

# **Longview Tea Company Limited**

**Annual Report  
for the year ended 31st March, 2013**

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BOARD OF DIRECTORS

P. K. Daga

Y. K. Daga

D. P. Birla

M. K. Agarwal

AUDITORS

Lodha & Co.

Chartered Accountants

REGISTERED OFFICE

16, Hare Street

Kolkata - 700 001

Phone : 033-2248-2391/2/3

Fax : 033-2248 9382

Website : [www.longviewtea.org](http://www.longviewtea.org)

E-mail : [info@longviewtea.org](mailto:info@longviewtea.org)

REGISTRAR & SHARE

TRANSFER AGENT

Maheshwari Datamatics Pvt. Ltd.

6, Mangoe Lane

Kolkata - 700 001

Ph : 033-2243-5029/5809, 033-2248-2248

Fax : 033-2248-4787

E-mail : [mdpl@cal.vsnl.net.in](mailto:mdpl@cal.vsnl.net.in)

[mdpdc@yahoo.com](mailto:mdpdc@yahoo.com)

**NOTICE**

NOTICE is hereby given that the Annual General Meeting of the members of Longview Tea Company Limited will be held at Committee Room of Calcutta Chamber of Commerce at 18H, Park Street, Kolkata - 700 071 on Thursday, the 8th August, 2013 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 31st March, 2013 and Profit & Loss Account for the year ended as on that date together with the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Pradip Kumar Daga, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Durga Prasad Birla, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

*Regd. Office :*  
16, Hare Street,  
Kolkata - 700 001  
Date : 30th May, 2013

By Order of the Board

Y. K. Daga  
*Director*

**Notes :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF COMMENCEMENT OF THE MEETING.
2. Register of Members and Share Transfer books shall remain closed from 05/08/2013 to 08/08/2013 (both days inclusive).
3. Members/Proxies should fill the attendance slip for attending the meeting.
4. *Members are requested to notify any change in their address recorded with the Company to the Registrar & Share Transfer Agent M/s. Maheshwari Datamatics Pvt. Ltd., 6, Mangoe Lane, Kolkata - 700 001.*
5. All documents referred to in the notice and explanatory statement to this notice are open for inspection for members at the Registered Office of the Company during office hours on all working days except Saturday between 11.00 A.M. to 1.00 P.M. up to the date of Annual General Meeting of the Company.
6. Members are requested to get their shareholding in the Company dematerialized for proper communication with them. Members are also requested to furnish their email address to their respective DP to enable the Company to communicate electronically and send their consent for the same to the Company's Registrar and/or to the Company.
7. Members holding physical share Certificates are requested to inform to the Company's Registrar their email address and send their consent to communicate electronically including sending annual report.

**Information required to be furnished under clause 49 of the  
Listing Agreement in respect of the Appointment/Re-appointment of the Directors**

<b>Name of the Director</b>	<b>Shri Pradip Kumar Daga</b>	<b>Shri Durga Prasad Birla</b>
Date of Birth	24/04/1937	17/12/1926
Date of Appointment	29/12/1956	07/09/2002
Qualification	B. Com	Under Matriculate
Expertise	Industrialist with Varied Experience particularly in Tea, Textiles, Spinning and Engineering	Trading and Exports
Directorship in other Companies as on 31st March, 2013	Century Textiles & Industries Limited, Deepak Gears Limited, Deepak Spinners Limited, Deepak Industries Limited	Mangalam Products Private Limited
Membership/Chairmanship in Other Public Companies as on March 31, 2013	Membership in Audit Committee, Shareholders/ Investors Grievance Committee and Finance Committee in Century Textiles & Industries Limited	NIL
Number of shares held	504759	NIL
Relationship with other Directors	Shri Yashwant Daga is son of Shri Pradip Kumar Daga	No

## DIRECTORS' REPORT

### TO THE SHAREHOLDERS

Your Directors are pleased to present the Annual Report along with the Audited Accounts of the Company for the year ended 31st March, 2013.

### FINANCIAL RESULTS

	(Rs)
Profit /(Loss) before Tax	84,28,590
Tax	16,06,100
Profit after Tax	68,22,490
Balance brought forward from previous year	(1,29,30,541)
Balance Carried Forward	(61,08,051)

### DIVIDEND

In view of accumulated losses, your Directors regret their inability to recommend any dividend.

### REVIEW OF OPERATION

Your Company is engaged in the trading activity of tea and ferrous metals and surplus funds of the Company has been invested in inter-corporate deposits and shares of the bodies corporate. The current year performance is expected to be in line with the previous year.

### DIRECTORS

Shri Pradip Kumar Daga and Shri Durga Prasad Birla retire at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

### AUDITORS AND AUDITORS' REPORT

The retiring auditors M/s Lodha & Co., Chartered Accountants, Kolkata retire at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

The notes appended to the accounts and referred to in the Auditors' Report are self-explanatory and therefore, do not call for any further comments or explanations.

### COMPLIANCE CERTIFICATE

As prescribed under Companies (Compliance certificates) Rules, 2001, compliance certificate from a practicing company secretary has been obtained and annexed to this report.

### CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION ANALYSIS REPORT

A report on Corporate Governance and Management Discussion and Analysis as per Clause 49 of the Listing Agreement with Stock Exchange is attached to the Annual Report.

### DIRECTORS RESPONSIBILITY STATEMENT

Your Directors confirm :

1. That in the preparation of the Annual Accounts, the applicable accounting standards have been followed.
2. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit/Loss of the Company for that period.
3. That Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and detecting fraud and other irregularities.

4. That the Directors have prepared the annual accounts on a going concern basis.

**ADDITIONAL INFORMATION**

Since the Company is not into any manufacturing activities at present, particulars as required under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 are not applicable.

**PARTICULARS OF EMPLOYEES**

There are no employees drawing remuneration prescribed under the provisions of Section 217(2A) and rules framed there under.

**LISTING FEES**

Your Company is listed on Calcutta, Bombay and Delhi Stock Exchanges and listing fees of the exchanges for the year 2013-14 have been paid.

**ACKNOWLEDGEMENT**

Your Directors record their appreciation of assistance and co-operation extended to the Company by the bankers and other authorities. Your Directors are also thankful to all the employees for their co-operation and devoted efforts.

*Regd. Office :*  
16, Hare Street,  
Kolkata - 700 001  
Dated : 30th May, 2013

P. K. DAGA  
Y K DAGA  
M. K. AGARWAL  
D. P. BIRLA  
*Directors*

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**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The business of the company consists of tea and ferrous metal trading although the surplus funds have been invested in inter-corporate loans and shares of bodies corporates to realize better returns on surplus funds.

**Industry Structure & Development**

The Company is presently engaged in the business of tea trading and with the increase in population in the country, the demand for tea is rising every year. The production of tea is dependent on the monsoon every year.

**Outlook**

The demand for the tea is improving in both domestic as well as foreign markets.

**Risk and Concerns**

For a trading company timely realization of the bills are major risk and high input cost, lack of skilled labour and transportation cost appear to be major concerns.

**Internal Control System and Adequacy**

The Company has in place adequate internal control systems and procedures commensurate with the size and nature of business.

**Financial Performance**

This has already been discussed in the Directors' report and the Annual accounts of the Company may please be referred in connection therewith.

**Human Resources**

Industrial relation remained normal. As on 31/03/2013, there are three employees in the Company.

**REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED 31st MARCH, 2013****COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE**

The Company believes in adopting the best practices in the area of Corporate Governance Practice.

**BOARD OF DIRECTORS****COMPOSITION, OUTSIDE DIRECTORSHIPS, AND ATTENDANCE AT THE BOARD MEETING**

The Board of Directors of the Company consists of Non-Executive Promoter Chairman and others Non-Executive Directors with fifty percent of the Directors being independent Directors.

Name of Director	Category	Directorship in other Companies*		No. of Membership/ Chairmanship of Board committees in other Companies	
		As Director	As Chairman cum Managing Director	As Member	As Chairman
Shri Pradip Kumar Daga	Promoter Non-independent and Non-Executive Director	2	2	3	--
Shri Yashwant Daga	Promoter Non-Independent and Non-Executive Director	9	--	8	--
Shri Durga Prasad Birla	Independent Non-Executive Director	1	--	--	--
Shri Manoj Kumar Agarwal	Independent Non-Executive Director	8	--	--	--

\* excludes alternate Directorships, Directorship in foreign Companies and Companies formed under section 25 of the Companies Act, 1956.

Shri Pradip Kumar Daga and Shri Yashwant Daga are related to each other and no other Director is related to other. Shri Pradip Kumar Daga is father of Shri Yashwant Daga.

**BOARD MEETINGS**

Dates for the Board meeting are decided well in advance and communicated to the each Director. The Agenda along with the notes are sent in advance to the Board members.

The Board of Directors met seven times during the year on 29th May, 2012, 11th July, 2012, 13th August, 2012, 10th September, 2012, 10th November, 2012, 30th November, 2012 and 9th February, 2013.

Name of the Director	No. of Board Meetings Attended	Attended Last AGM
Shri Pradip Kumar Daga	7	Yes
Shri Yashwant Daga	6	No
Shri Durga Prasad Birla	7	Yes
Shri Manoj Kumar Agarwal	4	No

Shareholding of the Non-Executive Directors in the Company as on 31st March, 2013

Name of the Director	No of equity shares held as on 31st March, 2013
Shri Pradip Kumar Daga	504759
Shri Yashwant Daga	112500
Shri Durga Prasad Birla	—
Shri Manoj Kumar Agarwal	—

The information as required under Annexure 1A to clause 49 of the listing agreement is being made available to the Board.

The Company has adopted Code of Conduct and Ethics for Directors and senior Management Personnel of the Company. The Company has received confirmations from the Directors as well as Senior Management Personnel regarding compliance of the Code during the year under review.

Shri O.P. Dokania, CFO has given a certificate to the Board of Directors in pursuance of Clause 49(I)(D) of the Listing Agreement with the Stock Exchanges.

**DECLARATION BY THE CFO UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING ADHERENCE OF THE CODE OF CONDUCT.**

In accordance with Clause 49 sub-clause I(D) of the Listing Agreement with the Stock Exchanges, I hereby confirm that all the Directors and the Senior Management personnel of the Company have affirmed compliance to Code of Conduct and Ethics for the Financial Year ended 31.03.2013.

Kolkata, 30th May, 2013

O P Dokania  
Chief Financial Officer

**AUDIT COMMITTEE**

The Audit Committee comprises of four non-executive Directors. Shri D. P. Birla, Chairman, Shri P. K. Daga, Shri Yashwant Daga and Shri M. K. Agarwal as Members.

The terms of reference of the Audit Committee are in conformity with the requirements as per clause 49 of the Listing Agreement with the Stock Exchanges. The audit committee inter-alia reviews quarterly/ annual financial statements, accounting policies, system of internal controls, reports of internal auditors, recommend the appointment of statutory auditors and ensure compliance with stock exchange and other legal requirements.



The Audit Committee met four times during the year respectively on 29th May, 2012, 13th August, 2012, 10th November, 2012 and 9th February, 2013.

The attendance of each member of the committee is given below. Statutory Auditor also try to attend the Meeting on the invitation of the Chairman of the meeting.

Name of the Director	No. of Board Meetings	
	Held	Attended
Shri Pradip Kumar Daga	4	4
Shri Yashwant Daga	4	3
Shri Durga Prasad Birla	4	4
Shri Manoj Kumar Agarwal	4	2

#### DETAILS OF REMUNERATION PAID TO DIRECTORS (01-04-2012 TO 31-3-2013)

The Directors of the Company have been paid only sitting fees for attending meetings of the Board of Directors and Committee meetings.

#### SHAREHOLDER/INVESTORS GRIEVANCES COMMITTEE

The Committee comprises of three Non-Executive Directors namely, Shri Pradip Kumar Daga, Chairman, Shri Yashwant Daga and Shri Durga Prasad Birla as Members. The committee deals with the shareholder's complaints and grievance etc. As per the Certificates furnished by the Registrar & Share Transfer Agents M/S Maheshwari Datamatics Private Limited, the Company received three investor complaints during the year ended 31st March, 2013 and all were resolved and there is no pending complaint as on 31st March, 2013.

The Committee met one time during the year on 09/02/2013 and all the Members of the Committee were present in the meeting.

#### SHARE TRANSFER SYSTEM

Share transfers documents are being registered and relevant certificate returned within a period of 15 days from the date of receipt if the documents are clear in all respects as per provisions of listing agreement. The transfer documents are being approved by the Secretary/Director of the Company. The Company has authorized its Share Registrar and Transfer Agents to approve and register the Transfer.

There was no pending request for share transfer etc. as on 31st March, 2013.

#### SUBSIDIARIES COMPANIES

The Company does not have any subsidiary Company.

#### ANNUAL GENERAL MEETINGS

Locations, date and time of last three Annual General Meetings are as follows :

Year	Location	Date	Time
2009-10	Calcutta Chamber of Commerce 18H, Park Street, Kolkata- 700 071	31st July, 2010	10.30 A.M
2010-11	- do -	25th August, 2011	10.30 A.M
2011-12	- do -	14th August, 2012	10.30 A.M

No Extra -Ordinary General Meeting was held during the year but two meetings for declarations of the postal ballot results were held on 24/08/2012 and 29/11/2012.

One Special Resolution was passed during last three Annual General Meetings.

Two postal ballot process were conducted by the Company to pass four special resolutions governed by postal ballot rules in the last year and no ballot process is proposed in the forthcoming AGM.

#### DISCLOSURES

The Company has not entered into any transaction of material nature with the related parties, which may have potential conflict with the interests of the Company. The Company has fully complied with all the requirements of regulatory authorities on Capital Markets and consequently, no penalties/ strictures have been imposed against it during the last three years.

Details of related party transactions during the year ended the 31st March, 2013 have been set out under an appropriate note in Schedule to the Audited Annual Accounts of the Company for the year ended 31st March, 2013. However, these transactions have no potential conflict with the interest of the Company at large.

Management Discussion and Analysis is part of Annual Report. Shareholders information section forms part of the Annual Report.

Reconciliation of Share Capital Audit is carried out by Practicing Company Secretaries on quarterly basis to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) with the total issued and listed capital. The reconciliation audit confirms that the total issued /paid up capital is in agreement with the total number of shares in physical form and total number of dematerialized shares held with NSDL and CDSL.

#### MEANS OF COMMUNICATION

There is no practice to send half-yearly report to each shareholder. Company is regularly publishing all its quarterly, half yearly and yearly results in print media in English and local language Bengal Leader and Dainik Lipi respectively which are widely circulated in West Bengal.

The Company has a website [www.longviewtea.org](http://www.longviewtea.org) to display the Quarterly/Annual Results. Official News: presentation made to the Investors/ Analysts and other stakeholders of the Company.

#### GENERAL SHAREHOLDERS INFORMATION

- |  |  |
|--|--|
| i) Date, time and venue of forthcoming AGM                 | : Thursday, the 8th August, 2013 at 10.30 A.M. at Committee Room of Calcutta Chamber of Commerce at 18H, Park Street, Kolkata - 700 071. |
| ii) Financial Calendar 2013-2014 (Tentative)               |  |
| First Unaudited Quarterly Results                          | - Before middle of August, 2013  |
| Second Unaudited Quarterly Results                         | - Before middle of November, 2013  |
| Third Unaudited Quarterly Results                          | - Before middle of February, 2014  |
| Audited yearly Results for the year ended 31st March, 2013 | - Before end of May, 2014  |
| iii) Book Closure Date                                     | : 05-08-2013 to 08-08-2013 (both days inclusive )  |
| iv) Payment of Dividend                                    | : No Dividend has been proposed for the year 2012-13.  |

- v) Listing on Stock Exchanges at : Calcutta, Bombay and Delhi Stock Exchanges.
- vi) Annual Listing fees : Listing fee has been paid for and upto the year 2013-14
- vii) ISIN No. of the Company : INE696E01019
- viii) Stock Codes
- a. Calcutta Stock Exchange : 10022083
- b. Bombay Stock Exchange : 526568
- c. Delhi Stock Exchange : 7542

#### MARKET PRICE DATA

Bombay Stock Exchange (BSE) on which the shares of the company are mostly traded. (Rs.)

Month/Year	Open	High	Low	Close	No of Shares
April, 2012	7.71	8.15	6.33	7.00	8400
May, 2012	6.66	7.35	6.30	6.34	8700
June, 2012	6.65	8.05	6.32	7.90	9893
July, 2012	8.23	12.07	7.80	11.70	9403
August, 2012	11.13	15.73	10.69	14.14	6731
September, 2012	13.44	15.95	10.31	10.33	92281
October, 2012	9.85	11.38	7.85	10.00	21299
November, 2012	9.52	9.75	8.17	8.23	6792
December, 2012	8.54	15.36	8.01	15.24	15727
January, 2013	15.50	16.10	13.45	13.45	40937
February, 2013	13.19	15.01	12.71	15.00	9685
March, 2013	15.29	18.74	14.41	17.99	3969

There has been practically no trading of the Company's Share on other Stock Exchanges.

The performance of the Company's Shares can not be compared with the BSE Senscx for reasons of low liquidity.

#### REGISTRAR AND TRANSFER AGENT :

Maheshwari Datamatics Pvt.Ltd.  
 2nd Floor, 6, Mangoe Lane., Kolkata - 700 001  
 Phone : 033-2243-5809; 2243-5029  
 Fax : 033-2248-4787  
 E-mail : mdpl@cal.vsnl.net.in  
 Website : www.mdpl.in

**PATTERN AND DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2012**

Category	No. of Shares held	% of total paid up Capital
Promoters & Promoters Group	1315309	43.89
Mutual Funds	2000	0.07
Financial Institutions & Banks	112400	3.75
Bodies Corporate	37374	1.25
Resident Individual	1529414	51.04
Clearing Member	3	0.00
<b>TOTAL</b>	<b>2996500</b>	<b>100.00</b>

From	To	No. of shares held	% of total paid up capital	No. of Shareholders	% of total no. of Shareholders
Up to	500	993087	33.14	8472	97.07
501	1000	115578	3.86	146	1.67
1001	2000	90780	3.03	60	0.69
2001	3000	47287	1.58	18	0.21
3001	4000	10400	0.35	3	0.03
4001	5000	37442	1.25	8	0.09
5001	10000	65625	2.19	9	0.10
10001	above	1636301	54.60	12	0.14
<b>Total</b>		<b>2996500</b>	<b>100.00</b>	<b>8728</b>	<b>100.00</b>

**DEMATERIALIZATION OF SHARES AND LIQUIDITY**

The Company's shares are available for dematerialization with CDSL and NSDL. The equity shares of the Company are under compulsory Demat trading for all the categories of investors. As on 31st March 2013, 1835804 equity shares comprising 61.26% stood dematerialized.

The Company has not issued any GDRs / ADRs/ Warrants or any Convertible instruments, which may have likely impact on Equity shares of the Company.

**PLANT LOCATION**

The Company has no plant.

**ADDRESS FOR CORRESPONDENCE**

Longview Tea Company Limited  
16, Hare Street, Kolkata – 700 001  
Phone Nos : 033-2248-2391/2/3  
Fax : 033-2248-9382  
E-mail : info@longviewtea.org

**CFO CERTIFICATION**

The Chief Financial Officer (CFO) of the Company gives the annual certification on the financial reporting and internal controls to the Board in terms of clause 49 of the listing agreement. The CFO also gives quarterly certification on the financial results while placing the financial results before the Board in terms of clause 41 of the listing Agreement.

The Board of Directors at its meeting held on 30th May, 2013 adopted the above report.

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

The Members  
Longview Tea Company Limited  
16, Hare Street  
Kolkata 700 001

We have examined the compliance of the conditions of Corporate Governance of M/s. Longview Tea Company Limited of 16, Hare Street, Kolkata 700001 for the year ended on 31st March, 2013, as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchanges in India.

The Compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination is limited to the procedure and implementation thereof adopted by the Company for ensuring the Compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statement of the Company.

In our opinion and to the best of our information and explanation given to us which to the best of our knowledge & belief were necessary for the purpose of issuance of this certificate we hereby certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned clause of the Listing Agreement.

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

Place : 9, Crooked Lane  
Kolkata 700 069  
Date : 30th day of May, 2013

**For Drolia & Company**  
*Company Secretaries*

Pravin Kumar Drolia  
*Proprietor*  
(CP 1362)

**COMPLIANCE CERTIFICATE**

CIN NO of the Company : L 15491 WB 1879PLC000377

Nominal Capital : Rs. 4,00,00,000/-

Paid up Capital : Rs. 3,21,33,900/-

The Members

LONGVIEW TEA COMPANY LTD.

16, Hare Street

KOLKATA - 700 001

We have examined the registers, records, books & papers of M/S LONGVIEW TEA COMPANY LTD (The Company), as required to be maintained under the Companies Act, 1956 (The Act) and the Rules made thereunder and also the provisions contained in the Memorandum & Articles of Association of the Company for the financial year ended on 31st March, 2013. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of aforesaid financial year :

1. The Company has kept and maintained all the registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the Rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate with the Ministry of Corporate Affairs under the Companies Act, 1956 and the Rules made thereunder. However, no forms or returns were required to be filed with the Regional Director, Central Government, Company Law Board or other authorities.
3. The Company being a Public Limited Company, the restrictions clauses as provided in Section 3(1) (iii) of the Companies Act '1956 are not applicable.
4. The Board of Directors of the Company duly met seven times respectively on 29th May'12, 11th July'12, 13th August'12, 10th September'12, 10th November'12, 30th November'12 and 9th February'13 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. The Company has not passed any Board resolution by circulation.
5. The Company has closed its Register of Members for transfer or other purposes during the above financial year from 10/08/2012 to 14/08/2012 both days inclusive and fixed 13/07/2012 and 12/10/2012 as reckoning date for entitlement for postal ballot voting for resolution passed through postal ballot on 24/08/2012 and 29/11/2012 respectively.
6. The Annual General Meeting of the Company for the financial year ended on 31st March'2012 was held on 14th August'2012 after giving due notice to the Members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the aforesaid financial year. However, two postal ballot process under section 192A have been carried out by the Company of which the results have been declared on 24/08/2012 and 29/11/2012 and for which the necessary forms 62 were filed with the ROC, WB on 28/07/2012 and 31/10/2012.

8. The Company has not advanced loan to its Director and/or persons, firms or companies referred to in Section 295 of the Act.
9. The Company has not entered into any contract falling within the purview of Section 297 of the Act.
10. The Company has entered into contract or arrangement which is required to be entered in the Register maintained under Section 301 of the Act and made necessary entries there on, wherever applicable.
11. As there are no instances falling within the purview of Section 314 of the Act, the Company has not obtained approvals from the Board of Directors, Members or Central Govt.
12. The Company has not issued any duplicate Share Certificate during the financial year under review.
13. The Company has:
  - a) not made allotment of Equity Shares or any other Security during the year under review.
  - b) delivered all the instruments thereof for transfer/transmission or any other purpose during the above financial year within the time stipulated as per Companies Act and as per listing agreement,
  - c) not required to deposit any amount in a separate bank account for dividend as no dividend was declared during the above financial year.
  - d) not required to post dividend warrants to any of its Members as no dividend was declared during the above financial year.
  - e) no amount lying outstanding in unpaid Dividend account or under any other head for more than seven years , which are required to be transferred to IEPF under Section 205C of the Act,
  - f) duly complied with the requirement of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of additional Director, alternate Director or Director to fill causal vacancy during the above financial year.
15. The Company has not appointed any Managing Director/Whole time Director/Manager during the above financial year.
16. The Company has not appointed any Sole-selling Agent during the above year under review.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board and Regional Director. However, the Company has got the necessary certificate from Registrar of Companies (West Bengal) registering the alteration in object clause of MOA as per provisions of Section 17 read with Section 18 of the Act.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the Rules made there under.
19. The Company has not issued any Shares/Debentures/other Securities during the above financial year.
20. The Company has not bought back any Share during the above financial year.

21. The Company has not redeemed any redeemable preference Share and/or Debenture during the above financial year.
22. There was no transaction necessitating the Company to keep in abeyance the right to Dividend, Rights Share and Bonus Share pending registration of transfer of Shares.
23. The Company has not invited/accepted any deposits including any unsecured loan falling within the purview of Section 58A of the Act during the above financial year under review.
24. The Company has not borrowed any amount during the above financial year under Section 293(1) (d) of the Act from Financial Institution, Bank, other Bodies Corporate and others. The amount borrowed by the Company during the year under review was for ordinary course of Business.
25. The Company has granted loan and advances to other Bodies Corporate as per provisions of the Section 372A of the Act and has also made investment in Equity or other securities of other Bodies Corporate upon necessary approval by special resolution under Section 372A of the Companies Act, 1956 passed through postal ballot on 24/08/2012 and 29/11/2012.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the above financial year.
27. The Company has altered the provisions of Memorandum with respect to the objects of the Company during the above financial year as per applicable provisions of the Act of listed companies.
28. The Company has not altered the provisions of Memorandum with respect to name of the Company during the above financial year.
29. The Company has not altered the provisions of Memorandum with respect to Share Capital of the Company during the above financial year.
30. The Company has not altered its Articles of Association during the above financial year .
31. There was no prosecution initiated against or show cause notice received by the Company during the above year for offence under the various provisions of the Act.
32. The Company has not received any money as security from its employees during the above financial year.
33. The Company has deposited both the employer's and employee's contribution to Provident fund pursuant to Section 418 of the Act with prescribed authorities within stipulated time period during the aforesaid financial year.

**For Drolia & Company**  
*Company Secretaries*

Place : 9, Crooked Lane  
Kolkata 700 069  
Date : 30th May, 2013

Pravin Kumar Drolia  
*Proprietor*  
(CP 1362)



**ANNEXURE : A****Registers as maintained by the Company**

<u>SL. NO.</u>	<u>PARTICULARS</u>	<u>SECTION</u>
1.	Register of Members	150
2.	Directors Minutes Book	193
3.	Shareholders Minutes Book	193
4.	Register of Directors	303
5.	Share transfer register	—
6.	Register of Director's Shareholding	307
7.	Register of Contracts and Arrangements in which Directors are interested	301
8.	Books of Accounts	209
9.	Register of charges	143

**ANNEXURE : B**

Forms and Returns as filed by the Company with the Ministry of Corporate Affairs during the financial year ended on 31st March, 2013.

<u>Sl. No.</u>	<u>Form No./Return</u>	<u>Date of filing</u>	<u>Filed under Section</u>	<u>Whether filed within prescribed time (Yes/No)</u>	<u>If delay in filing whether requisite additional Fee paid</u>
1.	Form 23 dated 29/11/12 for passing special resolution u/s 372A through postal ballot	01/12/2012	192	Yes	N/A
2.	Balance Sheet and P&L A/c for the F/Y 31/03/12 in e form of XBRL 23AC/23ACA	08/01/2013	220	Yes	N/A
3.	Annual Return made up to 14/08/2012 in e- form 20B	04/10/2012	159	Yes	N/A
4.	Form 66 for financial year ended 31st March, 2012	12/09/2012	383A	Yes	N/A
5.	Form 23 dated 24/08/12 for passing Special Resolution u/s 17 and 149(2A) through postal ballot	18/09/2012	192	Yes	N/A
6.	Form 20A dated 24/08/2012 for commencement of new business u/s 149(2A)	21/09/2012	149(2A)	Yes	N/A
7.	Form 62 for filing documents of postal ballot	28/07/2012		Yes	N/A
8.	Form 62 for filing documents of postal ballot	31/10/2012		Yes	N/A

## INDEPENDENT AUDITOR'S REPORT

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

### 1) **Report on the Financial Statements**

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

### 2) **Management's Responsibility for the Financial Statements**

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

### 3) **Auditor's Responsibility**

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

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

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

### 4) **Opinion**

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

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at **March 31st 2013**;
- (b) In the case of the Statement of profit and loss, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**5) Report on Other Legal and Regulatory Requirements**

- i. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the **Annexure** a statement on the matters specified in paragraphs 4 and 5 of the Order.
- ii. As required by section 227(3) of the Act, we report that:
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting standards referred to in sub section (3C) of Section 211 of the Companies Act 1956;
  - e. On the basis of written representations received from the directors as on March 31st 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31st 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
  - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under Section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For **LODHA & CO.**  
Chartered Accountants  
Firm ICAI Registration No.: 301051E

**H.K. Verma**  
*Partner*  
Membership No. 055104

Place : Kolkata  
Date : 30th May 2013

**ANNEXURE TO THE AUDITORS' REPORT**

(Referred to in paragraph 5 of our Audit Report of even date)

- 1) As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, and on the basis of such verification of the books and records as considered appropriate and available and according to the information and explanations given to us, we report that:
  - i)
    - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
    - (b) The fixed assets are physically verified by the management which in our opinion is reasonable having regard to the size of the company and the nature of its fixed assets. As informed, no material discrepancies were noted on such verification.
    - (c) The Company has not disposed off substantial part of its fixed assets during the year.
  - ii) The Company is engaged in trading of tea and ferrous metals. Stock of tea or ferrous metals is physically verified at the time of sale. The company does not have any inventory at the year end. Keeping in view, the nature of operations, in our opinion, the procedures for physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
  - iii)
    - a) The Company has granted unsecured loan to one company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount outstanding at any time during the year and year-end balance of such loan given aggregating to Rs. 9,48,89,000 and Rs. 7,69,58,574 respectively.
    - b) According to the information and explanations given to us, the rate of interest and other terms and conditions on which such loan granted were prima facie not prejudicial to the interest of the company.
    - c) According to the information and explanations given to us, stipulation and repayment terms on which this loan is given on demand basis. The company was regular in receipt of interest.
    - d) In respect of the loan granted there was no amount overdue at the year-end.
    - e) The company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly clauses 4(iii) (c) to (g) of the Companies (Auditors' Report) Order, 2003 are not applicable.
  - iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, plant and machinery, equipment and other assets.
  - v) According to the information and explanation given to us, we are of the opinion that the company has entered all the transactions required to be entered in the register maintained under section 301 of the Companies Act, 1956.
  - vi) The Company has not accepted any public deposits during the year. Therefore, the provisions of the clause 4(vi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

- vii) The Company's internal audit has been carried out by a firm of Chartered Accountants. The internal audit system in respect of areas covered is commensurate with the size and nature of the business of Company.
- viii) There is no requirement for maintenance of cost records under section 209(1)(d) of the Companies Act, 1956.
- ix) (a) According to the records of the Company, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Investment Education & Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other statutory dues applicable to it. There are no such dues outstanding as on 31<sup>st</sup> March 2013 for a period of more than six months from the date these became payable.
- (b) According to the records of the Company, there are no undisputed dues of Wealth Tax, Custom Duty and Cess except Income Tax, Sales tax, Excise Duty that have not been deposited on account of dispute as per the statement on disputed dues given as under. Details were made available for our verification in respect of demand of Rs. 2,43,748 on account of Agricultural Income Tax.

Particulars	Assessment Year	Amount (Rs.)	Forum where appeal is pending
Excise Duty	1999-2000	7,92,688	High Court, Calcutta
Sales Tax	1977-78; '78-'79; '79-'80 & '80-'81	1,65,658	No details were made available as the forum where appeal is pending
	1995-'96	3,08,095.51	Assistant Commissioner
	1998-'99	19,34,613.28	Assistant Commissioner
	2000-'01	1,46,090	Tribunal

- x) Based on the financial statements covered pursuant to this report, the accumulated losses of the Company has not exceeded 50% of its net worth at the end of the financial year and the Company has not incurred cash losses during the financial year or in the immediately preceding financial year.
- xi) The Company has not borrowed any money from banks, financial institution and agencies and as such the provisions of clause 4(xi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xii) The Company has not granted any loans and advances on the basis of security provided by way of pledge of shares. Accordingly, the provisions of clause 4(xii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xiii) According to the information and explanations given to us, the Company is not a chit fund, mutual benefit fund/society. Accordingly, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xiv) In respect of investments made by the Company in Shares, Securities, Debentures, etc., proper records have been maintained. These investments are held in the name of the Company.
- xv) According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions and as such the provisions of clause 4(xv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

- xvi) In our opinion and according to the information and explanations given to us, the Company has not obtained any term loans during the year. Accordingly, the provisions of clause 4(xvi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, no short-term funds have been used for long term investments during the year.
- xviii) The Company has not made any preferential allotment of shares during the year. Therefore the provisions of the clause 4(xviii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xix) The Company has not issued any debentures during the year. Accordingly, the provisions of clause 4(xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xx) The Company has not raised money by public issue during the year. Therefore, the provisions of the clause 4(xx) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xxi) During the course of our examination of the books of accounts carried out in accordance with the generally accepted auditing practices in India, we have neither come across any incidence on or by the Company nor have we been informed of any of such case by the management.

For **LODHA & CO.**  
Chartered Accountants  
Firm ICAI Registration No. 301051E

Place : Kolkata  
Date : 30 th May 2013

**H.K. Verma**  
*Partner*  
Membership No. 055104

**BALANCE SHEET AS AT 31ST MARCH, 2013**

Particulars	Note No.	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' funds</b>			
(a) Share capital	2	32,133,900	32,133,900
(b) Reserves and surplus	3	73,899,699	67,077,209
		<b>106,033,599</b>	<b>99,211,109</b>
<b>(2) Non-current liabilities</b>			
(a) Long-term borrowings	4	5,978,000	3,219,000
(d) Long-term provisions	5	889,347	819,116
		<b>6,867,347</b>	<b>4,038,116</b>
<b>(3) Current liabilities</b>			
(b) Trade payables	6	227,606	199,244
(c) Other current liabilities	7	846,064	4,188,606
		<b>1,073,670</b>	<b>4,387,850</b>
<b>TOTAL</b>		<b>113,974,616</b>	<b>107,637,075</b>
<b>II ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets	8		
(i) Tangible assets		23,257	39,433
(b) Non-current investments	9	30,535,460	535,460
(c) Deferred tax assets (net)	10	-	-
(d) Long-term loans and advances	11	847,763	826,080
		<b>31,406,480</b>	<b>1,400,973</b>
<b>(2) Current assets</b>			
(c) Trade receivables	12	-	3,500,401
(d) Cash and bank balances	13	190,094	195,557
(e) Short Term Loans & Advances	14	82,378,042	102,540,144
		<b>82,568,136</b>	<b>106,236,102</b>
<b>TOTAL</b>		<b>113,974,616</b>	<b>107,637,075</b>

Significant Accounting Policies & notes on financial Statement (Note 1 to 20) are an integral part of the Financial Statements

As per our Report of even date  
For **LODHA & CO.**

Chartered Accountants  
Registration No. 301051E

**H. K. VERMA**

Partner

Membership No. 55104  
14, Government Place East  
Kolkata - 700 001

Date : 30th day of May, 2013

P. K. DAGA  
Y. K. DAGA  
M. K. AGARWAL  
D. P. BIRLA  
Directors

**PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013**

Particulars	Note No.	Year ended 31.03.2013 Rupees	Year ended 31.03.2012 Rupees
I. Revenue from operations	15	11,422,307	10,931,109
II. Other income	16	11,466,979	11,276,985
III. <b>Total Revenue (I + II)</b>		<b>22,889,286</b>	<b>22,208,094</b>
IV. <b>Expenses :</b>			
Purchases of Stock-in-Trade		11,077,940	10,745,955
Employee benefits expense	17	1,996,603	2,031,158
Finance costs	18	469,789	333,467
Depreciation and amortization expense		4,176	4,797
Other expenses	19	912,188	1,003,817
<b>Total expenses</b>		<b>14,460,696</b>	<b>14,119,194</b>
V. Profit before exceptional and extraordinary items and tax (III-IV)		8,428,590	8,088,900
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax (V - VI)		8,428,590	8,088,900
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII- VIII)		8,428,590	8,088,900
X. Tax expense :			
(1) Current tax		1,606,100	1,541,300
XI. <b>Profit (Loss) for the period from continuing operations (IX-X)</b>		<b>6,822,490</b>	<b>6,547,600</b>
XII. Profit/(loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. <b>Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>		<b>-</b>	<b>-</b>
XV. <b>Profit (Loss) for the period (XI + XIV)</b>		<b>6,822,490</b>	<b>6,547,600</b>
Earnings per equity share:			
(1) Basic		2.28	2.19
(2) Diluted		2.28	2.19

*Significant Accounting Policies & notes on financial Statement (Note 1 to 20) are an integral part of the Financial Statements*

As per our Report of even date

For **LODHA & CO.**

Chartered Accountants

Registration No. 301051E

**H. K. VERMA**

Partner

Membership No. 55104

14, Government Place East

Kolkata - 700 001

Date : 30th day of May, 2013

P. K. DAGA  
Y. K. DAGA  
M. K. AGARWAL  
D. P. BIRLA  
Directors



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013**

	For year ended 31.03.2013 Rupees	For year ended 31.03.2012 Rupees
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax & extra ordinary item	8,428,590	8,088,900
Adjustment for :		
Depreciation	4,176	4,797
Sundry Balances Written back	(521,226)	(717,896)
Profit on Sale of Fixed Assets	(338,000)	-
Interest Expenses	469,789	333,467
Interest Received	(10,607,753)	(10,559,089)
Operating profit before working capital changes	<b>(2,564,424)</b>	<b>(2,849,821)</b>
Adjustment for :		
Trade Receivable	3,500,401	(401)
Short Term Advances	1,765	(26,000)
Trade Payable	(124,055)	540,113
Cash Generated from Operation	813,687	(2,336,109)
Taxation (Net)	(1,740,775)	(1,976,614)
Cash Flow before extra ordinary item	(927,089)	(4,312,723)
<b>Net Cash Flow from Operating Activities</b>	<b>(927,089)</b>	<b>(4,312,723)</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Loans and Interest Received	30,768,091	4,470,909
Sale of Fixed Assets	350,000	-
3% Redeemable Non-Cumulative Preference Shares	(30,000,000)	-
<b>Net Cash Used in Investing Activities</b>	<b>1,118,091</b>	<b>4,470,909</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Short Term Borrowings	-	(31,500)
Interest Paid	(3,476,691)	(91,333)
Sundry Balances Written back	521,226	-
Long Term Borrowings	2,759,000	-
Cash Flow from Financing Activities	<b>(196,465)</b>	<b>(122,833)</b>
Increase in Cash and Cash Equivalents (A+B+C)	(5,463)	35,353
Cash and Cash Equivalents - Opening Balance as on 01.04.2012	195,557	160,205
Cash and Cash Equivalents - Closing Balance as on 31.03.2013 (Refer Note 13)	<b>190,094</b>	<b>195,557</b>

Notes to the Cash Flow Statement for the year ended 31st March, 2013

- The above Cash Flow Statement has been prepared under the indirect Method as set out in the Accounting Standard (AS) 3 on Cash Flow Statements.
- Previous year's figures have been re-grouped / re-arranged wherever necessary.

Notes referred to above forms an integral part of this Cash Flow Statement.

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

As per our Report of even date

For **LODHA & CO.**

Chartered Accountants

Registration No. 301051E

**H. K. VERMA**

Partner

Membership No. 55104

14, Government Place East

Kolkata - 700 001

Date : 30th day of May, 2013

P. K. DAGA  
Y. K. DAGA  
M. K. AGARWAL  
D. P. BIRLA  
Directors

**1. SIGNIFICANT ACCOUNTING POLICIES****a. Accounting Convention :**

Income and expenditure except otherwise stated are recognised on accrual basis. The accounts have been prepared on the basis of the historical cost and on the accounting principles of a going concern.

**b. Fixed Assets :**

Fixed Assets are stated at cost less depreciation. Cost includes freight, duties, taxes and all other related costs including cost of financing of borrowed funds upto the date of installation identified/ allocated for the assets.

**c. Depreciation :**

Depreciation is provided on written down value method for assets acquired up to 31.03.1983. In respect of the assets acquired on or after 01.04.1983 depreciation has been provided on straight line method in the following manner:

For assets acquired from 01.04.1983 to 15.12.1993 at the rates specified in schedule XIV to the Companies Act, 1956. For assets acquired on or after 16.12.1993 at the rates specified in schedule XIV to the Companies Act, 1956.

**d. Investments :**

Long Term Investments are stated at cost. Provision for diminution in value of such investments is made if the same is permanent in nature.

**e. Employee Benefits :**

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

Contributions to defined contribution scheme such as Provident Fund etc. are recognized as and when incurred.

Long term employee benefits under defined scheme such as contribution to gratuity is determined at close of the year at present value of the amount payable using actuarial valuation techniques.

Actuarial gain & losses are recognized in the year when they arise.

**f. Taxation :**

Income Tax expense comprises current tax and deferred tax charge or release. The deferred tax charge or credit is recognised using current tax rates. Deferred tax assets on account of unabsorbed depreciation and carry forward losses as per Income Tax Act are recognized only if there is virtual certainty of realisation of such assets. Other deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future.

**g. Contingent Liabilities :**

Contingent liabilities have not been provided for and have been disclosed by way of notes.

## NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2013

## 2 Share Capital

Particulars	Par Value per share (Rs.)	Balance Outstanding as at 31st March, 2013		Balance Outstanding as at 31st March, 2012	
		No. of Shares	Amount in Rs.	No. of Shares	Amount in Rs.
<b>Equity Share Capital</b>					
<b>Authorised :</b>	10	3,500,000	35,000,000	3,500,000	35,000,000
<b>Issued &amp; Subscribed</b>	10	3,004,800	30,048,000	3,004,800	30,048,000
<b>Paid up</b>	10	2,996,500	29,965,000	2,996,500	29,965,000
Add : Amount forfeited on shares 2.4			41,500		41,500
<b>Total Amount Paid up</b>			30,006,500		30,006,500
7% Redeemable Preference Shares 2.2	100	21,274	2,127,400	21,274	2,127,400
			32,133,900		32,133,900

2.1 The Company has only one class of equity shares having a par value of Rs 10/- each. Each share has one voting right.

2.2 The Company has only one class of preference shares having a par value of Rs 100/- each. Dividend on such preference shares are non-cumulative.

These preference shares are redeemable on or before 31.3.2020. Such Preference share has no voting right.

2.3 The reconciliation of number of shares outstanding and amount of share capital as at 31st March 2013 and 31st March 2012 is set out below :

Particulars	31st March, 2013		31st March, 2012	
	No. of Shares	Amount Rs.	No. of Shares	Amount Rs.
Shares outstanding at the beginning of the year	2,996,500	30,006,500	3,004,800	30,048,000
Shares forfeited	-	-	8,300	41,500
Shares outstanding at the end of the year	2,996,500	30,006,500	2,996,500	30,006,500

2.4 In the year 2011-12, 8300 shares (each Rs. 5 paid) were forfeited after duly called for payment.

(Rupees)

2.5 Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held is mentioned below :

	As at	As at
	31.03.2013	31.03.2012
<b>Holding more than 5%</b>	<b>No. of Shares</b>	<b>No. of Shares</b>
Pradip Kumar Daga	504,759	504,759
Asha Devi Daga	321,750	321,750
Yashwant Kumar Daga	112,500	187,500
Jalpaiguri Holdings Pvt. Ltd.	165,200	165,200

### 3 RESERVES AND SURPLUS

Particulars	As at	As at
	31.03.2013	31.03.2012
<b>Surplus/(Loss)</b>		
As per last Balance sheet	(12,930,541)	(19,478,141)
Add : Net Profit after tax transfer from Statement of Profit and Loss	6,822,490	6,547,600
Closing Balance	(6,108,051)	(12,930,541)
<b>Securities Premium Reserve</b>		
Opening Balance 3.1	79,895,750	79,895,750
<b>Capital Reserve</b>	112,000	112,000
<b>Total</b>	<b>73,899,699</b>	<b>67,077,209</b>

3.1 Include Rs. 228,250 being the amount originally paid forfeited during the year 2011-12. (Refer Note - 2.4 also)

### 4 LONG TERM BORROWINGS

Particulars	As at	As at
	31.03.2013	31.03.2012
Unsecured Term Loans :		
- Tea Board		
- LIC 4.1	5,978,000	3,219,000
<b>Total</b>	<b>5,978,000</b>	<b>3,219,000</b>

4.1 Represents Loan taken against Keyman Insurance Policy at 10% interest and is repayable on maturity date of the said policy in the year 2020.

(Rupees)

**5 LONG TERM PROVISIONS**

Particulars	As at 31.03.2013	As at 31.03.2012
Provision for employee benefits : Gratuity	889,347	819,116
<b>Total</b>	<b>889,347</b>	<b>819,116</b>

**6 TRADE PAYABLES**

Particulars	As at 31.03.2013	As at 31.03.2012
Payable for goods and services 6.1	227,606	199,244
<b>Total</b>	<b>227,606</b>	<b>199,244</b>

6.1 There are no Micro, Small and Medium Enterprises, to whom the Company owes dues as at March 31, 2013. The above information regarding micro, small & medium Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

**7 OTHER CURRENT LIABILITIES**

Particulars	As at 31.03.2013	As at 31.03.2012
Interest accrued but not due on borrowings	200,900	97,629
Interest accrued and due on borrowings	591,994	3,702,167
Other payables	53,170	388,810
<b>Total</b>	<b>846,064</b>	<b>4,188,606</b>

**8 FIXED ASSETS**

Particulars	Gross Block				Depreciation				Net Block	
	As at 31.03.12 Rupees	Additions Rupees	Deduction Rupees	As at 31.03.13 Rupees	Up to 31.03.12 Rupees	For the Period Rupees	On Deduction Adjustments Rupees	Up to 31.03.13 Rupees	As at 31.03.13 Rupees	As at 31.03.12 Rupees
Land & Building	12,000	-	12,000	-	-	-	-	-	-	12,000
Plant & Equipment	6,503	-	-	6,503	4,760	309	-	5,069	1,434	1,743
Furniture & Fittings	587,038	-	-	587,038	561,352	3,867	-	565,219	21,819	25,686
Vehicles	1,211,781	-	-	1,211,781	1,211,777	-	-	1,211,777	4	4
<b>Total</b>	<b>1,817,322</b>	<b>-</b>	<b>12,000</b>	<b>1,805,322</b>	<b>1,777,889</b>	<b>4,176</b>	<b>-</b>	<b>1,782,065</b>	<b>23,257</b>	<b>39,433</b>
Previous Year	1,817,322	-	-	1,817,322	1,773,092	4,797	-	1,777,889	39,433	

(Rupees)

**9 NON-CURRENT INVESTMENTS**

Particulars	Face Value of each security	No. of Shares 31.03.2013	No. of Shares 31.03.2012	Balance As at 31.03.2013	Balance As at 31.03.2012
<b>Other than Trade Investments</b>					
<b>Investments in Equity Shares</b>					
<b>Quoted</b>					
Deepak Industries Ltd	10	88,725	88,725	131,040	131,040
Deepak Spinners Ltd	10	25,500	25,500	399,420	399,420
<b>Unquoted</b>					
Narsing holdings (P) Ltd	10	500	500	5,000	5,000
<b>Investments in preference shares</b>					
Brua Hydrowatt Private Ltd. 3% Redeemable Non-Cumulative Preference Shares	10	3,000,000	-	30,000,000	-
<b>Total</b>				30,535,460	535,460
Aggregate cost of quoted investments				530,460	530,460
Aggregate cost of unquoted investments				30,005,000	5,000
Aggregate market value of quoted investments (excluding Deepak Industries Ltd. in absence of any current quotation)				589,050	452,625

**10 DEFERRED TAX ASSETS (NET)**

Particulars	As at 31.03.2013	As at 31.03.2012
<b>Deferred Tax Assets</b>		
Expenses allowable on payment basis	3,728	8,446
Unabsorbed Depreciation	-	-
	3,728	8,446
<b>Deferred Tax Liability</b>		
Depreciation	3,728	8,446
Total Deferred Tax Assets/Liability	Nil	Nil

10.1 The Company has unabsorbed business loss and depreciation. Deferred tax assets have not been recognised unless virtual certainty of realisation of such assets.

(Rupees)

**11 LONG TERM LOANS AND ADVANCES**

Particulars	As at 31st March, 2013	As at 31st March, 2012
Advance Tax and TDS (Net of Provisions)	847,763	826,080
<b>Total</b>	<b>847,763</b>	<b>826,080</b>

**12 TRADE RECEIVABLES**

Particulars	As at 31st March, 2013	As at 31st March, 2012
Trade receivables outstanding for a period less than six months from the date they are due for payment Unsecured, Considered good	–	401
Trade receivables outstanding for a period exceeding six months from the date they are due for payment Unsecured, Considered good	–	3,500,000
<b>Total</b>	<b>–</b>	<b>3,500,401</b>

**13 CASH AND BANK BALANCES**

Particulars	As at 31st March, 2013	As at 31st March, 2012
Cash and Cash Equivalents		
Balance with Banks		
– Current Account	188,750	194,970
Cash on hand	1,344	587
<b>Total</b>	<b>190,094</b>	<b>195,557</b>

**14 SHORT TERM LOANS AND ADVANCES**

Particulars	As at 31st March, 2013	As at 31st March, 2012
Employee Advance	22,000	26,000
Prepaid Expenses	1,617	–
Service Tax	618	–
Loans and Advances	74,029,000	85,924,941
Interest Receivable on above	8,324,807	16,589,203
<b>Total</b>	<b>82,378,042</b>	<b>102,540,144</b>

**NOTES TO PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2013**

(Rupees)

**15 REVENUE FROM OPERATIONS**

Particulars		For the Year ended 31.03.2013	For the Year ended 31.03.2012
Sale	15.1	11,422,307	10,931,109
<b>Total</b>		<b>11,422,307</b>	<b>10,931,109</b>

15.1 Sales during the year comprises of sale of ferrous metals. (Previous year - sale of tea)

**16 OTHER INCOME**

Particulars		For the Year ended 31.03.2013	For the Year ended 31.03.2012
Interest Income		10,607,753	10,559,089
Profit on sale of fixed assets		338,000	717,896
Sundry Balance Written Back		521,226	-
<b>Total</b>		<b>11,466,979</b>	<b>11,276,985</b>

**17 EMPLOYEE COST**

Particulars		For the Year ended 31.03.2013	For the Year ended 31.03.2012
Salaries and wages		1,669,359	1,829,449
Contribution to provident and other funds		145,553	134,734
Staff welfare expenses		181,691	66,975
<b>Total</b>		<b>1,996,603</b>	<b>2,031,158</b>

**18 FINANCE COSTS**

Particulars		For the Year ended 31.03.2013	For the Year ended 31.03.2012
Interest Expense		469,789	333,467
<b>Total</b>		<b>469,789</b>	<b>333,467</b>

**19 OTHER EXPENSES**

Particulars		For the Year ended 31.03.2013	For the Year ended 31.03.2012
Rent		6,000	6,000
Insurance		81,837	516,868
Rates and taxes		4,350	6,850
Other expenses		783,484	434,977
Payments to the auditor			
(a) as audit fee		28,090	28,090
(b) for other services - certification, etc		8,427	11,032
<b>Total</b>		<b>912,188</b>	<b>1,003,817</b>



## NOTES TO PROFIT &amp; LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

## 15 REVENUE FROM OPERATIONS (Rupees)

Particulars	For the Year ended 31.03.2013	For the Year ended 31.03.2012
Sale 15.1	11,422,307	10,931,109
<b>Total</b>	<b>11,422,307</b>	<b>10,931,109</b>

15.1 Sales during the year comprises of sale of ferrous metals. (Previous year - sale of tea)

## 16 OTHER INCOME

Particulars	For the Year ended 31.03.2013	For the Year ended 31.03.2012
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<b>Total</b>	<b>912,188</b>	<b>1,003,817</b>

(Rupees)

**20. OTHER NOTES**

- 20.1 Contingent liability not provided for in respect of excise duty Rs. 792,688/- (Rs.792,688/-).
- 20.2 Contingent liability not provided for in respect of Sales tax for assessment year 1995-96, 1998-99, 2000-01, 1977-78, 1978-79, 1979-80 and 1980-81 Rs. 2,554,457/- (Rs. 2,554,457/-).
- 20.3 Related Party Disclosures as identified by the management is given as below :

Mr. O. P. Dokania, Chief Executive

The details of payment made to Key Management Personnel :

Particulars	2012-13	2011-12
Remuneration	1,323,000	1,173,000

- 20.4 Presently, the Company is engaged in trading of tea and ferrous metal. Accordingly, trading is only business segment as per Accounting Standard 17 on "segment reporting" issued by the Institute of Chartered Accountants of India.

**20.5 Employment Benefits :**

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

**Defined Contribution Scheme :**

Contributions to Defined Contribution Plan, recognized for the year are as under:

(Amount in Rs.)

	2012-2013	2011-2012
Employer's Contribution to Provident Fund	135,708	124,699
Employer's Contribution to Pension Fund	6,492	2,705

**Defined Benefit Scheme :**

The employee's gratuity scheme is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

**Gratuity (Unfunded)**

(Amount in Rs.)

	2012-13	2011-12	2010-11	2009-10	2008-09
<b>i. Change in the present value of the defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:</b>					
Liability at the beginning of the year	819,116	419,451	417,393	390,095	238,398
Interest cost	68,339	54,251	23,740	30,281	23,568
Current Service Cost	55,693	49,543	31,382	27,348	27,354
Actuarial (Gain)/Loss on obligations	(53,801)	-	1,456	30,331	100,775
Benefits paid	-	295,871	(54,520)	-	-
Liability at the end of the year	889,347	819,116	419,451	417,393	390,095

(Rupees)

	2012-13	2011-12	2010-11	2009-10	2008-09
<b>ii. Amount Recognized in Balance Sheet</b>					
Liability at the end of the year	889,347	819,116	419,451	417,393	390,095
Fair value of Plant Assets at the end of the year					
Amount recognized in the Balance Sheet	889,347	819,116	419,451	417,393	390,095
<b>iii. Expenses recognized in the Income Statement</b>					
Current service cost	55,693	54,251	23,740	27,348	27,354
Interest cost	68,339	49,543	31,382	30,281	23,568
Expected Return on Plan Assets	-	-	-	-	-
Net Actuarial (gain)/loss to be Recognized	(53,801)	295,871	1,456	(30,331)	100,775
Benefit Payments	-	-	(54,520)	-	-
Expenses Recognized in Profit & Loss Account	70,231	399,665	2,058	27,298	151,697
<b>iv. Balance Sheet Reconciliation</b>					
Opening Net Liability	819,116	419,451	417,393	390,095	238,398
Expenses as above	70,231	399,665	2,058	27,298	151,697
Employers Contribution	-	-	-	-	-
Amount recognized in the Balance Sheet	889,347	819,116	419,451	417,393	390,095
<b>v. Principal Actuarial assumption at the Balance Sheet</b>					
Discount Rate	8%	8%	7.50%	7.50%	7.50%
Rate of Return on Plan Assets	-	-	-	-	-

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

20.6 The figures in respect of the previous year have been regrouped/ rearranged, wherever necessary to make them comparable with those of current year.

The figure in brackets represents the figures for previous year.

For **LODHA & CO.**  
Chartered Accountants  
Registration No. 301051E

**H. K. VERMA**  
Partner  
Membership No. 55104  
14, Government Place East  
Kolkata - 700 001  
Date : 30th day of May, 2013

P. K. DAGA  
Y. K. DAGA  
M. K. AGARWAL  
D. P. BIRLA  
Directors



# LONGVIEW TEA CO. LTD.

Regd. Office : 16, HARE STREET, KOLKATA- 700 001,  
PHONE : (033) 22482391 (3 lines), Fax : 033 22489382, Cable : KUSUMIKA

## FORM-A

1	Name of the Company	Longview Tea Company Limited
2	Annual Financial Statement for the Financial Year ended	31.03.2013
3	<del>Type of Audit observation</del>	<del>Un-qualified</del>
4	Frequency of observation	Not Applicable
5	To be signed by	
	• CEO/Managing Director	
	• CFO	<i>Pralok</i>
	• Auditor of the Company	
	• Audit Committee Chairman	<i>D. P. Baidya</i>

**For Lodha & Co.**  
**Chartered Accountants**  
**FRN: 301051E**

*J. P. Baidya* 08/08/13  
**Partner (M. No. 255104....)**