARES	% TO TOT HOLDING
UPTO to 500	UPTO to 5000	987	65.712%	363310	7.16%
501 to 1000	5010 to 10000	327	21.771%	271000	5.34%
1001 to 2000	10010 to 20000	81	5.393%	122900	2.42%
2001 to 3000	20010 to 30000	17	1.132%	43700	0.86%
3001 to 4000	30010 to 40000	9	0.599%	33400	0.66%
4001 to 5000	40010 to 50000	10	0.666%	47200	0.93%
5001 to 10000	50010 to 100000	16	1.065%	108600	2.14%
10001 to 50000	100010 to 500000	26	1.731%	865600	17.06%
50001 to 100000	500010 to 1000000	19	1.265%	1197200	23.60%
100001 and Above	1000010 and Above	10	0.666%	2020900	39.83%
	G-R-A-N-D T-O-T-A-L	1502	100.00%	5073810	100.00%

5. Market Price Date:

Due to suspension for trading in Company's shares for the last few years, there is no available Market Price/Date.

6. Share Transfer System:

All valid transfer request received from investors are registered with the approval of the Share Transfer Committee within 30 days from the date of lodgement of such request. The Company has appointed M/s R & D Infotech Pvt. Ltd. 22/4, Nakuleswar Bhattacharjee Lane, Kolkata - 700 026, as its Registrar for handling requests for transfer of shares

The Company's shares are presently in physical form. The Company has completed all the Formalities for getting approval for dematerialization of its shares and is confident of getting the said approval in the immediate future.



GREENLINE TEA & EXPORTS LTD.

SHARE HOLDING PATTERN AS ON 30-09-2010

Category	No. of shares	% of equity
Promoter Group	1528800	30.131%
Resident Body Corporate	132100	2.604%
Banks/FI/FII/MF/Trust	5400	0.106%
NRI/OCB	Nil	Nil

The company has approved the transfer of control of the management of the company by the process of Postal ballot vide postal ballot notice dated 22/11/2010 with effect from December' 24, 2010. As such the share holding pattern of the Company as on 12th February, 2011 stand as mentioned below:

SHARE HOLDING PATTERN AS ON 12-02-2011

Category	No. of shares	% of equity
Promoter Group	510250	10.057%
Resident Body Corporate	506600	9.985%
Banks/FI/FII/MF/Trust	5400	0.106%
NRI/OCB	Nil	Nil

8. Outstanding GDR/Warrant and Convertible Bonds, Conversion dates and likely impact on Equity Shares:

The Company has not issued any of above instruments till date.

Share holdings of Independent Directors No. of Shares

NIL

- a) Director retiring by rotation / reappointment: G. S. S. Prasad
- b) The ISIN for the dematerialized share of the company is not applicable because shares are still in physical form.
- c) The Company has not proposed / declared any dividend during the year.
- d) Financial Period [15 Months] from 01-07-2009 to 30-09-2010.
For the current financial year, following is the calendar (tentative and subject to change)
- e) Address for correspondence
 - Regd Office: 14, Netaji Subhas Road, 3rd floor, Sathi Chamber
Room No. 314B, Kolkata – 700 001.



GREENLINE TEA & EXPORTS LTD.

- E-mail id of the Company: greenline_tea@yahoo.com
- Telephone No : (033) 3002 8835
- Share Transfer Agents: R & D Infotech Pvt Ltd., 22/4, Nakuleshwar Bhattacharjee Lane, Kolkata – 700 026. Tele Phone Nos. 91(33) 2463 1657, 91(033) 2463 1658.

f) Stock Code – 530689 (Bombay Stock Exchange)

g) Dematerialization of shares & liquidity : All the shares are in physical mode, as given below:

Sr. No	Particulars	No. of share holders	No. of shares	Percentage
1	Physical Shares	1502	5073810	100%
2	Electronic Shares	Nil	Nil	Nil
	Total	1502	5073810	100%

h) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, Conversion date and likely impact on equity : Nil

i) The details of related parties' viz., Promoters, Directors or the Management, their Subsidiaries or relatives conflicting with Company's interest : Nil

j) Penalties or structures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the period under review : Nil

9. Plant Locations :

Iringmara Tea Estate
P.O. Dwarbund - 788 113
Cachar, Assam.

10. Address for correspondence :

For matters relating to Company's shares :

R & D Infotech Pvt. Ltd.
22/4, Nakuleswar Bhattacharjee Lane,
Kolkata - 700 026

For other matters :

Registered office of the Company at
14, N. S. Road, 3rd floor,
Sathi Chamber, Room No,314B
Kolkata - 700 001.

On behalf of the Board

Place : Kolkata
Date : 12th Day of February, 2011

K. Ramesh
Director



GREENLINE TEA & EXPORTS LTD.

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

Registration No. of the Company : 21 - 038064
Nominal Capital : Rs. 750,00,000/-

To
The Members,
M/s. Greenline Tea & Exports Ltd.
26, Chowringhee Road,
2nd Floor,
Kolkata - 700 087

I have reviewed the compliance of conditions of Corporate Governance by Greenline Tea & Exports Ltd., for the period ended 30th September, 2010 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges with the relevant records and documents maintained by the Company as well as Registrars of the Company and furnished to us.

The compliance of the conditions of Corporate Governance is the responsibility of the management. My examination was limited to the procedure and implementation thereof, adopted by the Company as well as Registrars of the Company and furnished to us.

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

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

On the basis of my review and according to the information and explanation given to me, I certify that the conditions of Corporate Governance as stipulated Clause 49 of the Listing Agreement with the Stock Exchanges have been complied with in all material respects by the Company.

Place : Kolkata
Dated : 11th Day of February, 2011

Sd/-
(DINESH AGARWAL)
Practicing Company Secretary
Membership No. 17391
Certificate of Practice No. 5881



GREENLINE TEA & EXPORTS LTD.

Certification by Chief Executive Officer of The Company

I, K. Ramesh, Director of Greenline Tea & Exports Limited, to the best of my knowledge and behalf certify that :

1. I have reviewed the Balance Sheet and Profit & Loss Account of the Company for the period ended 30th September, 2010 and all its schedules and notes on accounts, as well as the Cash Flow Statement.
2. To the best of my knowledge and information :
 - a. These statements do not contain any materially untrue statement or omit to state a material fact or contains statements that might be misleading.
 - b. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. I, also certify, that based on my knowledge and the information provided to me, there are no transactions entered into by the Company, which are fraudulent or illegal.
4. The Company's other certifying officers and I have disclosed, based on our most recent evaluation, wherever applicable, to the company's auditor and through them to the audit committee of the Company

For Greenline Tea & Exports Limited

Place : Kolkata
Dated : 12th Day of February, 2011

K. Ramesh
Director



GREENLINE TEA & EXPORTS LTD.

HANUMAIAH & CO.
Chartered Accountants

1 & 2 – Ground,
Ram's VSR Apartment,
Mogalrajpuram,
VIJAYAWADA - 520 010

AUDITOR'S REPORT

The Members of M/s GREEN LINE TEA & EXPORTS LTD

We have audited the attached Balance Sheet of GREENLINE TEA & EXPORTS LTD., as at 30th, September 2010 and also the annexed Profit & Loss Account of the Company for the fifteen months period ended on that date annexed thereto. These financial statements are the responsibility of the company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

1. The Balance Sheet and Profit and Loss Account referred to in this report are in agreement with the Books of Account.
2. In our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet and Profit and Loss Account subject to and read together with the notes appearing thereon in Schedule "A" of Significant Accounting Policies and Notes on Accounts attached thereto, given in the prescribed manner the information required by the Companies Act, 1956 gives a true and fair view:
 - (i) In so far as it relates to Balance Sheet, of the state of affairs of the company as at 30th September 2010 and;
 - (ii) In so far as it relates to Profit & Loss Account, of the profit of the company for the period ended on that date.
3. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
4. In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examinations of such books.
5. The company has complied with the accounting standards as referred in Sec 211 (3C) of the Companies Act, 1956 subject to the extent as disclosed in notes to the accounts.
6. On the basis of written representations received from the Directors and taken on record by Board of Directors. We report that none of the Directors is disqualified as on 30th September 2010 from being appointed as director in terms of clause (g) of Sub-section (1) of section 274 of the Companies Act, 1956.
7. As required by the companies (Auditors' Report) order 2003, issued by the company law Board in terms of Section 227 (4A) of the Companies Act, 1956 and the basis of such checks as we considered appropriate and according to information and explanation given to us during the course of our audit we further state that:
 - i. The Company has not made available the fixed asset records showing full particulars including quantitative details and situation of fixed assets of the company during the audit period under review and it is informed and explained that due to loss of those records by lock out and labour unrest at the garden premises of the company where the records were kept and accordingly the records relating to the same could not be produced. Although the Company has a phased program of physical verification of its fixed assets periodically which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets, the management has not verified physically the fixed assets of the company during the period to ascertain any material discrepancies if any to properly deal with in the books of account.
 - ii. The Stock of inventory has been physically verified during the period by the Management at reasonable intervals, in our opinion, the procedure of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business. The company is maintaining the proper records of inventory. The discrepancies noticed on physical verification of stocks as compared to books record were not material. However the same has been properly dealt with the books of account.
 - iii. The company has granted unsecured loans and advances to companies, firms and/or other parties covered in the register maintained under section 301 of the companies Act, 1956. The said loans is granted without any specific stipulation as to the rate of interest and other terms and condition hence we are unable to comment whether they are prima facie prejudicial to the interest of the company or not. Other loans and Advances in nature of advance or loans have been given by the companies which are repayable on demand and without specific stipulation so we are unable to comment on the repayment of the same



GREENLINE TEA & EXPORTS LTD.

- iv. In our opinion and according to the information and explanations given to us, there is adequate internal control procedure commensurate with the size of the company and the nature of its business with regard to purchase of inventory and fixed assets and with regard to the sale of goods. Further on the basis of our examination and according to the information and explanation given to us, we have neither come across nor have been informed of any instance of continuing failure or major weakness in the internal control systems.
- v. The Company has not purchased or entered into any transaction of contract for purchase of goods and materials with parties as listed under section 301 of the Companies Act, 1956 during the year.
- vi. The Company has not accepted any deposits from the public and consequently, the directives issued by the Reserve Bank of India; the provisions of Section 58A and 58AA of any other relevant provision of the Companies Act, 1956 and the rules framed there under are not applicable.
- vii. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
- viii. The Central Government has prescribed the maintenance of cost records under clause (d) of sub-section (I) of Section 209 of the Companies Act, 1956 in respect of activities carried out by the company. We have broadly reviewed the books of accounts maintained by the company and have not made detailed examination of the cost records as prescribed, made and maintained by the company with a view to determine whether they are accurate or complete.
- ix. According to the information and explanation given to us and on the basis of our examination of the books of account, the Company has not been regular in depositing the amount of undisputed statutory dues of Provident fund, Sale-tax, Vat, Cess on green leaf and other Statutory dues with appropriate authorities. According to the information and explanation given to us, there were undisputed amount outstanding as at 30.09.2010 in respect of provident fund Account including interest amounting to Rs. 30,10,736.45, Sales Tax including VAT amounting to Rs.5,77,252.52, Cess on Greenleaf including interest amounting to Rs. 34,72,916.97, Profession Tax amounting to Rs. 44,680 and land revenue amounting Rs. 4,00,072 for a period of more than six months from the date they become payable. According to the information and explanation given to us, there are no dues in respect of sales tax and Vat, Customs Duty, Excise Duty and Cess that have not been deposited with the appropriate authorities on account of any dispute.
- x. The Company's accumulated loss at the end of the year is less than the fifty percent of its net worth. The company has not incurred cash losses in the current period ended 30th September 2010 and in the immediately preceding financial period 30th June 2009.
- xi. During the year the Company has neither taken any fresh loan from a financial institution and a bank nor issued any debentures during the year. Accordingly, clause 4(xi) of the order is not applicable.
- xii. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures during the year. Accordingly, Clause 4(xiii) of the order is not applicable.
- xiii. The Company is not a chit fund, nidhi, mutual benefit fund or a society. Accordingly, clause 4(xiii) of the order is not applicable.
- xiv. According to the information and explanations, the company has not given any guarantee for loans taken by other from banks of other financial institutions. Accordingly, clause 4(xv) of the order is not applicable.
- xv. During the year, the company has not obtained any fresh loans; accordingly, clause 4(xvi) of the order is not applicable.
- xvi. According to information and explanation given to us, the fund raised on short-term basis has not been used for long-term investments.
- xvii. 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. Accordingly, clause 4(xviii) of the order is not applicable.
- xviii. The Company has not issued any debentures. Accordingly clause 4(xix) of the order is not applicable.
- xix. The Company has not raised any money by public issues during the year. Accordingly, clause 4(xx) of the order is not applicable.
- xx. According to the information and explanations given to us, no fraud or by the company has been noticed or reported during the year.

Place: Kolkata
Date: 12.02.2011

For Hanumaiah & Co.
Chartered Accountants

(K Hanumaiah)
Partner



GREENLINE TEA & EXPORTS LTD.

BALANCE SHEET AS ON 30.09.2010

PARTICULARS	SCHEDULE NO (15 Months)	AS AT 30.09.2010 (15 Months)	AS AT 30.06.2009
I. SOURCE OF FUNDS :			
01. SHARE HOLDERS FUNDS :			
- Share Capital	1	5,62,56,475.00	5,62,84,475.00
- Reserves & Surplus	2	2,33,07,227.87	2,34,80,532.97
02. LOAN FUNDS :			
- Secured Loans	3	1,22,95,850.86	97,82,683.20
- Unsecured Loans	4	5,13,645.79	92,63,645.79
TOTAL		9,23,73,199.52	9,88,11,336.96
III. APPLICATION OF FUNDS :			
01. FIXED ASSETS:	5		
- Gross Block		11,68,41,379.81	11,67,71,797.81
- Less: Deprecation		1,99,83,420.04	1,85,91,213.64
Net Block		9,68,57,959.77	9,81,80,584.17
02. DEPOSITS AND INVESTMENTS	6	1,00,000.00	1,00,000.00
03. CURRENT ASSETS, LOANS & ADVANANCES :			
- Cash & Bank Balances	7	12,90,566.02	6,45,554.83
- Inventories	8	22,91,852.31	47,91,876.06
- Debtors	9	1,55,19,254.94	1,47,95,340.00
- Loans & Advances	10	61,82,838.58	79,63,319.21
TOTAL CURRENT ASSETS, LOANS & ADV.	(A)	2,52,84,511.85	2,81,96,090.10
04. CURRENT LIABILITIES & PROVISIONS:	11		
- Current Liabilities		3,53,57,110.59	3,65,06,608.97
- Outstanding Expenses		4,50,331.00	3,50,331.00
TOTAL CURRENT LIABILITIES & PROVISIONS:	(B)	3,58,07,441.59	3,68,56,939.97
NET CURRENT ASSETS	(A-B)	(1,05,22,929.74)	(86,60,849.87)
05. MISCELLANEOUS EXPENDITURE :			
- Profit & loss Account	12	59,38,169.49	91,91,602.66
TOTAL:		9,23,73,199.52	9,88,11,336.96

The Schedules Referred to above form an integral part of the Balance Sheet
Significant Accounting Policies & Notes on Accounts "A"

for HANUMAIAH & CO
Chartered Accountants

for Greenline Tea & Exports Limited

(K HANUMAIAH)
Partner
Membership No.201719
Firm Registration No.009021S
Place : Vijayawada
Date : 12.02.2011

P.V.V. Satyanarayana
Director
K. Ramesh
Director



GREENLINE TEA & EXPORTS LTD.

PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED ON 30.09.2010

PARTICULARS	SCHEDULE NO	AS AT	AS AT
		30.09.2010 (15 Months)	30.06.2009 (15 Months)
01. INCOME :			
- Gross Sales		1,82,01,211.12	1,32,84,626.64
Less : Excise Duty		64,074.00	59,969.70
		<u>1,81,37,137.12</u>	<u>1,32,24,656.94</u>
- Other Income	13	82,34,518.22	42,64,458.82
- Increase/(Decrease) to Stock		(19,83,371.20)	19,68,790.20
TOTAL	(A)	<u>2,43,88,284.14</u>	<u>1,94,57,905.96</u>
02. EXPENDITURE :			
- Establishment Expenses	14	27,31,150.13	18,57,608.06
- Manufacturing Expenses	15	1,08,08,261.63	83,82,036.09
TOTAL	(B)	<u>1,35,39,411.76</u>	<u>1,02,39,644.15</u>
03. GROSS PROFIT	(A-B)	1,08,48,872.38	92,18,261.81
04. ADMINISTRATIVE EXPENSES	16	38,63,370.25	53,53,261.47
05. PROFIT BEFORE INTEREST, DEP. & TAX		69,85,502.13	38,65,000.34
06. FINANCIAL EXPENSES	17	25,13,167.66	16,207.64
07. DEPRECIATION		13,92,206.40	13,97,739.15
08. PROFIT/ (LOSS) BEFORE TAX		30,80,128.07	24,51,053.55
09. PROVISION FOR TAX		-	37,591.00
10. PROFIT/ (LOSS) AFTER TAX		30,80,128.07	24,13,462.55
11. BALANCE B/F FROM PREVIOUS YEAR		(91,91,602.66)	(1,17,78,751.23)
12. TRANSFER FROM REVALUATION RESERVE		1,73,305.10	1,73,686.02
13. BALANCE C/F TO BALANCE SHEET		(59,38,169.49)	(91,91,602.66)

*The Schedule Referred to above form an integral part of the Profit & Loss Account *

for HANUMAIAH & CO
Chartered Accountants

(K HANUMAIAH)
Partner
Membership No.201719
Firm Registration No.009021S
Place : Vijayawada
Date : 12.02.2011

for Greenline Tea & Exports Limited

P.V.V. Satyanarayana
Director
K. Ramesh
Director



GREENLINE TEA & EXPORTS LTD.

BALANCE SHEET ITEMS

PARTICULARS	AMOUNT	AMOUNT
	30.09.2010 (15 Months)	30.06.2009 (15 Months)
SCHEDULE - 1		
01. SHARE CAPITAL :		
- Authorised		
- 75,00,000 Shares of 10/- each	7,50,00,000.00	7,50,00,000.00
- Issued, Subscribed		
- 72,83,960 Shares of 10/- each	7,28,39,600.00	7,28,39,600.00
- Paid up		
- 5073810 Shares of 10/- each	5,07,38,100.00	5,07,66,100.00
- Add : Forfeited Shares	55,18,375.00	55,18,375.00
Notes of the Above		
(a)	45000 Equity shares of Rs10/- each issued as fully paid up for consideration other than Cash	
(b)	12,75,340 Equity shares of Rs 10/- each issued as fully paid up bonus shares through Capitalisation of Reserves and Surplus	
(c)	22,07,350 Equity shares of Rs10 /- each are forfeited shares	
Total Share Capital	<u>5,62,56,475.00</u>	<u>5,62,84,475.00</u>
SCHEDULE - 2		
02. RESERVES & SURPLUS :		
- Share Premium	2,13,99,625.00	2,13,99,625.00
- General Reserve	1,76,450.00	1,76,450.00
- Developments Rebate Reserve	13,089.00	13,089.00
- Investment Allowance Utilised Reserve	1,57,291.75	1,57,291.75
- Revaluation Reserve	15,60,772.12	17,34,077.22
Total Subsidy	<u>2,33,07,227.87</u>	<u>2,34,80,532.97</u>
Total SHAREHOLDERS FUNDS	<u>7,95,63,702.87</u>	<u>7,97,65,007.97</u>
SCHEDULE - 3		
01. SECURED LOAN :		
- From Tea Board - On Term Loan	1,22,95,850.86	97,82,683.20
(Secured against first charge on plant and machinery, building and Title Deed of Iringmara Tea Estate)		
Total Secured Loans	<u>1,22,95,850.86</u>	<u>97,82,683.20</u>
SCHEDULE - 4		
02. UNSECURED LOANS :		
Loans from Body Corporates		
- Apeksha Dealcom (P) Ltd	-	49,36,667.00
- Bacto Metals Pvt Ltd	-	34,13,333.00
- JBC International Pvt Ltd	-	9,00,000.00
- Skyline Finance Control Proj Pvt Ltd	13,645.79	13,645.79
- Comp-U-Lean Tech	5,00,000.00	-
Total Unsecured Loans	<u>5,13,645.79</u>	<u>92,63,645.79</u>
TOTAL LOAN FUNDS	<u>1,28,09,496.65</u>	<u>1,90,46,328.99</u>



GREENLINE TEA & EXPORTS LTD.

SCHEDULES TO THE BALANCE SHEET

DEPRECIATION FOR THE YEAR ENDED 30.09.2010

FIXED ASSETS SCHEDULE

SCHEDULE - 5

NAME OF THE ASSET	BALANCE	PURCHASES	SALES	TOTAL	UP	FOR THE	ADJUSTMENTS	TOTAL DEP	BALANCE	BALANCE
	AS ON 30.06.2009	DURING THE YEAR	DURING THE YEAR	AS ON 30.09.2010	TO 30.06.2009	CURRENT YEAR		UP TO 30.09.2010	AS ON 30.09.2010	AS ON 30.06.2009
- AIR CONDITIONER	39,805.00	0.00	0.00	39,805.00	39,805.00	0.00	0.00	39,805.00	-	-
- BUILDING & LABOUR LINES II	22,50,846.53	0.00	0.00	22,50,846.53	4,92,585.04	45,157.75	0.00	5,37,742.79	17,13,103.74	17,58,261.49
- BUILDING & LABOUR LINES III	17,37,393.13	0.00	0.00	17,37,393.13	3,96,462.11	35,176.11	0.00	4,31,638.22	13,05,754.91	13,40,931.02
- COMPUTER & PRINTER	81,640.00	34,000.00	0.00	1,15,640.00	66,238.11	10,069.85	0.00	76,307.96	39,332.04	49,401.89
- CYCLE	6,977.00	0.00	0.00	6,977.00	6,098.05	311.42	0.00	6,409.47	567.53	878.95
- ELECTRICAL INSTALLATION	8,07,722.73	0.00	0.00	8,07,722.73	6,57,645.76	41,250.55	0.00	6,98,896.31	1,08,826.42	1,50,076.97
- FACTORY BUILDING	67,00,276.15	0.00	0.00	67,00,276.15	34,86,999.81	2,78,657.85	0.00	37,65,657.66	29,34,618.49	32,13,276.34
- FAX MACHINE	41,372.20	0.00	0.00	41,372.20	27,338.09	2,261.10	0.00	29,599.19	11,773.01	14,034.11
- FURNITURE & FIXTURES	30,435.55	0.00	0.00	30,435.55	30,435.55	2,113.45	0.00	32,549.00	(2,113.45)	-
- IRRIGATION EQUIPMENTS	12,36,741.70	26,082.00	0.00	12,62,823.70	9,67,720.49	66,140.06	0.00	10,33,860.55	2,28,963.15	2,69,021.21
- LAND & PLANTATION	7,98,73,813.49	0.00	0.00	7,98,73,813.49	-	0.00	0.00	0.00	7,98,73,813.49	7,98,73,813.49
- MOTOR CAR	7,26,656.47	0.00	0.00	7,26,656.47	7,26,656.47	0.00	0.00	7,26,656.47	-	-
- MOTOR CYCLE	22,536.00	0.00	0.00	22,536.00	22,536.00	-	0.00	22,536.00	-	-
- PLANT & MACHINERY	96,07,396.25	0.00	0.00	96,07,396.25	74,80,753.03	5,57,696.90	0.00	80,38,449.93	15,68,946.32	21,26,643.22
- REFRIGERATOR	15,529.00	0.00	0.00	15,529.00	11,389.51	503.30	0.00	11,892.81	3,636.19	4,139.49
- ROADS & BRIDGES	56,97,814.62	0.00	0.00	56,97,814.62	9,24,239.22	1,13,998.00	0.00	10,38,237.22	46,59,577.40	47,73,575.40
- SECURITY FENCING	29,42,954.00	0.00	0.00	29,42,954.00	11,09,068.07	1,17,473.15	0.00	12,26,541.22	17,16,412.78	18,33,885.93
- STAFF QUARTERS & BUNGALOW	23,40,963.74	0.00	0.00	23,40,963.74	4,25,697.07	46,722.70	0.00	4,72,419.77	18,68,543.97	19,15,266.67
- TRUCK, TRACTOR & TRAILORS	9,24,806.35	0.00	0.00	9,24,806.35	9,24,806.35	-	0.00	9,24,806.35	-	-
- TYPE WRITER	7,897.00	0.00	0.00	7,897.00	7,355.92	460.35	0.00	7,816.27	80.73	541.08
- WATER RESERVOIR	11,80,081.00	0.00	0.00	11,80,081.00	4,35,084.84	47,162.50	0.00	4,82,247.34	6,97,833.66	7,44,996.16
- WEATHERING TROUGH	4,84,389.90	0.00	0.00	4,84,389.90	3,45,969.12	26,255.55	0.00	3,72,224.67	1,12,165.23	1,38,420.78
- WATER PUMP	-	9,500.00	0.00	9,500.00	-	350.50	0.00	350.50	9,149.50	9,500.00
- MOBILE PHONE	2,250.00	0.00	0.00	2,250.00	2,250.00	0.00	0.00	2,250.00	-	-
- WEIGHING SCALE	11,500.00	0.00	0.00	11,500.00	4,080.03	445.31	0.00	4,525.34	6,974.66	7,419.97
TOTAL	11,67,71,797.81	69,582.00	0.00	11,68,41,379.81	1,85,91,213.64	13,92,206.40	0.00	1,99,83,420.04	9,68,57,959.77	9,82,24,084.17
PREVIOUS YEAR	11,67,10,757.81	61,040.00		11,67,71,797.81	1,71,93,474.49	14,00,210.65	2,471.50	1,85,91,213.64	9,81,80,584.17	9,95,17,283.32

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GREENLINE TEA & EXPORTS LTD.

BALANCE SHEET ITEMS

PARTICULARS	AMOUNT	AMOUNT
	30.09.2010	30.06.2009
SCHEDULE - 6		
- CURRENT ASSETS & LOANS & ADVANCES		
- INVESTMENTS & DEPOSITS :		
- Quoted Equity Shares with M/s Nakamichi Securities Limited (10,000 Equity Shares of Rs.10/- each)	1,00,000.00	1,00,000.00
TOTAL INVESTMENTS & DEPOSITS	<u>1,00,000.00</u>	<u>1,00,000.00</u>
Agregate Market Value	Not Available	Not Available
SCHEDULE - 7		
- CURRENT ASSETS & LOANS & ADVANCES		
- 01. CASH & BANK BALANCES :		
a) CASH BALANCE :		
- Cash on Hand	1,33,766.13	4,68,360.26
b) BANK BALANCES :		
- Federal Bank	574.21	574.21
- Indian Bank	10,78,000.77	1,02,915.80
- Indian Bank	5,937.75	57,797.80
- U B I - 3772	7,067.50	7,067.50
- U B I - 3842	3,231.00	3,231.00
- U B I - 103613	174.79	284.79
- UCO Bank	5,323.47	5,323.47
- Indian Bank (Manager)	56,490.40	-
Total	<u>12,90,566.02</u>	<u>6,45,554.83</u>
SCHEDULE - 8		
- 02. INVENTORIES		
- Made Tea	20,05,080.00	39,88,451.20
- Stock of Stores	2,86,772.31	2,86,824.86
- Stock of nursery Plants	-	5,16,600.00
Total	<u>22,91,852.31</u>	<u>47,91,876.06</u>
SCHEDULE - 9		
- 02. DEBTORS		
- Debtors Less than Six Months	9,10,831.94	
- Debtors More than Six Months (Unsecured and considered Good)	1,46,08,423.00	1,47,95,340.00
Total	<u>1,55,19,254.94</u>	<u>1,47,95,340.00</u>



GREENLINE TEA & EXPORTS LTD.

SCHEDULE - 10

- 02. OTHER CURRENT ASSETS :

- Loans & Advances	59,14,902.05	75,18,514.71
- Deposits	2,67,936.53	2,67,936.53
- Others	-	1,76,867.97
Total	<u>61,82,838.58</u>	<u>79,63,319.21</u>

SCHEDULE - 11

- CURRENT LIABILITIES AND PROVISIONS

01. Current Liabilities :

- Trade Advances and Deposits	1,71,27,258.36	1,91,68,997.52
- Sundry Creditors For Goods and Services	82,61,045.25	72,94,486.77
- Sundry Creditors For Expenses	18,43,130.33	20,63,982.91
- Other Finances	81,25,676.65	79,79,141.77
Total	<u>3,53,57,110.59</u>	<u>3,65,06,608.97</u>

02. OUTSTANDING EXPENSES :

- Audit Fee Payable	1,00,000.00	-
- Provision for Income Tax	1,94,256.00	1,94,256.00
- Provision for Fringe Benefit Tax	1,56,075.00	1,56,075.00
Total	<u>4,50,331.00</u>	<u>3,50,331.00</u>

SCHEDULE - 13

- OTHER INCOME:

- Liabilities no longer required written off	74,33,056.22	39,78,938.32
- Misc Income	8,01,462.00	2,85,520.50
	<u>82,34,518.22</u>	<u>42,64,458.82</u>

SCHEDULE - 14

- ESTABLISHMENT EXPENSES :

- Establishment Expenses	27,31,150.13	18,57,608.06
TOTAL	<u>27,31,150.13</u>	<u>18,57,608.06</u>

SCHEDULE - 15

- MANUFACTURING EXPENSES :

- Cess on Green Leaf	4,21,722.45	2,65,044.05
- Cultivation Expenses	38,30,332.95	20,15,673.79
- Manufacturing Expenses	62,69,161.46	59,05,821.67
- Tea Chest & Components	2,87,044.77	1,95,496.58
TOTAL	<u>1,08,08,261.63</u>	<u>83,82,036.09</u>



GREENLINE TEA & EXPORTS LTD.

SCHEDULE - 16

- ADMINISTRATIVE EXPENSES :		
- Audit Fee	1,00,000.00	-
- Labour Welfare & Medical Expenses	2,40,093.02	2,03,435.99
- Loss on Food Stuff	5,39,653.84	5,25,390.37
- Employers Contribution to Provident fund	-	3,24,212.30
- Transportation Charges	3,14,060.51	3,02,965.05
- Repairs And Maintainance	11,06,920.35	7,10,520.90
- Sundry Balance Written Off	-	5,97,740.97
- Rent Rates and taxes	37,180.00	88,427.24
- Tea Selling Expenses	4,12,042.57	4,60,724.02
- Brokerage & Commission	-	2,01,293.18
- Prior Period Expenses	-	1,17,773.18
- Miscellaneous Expenses	10,38,419.96	13,70,778.27
- Employees Bonus	-	4,50,000.00
- Directors Remuneration	75,000.00	-
TOTAL	38,63,370.25	53,53,261.47

SCHEDULE - 17

- FINANCIAL EXPENSES :		
- Interest on Term Loan	25,13,167.66	-
- Interest to Others	-	16,207.64
TOTAL	25,13,167.66	16,207.64



GREENLINE TEA & EXPORTS LTD.

HANUMAIAH & CO.

Chartered Accountants

1 & 2 – Ground,
Ram's VSR Apartment,
Mogalrajpuram,
VIJAYAWADA - 520 010

SCHEDULE 'A' SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS
Annexed to and forming part of accounts for the period ended at 30th September 2010

I. SIGNIFICANT ACCOUNTING POLICIES :

1. GENERAL

- i. These accounts have been prepared on the historical cost basis unless otherwise stated and on the accounting principles of going concern.
- ii. The income and expenses have been accounted on mercantile basis, unless specifically stated to be otherwise.
- iii. Accounting policies have been adopted in consonance with generally accepted accounting principles.

2. FIXED ASSETS

Fixed assets are carried at cost of acquisition and or revalued figures less depreciation. The cost of extension planting or cultivable land including cost of development is capitalized.

3. INVESTMENTS

Investments are stated at cost. Gains/losses on sale of investments are recognized as income/expenditure. Dividend and Interest received is accounted for as and when received.

4. DEPRECIATION

- i. Depreciation has been provided on assets acquired and or purchased prior to 1.4.87 on WDV method as per the WDV rates under Schedule XIV of the companies Act, (as amended) 1956
- ii. On assets acquired after 1.4.87 on S.L.M basis as per the S.L.M Rates prescribed under XIV of the companies Act (as amended) 1956.
- iii. Depreciation for the 15 months period included depreciation on revalued items of fixed assets amounting to Rs. 1,73,305.10 and accordingly and equivalent amount has been transferred to Profit & Loss Account from Revaluation Reserve Account.

TAXATION

Current Tax is determined on the basis of the amount of tax payable under the Income Tax Act, 1961, if any. Deferred Tax Liabilities/Assets subject to consideration of prudence shall be recognized and carried forward only when there is reasonable certainty that sufficient taxable income will be available against which such Deferred Tax Liabilities/Assets can be adjusted

INVENTORIES:

Inventories are valued at under

- i. Stores and Spare parts - At cost
- ii. Stock of unsold Tea - At estimated net realizable value.
- iii. Stock of Nursery Plants - At estimated net realizable value.

CONTINGENT LIABILITIES:

Contingent liabilities have not been accounted for and are being disclosed by way of notes on accounts.



GREENLINE TEA & EXPORTS LTD.

II NOTES ON ACCOUNT

a. Contingent Liabilities not provided or:

- i. The liabilities for future payment of gratuity to employees is roughly estimated and provided to the extent of Rs 3, 02,295.34 and not based on actuarial basis.
- ii. Liabilities if any that may arise due to late payment of Central and Agricultural Income Tax, Fringe Benefit Tax, VAT, Tax deducted at source, P. F. Accumulations etc. has not been provided for the actual quantum and its effect on the profitability of current periods profit has not been ascertained by the management.

b. Share Capital

Share Capital for the period of audit was rectified to the extent of Rs. 28,000/- as compared to the previous year due to reversal of clerical error made in the year 1995-96 on account of excess amount received erroneously transferred to the share allotment account, in respect of which no shares were allotted.

- c. No provision for interest has been made on the advances or loan taken or given pending reconciliation and confirmation of balances from the parties. Balances of Sundry Debtors and creditors, loans and advances and others are subject of the confirmation from the respective parties.

d. Segment Information:

Since the company's listing is suspended at stock exchanges for more than three years, the company is exempted to provide the segment information as per the Accounting Standard-17 issued by the Institute of Chartered Accountants of India accordingly the information required under segment information has not been provided.

e. RELATED PARTY DISCLOSURES:

i) Company

Sreeco Indhan Limited	Common Director	Advance's given/taken (Net of Balances)	57, 83,750.00 (51, 83,750.00)
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f. EARNING PER SHARE:

	2009-10 (15 Months)	2008-09 (15 Months)
a) No. Of Equity Shares of Rs. 10 each	5073810	5076610
b) Profit/(Loss) (Rs. in Lacs)	30.80	24.13
c) Basis and diluted earning per share	0.61	0.48

g. DETAILS OF INVESTMENTS (AT COST)

PARTICULARS	OPENING STOCK		ADDITION		SALES		CLOSING STOCK	
	Nos	Amount	Nos.	Amount	Nos.	Amount	Nos.	Amount
QUOTED (NON TRADE)								
Equity Share								
Nakamichi Securities Ltd. 10000	100000.00		--	--	--	--	10000	100000.00
Rs.10/- each fully paid up (10,000) (1, 00,000.00)			(--)	(--)	(--)	(--)	(10000)	(100000.00)
*Aggregate Market Value *as at 30.09.10					Not Available			
*Figure in bracket indicates previous year figures.					(Not Available)			

- h. Due from Director or Managing Directors
- | | |
|------------|----------------|
| Amount due | Max Amount Due |
| NIL | NIL |

- i. Due from company in which one of the directors is interested

Sreeco Indhan Limited	51, 83,750.00	57, 83,750.00
------------------------------	---------------	---------------



GREENLINE TEA & EXPORTS LTD.

j. Additional Information	For the 15 Months Period Ended 30.09.2010	For the 15 Months Period Ended 30.06.2009
i. Salary, Wages, D.A, Gratuity, Bonus etc.	79,76,893.68	71,07,389.23
ii. Store and Spares Parts Consumed (Indigenous)	51,02,011.24	40,80,157.88
iii. Miscellaneous Expenses includes Auditors Remuneration in the following Capacities		
Audit Fees	70,000.00	47500.00
Tax Audit Fees	30,000.00	15000.00
Corporate Matters	—	—
Income Tax Matters	—	—
iv. Particulars in respect of the raw materials consumed		
Opening and closing stocks/Sales:		
a. Opening stock of Green Leaf	—	—
b. Greenleaf Plucked from Garden	1106807 Kgs.	913945 Kgs.
c. Greenleaf Purchased	—	—
d. Greenleaf Consumed	932474 Kgs.	904544 Kgs.
e. Greenleaf Sold	174333 Kgs.	9401 Kgs.
f. Closing Stock Of Green Leaf	—	—
v. The Company Manufactured Tea. The Particulars in respect of which is given below		
a. Licensed Capacity	Not Applicable	Not Applicable
b. Installed Capacity (Single Shift)	450000.00 Kgs	450000.00 Kgs
c. Opening Stock	49465.60 Kgs	43015.00 Kgs
d. Actual Production during the Year (Gross)	201677.00 Kgs	212473.00 Kgs
e. Total Saleable Tea	251142.60 Kgs	255488.00 Kgs
f. Sales (including sampling) and stock lost in transit tea waste shortage etc.,	222497.80 Kgs	206022.40 Kgs
g. Closing Stock	28644.80 Kgs	49465.60 Kgs
vi. Expenditure in foreign Currency	NIL	NIL
vii. Earning foreign exchange on export of tea calculated on E.O.B /CIF /basis	NIL	NIL
viii. Other Additional Information	Not Applicable	Not Applicable
ix. Previous years figures have been re-arranged and/or re-grouped wherever considered necessary		

Signatures to Schedule - 1 to 17
Signed in terms of our attached report of even date

for Hanumaiah & Co.
Chartered Accountants

(K Hanumaiah)
Partner
Place: Vijayawada
Date: 12.02.2011

For and On Behalf of the Board

P.V.V. Satyanarayana
Director
K. Ramesh
Director



GREENLINE TEA & EXPORTS LTD.

AUDITORS' CERTIFICATE ON CASH FLOW STATEMENT

We have examined the attached Cash Flow Statement of M/s. GREENLINE TEA EXPORTS LTD for the period ended on 30.09.2010

(AMOUNT IN RUPEES)

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 30.09.2010

A) <u>CASH FLOW FROM OPERATING ACTIVITIES :</u>		
Net Profit/Loss Before Tax and Extraordinary items		30,80,128.07
Add: Financial Expenses	25,13,167.66	55,93,295.73
ADJUSTMENT FOR:		
- Depreciation	13,92,206.40	<u>13,92,206.40</u>
Operating Profit Before Working Capital Changes		69,85,502.13
ADJUSTMENT FOR:		
- (Increase) Decrease in Stocks	25,00,023.75	
- (Increase) Decrease in Loans & Advances	17,80,480.63	
- (Increase) Decrease in Sundry Debtors	(7,23,914.94)	
- (Increase) Decrease in Other Current Asstes	0.00	
- Increase/ (Decrease) in Current Liabilities	<u>(10,49,498.38)</u>	25,07,091.06
Cash Generated from Operations		94,92,593.19
Interest Paid	(25,13,167.66)	
Direct Taxes	<u>0.00</u>	(25,13,167.66)
Cash Flow before Extra-ordinary Items		69,79,425.53
Extra-ordinary Items		0.00
NET CASH FROM OPERATING ACTIVITIES - (A)		<u>69,79,425.53</u>

for HANUMAI AH & CO.,
Chartered Accountants

Place : Vijayawada
Date : 12.02.2011

(K.Hanumaiah)
Partner.



GREENLINE TEA & EXPORTS LTD.

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 30.09.2010

(AMOUNT IN RUPEES)

B) CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(69,582.00)	
Sales of Fixed Assets	0.00	
	<hr/>	
	0.00	(69,582.00)
Decrease/(Increase) in Investments & Deposits	<hr/>	
	0.00	
		<hr/>
		0.00
Intrest Received		0.00
Dividend Received		0.00
		<hr/>
NET CASH USED IN INVESTING ACTIVITIES - (B)		(69,582.00)
		<hr/>
C) CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from issue of Share Capital	0.00	
Proceeds from Calls in Arrers	0.00	
Share Application Money Received	(28,000.00)	
Increase/(Decrease) in Borrowings	25,13,167.66	
Increase/(Decrease) in Debentures	0.00	
Increase/(Decrease) in Security Deposits	0.00	
Increase/(Decrease) in Unsecured Loans	(87,50,000.00)	
Increase/(Decrease) in Inter Corporate Deposits		0.00
Income Tax Paid	<hr/>	
	0.00	
		<hr/>
		(62,64,832.34)
NET CASH USED IN FINANCING ACTIVITIES - (C)		(62,64,832.34)
		<hr/>
Net Increase in Cash and Cash Equivalents (A+B+C)		6,45,011.19
Cash and Cash Equivalents as at 30.06.2009		6,45,554.83
Cash and Cash Equivalents as at 30.09.2010		<hr/>
		12,90,566.02

for HANUMAIAH & CO.,
Chartered Accountants

Place : Vijayawada
Date : 12.02.2011

(K.Hanumaiah)
Partner.



GREENLINE TEA & EXPORTS LTD.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No. of 1984 State Code (Refer Code List 1)
 Balance Sheet
 Date
 Date Month Year

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

Public Issue	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>	Right Issue	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>
Bonus Issue	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>	Private Placement	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="9"/> <input type="text" value="2"/> <input type="text" value="3"/> <input type="text" value="7"/> <input type="text" value="3"/>	Total Assets	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="9"/> <input type="text" value="2"/> <input type="text" value="3"/> <input type="text" value="7"/> <input type="text" value="3"/>
Sources of Funds		Reserve & Surplus	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="3"/> <input type="text" value="3"/> <input type="text" value="0"/> <input type="text" value="7"/>
Paid up Capital	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="5"/> <input type="text" value="6"/> <input type="text" value="2"/> <input type="text" value="5"/> <input type="text" value="6"/>	Unsecured Loan	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="5"/> <input type="text" value="1"/> <input type="text" value="4"/>
Secured Loan	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="2"/> <input type="text" value="2"/> <input type="text" value="9"/> <input type="text" value="6"/>	Investments	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="0"/> <input type="text" value="0"/>
Application of Funds		Misc. Expenditure	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>
Net Fixed Assets	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="9"/> <input type="text" value="6"/> <input type="text" value="8"/> <input type="text" value="5"/> <input type="text" value="8"/>	Investments	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="0"/> <input type="text" value="0"/>
Net Current Assets	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="("/> <input type="text" value="1"/> <input type="text" value="0"/> <input type="text" value="5"/> <input type="text" value="2"/> <input type="text" value="3"/> <input type="text" value=")"/>		
Accumulated Losses	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="5"/> <input type="text" value="9"/> <input type="text" value="3"/> <input type="text" value="8"/>		

IV. Performance of Company (Amount in Rs. Thousands)

Turnover	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="8"/> <input type="text" value="2"/> <input type="text" value="0"/> <input type="text" value="1"/>	Total Expenditure	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="1"/> <input type="text" value="3"/> <input type="text" value="0"/> <input type="text" value="8"/>
Other Income	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="6"/> <input type="text" value="3"/> <input type="text" value="7"/> <input type="text" value="2"/>	Increase/(Decrease) Stock	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="0"/>
Profit before Tax	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="3"/> <input type="text" value="2"/> <input type="text" value="6"/> <input type="text" value="5"/>	Profit After Tax	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="3"/> <input type="text" value="0"/> <input type="text" value="8"/> <input type="text" value="0"/>
(Please tick Appropriate box for Profit, - for loss)		Dividend	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
Earning per share in Rs.	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="0"/> <input type="text" value="."/> <input type="text" value="5"/> <input type="text" value="5"/>		

V. Generic Names of Three Principal Products/Service of Company

Item Code No.
 (ITC Code)
 Product

for Hanumaiah & Co.
Chartered Accountants

For and On Behalf of the Board

(K Hanumaiah)
Partner

K. Ramesh
Director



GREENLINE TEA & EXPORTS LTD.

GREENLINE TEA & EXPORTS LTD.

Registered Office : 14, N. S. Road, 3rd Floor, Sathi Chamber, Room No. 314B, Kolkata - 700 001

26th Annual General Meeting to be held on 28th March, 2011

At : Aseela Restaurant, Exotica Hall, 6A, S. N. Banerjee Road, Near Elite Cinema, Kolkata - 700 013
on 28th March, 2011 at 10.30 A. M.

ADMISSION SLIP

NAME OF SHARE HOLDER FOLIO NO. IWE

certify that I am/we are member(s) PROXY/REPRESENTATIVE of the member(s) of the Company holding share.

.....
Signature of member(s)/PROXY/REPRESENTATIVE

A member/proxy/representative wishing to attend the meeting must complete this Admission slip and hand it over at the entrance.

Name of the proxy/representative in BLOCK LETTERS (in case a proxy/representative attends the meeting).

Folio No.

No. of Shares

GREENLINE TEA & EXPORTS LTD.

Registered Office : 14, N. S. Road, 3rd Floor, Sathi Chamber, Room No. 314B, Kolkata - 700 001

PROXY

I/We
of being a member/members of Greenline Tea & Exports Ltd. do hereby appoint of of failing him of as my/our proxy in my/our absence to attend and vote for me/us on my/our behalf at an Annual General Meeting of the Company, to be held on 28th March, 2011 at 10.30A.M. and at any adjournment thereof.

As witness my/our hand/hands this day of2011

Signed by the said

Re. 1/-
Revenue
Stamp

Note : The Proxy must be deposited at the Registered Office of the Company not later than 48 hours before the time for holding the meeting.

BOOK POST

If undelivered please return to:
GREENLINE TEA & EXPORTS LTD
14, N. S. ROAD, 3RD FLOOR
SATHI CHAMBER, ROOM NO. 314B
KOLKATA - 700 001