

McLEOD RUSSEL
The world's cup of tea



McLEOD RUSSEL INDIA LIMITED
ANNUAL REPORT AND ACCOUNTS 2010 - 11



“Tea is not a mere commodity for us.
It is heritage based on the values and culture,
full of sentiments and commitments”

B.M. Khaitan
Chairman



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Bankers

Allahabad Bank
 Axis Bank Ltd.
 Central Bank of India
 HDFC Bank Ltd.
 ICICI Bank Ltd.
 Indian Bank
 State Bank of India
 State Bank of Bikaner and Jaipur
 UCO Bank
 United Bank of India

Solicitors

Khaitan & Co LLP

Registrar

Maheshwari Datamatics Pvt Ltd.
 6, Mangoe Lane, 2nd Floor
 Surendra Mohan Ghosh Sarani, Kolkata – 700001.
 TEL. : (033) 2243-5809; 2243-5029
 FAX : (033) 2248-4787
 E-mail : mdpl@cal.vsnl.net.in

Board of Directors

Brij Mohan Khaitan	<i>Chairman</i>
Deepak Khaitan	<i>Vice-Chairman</i>
Aditya Khaitan	<i>Managing Director</i>
Raghavachari Srinivasan	
Bharat Bajoria	
Ranabir Sen	
Utsav Parekh	
Srikandath Narayan Menon	
Rajeev Takru	<i>Wholetime Director</i>
Azam Monem	<i>Wholetime Director</i>
Kamal Kishore Baheti	<i>Wholetime Director</i>
Amitabha Guha Sarkar	<i>Company Secretary</i>

Audit Committee of the Board

Raghavachari Srinivasan	<i>Chairman</i>
Bharat Bajoria	
Ranabir Sen	
Srikandath Narayan Menon	

Shareholders'/Investors' Grievance Committee of the Board

Ranabir Sen	<i>Chairman</i>
Bharat Bajoria	
Utsav Parekh	

Remuneration Committee of the Board

Bharat Bajoria	<i>Chairman</i>
Raghavachari Srinivasan	
Ranabir Sen	

Auditors

Price Waterhouse
 Plot No.Y-14, Block-EP, Sector-V
 Salt Lake Electronic Complex, Bidhan Nagar,
 Kolkata - 700 091

Registered Office

Four Mangoe Lane
 Surendra Mohan Ghosh Sarani
 Kolkata - 700 001
 Phone : (033) 2210-1221/2243-5391/2248-9434/35
 Fax : (033) 2248-8114 / 2248-3683
 E-mail : administrator@wmg.co.in



REPORT OF THE DIRECTORS

For the financial year ended 31st March 2011

Your Directors have pleasure in presenting the Annual Report with the audited Accounts of your Company, for the financial year ended 31st March 2011.

REVIEW OF PERFORMANCE

The Financial Results of the Company for the year ended 31st March 2011 are summarized below:

	2010-11 Rs.In Lakhs	2009-10 Rs.In Lakhs
Profit before Interest, Depreciation and Taxation	32,746.19	36,331.32
Less: Interest and Exchange Fluctuation (Net)	1,834.78	2,526.80
	<u>30,911.41</u>	<u>33,804.52</u>
Less: Depreciation & amortization	2,754.18	2,711.72
Profit before Taxation	<u>28,157.23</u>	<u>31,092.80</u>
Taxation Charge		
Current Tax	5,173.34	6,561.00
MAT Credit	(839.00)	—
Deferred-Tax	600.00	498.89
Profit after Taxation	<u>23,222.89</u>	<u>24,032.91</u>
Balance brought forward from previous year	9,236.53	4,309.02
Balance available for Appropriations	<u>32,459.42</u>	<u>28,341.93</u>
Proposed Dividend	5,472.79	4,378.23
Tax on Proposed Dividend	887.82	727.17
Transfer to General Reserve	<u>16,000.00</u>	<u>14,000.00</u>
Balance carried forward	<u>10,098.81</u>	<u>9,236.53</u>

The Board is pleased to report that despite loss of crop in the early part of the season, the Company managed to have almost the same turnover as in the previous year which was possible for higher prices of Tea prevailing in the market during the year under review. The net profit for the year was marginally down at Rs.23,223 Lakhs despite significant increase in input costs.

DIVIDEND

Your Directors are pleased to recommend for approval of the shareholders a dividend of Rs.5/- per equity share on 10,94,55,735 fully paid up equity shares of Rs.5/- each being 100% on the paid up value of the equity shares of the Company for the year ended 31st March 2011 as against 80% (Rs.4/- per share) paid for the previous year.

REVIEW OF OPERATIONS

During the financial year, your Company produced 749 Lakh Kgs tea as compared to 772 Lakh Kgs in the previous year. Unfavorable weather and unprecedented pest attack in the South Bank resulted in a decrease in crop over last year. During the beginning of the year the Dooars estates had severe hail damage which also resulted in a decline in harvest.



As a result of the ongoing Uprooting and Replanting Policy, the age profile of the tea has improved. Your Company now has about 75% of the area under 50 years of age. A good standard of young tea was established. The average yield of the last three years is close to 2100 kgs per hectare which is much higher against an Industry average of 1700 kgs per hectare. All tea estates have good clonal nurseries with the requisite clonal blend.

Your Company's focus has always been to produce quality teas, which continues to command a premium both in the domestic and international market. As part of the upgradation and modernization programme of factories, withering capacity was increased on eight estates. Ten Rotorvanes, four Rotorvane feeders, twenty-one CTC machines, three Continuous Fermenting Machine (CFM), three Vibro Fluid Bed dryers (VFBD), three coal stoves, one mini boiler, eight milling machines, nine chasing lathes, nine Sinar moisture meters and three colour sorters were purchased and installed in various factories. In some factories extension of building was undertaken to accommodate additional sorting machinery and create additional storage space for packed tea. To augment the standby generating capacity one new 380 KVA gas generating set and one 30 KVA diesel generating set were installed. For undertaking river embankment work bordering tea estates and deepening outlet drains one new JCB Excavator was purchased. Seven new weigh bridges were installed to facilitate the weighing of green leaf, ration, fertiliser, coal, etc. An additional blending drum was commissioned in the Nilpur Blending Unit. As blending operations are expected to increase, an additional storage space of 13,500 square feet has been constructed.

The Company has forty five Hazard Analysis and Critical Control Points (HACCP) certified factories. Your Company also has four estates certified as "Fairtrade" and fifteen estates certified as "Rainforest Alliance." The Nilpur Blending Unit is a HACCP Certified unit.

The average price realization for the Company's tea for the year was Rs. 145.11 which is higher than the North Indian auction average of Rs. 124.18.

The Company saw a total export quantum of 210 Lakh kgs with an overall turnover of Rs.32,981 Lakhs. Favourable feedback was received from the buyers both in terms of quality and deliveries.

D1 WILLIAMSON MAGOR BIO FUEL LIMITED

D1 Williamson Magor Bio Fuel Limited (D1WML) was incorporated under a joint venture agreement between Williamson Magor & Co, Limited (WML) and D1 Oils Trading Ltd. UK to facilitate development of Jatropha Plantation under contract farming arrangements for production of bio diesel from Jatropha oilseeds. Being an associate of WML your company presently holds 33.93% of equity capital of D1WML.

The price of crude petroleum has firmed up during the year and so also the price of bio fuel being the supplement to fossil fuel. The demand for bio fuel is globally quite strong and there is acute shortage of feedstock to meet the demand. D1WML's effort to develop bio diesel feedstock, once established, is likely to fetch market premium. In addition, D1 Oils plc has developed poultry feed from de-oiled bio mass which has been patented in UK.

The plantation developed by D1WML under contract farming arrangements has been going through initial gestation period at various levels of maturity. The farmers in some areas of the North East have faced difficulties in maintaining the plantation because of excessive weed growth, but have been able to maintain plantation on about 25,000 hectares which is likely to be productive. The company has also been promoting the plantation in more areas where farmers are positive and undertaking due upkeep. The company has re-engineered the plantation management with focus on productive plantation and sizable cost reduction.

The quantity of oilseed harvest by the farmers during the year had not been adequate to manufacture oil on a commercial basis and therefore stored for use in 2011-12. The initial gestation period is longer than the estimate and this has been experienced across the world. The longer gestation period on contract farming model results in shrinkage of productive area. However, D1WML has re-worked the business plan based on present productive area. It expects sub commercial crop during 2011 and 2012 and final commercial production in 2013.



SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS

Borelli Tea Holdings Limited ('Borelli'), the wholly owned subsidiary of the Company in U.K. is inter alia engaged in the business of investing funds in various Companies and as at the end of the year on 31st March 2011 had the following Subsidiaries in different countries :-

- (i) Phu Ben Tea Company Limited, Vietnam – controlling stake of Borelli being 100%
- (ii) Rwenzori Tea Investments Limited ('Rwenzori'), Uganda – controlling stake of Borelli being 100%
- (iii) McLeod Russel Uganda Limited – 100% subsidiary of Rwenzori
- (iv) Olyana Tea Holdings LLC, ('Olyana') USA – controlling stake of Borelli being 95%

Olyana had submitted a bid with the Government of Rwanda for acquisition of 60% stake of Gisovu Tea Company Limited ('Gisovu'). Later the Government of Rwanda at its Cabinet Meeting held on 11th February 2011 decided to sell 60% shares of Gisovu instead of Olyana, to its holding Company Borelli. In line with the said decision, Borelli signed an MoU with Rwanda Development Board and Rwanda Tea Authority and provisionally entered into management and took over control of Gisovu on 23rd February 2011 pending other formalities which are being complied with.

Borelli has set up a wholly owned subsidiary in Dubai by the name of McLeod Russel Middle East DMCC which was granted the requisite license on 9th May 2011 for doing Tea Trading business in Dubai. With this, your Company now has one wholly owned subsidiary and five step-down subsidiary Companies.

As required under the Listing Agreement with the Stock Exchanges, Consolidated Financial Statements of the Company, its five Subsidiaries and two Associate Companies namely D1WML and Babcock Borsig Limited prepared in accordance with the applicable Accounting Standards issued by The Institute of Chartered Accountants of India are attached.

In accordance with the general circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Profit and Loss Account and other documents of the subsidiary companies are not being attached with the Balance Sheet of the Company. The Company will make available the Annual Accounts of the subsidiary companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept for inspection at the Registered Office of the Company and that of the respective subsidiary companies. The Consolidated Financial Statements presented by the Company include the financial results of its subsidiary companies. A Statement containing financial information of the Subsidiary Companies is included in the Annual Report in the Chapter containing Consolidated Financial Statements. The performance of the major subsidiaries are summarised below for your information.

BOELLI TEA HOLDINGS LIMITED

During the year ended 31st March 2011 Borelli Tea Holdings Limited earned a net profit in Indian Rs.2,143 Lakhs and has recommended payment of Dividend @ 100% on its equity capital held by your Company.

PHU BEN TEA COMPANY LIMITED

During the year ended 31st December 2011, Phu Ben Tea Company Ltd achieved a total production of 46.76 Lakh Kgs. Sales, including carry forward from the previous year amounted to 47.05 Lakh Kgs which were sold at an average price of \$1.82/kg. This was 3% higher than last year. The plantations achieved a yield per hectare of 2,656 kgs. Total production from plantations at 30.96 Lakh kgs was another record, up from the previous year by 2%.

During this period of the Company recorded a net profit in Indian Rs.161 Lakhs on a sales turnover of Rs.3,252 Lakhs. The acquisition of the fourth factory assisted by way of capacity expansion and also contributed for the increase in production. New withering troughs were constructed in one factory.

The Company continues to lay stress on quality control in both field and factory and adheres to GAP for plantation development, along with IPM measure for the control of pesticides. All the plantations were "Rainforest Alliance Certified" in 2010. The Company, which employs 2,499 farmers, workers and staff had good Industrial relations and



received awards and certificates from both State Government agencies and Provincial Authorities for environmental protection, contribution to the development of the Tea Industry in Vietnam and was cited as a model business venture.

McLEOD RUSSEL UGANDA LIMITED

McLeod Russel Uganda Limited in its first year of operation under McLeod Russel Group and blessed with exceptionally favorable weather conditions that prevailed from December 2009 until October 2010, achieved an all time record production of 168.39 Lakh kgs of made tea. Of this 25.37 Lakh kgs were from out grower green leaf purchase and 143.02 Lakh kgs from own crop. The resultant yield of 4347 kg/ha was an increase of 12% over the previous year. The average sales price realized was \$1.84 against the Ugandan average (auction) of \$1.77. During the year ended 31st December 2010 the Company recorded a net profit in Indian Rs.2,504 Lakhs on a sales turnover of Rs.11,854 Lakhs.

The area under tea was increased by 7.00 ha of extension clonal planting and 20.00 ha of eucalyptus forestry plantation were also added. Factory expansion projects were commenced at two of the Company estates, to increase processing capacity from 2 to 3 lines at each location. The Company increased mechanical harvesting to 53% of own crop, and undertook commercial trials of one man harvesters.

The Company estates were Rainforest Alliance Certified during the year, and ISO 9001 (QMS) and ISO 14001 (EMS) certifications were renewed. Good Industrial relations were maintained with the over 6000 strong work-force. Efforts with regard to health and family welfare were recognized with an award from USAID/HIPS Project as one of the 10 best organizations in the country, in Health in the Workplace Programme. The Company was also awarded the Gold Award in the Presidents Export Awards, for Tea exports.

CORPORATE SOCIAL RESPONSIBILITY

Your company is conscious of its social responsibilities and firmly believes that sustainability of an enterprise depends on perfect harmonization with the environment within which it operates. With this philosophy in mind, it has continued with its activities in the sphere of education, health-care, culture, welfare, environment preservation and building of social infrastructure.

Your Company provides high standard of medical care to its work force through well equipped individual estate hospitals and specialized treatment at the Central Hospitals. Apart from this, the Company has also been reaching out to remote villages by holding medical camps. It also holds regular eye camps in collaboration with the Sri Sankardeva Nethralaya, Guwahati and District Health Departments, and complicated cases are provided specialized medical treatment. It has also been assisting the Blind School at Moran for several years, as also a school for hearing impaired children.

The Company has been involved with the promotion of Education for a long time and provides financial assistance to many schools and colleges in areas neighbouring its estates, and elsewhere.

The Assam Valley School, established with financial contribution and other assistance from your Company, has emerged as a premier Public School of the country and continues to provide excellent opportunity to the children of the planting community and the North East in terms of Education and all round development. The School is viewed as a pan-Indian centre of educational excellence and currently ranked amongst the top ten Most Respected Residential Schools in India. The Williamson Magor Education Trust has awarded over a 100 scholarships since the inception of this scheme in 1991. Many brilliant students have benefitted from this scheme to pursue higher studies in Management and specialized disciplines in Engineering.

Being an eco-friendly industry, the Company has provided a vast, clean and peaceful environment in this cramped, crowded and noisy world. It has also taken up tree planting schemes at its various locations. Awareness of the importance of preservation of natural habitat is instilled in children from an early age, to ensure a clean and green environment in future. Heritage conservation is a continuing programme of your Company also.

With the Company's continued support, the Assam Valley Literary Awards programme constituted to honour stalwarts who have kept alive the richness of Assamese literary heritage, has now completed twenty one years. This year the



award was conferred upon eminent Assamese writer Shri Hare Krishna Deka. For the promotion of Assamese language and literature, the Company, in collaboration with the Asom Sahitya Sabha and leading publishers, has brought out reprints of old books.

Your company believes in the philosophy that building proper social infrastructure will result in the betterment of the society. Towards this end, it has taken certain initiatives. It is continuing to support the Bodo Handloom Scheme in Mangaldai region of Assam for economic empowerment of women. The promotion of local handicraft is stressed upon continuously.

The Company was instrumental in setting up the auditorium at Vivekananda Kendra in Guwahati. The auditorium is used for discourses, seminars, yoga sessions and character building classes for the youth of the region. As a prominent member of the Indian Tea Association, the Company along with its peers in the Industry and the Government of Assam has helped in the construction of 'Pragjyoti', a cultural centre which is considered as the pride of the North East.

With your company spreading its wings, its corporate social responsibility activities have also transcended the boundaries of the nation. Your company's subsidiary, McLeod Russel Uganda Limited (MRUL) is a major participant in the USAID project, Health Initiatives for Private Sector (HIPS), in Uganda. MRUL does commendable work in AIDS prevention programme in that country. MRUL was ranked among the best ten companies in Uganda in Health in the workplace programme.

DIRECTORS

Since the last Report Mr. Balaji Swaminathan resigned from the Board with effect from 23rd March 2011. The Board placed on record its sincere appreciation for the valuable services rendered by Mr. Swaminathan during his association with the Company as a Director.

The term of appointment of Mr. A. Khaitan as the Managing Director and Mr. R. Takru, Mr. A. Monem and Mr. K. K. Baheti as the Wholetime Directors had expired on 31st March 2011. Considering their satisfactory performance, the Board of Directors by its resolution passed on 1st April 2011 re-appointed Mr. A. Khaitan as the Managing Director and Mr. R. Takru, Mr. A. Monem and Mr. K. K. Baheti as Wholetime Directors for a fresh term of three years in each case commencing from 1st April 2011. Approval of the Members to the said re-appointments as also to the remuneration payable to the Managing Director and the Wholetime Directors will be sought at the ensuing Annual General Meeting.

In accordance with the provisions of the Articles of Association of the Company, Mr. D. Khaitan, Mr. U. Parekh and Mr. A. Monem will retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

COST AUDIT

The Ministry of Corporate Affairs, Government of India by an Order directed audit of the Cost Accounts maintained by the Company under Section 209(1) (d) of the Companies Act, 1956 in respect of the Plantation Product on a yearly basis. In terms of the said Order Cost Audit is conducted by four firms of Cost Accountants appointed with the approval of the Ministry of Corporate Affairs ('MCA'). In terms of the General Circular No.15/2011 issued by MCA, full particulars of the Cost Auditors as also other details pertaining to the Cost Audit are given in the Annexure forming part of this Report.

AUDITORS

Messrs. Price Waterhouse retire as the Auditors at the conclusion of the forthcoming Annual General Meeting and, being eligible, offer themselves for re-appointment.

AUDITORS' REPORT

With regard to the observation made by the Auditors in their Report relating to non-ascertainment of value of green leaf consumed, reference is made to Note 20(b) of Schedule 17 of the Accounts, which is self-explanatory.



MANAGEMENT DISCUSSION & ANALYSIS REPORT AND REPORT ON CORPORATE GOVERNANCE

As required in terms of the Listing Agreement with the Stock Exchanges, a Management Discussion and Analysis Report and a Report on Corporate Governance are annexed forming part of this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956 the Directors state as follows:

1. That in the preparation of the annual accounts for the financial year ended 31st March 2011, the applicable accounting standards had been followed with no material departures;
2. 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 end of the financial year and of the profit or loss of the Company for that period;
3. That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in preventing and detecting fraud and other irregularities;
4. That the Directors had prepared the annual accounts on a going concern basis.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

A statement giving details of conservation of energy and technology absorption in accordance with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, is annexed.

PARTICULARS OF EMPLOYEES

A statement of particulars of employees as required under section 217(2A) of the Companies Act, 1956 forms a part of this report as a separate Annexure. In terms of Section 219(1)(b)(iv) of the Act, this Report is being sent to all Members without the said Annexure. Any member interested in taking inspection or obtaining a copy of the said statement may contact the Secretary of the Company at its Registered Office during working hours.

EMPLOYEE RELATIONS

The Company has a large work force employed on tea estates. The welfare and well being of the workers are monitored closely and harmonious relations with its employees are being maintained.

The Industrial relations remained cordial throughout the year and your Board of Directors wish to place on record its appreciation for the dedicated services rendered by the executives, staff and workers at all levels and for the smooth functioning of all estates. The policy of transparency and recognition inspired the employees to contribute their best efforts for the Company.

For and on behalf of the Board

Place : Kolkata
Date : 30th May 2011

A. Khaitan – Managing Director
K. K. Baheti - Wholetime Director



Annexure to the Directors' Report 2010-2011

Information in accordance with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, and forming part of the Directors' Report for the year ended 31st March 2011.

A. CONSERVATION OF ENERGY

- The Company has installed energy efficient machines in the tea estates. Withering facility was enhanced on eight estates. Ten Rotorvanes, twenty-one CTC machines, three CFM, three VFBDs, three coal stoves and one mini boiler were installed in various estates. This would reduce the energy consumption in tea factories with improved productivity of machinery resulting in lesser hours of manufacture.
- The energy consumption for domestic purposes has been rationalized through creation of awareness and regular monitoring.

B. POWER & FUEL CONSUMPTION

	Year ended 31.03.2011	Year ended 31.03.2010
1. Electricity		
(a) Purchased :		
- Units (Kwh)	56789769	54198894
- Total Amount (Rs.)	353360326	323980437
- Rate / Unit (Rs.)	6.22	5.98
(b) Own Generation :		
Through Diesel Generator		
- Units (Kwh)	13298870	16211107
- Units per Litre of Diesel Oil	3.02	2.98
- Cost / Unit (Rs.)	12.49	11.34
2. Coal		
- Quantity (Tonnes)	45023	42117
- Total Amount (Rs.)	212796993	197787788
- Average Rate (Rs.)	4726.42	4696.15
3. Furnace Oil		
- Quantity (Litres)	203925	674209
- Total Amount (Rs.)	7086002	22893188
- Average Rate (Rs.)	34.75	33.96
4. Total Power and Fuel consumption per unit of production of Tea		
- Saleable Production - Tea (Kgs)	74871720	77179896
- Electricity (Kwh)	0.94	0.91
- Furnace Oil (Litre)	0.00	0.01
- Coal (Kg.)	0.60	0.55
- Others (Rs.)	1.85	1.16

C. RESEARCH AND DEVELOPMENT

The Company continues with the policy of reviewing clone blends to improve the yield and quality of tea estates.

The production of Vermicompost was increased by tea estates to improve the organic status of the soil. This will result in improving the yield in all areas of extension and replanted teas.

**EXPENDITURE ON RESEARCH & DEVELOPMENT**

	Year ended 31.03.2011	Year ended 31.03.2010
(a) Capital	Nil	Nil
(b) Revenue	114.84	84.84
(c) Total	114.84	84.84
(d) Total R&D Expenditure as % of turnover	0.11	0.08

D. TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION

- The Company undertakes modernization and upgradation of factories on a regular basis with improved technology.
- Seminars, workshops and group discussions with regular flow of feedback from field and factory workers are held regularly.
- Efficient training of Staff with a definite approach towards improvement of their efficiency is conducted regularly.
- Innovative achievements of the operating people in the agriculture and manufacture of tea are highly encouraged in the Company's interest.

E. FOREIGN EXCHANGE INCOME & OUTGO

During the year, the Company's direct exports were 210.28 lakh kgs. (2009-10 : 288.34 lakhs kgs.) of Tea.

	Year ended 31.03.2011	Year ended 31.03.2010
	Rs. lakhs	Rs. Lakhs
Foreign Exchange Earnings	32,791.20	42,101.47
Foreign Exchange Outgo	2,494.60	1,952.61

Particulars of Cost Auditors and Details of Filing of Cost Audit Report for the year ended 31st March 2010

DETAILS OF COST AUDITOR	UNITS (TEA ESTATES) AUDITED	DUE DATE OF FILING	ACTUAL DATE OF FILING
Name : Mani & Co. Address : Ashoka, 111, Southern Avenue Kolkata - 700 029 Registration No. allotted by ICWAI : 00004	Dekorai, Mijicajan, Pertabghur, Monabarie, Behali, Dufflaghur, Halem, Nya Gogra, Bargang, Boro	27th September 2010	1st September 2010
Name : SPK Associates Address : Kailash Apartment P-89, C.I.T. Road (IV M) Beliaghata, Kolkata - 700 029 Registration No. allotted by ICWAI : 00040	Bhooteachang, Dimakusi, Addabarie, Tarajulie, Tezpore & Gogra, Harchurah, Phulbari, Rupajuli, Rajmai, Dirai, Attabarrie, Lepetkatta, Moran, Sepon	27th September 2010	17th September 2010
Name : Kumar & Associates Address : Vedanta 44C, Dharmatala Road, Flat - 2B, Kolkata - 700 042 Registration No. allotted by ICWAI : 00250	Attareekhat, Borengajuli, Corramore, Paneery, Bukhial, Hunwal, Behora, Bogapani, Dehing, Dirok, Margherita, Namdang, Beesakopie, Raidang, Samdang, Daimukhia	27th September 2010	21st September 2010
Name : DGM & Associates Address : 9B, Arpuli Lane Kolkata - 700 012 Registration No. allotted by ICWAI : 00038	Mahakali, Dirial, Itakhooli, Keyhung, Baghjan, Bordubi, Koomsong, Phillobari, Bhatpara, Central Dooars, Chuapara, Jainti, Jaibirpara, Mathura	27th September 2010	1st September 2010

For and on behalf of the Board

Place : Kolkata
Date : 30th May 2011

A. Khaitan – Managing Director
K. K. Baheti - Wholetime Director



MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENT

India, the world's largest black tea producer produced approximately 967 million kgs. during the calendar year 2010 representing 38% of global black tea production. Black tea production by other main tea producers during 2010 was Kenya (399 million kgs), Sri Lanka (329 million kgs), other African countries (172 million kgs), Vietnam (145 million kgs), Indonesia (72 million kgs.) and Bangladesh (59 million kgs).

Kenya and Sri Lanka had favourable weather conditions during 2010 gaining over 100 million kgs. of crop of black tea over 2009 production. India, however, lost 13 million kgs. of crop during 2010 as compared to the previous year due to unfavourable weather condition and pest attack in North East India. Low inventory, lower production and continuous strong consumption growth has helped in maintaining prices during the year. Prices in the global market were also stable to positive despite record crop in Kenya and Sri Lanka. Cost in India has gone up by Rs.10/- per kg. on lower crop, increase in wages and other input costs.

OPPORTUNITIES AND THREATS

Indian exports fell by 5 million kgs. during 2010 on the back of strong domestic demand and production shortfall. Domestic consumption is estimated to be around 860 million kgs. during 2010. Since no addition to the land under tea cultivation by organized sector has taken place in last 5 years and uprooting and replanting of low yielding section takes 3 – 5 years to materialize, the production in next few years is estimated to be stagnant to very insignificant growth. Demand for Orthodox teas by CIS and Middle East countries during 2010 was very strong. However, financial imbargo on Iran may affect the export of orthodox teas in coming years. Stable currency in India during 2010 had a positive impact on prices. However, any reversal of the trend may impact export realisation

RISKS AND CONCERNS

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

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

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

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

To mitigate various types of risks that the company has to face, the Board of Directors of the Company has adopted a Risk Management Policy and implemented the same at the Tea Estates and at Head Office of the Company. The Company has introduced Hazard Analysis and Critical Control Points (HACCP) at all the Tea Factories to ensure better quality product.



OUTLOOK

Dry weather condition in Kenya and other African countries during the first four months of the current year has affected the production. Tea production in these countries is estimated to be lower by 35 million kgs. upto April. Production shortfall in India during 2010 has further depleted the inventory level. However, production in 2011 in India is expected to be normal based on the current weather conditions. Lower inventory in India, production shortfall in Kenya and other African countries, strong consumption growth should have positive impact on prices during 2011. Tea prices in India are currently ruling higher by Rs.10/- to Rs.15/- per kg. as compared to the same period last year. With the revision of wages, normal increase in input costs should get offset with revival of production in North India. Cost per kg. is expected to increase marginally during 2011-12.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place adequate systems of internal control commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use or losses, executing transactions with proper authorization and ensuring compliance of corporate policies. Three independent firms of Chartered Accountants carry out internal audit at the Tea Estates on a regular basis. Another firm of Chartered Accountants conducts internal audit at the Head Office.

The Company has an Audit Committee, the details of which have been provided in the Corporate Governance Report. The Audit Committee reviews Audit Reports submitted by the Internal Auditors. Suggestions for improvement are considered and the Audit Committee follows up the implementation of corrective actions. The Committee also meets the Company's statutory auditors to ascertain, inter alia, their views on the adequacy of internal control systems in the Company and keeps the Board of Directors informed of its major observations from time to time. The Risk Management Policy adopted by the Company has further strengthened the internal control system.

FINANCES

Financial ratios have improved substantially over last couple of years. Gross debt (consolidated) as on 31st March 2011 amounted to Rs. 316 crores as compared to Rs. 402 crores as on 31st March, 2010. Internal generations have been used to reduce the debt by Rs.86 cores during the year.

HUMAN RESOURCES

Tea Industry is highly labour intensive. The Company employs over 80,000 personnel at its Tea Estates and other establishments in India. Employee relations remained satisfactory during the period under review. The Company would like to record appreciation of the wholehearted support and dedication from employees at all levels in maintaining smooth production and manufacture of tea from all the Tea Estates during the year.

CAUTIONARY STATEMENT

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

Place : Kolkata
Date : 30th May 2011

For and on behalf of the Board

A. Khaitan – *Managing Director*
K. K. Baheti – *Wholetime Director*



REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY

The Company's philosophy on Corporate Governance is aimed at efficient conduct of its operations and in meeting its obligations towards various stakeholders such as Customers, Vendors, Employees, Shareholders and Financiers and to the society at large. The Company is in the business of cultivation and production of Tea and is one of the major producers of Tea in the world. The Company produces high quality Tea widely acceptable in the domestic as well as in the overseas markets. While it is the endeavour of your Company to continue to produce Tea of premium quality to the satisfaction of its customers worldwide, it also gives due importance to its obligations to the large workforce that it employs on the Tea Estates in India. The Company believes in achieving its goals, which result in enhancement of Shareholders' value through transparency, professionalism and accountability and nurture these core values in all aspects of its operations.

2. BOARD OF DIRECTORS

(i) Composition

The Board of Directors of your Company as on 31st March 2011 consisted of eleven Directors as under:

- Two Non-Executive Directors being the Chairman & Vice Chairman
- Four Wholetime Directors including the Managing Director
- Five Non-Executive Independent Directors.

The Board had an optimum combination of Executive and Non-Executive Directors and half of the Board consisted of Independent Directors until 23rd March 2011 when Mr. Balaji Viswanathan Swaminathan, an Independent Director resigned from the Board. The Company proposes to appoint an Independent Director in place of Mr. Swaminathan within 180 days from the date of his resignation in terms of Clause 49 I(C)(iv) of the Listing Agreement with the Stock Exchanges. No Director is related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 1956, except Mr. D. Khaitan and Mr. A. Khaitan who are brothers and are also sons of Mr. B. M. Khaitan.

(ii) & (iii) Attendance at the Board Meetings/last AGM, Directorship and Chairmanship/Membership in other Board/Board Committees

Name and category of the Directors on the Board, their attendance at Board Meetings held during the financial year ended 31st March 2011, number of Directorships and Committee Chairmanships/ Memberships held by them in other public limited companies are given below. Other Directorships do not include Alternate Directorships, Directorship in Private Limited Companies, Companies under Section 25 of the Companies Act, 1956 and of the Companies incorporated outside India. Chairmanship/Membership of Board Committees relates to only Audit and Shareholders'/Investors' Grievance Committees.

Name of Directors	Category	No. of Board Meetings		Whether attended last AGM held on 2nd August 2010	No. of Directorships in other public limited companies	No. of Committee positions held in other public limited companies	
		Held during the year	Attended			As Chairman	As Member (#)
MR. B. M. KHAITAN	NON-EXECUTIVE CHAIRMAN	5	3	YES	5	—	1
MR. D. KHAITAN	NON-EXECUTIVE VICE-CHAIRMAN	5	1	YES	7	—	1
MR. A. KHAITAN	MANAGING DIRECTOR	5	5	YES	7	1	2
DR. R. SRINIVASAN	NON-EXECUTIVE & INDEPENDENT	5	4	YES	7	3	8
MR. B. BAJORIA	NON-EXECUTIVE & INDEPENDENT	6	5	YES	7	—	1
MR. R. SEN	NON-EXECUTIVE & INDEPENDENT	5	4	NO	1	—	—
MR. U. PAREKH	NON-EXECUTIVE & INDEPENDENT	5	4	NO	6	—	3
MR. S. N. MENON	NON-EXECUTIVE & INDEPENDENT	5	4	NO	7	—	2
MR. R. TAKRU	WHOLETIME DIRECTOR	5	4	YES	3	—	—
MR. A. MONEM	WHOLETIME DIRECTOR	5	5	YES	—	—	—
MR. K.K. BAHETI	WHOLETIME DIRECTOR	5	5	YES	10	—	2
*MR. B. V. SWAMINATHAN	NON-EXECUTIVE & INDEPENDENT	5	—	NO	—	—	—

(#) including Chairmanship, if any * Ceased to be a Director w.e.f. 23.03.2011

None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees as specified in Clause 49, across all the companies in which he is a Director. The Directors have made necessary disclosures regarding Committee positions held in other public limited companies.



iv. **Number & Dates of Board Meetings / Date of last AGM held**

- a) Five Board Meetings were held during the year and the gap between two meetings did not exceed four months. The dates on which the Board Meetings were held are as follows:
14th May 2010, 30th May 2010, 23rd July 2010, 3rd November 2010 and 31st January 2011.
The last Annual General Meeting of the Members of the Company was held on 2nd August 2010.
- b) Necessary information where applicable as mentioned in Annexure 1A to Clause 49 of the Listing Agreement has been placed before the Board for their consideration.

3. **AUDIT COMMITTEE**

- i. The role and terms of reference of the Audit Committee covers the areas mentioned under Clause 49 of the Listing Agreement and in Section 292A of the Companies Act, 1956. Brief descriptions of the terms of reference of the Audit Committee are as follows:
- a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
 - b) Recommending to the Board, the appointment, re-appointment and, if required the replacement or removal of the statutory auditor and the fixation of audit fees, and also approval for payment of any other services rendered by the statutory auditors.
 - c) Discussion with the statutory auditors before the audit commences about nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 - d) Reviewing, with the management, performance of statutory and internal auditors, and adequacy of internal control systems.
 - e) Reviewing, with the management, the quarterly financial results before submission to the Board for approval.
 - f) Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause 2AA of Section 217 of the Companies Act, 1956.
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions;
 - Qualifications in the draft audit report.
 - g) Reviewing the adequacy of internal audit function.
 - h) Discussion with internal auditors of any significant findings and follow-up thereon.
 - i) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 - j) Looking into the reasons for substantial defaults in payments to the shareholders and creditors.
 - k) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee



ii. Composition

The Audit Committee of the Board as on 31st March 2011 consisted of Dr. R. Srinivasan, Messrs. B. Bajoria, R. Sen and S. N. Menon. Dr. R. Srinivasan, a Non-Executive Independent Director, having adequate financial and accounting qualification and expertise, is the Chairman of the Audit Committee. The other Members of the Committee are also financially literate. The Committee consists of four Non-Executive Independent Directors. Mr. A. Guha Sarkar, Vice President & Company Secretary acts as the Secretary to the Committee.

iii. Meetings and attendance during the year

The particulars of meetings attended by the Members of the Audit Committee during the financial year ended 31st March 2011 are given below:

Name of Directors	Category	No. of Meetings	
		Held during the year	Attended
DR. R. SRINIVASAN, CHAIRMAN	NON-EXECUTIVE & INDEPENDENT	5	4
MR. B. BAJORIA	NON-EXECUTIVE & INDEPENDENT	5	5
MR. R. SEN	NON-EXECUTIVE & INDEPENDENT	5	4
MR. S. N. MENON	NON-EXECUTIVE & INDEPENDENT	5	4

Five Meetings of the Audit Committee were held during the financial year ended 31st March 2011. The dates on which the Audit Committee Meetings were held are as follows:

14th May 2010, 30th May 2010, 23rd July 2010, 3rd November 2010 and 31st January 2011.

The necessary quorum was present at all the Meetings.

4. REMUNERATION COMMITTEE

i) Brief description of terms of reference

The broad terms of reference of the Remuneration Committee are as follows:

- to approve/recommend to the Board of Directors the remuneration package of the Managing Director and Wholtime Directors and also to recommend remuneration payable to the Non-Executive Directors.
- to approve, in the event of loss or inadequacy of profits in any year, the minimum remuneration payable to the Managing Director and Wholtime Directors within the limits and subject to the parameters prescribed in Schedule XIII to the Companies Act, 1956.

ii. Composition

The Remuneration Committee of the Board as on 31st March 2011 comprised Mr. B. Bajoria, a Non-Executive Independent Director, as the Chairman, Dr. R. Srinivasan and Mr. R. Sen, Non-Executive Independent Directors as its Members.

iii. Attendance during the year

One Meeting of the Remuneration Committee was held on 14th May 2010 during the financial year ended 31st March 2011.

Name of Directors	Category	Attended
MR. B. BAJORIA, CHAIRMAN	NON-EXECUTIVE & INDEPENDENT	1
DR. R. SRINIVASAN	NON-EXECUTIVE & INDEPENDENT	1
MR. R. SEN	NON-EXECUTIVE & INDEPENDENT	1



iv. Remuneration Policy

The Managing Director and Wholtime Directors are appointed by the Board at such remuneration as approved by the Remuneration Committee and confirmed by the Board subject to the Shareholders' approval in a General Meeting.

In terms of the decision taken by the Board on 28th July 2009, each Non-Executive Director is entitled to a sitting fee of Rs.20,000/- for each meeting of the Board or any Committee thereof attended by him.

Besides the sitting fees as aforesaid, the approval of the shareholders by a Special Resolution passed at the Annual General Meeting held on 19th September 2006 enables the Company to pay commission to its non-executive Directors, subject to the aggregate limit of 1% of the net profit (restricted to Rs.1,20,000/- per Director, as approved by the Board) of the Company computed in accordance with the provisions of Sections 198, 349 and 350 of the Companies Act, 1956 for each of the five financial years commencing from 1st April 2006.

v. Details of Remuneration to All the Directors

- a) The details of remuneration for the financial year ended 31st March 2011 to the Non-Executive Directors and their shareholding in the Company are as under:

Name of Directors	Sitting Fees (Rs.) for Board Meetings (#)	Sitting Fees (Rs.) for Committee Meetings (#)	Commission (#) (Rs.)	No. of Shares held as on 31st March 2011 (#)
MR. B. M. KHAITAN	60,000	—	1,20,000	36,288
MR. D. KHAITAN	20,000	—	1,20,000	11,818
DR. R. SRINIVASAN	80,000	1,00,000	1,20,000	—
MR. B. BAJORIA	1,00,000	1,60,000	1,20,000	1,400
MR. R. SEN	80,000	1,20,000	1,20,000	133
MR. U. PAREKH	80,000	40,000	1,20,000	—
MR. S. N. MENON	80,000	80,000	1,20,000	—
*MR. B. V. SWAMINATHAN	—	—	1,17,041	10,000
TOTAL	5,00,000	5,00,000	9,57,041	59,639

(#) Other than the above there is no pecuniary relationship or transactions with any of the Non- Executive Directors.

* Ceased to be a Director w.e.f. 23.03.2011.

The Company has not issued any convertible instruments.

- b) Details of Remuneration for the financial year ended 31st March 2011 to the Managing Director and Wholtime Directors are given below:

	MR. A. KHAITAN Rs.	MR. R. TAKRU Rs.	MR. A. MONEM Rs.	MR. K. K. BAHETI Rs.
Salary	1,08,00,000	39,00,000	39,00,000	39,00,000
Contribution to Provident Fund and other Funds	29,16,000	10,53,000	10,53,000	10,53,000
Bonus and Allowances	60,80,284	49,45,000	39,70,000	49,45,000
Monetary value of Perquisites	18,28,800	2,54,336	4,69,267	1,25,145
Period of appointment	3 years w.e.f. 01.04.2008	3 years w.e.f. 01.04.2008	3 years w.e.f. 01.04.2008	3 years w.e.f. 01.04.2008
Notice period	3 Months	3 Months	3 Months	3 Months
Severance fees	Not specified	Not specified	Not specified	Not specified



5. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

i. Composition of the Committee and the Non-Executive Director heading the Committee

The Shareholders'/Investors' Grievance Committee of the Board as at 31st March 2011 consisted of three Members. Mr. R. Sen, a Non-Executive Independent Director, is the Chairman of the Committee. Mr. B. Bajoria and Mr. U. Parekh both Non-Executive and Independent Directors, were the other Members of the Committee.

a) Brief description of the terms of reference

The terms of reference of the Committee are to look into redressal of Shareholders'/Investors' complaints relating to non-receipt of notices, share certificates, annual reports, dividends, transfer of shares, dematerialization of shares and other grievances.

b) Meetings and attendance during the year

During the financial year two Meetings of the Shareholders'/Investors' Grievance Committee were held on 3rd November 2010 and 28th March 2011 and the attendance of Members are as follows:

Name of Directors	Category	Attended
MR. R. SEN, CHAIRMAN	NON-EXECUTIVE & INDEPENDENT	1
MR. B. BAJORIA	NON-EXECUTIVE & INDEPENDENT	2
MR. U. PAREKH	NON-EXECUTIVE & INDEPENDENT	2

ii) Name and designation of the Compliance Officer

Mr. A Guha Sarkar
 Vice President & Company Secretary
 McLeod Russel India Limited
 Four Mangoe Lane
 Surendra Mohan Ghosh Sarani
 Kolkata 700001

iii) Details of Complaints received, redressed and pending during the financial year

Pending at the beginning of the year	Received during the year	Redressed/Replied during the year	Pending at the year end
Nil	153	153	Nil

6. GENERAL BODY MEETINGS

i) Location and time of last three Annual General Meetings:

Financial Year ended	Date	Time	Venue
31.03.2008	29.07.2008	10.30 A.M.	Kala Mandir, 48, Shakespeare Sarani, Kolkata - 700 017
31.03.2009	28.07.2009	11.00 A.M.	Kala Mandir, 48, Shakespeare Sarani, Kolkata - 700 017
31.03.2010	02.08.2010	11.00 A.M.	Kala Mandir, 48, Shakespeare Sarani, Kolkata - 700 017



ii) **Special Resolutions passed in the previous three AGMs.**

AGM held on	Special Resolution passed :
29.07.2008	None
28.07.2009	None
02.08.2010	A Special Resolution was passed pursuant to provisions of Section 31 altering the existing Article 5 of the Articles of Association of the Company so as to empower the Company to buy back its own fully paid shares out of its free reserves or securities premium at the appropriate time in future subject to the provisions of Sections 77A, 77AA and 77B of the Companies Act, 1956.

- iii) No Special Resolution was passed during the Financial Year ended 31st March 2011 through Postal Ballot.
- iv) Resume and other information regarding the Directors being re-appointed as required under Clause 49 IV(G)(i) of the Listing Agreement have been given in the Notice of the Annual General Meeting annexed to this Annual Report.

7. DISCLOSURES

- i) Transactions with the related parties have been disclosed in Note No.12 of Schedule 17 to the Accounts in the Annual Report for the year under review.
- ii) The Company has complied with all the mandatory requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets during the financial year. No penalties or strictures were imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority, on any matter relating to the capital markets during the financial year ended 31st March 2009, 31st March 2010, 31st March 2011.
- iii) a) The Company has adopted separate Codes of Conduct ('Code') for the Members of the Board and Senior Management Personnel as required under Clause 49 of the Listing Agreement. All the Board Members and the Senior Management Personnel have affirmed compliance of the Code. The Annual Report of the Company contains a declaration to this effect signed by the CEO. The Company has also adopted a Code for Prohibition of Insider Trading.
All the aforesaid Codes have been posted on the Company's Website.
- b) The Company has obtained Certificate from the Statutory Auditors on compliance of Clause 49 of the Listing Agreement and a copy of such Certificate is attached to this report.
- iv) The Company has laid down a procedure for risk assessment and minimization thereof. The Company maintains a Risk Register wherein the various risks the Company is exposed to and the steps for mitigation thereof are recorded.
- v) All the mandatory requirements have been appropriately complied with and the non-mandatory requirements are dealt with at the end of this Report.

8. MEANS OF COMMUNICATION

- i) Quarterly Results and publication thereof in newspapers.
Quarterly, half-yearly and annual results are published in prominent dailies which *inter alia* include Business Standard (English), The Economic Times (English) and Aajkal (Bengali) in the form prescribed by Clause 41 of the Listing Agreements with the Stock Exchanges.
- ii) Display in Website
Financial Results, Shareholding Pattern, Information Update etc., are displayed on the Company's Website www.mcleodrusselindia.com
- iii) Display of Official news and presentation made to the Shareholders/Institutional Investors/Analysts :
Press releases and Information Updates as and when made are displayed in the Company's website and also



sent to the Stock Exchanges to enable them to put the same on their own websites.

- iv) Management Discussion and Analysis forms a part of the Company's Annual Report.

9. GENERAL SHAREHOLDERS' INFORMATION

- (i) 13th Annual General Meeting

Date and Time : 29th July 2011 (Friday) at 11.00 a.m.
 Venue : Kala Mandir
 48, Shakespeare Sarani, Kolkata – 700 017

- (ii) Financial Year : 1st April to 31st March.

- (iii) Dates of Book Closure

The Share Transfer Books and Register of Members of the Company will remain closed from 21st July 2011 to 29th July 2011 (both days inclusive) for the purpose of the Annual General Meeting of the Company and payment of Dividend.

- (iv) Dividend Payment Date

The Dividend, if declared shall be paid/credited on or after 2nd August 2011 .

- (v) Listing on Stock Exchanges

The Company's Shares are listed at the following Stock Exchanges and the Annual Listing Fees for the year 2011-2012 have been paid to all these Stock Exchanges.

Name of the Stock Exchange

1. Bombay Stock Exchange Limited [BSE]
2. The National Stock Exchange of India Limited [NSE]
3. The Calcutta Stock Exchange Association Limited [CSE]

- (vi) Stock Code :

Name of the Stock Exchanges [where the Company's Shares are listed]	Date of Listing of 5,59,05,402 Equity Shares of Rs.5/- each of the Company	Date of Listing of 4,25,25,000 Equity Shares of Rs.5/- each of the Company	Date of Listing of 99,07,305 Equity Shares of Rs.5/- each of the Company	Date of Listing of 11,18,028 Equity Shares of Rs.5/- each of the Company	Stock Code
BSE	28.07.2005	21.08.2006	09.11.2006	01.08.2008	532654
NSE	29.07.2005	28.08.2006	09.11.2006	18.08.2008	MCLEODRUSS
CSE	23.08.2005	31.08.2006	16.11.2006	24.09.2008	10023930

Demat ISIN Number for NSDL & CDSL : **INE 942G01012**



(vii) Stock Price Data :

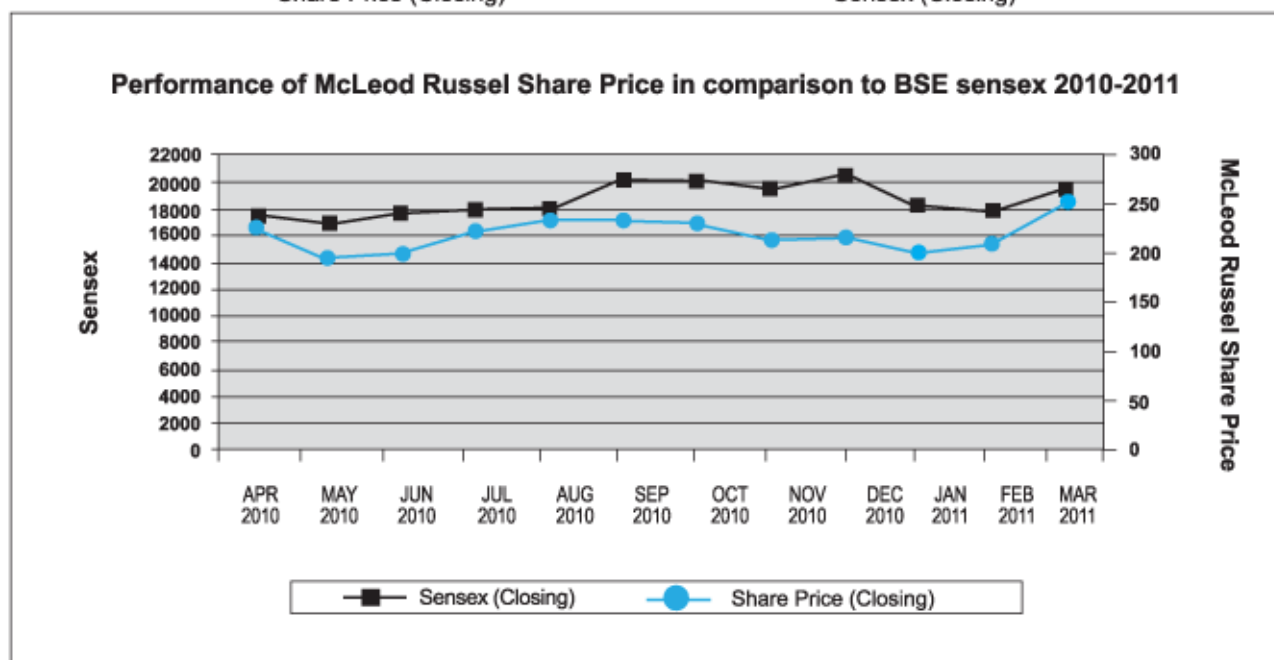
Month	Bombay Stock Exchange				National Stock Exchange	
	High Rs.	Low Rs.	Share Price (closing) Rs.	Sensex (closing)	High Rs.	Low Rs.
April 2010	272.30	214.20	228.60	17558.71	272.40	212.60
May 2010	231.75	180.10	195.40	16944.63	231.85	179.55
June 2010	206.50	165.20	200.35	17700.90	206.45	165.15
July 2010	240.00	198.80	222.45	17868.29	267.50	199.05
August 2010	266.50	221.25	234.15	17971.12	266.30	222.00
September 2010	264.40	227.35	234.15	20069.12	264.85	226.40
October 2010	254.90	222.20	229.95	20032.34	257.50	222.50
November 2010	247.00	206.00	214.35	19521.25	246.40	205.55
December 2010	224.00	192.00	216.30	20509.09	222.90	191.35
January 2011	223.20	198.60	200.55	18327.76	223.50	196.30
February 2011	234.50	198.20	210.30	17823.40	234.60	197.35
March 2011	271.40	211.55	252.20	19445.22	270.90	209.50

(viii) Performance in comparison to BSE Sensex :

Share Price Performance (April 2010 to March 2011)

Share Price (Closing)

Sensex (Closing)





ix. Registrar and Share Transfer Agents:

Maheshwari Datamatics Pvt Ltd.

6, Mangoe Lane, 2nd Floor

Surendra Mohan Ghosh Sarani, Kolkata – 700001.

TEL. : (033) 2243-5809; 2243-5029

FAX : (033) 2248-4787

E-MAIL : mdpl@cal.vsnl.net.in

x. Share Transfer System

The requests for transfer of shares held in physical mode should be lodged at the office of the Company's Registrar & Share Transfer Agents, Maheshwari Datamatics Private Limited (Registered with SEBI), 6 Mangoe Lane, 2nd Floor, Surendra Mohan Ghosh Sarani, Kolkata 700001 or at the Registered Office of the Company. The Board of Directors has unanimously delegated the powers of share transfer, transmission, sub-division, consolidation and issue of duplicate Share Certificate/s to a Share Transfer Committee comprising Messrs. R. Takru, A. Monem and K. K. Baheti in order to expedite transfer, transmission etc. in the physical form. The Committee meets once in every fortnight for approving Share Transfers and for other related activities. Share Transfers are registered and returned in the normal course within an average period of 21 days, if the transfer documents are found technically in order and complete in all respects.

The Company conducts a weekly review of the functions of the Registrar and Share Transfer Agent for upgrading the level of service to the Shareholders. Weekly review is also conducted on the response to the shareholders pertaining to their communication and grievances, if any.

xi) a) Distribution of shareholding as on 31st March 2011

Size of holding	No. of holders	Percentage	No. of Shares	Percentage
1 to 500	58,657	92.61	61,46,919	05.61
501 to 1000	2,788	04.40	20,63,873	01.89
1001 to 2000	1,040	01.64	15,15,546	01.38
2001 to 3000	272	00.43	6,91,525	00.63
3001 to 4000	122	00.19	4,34,256	00.40
4001 to 5000	76	00.12	3,58,312	00.33
5001 to 10000	135	00.21	10,10,337	00.92
10001 and above	251	00.40	9,72,34,967	88.84
Total	63,341	100.00	10,94,55,735	100.00



b) Shareholding Pattern as on 31st March 2011

Sr. No.	Category	Number of Shareholders	No. of Shares held	% of holding
1.	Promoters	20	49989385	45.67
2.	Mutual Funds / UTI	29	2957990	02.70
3.	Financial Institutions / Insurance Companies / Banks	93	3821924	03.49
4.	Central / State Government(s)	1	112	00.00
5.	FII's	112	35544040	32.48
6.	Bodies Corporate	1065	3385080	03.09
7.	NRIs / OCBs	761	599976	00.55
8.	Resident Individuals	61136	12848248	11.74
9.	Trust	9	11686	00.01
10.	Clearing Member	115	297294	00.27
	Total	63341	109455735	100.00

xii. Dematerialization of Shares and liquidity:

The Company's Shares form part of the SEBI's Compulsory Demat segment for all Shareholders/investors. The Company has established connectivity with both the Depositories viz. National Securities Depository Limited [NSDL] and Central Depository Services (India) Limited [CDSL] through the Registrar, Maheshwari Datamatics Private Limited, 6 Mangoe Lane, 2nd Floor, Surendra Mohan Ghosh Sarani, Kolkata 700001. Requests for dematerialization of shares are processed and confirmations are being given to the respective Depositories.

As on 31st March 2011, 97.02% of the Company's equity shares of Rs.5/- each representing 10,61,98,012 shares were in dematerialized form and the balance 2.98% representing 32,57,723 shares were in physical form.

xiii. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments:

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

xiv. Plant Locations:

Tea manufacturing plants are located at the following Tea Estates –

LOCATIONS	TEA ESTATES
ASSAM:	
BISHNAUTH	DEKORAI, MIJICAJAN, MONABARIE, PERTABGHUR
DHUNSERI	BEHORA, BUKHIAL
DOOM DOOMA	BAGHJAN, BORDUBI, KOOMSONG, PHILLOBARI, BEESAKOPIE/DAIMUKHIA, RAIDANG, SAMDANG
EAST BOROI	BARGANG, BEHALI, BOROI, DUFFLAGHUR, HALEM, NYA GOGRA
JORHAT	HUNWAL
MANGALDAI	ATTAREEKHAT, BHOOTEACHANG, BORENGAJULI, CORRAMORE, DIMAKUSI, PANEERY



MARGHERITA	BOGAPANI, DEHING, DIROK, MARGHERITA, NAMDANG
MORAN	ATTABARRIE, DIRAI, LEPETKATTA, MORAN, RAJMAI, SEPON
THAKURBARI	ADDABARIE, HARCHURAH, NILPUR, PHULBARI, RUPAJULI, TARAJULIE, TEZPORE & GOGRA
TINGRI	DIRIAL, ITAKHOOLI, KEYHUNG, MAHAKALI
WEST BENGAL:	
DOOARS	BHATPARA, CENTRAL DOOARS, CHUAPARA, JAINTI/CHUNIAJHORA, MATHURA/JAIBIRPARA

xv. Address for correspondence for Share and related services:

Any assistance regarding Share transfers and transmission, change of address, non-receipt of share certificate/duplicate share certificate, demat and other matters and for redressal of all share-related complaints and grievances, the Members are requested to write to or contact the Registrar & Share Transfer Agents or the Share Department of the Company for all their queries or any other matter relating to their shareholding in the Company at the addresses given below:

(i) The Company's Registered Office at :

McLEOD RUSSEL INDIA LIMITED

Four Mangoe Lane, Surendra Mohan Ghosh Sarani, Kolkata – 700001.

TEL : 033-2210-1221, 033-2243-5391, 033-2248-9434, 033-2248-9435

FAX : 91-33-2248-3683, 91-33-2248-8114

E-mail : administrator@wmg.co.in

(ii) Registrar and Share Transfer Agents' Registered Office at :

MAHESHWARI DATAMATICS PVT LTD.

6, Mangoe Lane, 2nd Floor

Surendra Mohan Ghosh Sarani, Kolkata – 700001.

TEL. : (033) 2243-5809; 2243-5029

FAX : (033) 2248-4787

E-mail : mdpl@cal.vsnl.net.in

In case of any difficulty, the Compliance Officer at the Registered Office of the Company may be contacted.

Special E-mail Id : mcleod_investors@wmg.co.in

Compliance of Non-Mandatory Requirements

i) The Board :

During the financial year ended 31st March 2011, a part of the expenses for maintenance of the office of the Non-Executive Chairman was borne by the Company.

ii) Remuneration Committee :

The Company has a Remuneration Committee comprising Mr. B. Bajoria, Dr. R. Srinivasan and Mr. R. Sen as Members as stated in Paragraph 4 of this Report.

iii) Shareholder Rights :

Half-yearly results including summary of the significant events are presently not being sent to the Shareholders of the Company.



- iv) **Audit Qualification :**
The observations of the Auditors have been dealt with in the Directors' Report.
- v) **Training of Board Members :**
The Company has not yet adopted any training programme for its Directors.
- vi) **Mechanism for evaluating Non-Executive Board Members :**
There is no mechanism for evaluating Non-Executive Board Members at present. All the Non-Executive Board Members are having requisite qualification and expertise in their respective functional areas.
- vii) **Whistle Blower Policy :**
There is no Whistle Blower Policy at present.

For and on behalf of the Board

Place : Kolkata
Date : 30th May 2011

A. Khaitan – *Managing Director*
K. K. Baheti – *Wholetime Director*



AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of McLeod Russel India Limited

We have examined the compliance of conditions of Corporate Governance by McLeod Russel India Limited, for the year ended 31st March 2011, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by The Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

We 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.

For Price Waterhouse
Firm Registration Number 301112E
Chartered Accountants

Place : Kolkata
Date : 30th May 2011

(P. Law)
Partner
Membership No. 51790

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted two separate Codes of Conduct to be followed by the Members of the Board and Senior Management Personnel of the Company respectively in compliance with Clause 49 of the Listing Agreement with the Stock Exchanges. Both these Codes are available on the Company's website.

I confirm that the Company has in respect of the financial year ended 31st March 2011 received from the Members of the Board and Senior management personnel, a Declaration of Compliance with the Code of Conduct as applicable to them.

Place : Kolkata
Date : 30th May 2011

A. Khaitan - Managing Director

**Auditors' Report to the Members of McLeod Russel India Limited**

1. We have audited the attached Balance Sheet of McLeod Russel India Limited (the "Company"), as at 31st March, 2011, and the related Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. The aforesaid financial statements incorporate the transactions and balances relating to the Company's Marketing and Representative Office, United Kingdom, which we have audited on the basis of returns, records, information and explanations received from the said Marketing and Representative Office of the Company not visited by us during the year. 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.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as, evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together the "Order"), issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'the Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we further report that :
 - 3.1 (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 according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed.
 - (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the Company during the year.
 - 3.2. (a) The inventory (excluding stocks with third parties) has been physically verified by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them and/or have been verified with reference to subsequent sale. In our opinion, the frequency of verification is reasonable.
 - (b) In our opinion, the procedures 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.

**Auditors' Report to the Members of McLeod Russel India Limited
(contd....)**

- (c) On the basis of our examination of the inventory records, in our opinion, the Company has maintained proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- 3.3(a) The Company has granted unsecured demand loan to a company covered in the register maintained under Section 301 of the Act. The maximum amount involved during the year and the year- end balance of such loan amounts to Rs 360.00 lakhs and Rs 360.00 lakhs respectively.
- (b) In our opinion, the rate of interest and other terms and conditions of such loans are not prima facie prejudicial to the interest of the Company.
- (c) In respect of the aforesaid loan, repayment of the principal amount and the payment of interest were not due at the year end.
- (d) 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 Act.
- 3.4 In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- 3.5 (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees Five Lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- 3.6 The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
- 3.7 In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- 3.8 We have broadly reviewed the books of account maintained by the Company in respect of product where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of Section 209 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.


**Auditors' Report to the Members of McLeod Russel India Limited
 (contd....)**

- 3.9 (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has generally been regular in depositing during the year the undisputed statutory dues including provident fund, investor education and protection fund, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities. As explained by the Management, Employees' State Insurance Scheme is not applicable to the Company.
- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess, as applicable, as at 31st March, 2011 which have not been deposited on account of a dispute, are as follows :

Name of the statute	Nature of dues	Amount (Rs. Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Central Sales Tax Act	Sales Tax	0.82	2001-02	Deputy Commissioner of Taxes (Appeals)
	Sales Tax	2.23	2005-06	Deputy Commissioner of Taxes
Assam General Sales Tax Act	Sales Tax	23.32	1999-00	Gauhati High Court
Income Tax Act 1961	Tax Deducted at source and Interest (Refer Note 14 on Schedule 17 to Accounts)	5278.00	2005-06	CIT (Appeals)
	Fringe Benefit Tax	37.93	2007-08	CIT (Appeals)
Finance Act, 1994	Service Tax	75.48	2004-05 to 2007-08	Commissioner Central Excise

- 3.10 The Company has no accumulated losses as at 31st March, 2011 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- 3.11 According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any bank at the Balance Sheet date. The Company did not have any dues outstanding to any debenture holders or financial institutions as at the beginning of the year nor did it obtain any such loans during the year.
- 3.12 The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

**Auditors' Report to the Members of McLeod Russel India Limited
(contd....)**

- 3.13. The provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund/societies are not applicable to the Company.
- 3.14. In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.
- 3.15. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
- 3.16. In our opinion, and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained other than Rs. 1408 Lakhs being a part of such loans which is pending utilisation.
- 3.17. On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short term basis which have been utilised for long term investments.
- 3.18. 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 during the year.
- 3.19. The Company has not issued any debentures.
- 3.20. The Company has not raised any money by public issues during the year.
- 3.21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.
4. Further to our comments in paragraph 3 above, we report that:
- (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the Marketing and Representative Office not visited by us;
- (c) The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of accounts and with the returns received from the Marketing and Representative Office not visited by us;
- (d) In our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act;

**Auditors' Report to the Members of McLeod Russel India Limited
(contd....)**

- (e) On the basis of written representations received from the directors, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
- (f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give in the prescribed manner, except for non ascertainment and non disclosure of the value of green leaf consumed as indicated in Note 20(b) on Schedule 17 to the financial statements, the information required by the Act, and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
 - (ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Price Waterhouse
Firm Registration Number 301112E
Chartered Accountants

Place : Kolkata
Date : 30th May, 2011

(P.Law)
Partner
Membership Number. 51790



BALANCE SHEET AS AT 31ST MARCH, 2011

	Schedule	31st March 2011		31st March 2010	
		Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
SOURCES OF FUNDS					
Shareholders' Funds					
Share Capital	1	5472.79		5472.79	
Reserves and Surplus	2	<u>146662.08</u>	152134.87	<u>130232.66</u>	135705.45
Loan Funds	3				
Secured Loans			20880.79		27990.85
Deferred Tax Liability [Note 8.2 on Schedule 17]			6351.25		5751.25
			<u>179366.91</u>		<u>169447.55</u>
APPLICATION OF FUNDS					
Fixed Assets	4				
Gross Block		189330.98		185928.54	
Less : Depreciation and Amortisation		<u>44036.57</u>		<u>41526.87</u>	
Net Block		145294.41		144401.67	
Capital Work-in-Progress [Note 5 on Schedule 17]		<u>1481.28</u>	146775.69	<u>1199.77</u>	145601.44
Investments	5		26036.00		25946.05
Current Assets, Loans and Advances					
Inventories	6	7040.32		5294.38	
Sundry Debtors	7	1298.40		1629.26	
Cash and Bank Balances	8	1282.26		2192.03	
Other Current Assets	9	4686.04		5108.21	
Loans and Advances	10	<u>20152.05</u>		<u>13278.00</u>	
		<u>34459.07</u>		<u>27501.88</u>	
Less : Current Liabilities and Provisions					
Current Liabilities	11	11128.19		11273.18	
Provisions	12	<u>16775.66</u>		<u>18328.64</u>	
		<u>27903.85</u>		<u>29601.82</u>	
NET CURRENT ASSETS			6555.22		(2099.94)
			<u>179366.91</u>		<u>169447.55</u>
Notes on Accounts	17				

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

For PRICE WATERHOUSE
Firm Registration Number 301112E
Chartered Accountants

P. Law
Partner
Membership Number 51790
Kolkata, 30th May, 2011

The Schedules referred to above form an integral part of the Balance Sheet of the Company.

For and on behalf of the Board of Directors

A. Khaitan - Managing Director

K. K. Baheti - Wholetime Director

A. Guha Sarkar - Company Secretary



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH ,2011

		Year ended 31st March 2011	Year ended 31st March 2010
	Schedule	Rs. Lakhs	Rs. Lakhs
INCOME			
Sales	13	107313.42	107682.09
Other Income	14	4588.78	3469.43
Closing Stock		2942.61	1789.30
		<u>114844.81</u>	<u>112940.82</u>
EXPENDITURE			
Opening Stock		1789.30	2522.87
Expenses	15	<u>80309.32</u>	<u>74086.63</u>
		<u>82098.62</u>	<u>76609.50</u>
Profit before Interest, Depreciation and Taxation		32746.19	36331.32
Interest and Exchange Fluctuation (Net)	16	1834.78	2526.80
Depreciation and Amortisation [Note 3 on Schedule 17]		2754.18	2711.72
Profit before Taxation		<u>28157.23</u>	<u>31092.80</u>
Taxation Charge			
Current Tax [includes Rs. 23.34 lakhs (2009-10 -Rs. Nil) relating to earlier years]		5173.34	6561.00
Less : MAT Credit		(839.00)	-
Deferred Tax		600.00	498.89
Profit after Taxation		<u>23222.89</u>	<u>24032.91</u>
Balance brought forward from Previous Year		9236.53	4309.02
Balance available for Appropriations		<u>32459.42</u>	<u>28341.93</u>
Proposed Dividend		5472.79	4378.23
Tax on Proposed Dividend		887.82	727.17
Transfer to General Reserve		16000.00	14000.00
Balance carried forward to Balance Sheet		<u>10098.81</u>	<u>9236.53</u>
Earnings per share [Basic and Diluted - Rs.] [Note 15 on Schedule 17]		21.22	21.96
Notes on Accounts	17		

This is the Profit and Loss Account referred to in our report of even date.

For PRICE WATERHOUSE
Firm Registration Number 301112E
Chartered Accountants

P. Law
Partner
Membership Number 51790
Kolkata, 30th May, 2011

The Schedules referred to above form an integral part of the Profit and Loss Account of the Company

For and on behalf of the Board of Directors

A. Khaitan - Managing Director

K. K. Baheti - Wholetime Director

A. Guha Sarkar - Company Secretary



Schedules annexed to Balance Sheet as at 31st March, 2011

SCHEDULE 1

	31st March 2011 Rs. Lakhs	31st March 2010 Rs. Lakhs
SHARE CAPITAL		
Authorised		
12,00,00,000 Equity Share of Rs. 5/- each	6000.00	6000.00
Issued, subscribed and paid-up		
1,00,33,705 Equity Share of Rs. 5/- each fully paid up	501.69	501.69
9,94,22,030 Equity Shares of Rs. 5/- each fully paid up issued pursuant to Scheme of Arrangement / Schemes of Amalgamation without payment being received in cash.	4971.10	4971.10
	5472.79	5472.79

SCHEDULE 2

RESERVES AND SURPLUS

	General Reserve	Securities Premium	Capital Reserve	Revaluation Reserve	Other Reserve *	Total
	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
Balance as per last Account	33686.88	11053.58	201.68	56844.79	19209.20	120996.13
Less : Surplus/(deficit) arising on disposal/scrapping of revalued assets transferred to Profit and Loss Account	-	-	-	17.19	-	17.19
Less : Withdrawn on account of depreciation on amount added on Revaluation of Fixed Assets [Note 3 on Schedule 17]	-	-	-	415.67	-	415.67
	33686.88	11053.58	201.68	56411.93	19209.20	120563.27
Add : Transferred from Profit and Loss Account	16000.00	-	-	-	-	16000.00
Add : Profit and Loss Account (31st March 2010 - Rs. 9236.53 lakhs)	-	-	-	-	-	10098.81
Balance as at 31st March, 2011	49686.88	11053.58	201.68	56411.93	19209.20	146662.08

* Represents the balance amount of Reserve which had arisen on Transfer of Bulk Tea Division of Eveready Industries India Limited



Schedules annexed to Balance Sheet as at 31st March, 2011

SCHEDULE 3

	31st March 2011 Rs. Lakhs	31st March 2010 Rs. Lakhs
LOAN FUNDS		
SECURED LOANS		
Cash Credit, Packing Credit and Demand Loans	6818.53	8709.26
Secured/to be secured by equitable first mortgage by way of deposit of title deeds of immovable properties of certain tea estates ranking pari passu with others; and hypothecation of tea crop, movable properties and book-debts present and future of the Company		
Term Loans :		
HDFC Bank Ltd	2014.78	4669.36
Secured by first equitable mortgage by way of deposit of title deeds of immovable properties of certain tea estates		
Axis Bank Limited	3248.00	5416.00
Secured by first equitable mortgage by way of deposit of title deeds of immovable properties of certain tea estates		
ICICI Bank Limited	8798.82	9193.74
Secured / to be secured by first pari-passu charge on WM - Brand, first pari passu mortgage of certain tea estates and subservient mortgage of certain tea estates; and additionally secured by pledge of certain investments		
ICICI Bank Limited - Vehicle Loans	0.66	2.49
Secured by hypothecation of the related assets acquired		
	20880.79	27990.85



Schedules annexed to Balance Sheet as at 31st March, 2011

SCHEDULE 4

Rs. in Lakhs

FIXED ASSETS

Particulars	GROSS BLOCK AT COST OR VALUATION			DEPRECIATION / AMORTISATION		NET BLOCK		
	As at 31st March, 2010	Additions/ adjustments during the year (Note 3 below)	Sales/Retire-ments/adjust-ments during the year (Note 2 below)	As at 31st March, 2010 (Note 4 below)	For the year ending the year (Note 4 below)	On assets Sold/Retired/ adjusted dur- ing the year (Note 4 below)	Written down value as at 31st March, 2011	Written down value as at 31st March, 2010
Intangibles								
Trade Mark [Brand] [Note 1 below]	5000.00	-	-	5000.00	1312.50	250.00	-	1562.50
Goodwill	20.44	-	-	20.44	20.44	-	-	20.44
Tangibles								
Estate and Development Land - Freehold	88509.18	3063.42	-	91572.60	2450.47	-	-	2450.47
Buildings	52241.08	1730.44	90.86	53880.66	15410.64	1041.87	22.64	16429.87
Plant and Machinery	30842.85	1923.31	547.83	32218.33	18541.28	1517.57	406.01	19652.84
Motor and Other Vehicles	4766.52	529.07	214.41	5081.18	2904.42	292.99	151.29	3046.12
Furniture and Fittings	1566.64	101.67	110.54	1557.77	887.12	67.42	80.21	874.33
31st March, 2011	185928.54	7347.91	3945.47	189330.98	41526.87	3169.85	660.15	44036.57
31st March, 2010	182179.10	4503.51	754.07	185928.54	38703.25	3149.18	325.56	41526.87

Notes:

- The above represents the trade mark (Brand - WM logo) acquired in January 2005 and the same is being amortised under straight line method over a working life of 20 years on prudent basis based on the valuation obtained by the management, considering the factors like effective life/utility.
- Conveyance deed is pending execution for Jalbirpara Tea estate for Rs. 293 lakhs (31.03.10 - Rs. 293 lakhs)
- Includes Capital Subsidy of Rs. 117.88 lakhs (31.03.10 - Rs. 213.56 lakhs)
- The opening and closing balance of Depreciation and Amortisation includes an Impairment Loss as set out below:-

	Impairment Loss as at 31st March	
	2011	2010
Estate and Development	Rs. Lakhs	Rs. Lakhs
Buildings	2440.32	2440.32
Plant and Machinery	1217.25	1217.25
	362.43	362.43
	4020.00	4020.00



Schedules annexed to Balance Sheet as at 31st March, 2011

SCHEDULE 5

31st March 2011
Rs. Lakhs
31st March 2010
Rs. Lakhs

INVESTMENTS

[Note 1.3 on Schedule 17]

In Equity Shares of Rs.10 each fully paid
[except otherwise stated]

Long Term Investments

- Trade

QUOTED

Murabblack India Limited 500000 shares	-	-
McNally Bharat Engineering Co. Limited 3052295 Shares	131.25	131.25
Williamson Financial Services Limited 1666853 Shares	519.33	519.33
Eveready Industries India Limited 1663289 Shares of Rs. 5/- each	169.66	169.66
Kilburn Engineering Limited 848168 Shares	36.05	36.05
The Standard Batteries Limited 1003820 (31.03.10 - 2007640) Shares of Re. 1/- (31.03.10 - Re. 0.50) each (Shares consolidated during the year)	-	-
Kilburn Chemicals Limited 350200 Shares	14.04	14.04
Kilburn Office Automation Limited 31340 Shares	1.27	1.27

UNQUOTED

Babcock Borsig Limited 911987 Shares	91.73	91.73
Dewrance Macneill & Co. Limited 200000 Shares	-	-
Kilburn Electricals Limited 28000 Shares	-	-
Cosepa Fiscal Industries Limited 350000 Shares	-	-
Delhi Golf & County Club Private Limited 35750 Shares of Rs.100/- each	-	-
Project India Blend Private Limited 250000 Shares	8.25	8.25
D1 Williamson Magor Bio Fuel Limited 7038101 (31.03.2010 - 6807101) Shares [231000 Shares acquired during the year]	2111.43	2042.13

- Others

QUOTED

Suryachakra Seafood Limited 400000 Shares	-	-
--	---	---

Carried Forward
3083.01
3013.71



Schedules annexed to Balance Sheet as at 31st March, 2011

SCHEDULE 5 [Contd.]		31st March 2011 Rs. Lakhs	31st March 2010 Rs. Lakhs
	Brought Forward	3083.01	3013.71
UNQUOTED			
Jalpaiguri Club Limited			
523 Shares		-	-
Johnston Casting and Allied Industries Limited			
3500 Shares		-	-
Nilpur Marketing Pvt. Limited			
12500 Shares		1.25	1.25
Nilhat Shipping Company Limited			
1000 Shares		0.10	0.10
Woodlands Medical Centre Limited (Note 2 below)			
Rs. 89500 5% Non Redeemable Mortgage			
Debenture Stock		-	0.36
Rs.6600-1/2% Registered Mortgage Debenture		-	-
Woodlands Multispeciality Hospital Limited (Note 2 below)			
229610 Shares (31.03.10 - Nil)		22.36	-
Thakurbari Club Limited			
56 Preference Shares of Rs.100 each		-	-
CFL Capital Financial Services Ltd.			
1154790 13% Redeemable Cumulative		1160.56	1160.56
Preference Shares of Rs.100 each			
- Investments in Government Securities			
QUOTED			
8% Government of India Loan - 2011		1.26	1.26
7% Government of India Loan - 2009		-	1.35
9% Government of India Loan - 2013		0.63	0.63
UNQUOTED			
National Defence Bond (Deposited with Excise Authorities)		0.02	0.02
- Investments in Subsidiaries			
UNQUOTED			
Borelli Tea Holdings Limited (U.K.)			
362000 Shares		22936.98	22936.98
		27206.17	27116.22
Less :			
Provision for diminution in carrying amount of Investments		1170.17	1170.17
		26036.00	25946.05
Notes :			
1.		31st March 2011 Rs. Lakhs	31st March 2010 Rs. Lakhs
Aggregate market value of quoted investments		8789.76	11184.84
Book Value of quoted investments		873.49	874.84
Period end gross diminution in carrying amount of quoted and unquoted investments		1170.17	1170.17
Book Value of unquoted investments		26332.68	26241.38
2.	Pursuant to the Scheme of Amalgamation of Woodlands Medical Centre Limited (WMCL) with Woodlands Multispeciality Hospital Ltd. (WMHL), the Company has been allotted the following during the year :-		
i)	9610 Equity Shares of Rs. 10/- each fully paid up in WMHL in lieu of Rs. 89500 5% Non Redeemable Mortgage Debenture Stock and Rs.6600-1/2% Registered Mortgage Debenture of WMCL		
ii)	220000 Equity Shares of Rs. 10 each fully paid up have been allotted against Rs. 22.00 lakhs contributed by the predecessor companies to the Members' Fund of WMCL and expensed in the accounts in earlier years. Accordingly contribution so made has been recognised as investment in these accounts with corresponding credit to Sundry Income (Schedule - 14)		
3.	Following shares are pledged against loans availed by the Company		
	Name of the Company	Nos.	Nos.
	Babcock Borsig Limited	911987	911987
	Borelli Tea Holdings Limited (U.K.)	83404	83404



Schedules annexed to Balance Sheet as at 31st March, 2011

	31st March 2011 Rs. Lakhs	31st March 2010 Rs. Lakhs
SCHEDULE 6		
INVENTORIES		
At lower of cost and net realisable value		
Stores	4097.71	3505.08
Finished Goods	2942.61	1789.30
	7040.32	5294.38
SCHEDULE 7		
SUNDRY DEBTORS		
Secured - Considered Good		
Outstanding for a period exceeding six months	350.00	350.00
Unsecured - Considered Good		
Outstanding for a period exceeding six months [includes doubtful debts Rs. 213.92 lakhs (31.03.10 - Rs. 216.92 lakhs)]	600.82	731.01
Other Debts [include due from a Subsidiary Rs. 33.91 lakhs (31.03.10 - Rs. Nil)]	561.50	765.17
	1512.32	1846.18
Less: Provision for doubtful debts	213.92	216.92
	1298.40	1629.26
SCHEDULE 8		
CASH AND BANK BALANCES		
Cash in hand	164.47	174.29
Cheques in hand	0.02	0.56
Balances with Scheduled Banks on :		
Margin Money Accounts	13.03	12.91
Current Accounts	109.17	166.75
Fixed Deposit Accounts (Note 13 on Schedule 17)	875.00	1770.67
Dividend Accounts	114.73	65.11
Escrow Accounts/Fractional Share Sale Proceeds Account	0.62	0.50
Balance with a Non - Scheduled Bank on Current Account ICICI Bank (UK) Plc. Limited [Maximum amount outstanding at any time during the year Rs. 21.19 lakhs (31.03.10 - Rs. 12.68 lakhs)]	5.22	1.24
	1282.26	2192.03
SCHEDULE 9		
OTHER CURRENT ASSETS		
Unsecured - Considered Good unless otherwise stated [Note 6 on Schedule 17]		
Interest Accrued on Loans and Deposits [including considered doubtful Rs. 173.35 lakhs (31.03.10 - Rs. 173.35 lakhs)]	2964.44	2737.91
Subsidies receivable from Government	977.80	1361.40
Accrued duty exemption benefits pertaining to exports	917.15	1182.25
	4859.39	5281.56
Less : Provision for doubtful interest receivable	173.35	173.35
	4686.04	5108.21



Schedules annexed to Balance Sheet as at 31st March, 2011

SCHEDULE 10	31st March 2011 Rs. Lakhs	31st March 2010 Rs. Lakhs
LOANS AND ADVANCES		
Unsecured - Considered Good unless otherwise stated [Note 6 on Schedule 17]		
Loans - to Subsidiaries	2900.00	1900.00
- to Others [includes Rs. 248.00 lakhs (31.03.10 - Rs. 248.00 lakhs) - considered doubtful]	1546.00	1656.00
Advances recoverable in cash or in kind or for value to be received [includes Rs. 92.15 lakhs (31.03.10 - Rs. 92.15 lakhs) - considered doubtful] [Note (a) below]	6071.17	5893.36
Balance with Excise Authorities	11.22	11.67
MAT Credit Entitlement	839.00	-
Deposits [includes Rs. 26.25 lakhs (31.03.10 - Rs. Nil) - considered doubtful] [Note (b) below]	9151.06	4157.12
	<u>20518.45</u>	<u>13618.15</u>
Less: Provision for doubtful loans, advances and deposits	366.40	340.15
	<u>20152.05</u>	<u>13278.00</u>
Notes: Includes -		
(a) Advance against fixed assets Rs. 535.63 lakhs (31.03.10 - Rs. 590.86 lakhs)		
(b) Rs. 7973.39 lakhs (31.03.10 - Rs. 2973.39 lakhs) with National Bank for Agriculture and Rural Development		
SCHEDULE 11 CURRENT LIABILITIES		
Sundry Creditors :		
Due to Micro and Small Enterprise [Note 17 on Schedule 17]	-	1.82
Due to Others	10722.62	10522.66
Amount due to Subsidiary Company	44.11	124.32
Advances from Customers / Selling Agents	146.20	480.41
Investor Education and Protection Fund shall be credited by the following amounts namely (Note below)		
Unpaid Dividend	114.73	65.11
Unpaid Matured Deposits	0.41	0.56
Interest accrued on Unpaid Matured Deposits	0.26	0.26
Unclaimed Fractional Share Sale Proceeds	0.62	0.50
Interest accrued but not due on loans	99.24	77.54
	<u>11128.19</u>	<u>11273.18</u>
Note : No amount is due for credit at the year-end		
SCHEDULE 12 PROVISIONS		
Provision for Income tax (Net of Advance Tax)	1536.32	2775.22
Provision for Fringe Benefit Tax (Net of Advance Tax)	80.58	80.58
Proposed Dividend	5472.79	4378.23
Provision for Tax on Proposed Dividend	1774.78	1177.83
Provision for Employee Benefits	3559.77	4621.10
Provision for Contingencies- [Note 6 on Schedule 17]	4351.42	5295.68
	<u>16775.66</u>	<u>18328.64</u>



Schedules annexed to Profit & Loss Account for the year ended 31st March, 2011

	Year ended 31st March 2011 Rs. Lakhs	Year ended 31st March 2010 Rs. Lakhs
SCHEDULE 13		
SALES		
Tea [including net exchange gain Rs. 332.37 lakhs (2009-10 - Rs. 595.71 lakhs)]	107227.04	107413.51
Other Sales	86.38	268.58
	107313.42	107682.09
SCHEDULE 14		
OTHER INCOME		
Sundry Income	179.79	127.95
Subsidy on Orthodox Tea	103.11	176.38
Replantation Subsidy	395.33	217.92
Excise Duty Rebate	0.95	1.10
Accrued duty exemption entitlement relating to exports/ premium on sale thereof	2300.62	2383.78
Profit on disposal of fixed assets (net)	171.73	-
Profit on Sale of Long Term Trade Investments	-	1.27
Provision for diminution in carrying amount of Investments no longer required written back	-	376.55
Insurance Claims	169.85	113.15
Dividend on Long Term - Trade Investments	70.32	56.88
Liabilities no longer required written back	249.82	14.45
Provision for Contingencies no longer required written back	944.26	-
Provision for doubtful debts no longer required written back	3.00	-
	4588.78	3469.43



Schedules annexed to Profit & Loss Account for the year ended 31st March, 2011

SCHEDULE 15	Year ended 31st March 2011		Year ended 31st March 2010	
	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
EXPENSES				
Salaries, Wages, Bonus etc.		28972.61		26916.00
Contribution to Provident and Other Funds		4329.02		4332.93
Labour and Staff Welfare		5918.25		5032.07
Purchase of Green Leaf		8861.03		7173.31
Consumption of Stores and Spare Parts		5463.92		4983.83
Power and Fuel		10052.00		9260.30
Rent		91.21		52.14
Repairs - Buildings		1805.62		1794.32
- Machinery		2009.88		1675.38
- Others		1128.83		814.20
Insurance		390.63		355.14
Rates and Taxes [including wealth tax Rs. 30 lakhs (2009-10 - Rs. 35 lakhs)]		459.61		823.02
Cess on Black Tea		234.07		240.38
Assam Green Leaf Cess		1064.30		920.97
Travelling		1010.48		911.67
Loss on disposal of Fixed Assets [net]		-		96.20
Legal and Professional Fees		698.41		720.14
Freight, Shipping and Selling Expenses [Net of Transport Subsidy Rs. 268.58 lakhs (2009-10 - Rs. 407.79 lakhs)]		5065.26		5004.09
Brokerage on Sales		456.62		426.83
Selling Agents' Commission		474.57		515.03
Bad Debts/Deposits/Advances/Other Current Assets written off	108.97		57.07	
Less: Adjusted from Provisions (Note below)	-	108.97	54.78	2.29
Provision for doubtful debts and advances		26.25		219.07
Miscellaneous Expenses		1687.78		1817.32
		<u>80309.32</u>		<u>74086.63</u>
Note :				
Comprises provision for contingencies Rs. Nil (2009-10 - Rs.26.37 lakhs and provision for doubtful debts/advances Rs. Nil (2009-10 - Rs. 28.41 lakhs)				
SCHEDULE 16				
INTEREST AND EXCHANGE FLUCTUATION [NET]				
Interest Charge				
On Fixed Loans		1561.34		3611.30
Others		1580.88		870.82
Exchange Gain on Foreign Exchange				
Translation in respect of Loans		(61.52)		(867.68)
		<u>3080.70</u>		<u>3614.44</u>
Less : Interest Subsidy		<u>232.64</u>		<u>389.12</u>
		2848.06		3225.32
Less :				
Interest Income (Gross)				
On Deposits		585.00		279.70
[Tax deducted at source Rs. 57.54 lakhs (2009-10 - Rs. 32.88 lakhs)]				
On Loans		427.77		418.06
[Tax deducted at source Rs. 58.04 lakhs (2009-10 - Rs. 57.33 lakhs)]				
On Tax Refunds		0.51		0.76
		<u>1013.28</u>		<u>698.52</u>
		<u>1834.78</u>		<u>2526.80</u>



Notes on Accounts for the year ended 31st March, 2011

Schedule 17

1. SIGNIFICANT ACCOUNTING POLICIES

These Financial Statements are prepared to comply, in all material aspects, with all the applicable accounting principles in India, the applicable accounting standards notified under Section 211 (3C) of the Companies Act, 1956 (the Act) and the relevant provisions of the Act.

1.1 Fixed Assets

Fixed Assets (tangibles) are stated at cost or valuation. Cost of extension planting is capitalised. Fixed assets (intangibles) are stated at acquisition cost. An impairment loss is recognised wherever the carrying amount of the fixed assets of a cash generating unit exceeds its net selling price or value in use, whichever is higher.

1.2 Depreciation / Amortisation

Depreciation on straight line method is provided on book value of tangible Fixed Assets (other than Estate and Development) in the manner and at rates as per Schedule XIV to the Companies Act, 1956. Items of fixed assets for which related actual cost do not exceed Rs.5,000 are fully depreciated in the year of purchase.

Intangible fixed assets are amortised on straight line method over their estimated economic life.

Additional charge of depreciation on amount added on revaluation is adjusted against Revaluation Reserve, wherever available.

1.3 Investments

Long Term Investments are stated at cost. Provision is made for diminution, other than temporary. Gains/losses on disposal of investments are recognised as income / expenditure.

1.4 Inventories

Inventories are valued as under :

- Stores and Spare Parts : At lower of cost (determined under weighted average method) and net realisable value.
- Finished Goods : At lower of weighted average cost (including attributable charges and levies) and net realisable value.

1.5 Sales

Sale is recognised on completion of sale of goods. Sale includes tea claim and is net of sales return, sales tax etc.

1.6 Employee Benefits

a. Short Term Employee Benefits:

These are recognised at the undiscounted amount as expense for the year in which the related service is rendered.



Notes on Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

b. Post Employment Benefit Plans:

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenditure for the year.

In case of Defined Benefit Plans, the cost of providing the benefit is determined using the Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in full in the Profit and Loss Account for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, if any, and as reduced by the fair value of plan assets, where funded. Any asset resulting from this calculation is limited to the present value of any economic benefit available in the form of refunds from the plan or reductions in future contributions to the plan.

c. Other Long Term Employee Benefits (Unfunded):

The cost of providing long-term employee benefits is determined using Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses and past service cost are recognised immediately in the Profit and Loss Account for the period in which they occur. Other long term employee benefit obligation recognised in the Balance Sheet represents the present value of related obligation.

1.7 Borrowing Cost

Interest and other costs in connection with the borrowing of funds by the Company are recognised as an expense in the period in which they are incurred unless these are attributable to the acquisition and construction of qualifying assets and added to the cost up to the date when such assets are ready for their intended use.

1.8 Research and Development

Revenue expenditure on Research and Development is recognised as a charge to the Profit and Loss Account. Capital expenditure on assets acquired for Research and Development is added to Fixed Assets.

1.9 Recognition of Income and Expenditure

Items of Income and Expenditure are recognised on accrual and prudent basis.

1.10 Accounting for Taxes on Income

Current Tax in respect of taxable income is recognised based on applicable tax rates and laws. Deferred Tax is recognised subject to consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income, that originate in one period and are capable of reversal in one or more subsequent periods and is measured using tax rates and laws that have been substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only if there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets will be realised. Such assets are reviewed as at each Balance Sheet date to reassess realisability thereof.



Notes on Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

1.11 Transactions in Foreign Currencies

Transactions in foreign currency are recorded at exchange rates prevailing on the date of the transaction. Monetary items denominated in foreign currency are restated at the exchange rate prevailing on the Balance Sheet date. Foreign currency non-monetary items carried in terms of historical cost are reported using the exchange rate at the date of the transactions. Exchange differences arising on settlement of transactions and/or restatements are dealt with in the Profit and Loss Account.

1.12 Derivative Instruments

The Company uses derivative financial instruments such as forward exchange contracts, currency swaps etc. to hedge its risks associated with foreign currency fluctuations relating to the underlying transactions, highly probable forecast transactions and firm commitments. In respect of Forward Exchange Contracts with underlying transactions, the premium or discount arising at the inception of such contract is amortised as expense or income over the life of contract.

Other Derivative contracts outstanding at the Balance Sheet date are marked to market and resulting loss, if any, is provided for in the financial statements. Any profit or losses arising on cancellation of derivative instruments are recognised as income or expenses for the period.

1.13 Government Grants

Government grants related to specific fixed assets are deducted from gross values of related assets in arriving at their book value.

Government grants related to revenue are recognised in the Profit and Loss Account.

2. Schemes of Amalgamation/Scheme of Arrangement given effect to in earlier years

Pending completion of the relevant formalities of transfer of certain assets and liabilities acquired pursuant to the Schemes, such assets and liabilities remain included in the books of the Company under the name of the transferor companies (including other companies which were amalgamated with the transferor companies from time to time).

3. Depreciation

Depreciation and Amortisation in the Profit and Loss Account comprises :

	Year ended 31st March 2011	Year ended 31st March 2010
	Rs. Lakhs	Rs. Lakhs
Depreciation and Amortisation for the Year (Schedule 4)	3169.85	3149.18
Withdrawn on account of depreciation on amount added on Revaluation of Fixed Assets (Schedule 2)	(415.67)	(437.46)
	2754.18	2711.72



Notes on Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

4. Employee Benefits :

4.1 Post Employment Defined Contribution Plans:

During the year an amount of Rs. 2738.73 lakhs (31st March 2010 - Rs. 2464.20 lakhs) has been recognised as expenditure towards Defined Contribution plans of the Company.

4.2. Post Employment Defined Benefit Plans:

Gratuity (Funded)

The Company's gratuity scheme, a defined benefit plan, covers the eligible employees and is administered through certain gratuity fund trusts. Such gratuity funds, whose investments are managed by insurance companies/trustees themselves, make payments to vested employees or their nominees upon retirement, death, incapacitation or cessation of employment, of an amount based on the respective employee's salary and tenure of employment subject to a maximum limit of Rs. 10.00 lakhs. Vesting occurs upon completion of five years of service.

Superannuation (Funded)

The Company's Superannuation scheme, a Defined Benefit plan, is administered through trust funds and covers certain categories of employees. Investments of the funds are managed by insurance companies /trustees themselves. Benefits under these plans had been frozen in earlier years with regard to salary levels then prevailing with the exception of a few employees. Upon retirement, death or cessation of employment, Superannuation Funds purchase annuity policies in favour of vested employees or their spouses to secure periodic pension. Such superannuation benefits are based on respective employee's tenure of employment and salary.

Staff Pension – Type A (Funded)

The Company's Staff Pension Scheme – Type A, a Defined Benefit plan, is administered through a trust fund and covers certain categories of employees. Investments of the fund are managed by Life Insurance Corporation of India. Pursuant to the scheme, monthly pension is paid to the vested employee or his/her nominee upon retirement, death or cessation of service based on the respective employee's salary and tenure of employment subject to a limit on the period of payment in case of nominee. Vesting occurs upon completion of twenty years of service.

Staff Pension – Type B (Unfunded)

The Company's Staff Pension Scheme – Type B, a Defined Benefit plan, covers certain categories of employees. Pursuant to the scheme, monthly pension is paid to the vested employee or his/her nominee upon retirement, death or cessation of service based on the respective employee's salary and tenure of employment subject to a limit on the period of payment in case of nominee. Vesting occurs upon completion of twenty years of service.

Expatriate Pension (Unfunded)

The Company has an informal practice of paying pension to certain categories of retired expatriate employees and in certain cases to their surviving spouses. The scheme is in the nature of Defined Benefit plan.

Medical Insurance Premium Re-imbursement (Unfunded)

The Company has a scheme of re-imbursement of medical insurance premium to certain categories of employees and their surviving spouses, upon retirement, subject to a monetary limit. The scheme is in the nature of Defined Benefit plan.

The following Tables sets forth the particulars in respect of Defined Benefit plans of the Company for the year ended 31st March 2011 and corresponding figures for the previous year.



Notes on Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

Description	Rs. Lakhs	
	Gratuity Fund	
	Funded	
	2011	2010
Changes in present value of defined benefit obligations during the year ended 31st March		
Present value of obligation at the beginning of the year	8508.40	6903.02
Interest Cost	641.29	515.55
Current Service Cost	505.37	965.07
Past Service Cost	-	417.12
Benefits Paid	984.48	917.17
Actuarial loss/(gain) on obligation	908.71	624.81
Present Value of obligation at the end of the year	9579.29	8508.40

Changes in the fair value of plan assets during the year ended 31st March		
Fair Value of Plan Assets at the beginning of the year	7100.68	4952.18
Expected Return on Plan Assets	568.05	396.17
Contributions	3031.61	2363.03
Benefits Paid	984.48	917.17
Actuarial gain/(loss) on Plan Asset	57.67	306.47
Fair Value of Plan Assets at the end of the year	9773.53	7100.68

Amount recognised in Balance Sheet		
Present Value of obligation at end of the year	9579.29	8508.40
Fair Value of Plan Asset at end of the year	9773.53	7100.68
Net Asset/(Liability) Recognised in Balance Sheet	194.24	(1407.72)

Expense Recognised in Profit and Loss Account		
Current Service Cost	505.37	965.07
Past Service Cost	-	417.12
Interest Cost	641.29	515.55
Expected Return on Plan Assets	568.05	396.17
Actuarial loss/(gain) recognised in the year	851.04	318.34
Expense Recognised in Statement of Profit and Loss Account	@ 1429.65	@ 1819.91

@ included in Contribution to Provident and Other Funds (Schedule 15)

Category of Plan Assets		
Investments in Bonds and Special Deposit	480.37	483.68
Investments with Life Insurance Corporation of India	1703.92	1566.80
Investments with other Insurance Companies	7501.14	4996.31
Others including Bank Balances	88.10	53.89
Total	9773.53	7100.68
Actual Return on Plan Assets	631.80	706.21

Principal Actuarial Assumptions		
Discount Rate (%)	8.0	8.0
Inflation Rate (%)	5.0	5.0
Return on Asset (%)	8.0	8.0



Notes on Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

Description	Rs. Lakhs	
	Superannuation Fund	
	Funded	
	2011	2010
Changes in present value of defined benefit obligations during the year ended 31st March		
Present value of obligation at the beginning of the year	2018.52	2222.68
Interest Cost	152.02	164.87
Current Service Cost	-	-
Benefits Paid	236.55	323.69
Actuarial loss/(gain) on obligation	(54.66)	(45.34)
Present Value of obligation at the end of the year	1879.33	2018.52

Changes in the fair value of plan assets during the year ended 31st March		
Fair Value of Plan Assets at the beginning of the year	2233.99	2031.74
Expected Return on Plan Assets	178.72	162.54
Contributions	54.13	221.77
Benefits Paid	236.55	323.69
Actuarial gain/(loss) on Plan Asset	(20.80)	141.63
Fair Value of Plan Assets at the end of the year	2209.49	2233.99

Amount recognised in Balance Sheet		
Present Value of obligation at end of the year	1879.33	2018.52
Fair Value of Plan Asset at end of the year	2209.49	2233.99
Net Asset/(Liability) Recognised in Balance Sheet	330.16	215.47

Expense Recognised in Profit and Loss Account		
Current Service Cost	-	-
Interest Cost	152.02	164.87
Expected Return on Plan Assets	178.72	162.54
Actuarial loss/(gain) recognised in the year	(33.86)	(186.97)
Expense Recognised in Statement of Profit and Loss Account	@(60.56)	@(184.64)

@ Included in contribution to Provident and other Funds (Schedule 15)

Category of Plan Assets		
Investments in Bonds & Special Deposit	202.04	215.39
Investments with Life Insurance Corporation of India	181.76	177.76
Investments with other Insurance Companies	1786.87	1762.43
Others including Bank Balances	38.82	78.41
Total	2209.49	2233.99
Actual Return on Plan Assets	162.58	306.68

Principal Actuarial Assumptions		
Discount Rate (%)	8.0	8.0
Return on Asset (%)	8.0	8.0



Notes on Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

Description	Rs. Lakhs	
	Staff Pension Fund Type A	
	Funded	
	2011	2010
Changes in present value of defined benefit obligations during the year ended 31st March		
Present value of obligation at the beginning of the year	407.45	373.73
Interest Cost	32.52	28.90
Current Service Cost	36.67	25.85
Benefits Paid	1.70	24.92
Actuarial loss/(gain) on obligation	(33.56)	3.89
Present Value of obligation at the end of the year	441.38	407.45

Changes in the fair value of plan assets during the year ended 31st March		
Fair Value of Plan Assets at the beginning of the year	98.55	113.81
Expected Return on Plan Assets	7.88	9.10
Contributions	0.46	0.47
Benefits Paid	1.70	24.92
Actuarial gain/(loss) on Plan Asset	0.05	0.09
Fair Value of Plan Assets at the end of the year	105.24	98.55

Amount recognised in Balance Sheet		
Present Value of obligation at end of the year	441.38	407.45
Fair Value of Plan Asset at end of the year	105.24	98.55
Net Asset/(Liability) Recognised in Balance Sheet	(336.14)	(308.90)

Expense Recognised in Profit and Loss Account		
Current Service Cost	36.67	25.85
Interest Cost	32.52	28.90
Expected Return on Plan Assets	7.88	9.10
Actuarial loss/(gain) recognised in the year	(33.61)	3.80
Expense Recognised in Statement of Profit and Loss Account	@ 27.70	@ 49.45

@ Included in contribution to Provident and other Funds (Schedule 15)

Category of Plan Assets		
Investments with Life Insurance Corporation of India	105.24	98.55
Total	105.24	98.55
Actual Return on Plan Assets	7.93	9.19

Principal Actuarial Assumptions		
Discount Rate (%)	8.0	8.0
Inflation Rate (%)	5.0	5.0
Return on Asset (%)	8.0	8.0



Notes on Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

Description	Rs. Lakhs	
	Staff Pension Type B	
	Unfunded	
	2011	2010
Changes in present value of defined benefit obligations during the year ended 31st March		
Present value of obligation at the beginning of the year	2537.87	2241.47
Interest Cost	197.71	174.47
Current Service Cost	149.49	136.23
Benefits Paid	132.83	121.16
Actuarial loss/(gain) on obligation	(65.28)	106.86
Present Value of obligation at the end of the year	2686.96	2537.87

Amount recognised in Balance Sheet		
Present Value of obligation at end of the year	2686.96	2537.87
Fair Value of Plan Asset at end of the year	-	-
Net Asset/(Liability) Recognised in Balance Sheet	(2686.96)	(2537.87)

Expense Recognised in Profit and Loss Account		
Current Service Cost	149.49	136.23
Interest Cost	197.71	174.47
Expected Return on Plan Assets	-	-
Actuarial loss/(gain) recognised in the year	(65.28)	106.86
Expense Recognised in Statement of Profit and Loss Account	#281.92	#417.56
# included in Salaries, Wages, Bonus etc. (Schedule 15)		

Principal Actuarial Assumptions		
Discount Rate (%)	8.0	8.0
Inflation Rate (%)	5.0	5.0

Description	Medical Benefit Liability	
	Unfunded	
	2011	2010
Changes in present value of defined benefit obligations during the year ended 31st March		
Present value of obligation at the beginning of the year	289.88	291.04
Interest Cost	23.19	23.28
Current Service Cost	-	-
Benefits Paid	18.05	14.07
Actuarial loss/(gain) on obligation	(12.29)	(10.37)
Present Value of obligation at the end of the year	282.73	289.88

Amount recognised in Balance Sheet		
Present Value of obligation at end of the year	282.73	289.88
Fair Value of Plan Asset at end of the year	-	-
Net Asset/(Liability) Recognised in Balance Sheet	(282.73)	(289.88)

Expense Recognised in Profit and Loss Account		
Current Service Cost	-	-
Interest Cost	23.19	23.28
Expected Return on Plan Assets	-	-
Actuarial loss/(gain) recognised in the year	(12.29)	(10.37)
Expense Recognised in Statement of Profit and Loss Account	*10.90	*12.91
* included in Insurance (Schedule 15)		

Principal Actuarial Assumptions		
Discount Rate (%)	8.0	8.0



Notes on Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

Description	Rs. Lakhs	
	Expatriate Pension	
	Unfunded	
	2011	2010
Changes in present value of defined benefit obligations during the year ended 31st March		
Present value of obligation at the beginning of the year	59.02	85.60
Interest Cost	2.81	4.90
Current Service Cost	-	-
Benefits Paid	47.72	48.63
Actuarial loss/(gain) on obligation	29.35	17.15
Present Value of obligation at the end of the year	43.46	59.02

Amount recognised in Balance Sheet		
Present Value of obligation at end of the year	43.46	59.02
Fair Value of Plan Asset at end of the year	-	-
Net Asset/(Liability) Recognised in Balance Sheet	(43.46)	(59.02)

Expense Recognised in Profit and Loss Account		
Current Service Cost	-	-
Interest Cost	2.81	4.90
Expected Return on Plan Assets	-	-
Actuarial loss/(gain) recognised in the year	29.35	17.15
Expense Recognised in Statement of Profit and Loss Account	# 32.16	# 22.05
# included in Salaries, Wages, Bonus etc. (Schedule 15)		

Principal Actuarial Assumptions		
Discount Rate (%)	8.0	8.0

The estimates of rate of inflation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment sphere.

Plan assets represent investment in various categories. The return on amounts invested with LIC is declared annually by them. Return on amounts invested with Insurance companies, other than LIC, is generally by way of Net Asset Value declared on units purchased, with certain schemes declaring returns annually while some other offering a guaranteed rate of return. Investment in Bonds and Special Deposit carry a fixed rate of interest.

The expected return on plan assets is determined after taking into consideration composition of the plan assets held, assessed risk of asset management and other relevant factors.

Other Particulars	Rs. Lakhs			
	2011	2010	2009	2008
Gratuity Fund (Funded)				
Defined Benefit Obligation	9579.29	8508.40	6903.02	6628.54
Plan Assets	9773.53	7100.68	4952.18	4540.70
Surplus/(Deficit)	194.24	(1407.72)	(1950.84)	(2087.84)
Experience Adjustments on Plan Liabilities	499.79	235.67	(1.77)	92.57
Experience Adjustments on Plan Assets	57.67	306.47	(51.77)	130.38
Superannuation Fund (Funded)				
Defined Benefit Obligation	1879.33	2018.52	2222.68	2418.93
Plan Assets	2209.49	2233.99	2031.74	2203.06
Surplus/(Deficit)	330.16	215.47	(190.94)	(215.87)
Experience Adjustments on Plan Liabilities	(23.17)	(8.67)	67.79	26.22
Experience Adjustments on Plan Assets	(20.80)	141.63	(88.31)	24.02



Notes on Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

				Rs. Lakhs
	2011	2010	2009	2008
Staff Pension Fund Type A (Funded)				
Defined Benefit Obligation	441.38	407.45	373.73	303.81
Plan Assets	105.24	98.55	113.81	160.00
Surplus/(Deficit)	(336.14)	(308.90)	(259.92)	(143.81)
Experience Adjustments on Plan Liabilities	4.21	1.71	12.58	(8.20)
Experience Adjustments on Plan Assets	0.05	0.09	(58.99)	(1.32)
Staff Pension Fund Type B (Unfunded)				
Defined Benefit Obligation	2686.96	2537.87	2241.47	2299.58
Plan Assets	NA	NA	NA	NA
Surplus/(Deficit)	NA	NA	NA	NA
Experience Adjustments on Plan Liabilities	112.42	47.53	(88.07)	(36.52)
Experience Adjustments on Plan Assets	NA	NA	NA	NA
Medical Benefit Liability (Unfunded)				
Defined Benefit Obligation	282.73	289.88	291.04	282.50
Plan Assets	NA	NA	NA	NA
Surplus/(Deficit)	NA	NA	NA	NA
Experience Adjustments on Plan Liabilities	(10.95)	(4.51)	(0.17)	(7.45)
Experience Adjustments on Plan Assets	NA	NA	NA	NA
Expatriate Pension (Unfunded)				
Defined Benefit Obligation	43.46	59.02	85.60	156.19
Plan Assets	NA	NA	NA	NA
Surplus/(Deficit)	NA	NA	NA	NA
Experience Adjustments on Plan Liabilities	5.59	7.52	(10.30)	(32.77)
Experience Adjustments on Plan Assets	NA	NA	NA	NA

NA : Not Applicable

Provident Fund:

Contributions towards provident funds are recognised as expense for the year. The Company has set up Provident Fund Trusts in respect of certain categories of employees which is administered by Trustees. Both the employees and the Company make monthly contributions to the Funds at specified percentage of the employee's salary and aggregate contributions along with interest thereon are paid to the employees/nominees at retirement, death or cessation of employment. The Trusts invest funds following a pattern of investments prescribed by the Government. The interest rate payable to the members of the Trusts is not lower than the rate of interest declared annually by the Government under The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, on account of interest is to be made good by the Company.

In terms of the Guidance on implementing Accounting Standard 15 (Revised 2005) on Employee Benefits issued by the Accounting Standard Board of The Institute of Chartered Accountants of India (ICAI), a provident fund set up by the Company is defined benefit plan in view of the Company's obligation to meet shortfall, if any, on account of interest. In view of the higher rate of interest declared by the Government for the year 2010-11, the Fund incurred a net shortfall of Rs. 8.92 lakhs (31st March 2010 - Rs. Nil) which has been provided for in these Accounts.

The Actuary has expressed his inability to provide an actuarial valuation of the provident fund as at the year end in the absence of a Guidance Note from The Institute of Actuaries of India. Accordingly,



Notes on Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

complete information required to be considered as per AS 15 in this regard is not available and the same could not be disclosed.

The Company's contribution to the aforesaid provident fund for the year was Rs. 189.10 lakhs (31st March 2010 - Rs. 174.44 lakhs)

5. Capital Work-in-Progress includes acquired intangible assets - Computer Software under implementation Rs. 117.61 lakhs (31st March 2010 - Rs. Nil).
6. There are certain overdue loans and advances, interest accrued on loans and other recoverable items aggregating Rs. 4351.42 lakhs (31st March 2010 - Rs. 5295.68 lakhs). These advances became overdue on account of the sluggish market conditions and the resultant difficulty in liquidating the assets by these parties. The management is actively continuing to pursue options for recovery of these loans and advances. As a measure of prudence, and in the management's best judgement Rs. 4351.42 lakhs (31st March 2010 - Rs. 5295.68 lakhs) are being held in provision for contingency, for overdue loans and advances etc. at the year end. (Refer Schedule 12 to Accounts).

7. Contingent Liabilities

7.1 Claims against the Company not acknowledged as debts : -

	31st March 2011	31st March 2010
	Rs. Lakhs	Rs. Lakhs
Sales Tax :	26.37	27.53
Electricity Dues :	32.47	29.27
Assam Pollution Control Board :	7.41	9.92
Provident Fund :	68.43	68.43
Income Tax :	79.49	84.59
Service Tax :	75.48	-
Others :	4.95	12.84

- 7.2 (a) Guarantees given on behalf of other companies to bank, Financial institutions etc. - limit Rs. Nil (31st March 2010 - Rs. 1000.00 lakhs); Year end utilisation Rs. Nil (31st March 2010 - Rs. Nil)

- (b) Guarantees given on behalf of a subsidiary - Rs. 11745.46 lakhs (31st March 2010 - Rs. 11935.94 lakhs); Year end utilisation Rs. 7938.19 lakhs (31st March 2010 - Rs. 10306.47 lakhs).

- 7.3 Bank Guarantees Rs. 83.28 lakhs (31st March 2010 - Rs. 89.04 lakhs)

- 7.4 Bills Discounted - Rs. 2445.65 lakhs (31st March 2010 - Rs. 6452.41 lakhs)



Notes on Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

8. TAXATION

8.1 Current Tax charge for the year has been reckoned after taking into account, benefit under Section 33AB of the Income Tax Act, 1961 (which are available on timely deposit of required amount with development bank).

8.2 Year end Deferred Tax balance comprises the following :-

	31st March 2011		31st March 2010	
	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
Deferred Tax Liability				
i) Differences between net book value of depreciable capital assets as per books vis-à-vis written down value as per tax laws		7430.61		7289.83
Deferred Tax Assets				
i) Unabsorbed tax losses / depreciation	-		225.13	
ii) Voluntary Retirement Compensation	1.73		3.41	
iii) Items allowed for tax purpose on payment	428.65		655.50	
iv) Others	<u>648.98</u>	<u>1079.36</u>	<u>654.54</u>	<u>1538.58</u>
Net Deferred Tax Liability		<u>6351.25</u>		<u>5751.25</u>

9. Estimated Capital Commitment on account of contracts remaining to be executed and not provided for at the year-end is Rs. 1030.07 lakhs (31st March 2010 - Rs. 904.63 lakhs). Such commitment, net of advances, is Rs. 494.44 lakhs (31st March 2010 - Rs. 313.77 lakhs).

10. Advances include :-

Loan to directors Rs. 10.16 lakhs (31st March 2010 - Rs. 13.46 lakhs) [Maximum amount due during the year Rs. 13.46 lakhs (31st March 2010 - Rs. 16.76 lakhs)] being originally initiated as advances to employees in the books of Eveready Industries India Limited, taken over in terms of a Scheme of Arrangement in 2004-05.

11. Business Segment

The Company is primarily engaged in the business of cultivation, manufacture and sale of tea and is managed organisationally as a single unit. Accordingly, the Company is a single business segment company.



Notes on Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

Geographical (Secondary) Segments

The geographical segments have been identified as follows :

(A) Sales revenue of Tea by geographical market:

	Year ended 31st March 2011	Year ended 31st March 2010
	Rs. Lakhs	Rs. Lakhs
- India	74245.90	64946.89
- Outside India	<u>32981.14</u>	<u>42466.62</u>
	<u>107227.04</u>	<u>107413.51</u>

(B) Assets by geographical market:

	As at 31st March 2011	As at 31st March 2010
	Rs. Lakhs	Rs. Lakhs
- India	163516.41	199031.49
- Outside India	<u>19.38</u>	<u>17.88</u>
	<u>163535.79</u>	<u>199049.37</u>

(C) Purchase of fixed assets by geographical market :

	Year ended 31st March 2011	Year ended 31st March 2010
	Rs. Lakhs	Rs. Lakhs
- India	4366.08	4503.51
- Outside India	<u>-</u>	<u>-</u>
	<u>4366.08</u>	<u>4503.51</u>

12. Information given in accordance with the requirement of Accounting Standard 18 on Related Party Disclosures prescribed under the Act : -

(A) List of Related Parties

Where control exists:

- Subsidiaries :

Borelli Tea Holdings Limited (BTHL)

Phu Ben Tea Company Limited (PBTCL)

Rwenzori Tea Investments Limited (RTI)

McLeod Russel Uganda Limited (MRUL) formerly known as James Finlay (Uganda) Limited (JFUL)

Olyana Holdings LLC (OLYANA)



Notes on Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

Others:

- Associates :
 - D1 Williamson Magor Bio Fuel Limited (D1)
 - Babcock Borsig Limited (BBL)
- Key Management Personnel

Managing Director	Mr. Aditya Khaitan (AK)
Wholesale Directors	Mr. R. Takru (RT)
	Mr. A. Monem (AM)
	Mr. K. K. Baheti (KKB)
- Relatives of Key Management Personnel with whom transactions took place during the year.

Mr. B. M. Khaitan (BMK)	Father of Mr. A. Khaitan
Mr. D. Khaitan (DK)	Brother of Mr. A. Khaitan

(B) Transactions / Balances with Subsidiary

Name of Subsidiary	Nature of Transactions/Balances	Year ended 31 st March 2011	Year ended 31 st March 2010
		Rs. Lakhs	Rs. Lakhs
BTHL	Loan outstanding at beginning of the year	1900.00	-
	Loan given	1500.00	3750.00
	Loan repaid	500.00	1850.00
	Loan outstanding at year end	2900.00	1900.00
	Advance taken	-	143.52
	Expenses incurred on their behalf being adjusted with the said advance	-	143.52
	Interest income	165.70	152.09
	Interest income receivable	165.70	119.18
	Subscription in Share Capital during the year	-	4620.26
	Royalty	332.35	418.68
	Royalty payable	51.82	114.18
	Licence Fees	-	34.80
	Licence Fees payable	-	10.14
	Dividend Paid	1082.70	541.35
MRUL	Security provided for Bank Guarantee (Note 13 below)	742.09	1501.59
	Consultancy Fee Income	61.36	-
	Consultancy Fee Receivable	33.91	-



Notes on Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

(C) Transactions / Balances with Associate

Name of Associate	Nature of Transactions/Balances	Year ended 31 st March 2011 Rs. Lakhs	Year ended 31 st March 2010 Rs. Lakhs
D1	Subscription in Share Capital during the year	69.30	436.86
	Advance repaid	-	25.74

(D) Transactions / Balances with Key Management Personnel

	Remuneration		Sale of Fixed Assets		Loan Outstanding as at	
	2010-11 Rs. Lakhs	2009-10 Rs. Lakhs	2010-11 Rs. Lakhs	2009-10 Rs. Lakhs	31 st March 2011 Rs. Lakhs	31 st March 2010 Rs. Lakhs
AK	216.25	178.41	-	-	-	-
RT	101.52	84.09	141.60	-	9.13	11.53
AM	93.92	72.51	148.50	-	1.03	1.93
KKB	100.23	83.75	-	-	-	-
Total	511.92	418.76	290.10	-	10.16	13.46

(E) Transactions / Balances with relatives of Key Management Personnel

	Year ended 31 st March 2011 Rs. Lakhs	Year ended 31 st March 2010 Rs. Lakhs
Directors' Sitting Fees		
BMK	0.60	1.00
DK	0.20	0.10
Commission		
BMK	1.20	1.20
DK	1.20	1.20
Amount outstanding at year end		
BMK	1.20	1.20
DK	1.20	1.20

13. Fixed Deposits (Schedule 8) are under lien and represent the following :

Offered as security for a guarantee of USD 1.674 million (31st March 2010 - USD 3.344 million) {Rs. 742.09 lakhs (31st March 2010 - Rs. 1501.59 lakhs)} issued by a bank on behalf of Borelli Tea Holdings Ltd., (U.K.), a wholly owned subsidiary of the Company in connection with repayment of certain dues by its wholly owned subsidiary, Phu Ben Tea Company Ltd., Vietnam.

875.00 1770.67



Notes on Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

14. In connection with an overseas acquisition of a subsidiary in 2005, the Income Tax authority had raised a demand of Rs.5278 lakhs during the year 2009-10 on the Company on account of alleged non-deduction of tax at source and interest thereon pertaining to the transaction. The Company has challenged the said demand before the appropriate authorities and the matter is pending. Further, the Company has obtained a stay against the said demand from the Hon'ble High Court of Calcutta. In any event, as per the related Share Purchase Agreement, Capital Gain tax or other tax, if any, relating to sale of shares etc. is to be borne by the seller and not the Company.

15. Earnings per Share :

	Year ended 31 st March 2011	Year ended 31 st March 2010
a] Numerator used:		
Profit after Taxation (Rs. Lakhs)	23222.89	24032.91
b] Denominator used		
Weighted Average Number of Equity Shares	10,94,55,735	10,94,55,735
c] Face Value of Equity Shares - Rs.	5	5
d] Dilutive Potential Equity Shares	-	-
e] Earnings per Share [Basic and Diluted] - Rs.	21.22	21.96

16. Revenue Expenditure on Research and Development Rs. 114.84 lakhs (31st March 2010 - Rs.84.84 lakhs) represent subscription to Tea Research Association.

17. Information relating to Micro and Small Enterprises (MSEs):

	As at 31 st March 2011 Rs. Lakhs	As at 31 st March 2010 Rs. Lakhs
(i) The principal amount and interest due thereon remaining unpaid to any supplier as at the end of the year.		
Principal	NIL	0.20
Interest	NIL	1.62
	NIL	1.82
(ii) The amount of interest accrued and remaining unpaid at the end of accounting year	NIL	1.44
(iii) The amount of interest paid by the buyer in terms of Section 16 of the Micro Small and Medium Enterprise Development (MSMED) Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year.		
Principal	0.20	7.59
Interest	1.62	Nil
iv) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the MSEs, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006	Refer Item (ii) above	Refer Item (ii) above

The above particulars, as applicable, have been given in respect of MSEs to the extent they could be identified on the basis of information available with the Company.



Notes on Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

18. Auditors' Remuneration :

	Year ended 31 st March 2011 Rs. Lakhs	Year ended 31 st March 2010 Rs. Lakhs
Audit Fees	28.00	28.00
Tax Audit Fees	12.50	12.50
Certification etc.	26.90	28.25
Out of Pocket Expenses	1.21	1.15
Service Tax	7.07	7.20

19. Directors' Remuneration

- 19.1 Schedule of computation of Net Profit in accordance with Sections 198/349 of the Companies Act, 1956 for the purpose of Directors' remuneration for the year ended 31st March, 2011

	Year ended 31 st March 2011 Rs. Lakhs	Year ended 31 st March 2010 Rs. Lakhs
Profit before Taxation as per Profit and Loss Account	28157.23	31092.80
Add: Wealth Tax	30.00	35.00
Provision for doubtful debts/advances/deposits	26.25	219.07
	56.25	254.07
Less: Profit on Sale of Long Term Trade Investments (net)	-	1.27
Capital Profit on Sale of Fixed Assets	204.28	-
Provision for Contingencies no longer required written back	944.26	26.37
Provision for doubtful debts/advances/deposits no longer required written back	3.00	28.41
Provision for diminution in carrying amount of Investments written back	-	376.55
	1151.54	432.60
	27061.94	30914.27
Add: Directors' Remuneration	531.49	438.36
Net Profit under Section 198 / 349	27593.43	31352.63

- 19.2 Details of Directors' Remuneration are given below:-

	Year ended 31 st March 2011 Rs. Lakhs	Year ended 31 st March 2010 Rs. Lakhs
I. Wholetime Directors (including Managing Director)		
a) Salaries	225.00	183.00
b) Contribution to Provident and other Funds	60.75	49.41
c) Allowances	199.40	156.79
d) Monetary Value of Perquisites	26.77	29.56
	511.92	418.76
II. Non-Wholetime Directors		
a) Director's Sitting Fees	10.00	10.00
b) Commission @ 1 % of Net Profit Under Section 198/349 = Rs. 275.93 Lakhs (2009-10 - Rs. 313.53 Lakhs), which has been limited to	9.57	9.60
	531.49	438.36



Notes on Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

20. Consumption of Raw Material

	Unit	2010 - 11		2009 - 10	
		Qty	Rs. Lakhs	Qty	Rs. Lakhs
a) Green Leaf (purchased and consumed)	Tonne	48391.51	8861.03	41539.67	7173.31
Green Leaf (plucked and consumed)	Tonne	291983.27	[Note (b) below]	312631.27	[Note (b) below]
b) Green Leaf plucked (being raw material consumed) were harvested in the Company's own estates as agricultural produce involving integrated activities of nursery, cultivation, growth etc., and utilised in the manufacture of tea and its value at the intermediate stage is not readily ascertainable.					

21. Finished Goods Stock

		Opening Stock		Closing Stock	
		Qty. Tonne	Rs. Lakhs	Qty. Tonne	Rs. Lakhs
Tea (in Bulk)	2010 - 11	2242.36	1789.30	3223.93	2942.61
	2009 - 10	3326.09	2522.87	2242.36	1789.30

22. Capacities and Production

Class of Good - Tea (in Bulk)	Unit	Year ended 31 st March 2011	Year ended 31 st March 2010
a) Licensed / Regd. Capacity	Tonne	Not Applicable	Not Applicable
b) Installed Capacity (Note below)	Tonne	91850.00	89300.00
c) Saleable Production	Tonne	74871.72	77179.90

Note : As certified by the Management and on single shift basis.

23. Details of Imports on CIF Basis

	Year ended 31 st March 2011	Year ended 31 st March 2010
	Rs. Lakhs	Rs. Lakhs
Components and Spare Parts	493.25	426.56
Capital Goods	92.65	13.68



Notes on Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

24. Sales

	Year ended 31 st March 2011 Tonne	Year ended 31 st March 2010 Tonne
Tea (in Bulk)	73890.15	78263.63

25. Consumption of Stores, Spare Parts and Components

[including Rs. 2396.75 lakhs (31st March 2010 – Rs. 1927.23 lakhs) debited to other accounts]

	Year ended 31 st March 2011		Year ended 31 st March 2010	
	Rs. Lakhs	%	Rs. Lakhs	%
Imported	333.11	4.24	346.43	5.01
Indigenous	7527.56	95.76	6564.63	94.99
	<u>7860.67</u>	<u>100.00</u>	<u>6911.06</u>	<u>100.00</u>

26. Salaries, Wages and Bonus excludes Rs. 1003.02 lakhs (31st March 2010 - Rs. 891.51 lakhs) and Stores and Spares consumed excludes Rs. 2396.75 lakhs (31st March 2010 - Rs. 1927.23 lakhs) debited to other accounts.

27. Expenditure in Foreign Currency

	Year ended 31 st March 2011 Rs. Lakhs	Year ended 31 st March 2010 Rs. Lakhs
Consultancy (Net of Tax)	36.92	53.78
Pension	46.68	47.27
Travel	215.67	196.51
Selling Agents' Commission, Brokerage etc.	49.20	84.98
Ocean Freight	180.30	291.45
Royalty (Net of Tax)	283.19	259.25
Licence Fees (Net of Tax)	-	20.99
Others	4.36	11.95

28. Amount Remitted in Foreign Currency on account of :

	Year ended 31 st March 2011 Rs. Lakhs	Year ended 31 st March 2010 Rs. Lakhs
Dividend	1092.38	546.19
Year to which the dividend relates	Year Ended 31st March 2010	Year Ended 31st March 2009
Number of Non-Resident Shareholders	58	59
Number of Shares held by Non-Resident Shareholders	27309385	27309551



Notes on Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

29. Earning in Foreign Currency

	Year ended 31st March 2011	Year ended 31st March 2010
	Rs. Lakhs	Rs. Lakhs
Export of Goods calculated on FOB Basis	32564.14	42075.15
Interest Income	165.70	26.32
Consultancy Income	61.36	-

30. Items of Expenditure in the Profit and Loss Account include reimbursements to and by the Company.

31. Previous year's figures have been rearranged / regrouped wherever necessary to make comparable with current year's figures.

Signatures to Schedules 1 to 17.

For PRICE WATERHOUSE
Firm Registration Number 301112E
Chartered Accountants

On behalf of the Board of Directors

A. Khaitan Managing Director

K. K. Baheti Wholetime Director

P. Law
Partner
Membership Number 51790

A. Guha Sarkar Company Secretary

Kolkata
30th May, 2011



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

	<u>2010-2011</u>		<u>2009-2010</u>	
	<u>Rs. Lakhs</u>	<u>Rs. Lakhs</u>	<u>Rs. Lakhs</u>	<u>Rs. Lakhs</u>
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax		28,157.23		31,092.80
Adjustments for :				
Provision for Doubtful Debts and Advances		26.25		219.07
Provision for diminution in Investments		-		(376.55)
Provision for contingencies / other provisions written back / adjusted		(944.26)		(54.78)
Provision for doubtful debt no longer required written back		(3.00)		-
Liabilities no longer required written back		(249.82)		(14.45)
Credit arisen on recognition of an investment [Note-2(ii) on Schedule-5]		(22.00)		-
Bad debts written off		108.97		-
Dividend on Long Term Trade Investments		(70.32)		(56.88)
Depreciation and Amortisation		2,754.18		2,711.72
Adjustment for machinery spares included in fixed assets		-		61.86
Profit on sale of Long Term Trade Investments (Net)		-		(1.27)
Interest and foreign exchange fluctuation (Net)		1,834.78		2,526.95
(Profit) / Loss on disposal of Fixed Assets (Net)		(171.73)		96.20
Operating Profit before Working Capital changes		31,420.28		36,204.67
Adjustments for :				
Trade and Other Receivables	(4,504.03)		(2,543.23)	
Inventories	(1,745.94)		1,091.61	
Trade Payables	(1,027.82)	(7,277.79)	(903.78)	(2,355.40)
Cash Generated from operations		24,142.49		33,849.27
Payment of Direct Taxes		(6,296.66)		(5,189.96)
Net Cash from Operating Activities		17,845.83		28,659.31
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets		(4,592.36)		(4,831.28)
Purchase of Investments		(69.30)		(436.86)
Purchase of Investments in a subsidiary		-		(4,620.26)
Disposal of Fixed Assets		340.15		50.99
Capital Subsidy Received		117.88		213.56
Loans Recovered / (given)		(890.00)		(1,675.00)
Redemption / Sale of Long Term Trade Investments		1.35		1.41
Interest received		671.17		541.03
Dividend received		70.32		56.88
Net cash used for Investing Activities		(4,350.79)		(10,699.53)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Long-term Borrowings		500.00		5,500.00
Repayment of Short Term Borrowings		(1,890.73)		(6,398.40)
Repayment of Long-term Borrowings		(5,624.41)		(11,809.27)
Interest paid (Net of Interest Subsidy realised Rs 383.73 lakhs; 2009-10 Rs 725.02 lakhs)		(2,770.25)		(3,808.85)
Dividend paid / Transferred to Investor Education and Protection Fund		(4,328.61)		(2,165.22)
Dividend Tax paid		(290.87)		(148.82)
Net cash used for financing activities		(14,404.87)		(18,830.56)
D. EFFECT OF FOREIGN EXCHANGE DIFFERENCE ON				
Cash and Cash Equivalents		0.06		(0.15)
Net Decrease in Cash and Cash Equivalents (A+B+C+D)		(909.77)		(870.93)
Cash and Cash Equivalents on Opening date (Schedule 8)		2,192.03		3,062.96
Cash and Cash Equivalents on Closing date (Schedule 8)		1,282.26		2,192.03
Changes in Cash and Cash Equivalents - Increase/ (Decrease)		(909.77)		(870.93)



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

Notes :

- 1 The above Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard 3 on Cash Flow Statement prescribed under the Companies Act, 1956.
- 2 Also refer Notes 13 and 31 on Schedule 17.
- 3 Schedules referred to above form an integral part of the Cash Flow Statement.

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

For and on behalf of the Board of Directors

For Price Waterhouse
Firm Registration Number:301112E
Chartered Accountants

P. Law
Partner
Membership No. 51790
Kolkata, 30th May, 2011

A. Khaitan - Managing Director

K. K. Baheti - Wholetime Director

A. Guha Sarkar - Company Secretary



Balance Sheet Abstract & Company's General Business Profile

[In terms of Schedule VI Part IV]

I. Registration Details

Registration No.

8 7 0 7 6

State Code :

2 1

Balance Sheet Date

3 1

Date

0 3

Month

2 0 1 1

Year

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

Public Issue

N I L

Rights issue

N I L

Bonus Issue

N I L

Private Placement

N I L

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

Total Liabilities (including Shareholders' Fund)

1 7 9 3 6 6 9 1

Total assets

1 7 9 3 6 6 9 1

Sources of Funds

Paid-Up Capital

5 4 7 2 7 9

Reserves and Surplus

1 4 6 6 6 2 0 8

Deferred Tax Liability

6 3 5 1 2 5

Secured Loans

2 0 8 8 0 7 9

Unsecured Loans

N I L

Application of Funds

Net Fixed Assets

1 4 6 7 7 5 6 9

Investments

2 6 0 3 6 0 0

+ -

√

Net Current Assets

6 5 5 5 2 2

Accumulated Losses

N I L

Misc. Expenditure

N I L

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

Turnover / Income

1 1 1 9 0 2 2 0

Total Expenditure (net of changes in stocks)

8 3 7 4 4 9 7

+ -

√

Profit Before Tax

2 8 1 5 7 2 3

(Please tick appropriate box

+ for Profit - for Loss)

+ -

√

Profit After Tax

2 3 2 2 2 8 9

(Please tick appropriate box

+ for Profit - for Loss)

Earning Per Share in Rs.

2 1 . 2 2

Dividend Rate %

1 0 0

V. Generic Names of Three Principal Products/Services of the Company (as per monetary terms)

Item Code No.

0 9 0 2 4 0 . 0 2

(ITC Code)

Product Description

I N D I A N B L A C K T E A

A. Khaitan

- Managing Director

K. K. Baheti

- Wholetime Director

Kolkata,
30th May 2011

A. Guha Sarkar

- Company Secretary



**Consolidated
Financial Statements
with Auditors' Report**

**Auditor's Report on the Consolidated Financial Statements of Mcleod Russel India Limited**

The Board of Directors of Mcleod Russel India Limited

1. We have audited the attached consolidated Balance Sheet of McLeod Russel India Limited (the "Company") and its subsidiaries and associate companies; hereinafter referred to as the "Group" (refer Note 2 on Schedule 17 to the attached consolidated financial statements) as at 31st March, 2011, the related consolidated Profit and Loss Account and the consolidated Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as, evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of (i) one subsidiary included in the consolidated financial statements, which constitute total assets of Rs. 25145.56 Lakhs and net assets of Rs.9458.00 Lakhs as at 31st March, 2011, total revenue of Rs. 17001.94 Lakhs, net profit of Rs.1046.95 Lakhs and net cash outflow amounting to Rs. 1237.75 Lakhs for the year then ended; and (ii) one associate company which constitute net loss of Rs. 255.60 Lakhs for the year then ended. These financial statements and other financial information have been audited by other auditors whose report has been furnished to us, and our opinion on the consolidated financial statements to the extent they have been derived from such financial statements is based solely on the report of such other auditors.
4. We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) 21 - Consolidated Financial Statements and Accounting Standard (AS) 23 - Accounting for Investments in Associates in Consolidated Financial Statements, notified under Section 211(3C) of the Companies Act, 1956.



Auditor's Report on the Consolidated Financial Statements of Mcleod Russel India Limited (contd....)

5. Based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components of the Group as referred to above, and to the best of our information and according to the explanations given to us, in our opinion, the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
- (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2011;
 - (b) in the case of the consolidated Profit and Loss Account, of the profit of the Group for the year ended on that date; and
 - (c) in the case of the consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Kolkata, 30th May, 2011

P. Law
Partner
Membership Number-51790



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2011

	Schedule	31st March 2011		31st March 2010	
		Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
SOURCES OF FUNDS					
Shareholders' Funds					
Share Capital	1	5472.79		5472.79	
Reserves and Surplus	2	146175.06	151647.85	131535.42	137008.21
Loan Funds	3				
Secured		30867.92		38803.40	
Unsecured		759.34		1403.41	
			31627.26		40206.81
Deferred Tax Liability [Note 9.2 on Schedule 17]			7226.70		7160.37
			<u>190501.81</u>		<u>184375.39</u>
APPLICATION OF FUNDS					
Fixed Assets	4				
Gross Block		228498.71		227100.99	
Less : Depreciation and amortisation		53850.00		50752.53	
Net Block		174648.71		176348.46	
Capital Work-in-Progress (Note 6 on Schedule 17)		2031.94	176680.65	1655.46	178003.92
Investments	5		3361.26		3499.28
Current Assets, Loans and Advances					
Inventories	6	9676.78		8003.13	
Sundry Debtors	7	2242.63		2726.08	
Cash and Bank Balances	8	3115.49		5263.01	
Other Current Assets	9	5782.39		6445.34	
Loans and Advances	10	21567.99		13700.74	
		<u>42385.28</u>		<u>36138.30</u>	
Less : Current Liabilities and Provisions					
Current Liabilities	11	14641.23		14343.73	
Provisions	12	17284.15		18922.38	
		<u>31925.38</u>		<u>33266.11</u>	
NET CURRENT ASSETS			10459.90		2872.19
			<u>190501.81</u>		<u>184375.39</u>
Notes on Consolidated Accounts	17				

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

For PRICE WATERHOUSE
Firm Registration No. 301112E
Chartered Accountants

P. Law
Partner
Membership No. 51790
Kolkata, 30th May, 2011

The Schedules referred to above form an integral part of the Consolidated Balance Sheet.

For and on behalf of the Board of Directors

A. Khaitan - Managing Director

K. K. Baheti - Wholetime Director

A. Guha Sarkar - Company Secretary



CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

		Year ended 31st March 2011	Year ended 31st March 2010
	Schedule	Rs. Lakhs	Rs. Lakhs
INCOME			
Sales	13	124119.11	110620.38
Other Income	14	4743.62	3485.13
Closing Stock		4636.20	2718.07
		<u>133498.93</u>	<u>116823.58</u>
EXPENDITURE			
Opening Stock		2718.07	2522.87
Stock added on Consolidation		888.83	379.56
Expenses	15	91880.40	77221.00
		<u>95487.30</u>	<u>80123.43</u>
Profit before Interest, Depreciation and Taxation		38011.63	36700.15
Interest and Exchange Fluctuation (Net)	16	2912.96	2961.24
Depreciation and Amortisation [Note 4 on Schedule 17]		3817.55	3229.52
Profit before Taxation, Share of Earnings from Associates and Minority Interest		<u>31281.12</u>	<u>30509.39</u>
Taxation Charge			
Current Tax [includes Rs. 23.34 lakhs (2009-10 -Rs. Nil) relating to earlier years]		6913.96	6640.38
Less : MAT Credit		(839.00)	-
Deferred Tax		285.78	498.89
Profit after Taxation but before Share of Earnings from Associates and Minority Interest		<u>24920.38</u>	<u>23370.12</u>
Share of Associates' Earnings /(Loss) (Net)		(275.13)	(329.98)
Profit after Taxation and share of Associates' Earnings /(Loss) (Net) but before Minority Interest		<u>24645.25</u>	<u>23040.14</u>
Minority Interest		1.65	51.95
Profit after Taxation and Minority Interest		<u>24646.90</u>	<u>23092.09</u>
Balance brought forward from Previous Year		11898.66	7370.62
Adjustment on account of Dividend (Note 18 on Schedule 17)		1082.70	541.35
Adjustment of Fair Value Gain on Biological Assets relating to earlier years (Note 24 on Schedule 17)		(1715.68)	-
Balance available for Appropriations		<u>35912.58</u>	<u>31004.06</u>
Proposed Dividend		5472.79	4378.23
Tax on Proposed Dividend		887.82	727.17
Transfer to General Reserve		16000.00	14000.00
Balance carried forward to Balance Sheet		<u>13551.97</u>	<u>11898.66</u>
Earnings per share [Basic and Diluted - Rs.] [Note 16 on Schedule 17]		22.52	21.10

Notes on Consolidated Accounts

This is the Consolidated Profit and Loss Account referred to in our report of even date.

The Schedules referred to above form an integral part of the Consolidated Profit and Loss Account.

For PRICE WATERHOUSE
Firm Registration No. 301112E
Chartered Accountants

P. Law
Partner
Membership No. 51790
Kolkata, 30th May, 2011

For and on behalf of the Board of Directors

A. Khaitan - Managing Director

K. K. Baheti - Wholetime Director

A. Guha Sarkar - Company Secretary



Schedules annexed to Consolidated Balance Sheet as at 31st March, 2011

SCHEDULE 1

	31st March 2011 Rs. Lakhs	31st March 2010 Rs. Lakhs
SHARE CAPITAL		
Authorised		
12,00,00,000 Equity Share of Rs. 5/- each	6000.00	6000.00
Issued, subscribed and paid-up		
1,00,33,705 Equity Share of Rs. 5/- each fully paid up	501.69	501.69
9,94,22,030 Equity Shares of Rs. 5/- each fully paid up issued pursuant to Scheme of Arrangement / Schemes of Amalgamation without payment being received in cash.	4971.10	4971.10
	5472.79	5472.79

SCHEDULE 2

RESERVES AND SURPLUS

	General Reserve	Securities Premium	Capital Reserve	Revaluation Reserve	Other Reserve *	Foreign Currency Translation Adjustment Account	Total
	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
Balance as per last Account	33686.88	11053.58	201.68	56844.79	19209.20	(1359.37)	119636.76
Less : Surplus/(deficit) arising on disposal/scraping of revalued assets transferred to Profit and Loss Account	-	-	-	17.19			17.19
Less : Withdrawn on account of depreciation on amount added on Revaluation of Fixed Assets [Note 4 on Schedule 17]	-	-	-	415.67			415.67
	33686.88	11053.58	201.68	56411.93	19209.20	(1359.37)	119203.90
Add : Amount adjusted during the year	-	-	-	-	-	(2580.81)	(2580.81)
Add : Transferred from Profit and Loss Account	16000.00	-	-	-	-	-	16000.00
Add : Profit and Loss Account (31st March 2010 - Rs. 11898.66 lakhs)	-	-	-	-	-	-	-
							13551.97
Balance as at 31st March, 2011	49686.88	11053.58	201.68	56411.93	19209.20	(3940.18)	146175.06

* Represents the balance amount of Reserve which had arisen on Transfer of Bulk Tea Division of Eveready Industries India Limited



Schedules annexed to Consolidated Balance Sheet as at 31st March, 2011

SCHEDULE 3

	31st March 2011 Rs. Lakhs	31st March 2010 Rs. Lakhs
LOAN FUNDS		
SECURED LOANS		
Cash Credit , Packing Credit and Demand Loans	7333.85	8709.26
TERM LOANS :		
Standard Chartered Bank	1471.41	100.26
HDFC Bank Ltd	2014.78	4669.36
Axis Bank Limited	3248.00	5416.00
ICICI Bank Limited	8798.82	9193.74
ICICI Bank Limited - Vehicle Loans	0.66	2.49
ICICI Bank UK Plc	7953.83	10306.47
Vietnamese Commercial Bank for Industry & Trade	46.57	405.82
	<u>30867.92</u>	<u>38803.40</u>
UNSECURED LOANS		
Short Term Loans		
A Body Corporate	759.34	1,403.41
	<u>759.34</u>	<u>1403.41</u>



Schedules annexed to Consolidated Balance Sheet as at 31st March, 2011

SCHEDULE 4

FIXED ASSETS

FIXED ASSETS												Rs. in Lakhs
ASSETS	GROSS BLOCK AT COST OR VALUATION				DEPRECIATION / AMORTISATION				NET BLOCK			
	As at 31st March, 2010	Added on Consolidation (Note 2(b) on Schedule 17)	Additions/ adjustments during the year	Sales/Retire- ments/adjustments during the Year (Note 3 and 4 below)	As at 31st March, 2011 (Note 2 below)	As at 31st March, 2010 (Note 6 below)	Added on Consolidation (Note 2(b) on Schedule 17)	For the year	On assets sold/Retired Adjusted dur- ing the year (Note 5 below)	As at 31st March, 2011 (Note 6 below)	Written down value as at 31st March, 2011	Written down value as at 31st March, 2010
Intangibles												
Trade Marks	7340.45	-	-	(106.40)	7446.85 (Note 1 below)	2710.64	-	615.98	(65.80)	3392.42	4054.43	4629.81
Accounting Software and Upgrades	0.77	-	-	0.08	0.69	0.77	-	-	0.08	0.69	-	-
Goodwill	20.44	-	-	-	20.44	20.44	-	-	-	20.44	-	-
Goodwill on Consolidation	19027.59	624.60	-	(99.66)	19751.85	-	-	-	-	-	19751.85	19027.59
Tangibles												
Estate and Development	95078.84	-	3213.03	2030.05	96261.82	2543.45	-	109.46	(720.68)	3373.59	92888.23	92535.39
Land - Freehold	2981.83	-	-	2981.83	-	-	-	-	-	-	-	2981.83
Buildings	56518.45	-	2051.69	723.15	57846.99	16635.18	-	1145.10	217.89	17562.39	40284.60	39883.27
Plant and Machinery	39073.95	-	2537.48	1781.11	39830.32	24484.50	-	1931.74	1347.61	25068.63	14761.69	14589.45
Motor and Other Vehicles	5103.70	-	636.08	301.06	5438.72	3135.99	-	343.07	226.95	3252.11	2186.61	1967.71
Furniture and Fittings	1954.97	-	110.91	164.85	1901.03	1221.56	-	87.87	129.70	1179.73	721.30	733.41
31st March, 2011	227100.99	624.60	8549.19	7776.07	228498.71	50752.53	-	4233.22	1135.75	53850.00	174648.71	176348.46
31st March, 2010	205780.26	18219.34	4886.86	1785.47	227100.99	41558.40	6246.51	3666.98	719.36	50752.53	176348.46	

Notes:

- The above comprise :
 - Trade Mark (Brand WM Logo) of Rs. 5000.00 lakhs (31.03.10 - Rs. 5000.00 lakhs) acquired by the Parent Company which is being amortised over a working life of 20 years on prudent basis based on the valuation obtained by the management considering the factor like effective life / utility; and
 - Other Trade Marks of Rs. 2340.45 lakhs (31.03.10 - Rs. 2340.45 lakhs) acquired by a subsidiary, which are being amortised over the expected economic lives of 5 to 20 years.
- Conveyance deed is pending execution for Jalbirpara Tea estate for Rs. 293 lakhs (31.03.10 - Rs. 293 lakhs) of the Parent Company.
- Includes Capital Subsidy of Rs. 117.88 lakhs (31.03.10 - Rs. 213.56 lakhs).
- Includes foreign exchange adjustment of Rs. 2761.74 lakhs
- Includes foreign exchange adjustment of Rs. 1082.04 lakhs
- The opening and closing balance of Depreciation and Amortisation includes an Impairment Loss as set out below:-

	Impairment Loss as at	
	31st March 2011	31st March 2010
Estate and Development	Rs. Lakhs	Rs. Lakhs
Buildings	2440.32	2440.32
Plant and Machinery	1217.25	1217.25
	362.43	362.43
	4020.00	4020.00



Schedules annexed to Consolidated Balance Sheet as at 31st March, 2011

	31st March 2011 Rs. Lakhs	31st March 2010 Rs. Lakhs
SCHEDULE 5		
INVESTMENTS		
[Note 1.3 on Schedule 17]		
In Equity Shares of Rs.10 each fully paid (except otherwise stated)		
Long Term Investments		
- Trade		
QUOTED		
Murabblack India Limited 500000 shares	-	-
McNally Bharat Engineering Co. Limited 3052295 Shares	131.25	131.25
Williamson Financial Services Limited 1666853 Shares	519.33	519.33
Eveready Industries India Limited 1663289 Shares of Rs. 5/- each	169.66	169.66
Kilburn Engineering Limited 848168 Shares	36.05	36.05
The Standard Batteries Limited 1003820 (31.03.10 - 2007640) Shares of Re. 1/- (31.03.10 - Re. 0.50) each (Shares consolidated during the year)	-	-
Kilburn Chemicals Limited 350200 Shares	14.04	14.04
Kilburn Office Automation Limited 31340 Shares	1.27	1.27
UNQUOTED		
Babcock Borsig Limited 3305987 Shares (Note 1 and 5 below)	1198.10	1,170.48
Dewrance Macneill & Co. Limited 200000 Shares	-	-
Kilburn Electricals Limited 28000 Shares	-	-
Cosepa Fiscal Industries Limited 350000 Shares	-	-
Delhi Golf & County Club Private Limited 35750 Shares of Rs.100/- each	-	-
Project India Blend Private Limited 250000 Shares	8.25	8.25
D1 Williamson Magor Bio Fuel Limited 7038101 (31.03.2010 - 6807101) Shares [231000 Shares acquired during the year] (Note 4 below)	1267.30	1453.59
- Others		
QUOTED		
Suryachakra Seafood Limited 400000 Shares	-	-
Carried Forward	3345.25	3503.92



Schedules annexed to Consolidated Balance Sheet as at 31st March, 2011

SCHEDULE 5 [Contd.]

	31st March 2011 Rs. Lakhs	31st March 2010 Rs. Lakhs
Brought Forward	3345.25	3503.92
UNQUOTED		
Jalpaiguri Club Limited 523 Shares	-	-
Johnston Casting and Allied Industries Limited 3500 Shares fully paid	-	-
Nilpur Marketing Pvt. Limited 12500 Shares	1.25	1.25
Nilhat Shipping Company Limited 1000 Shares	0.10	0.10
Woodlands Medical Centre Limited (Note 3 below) Rs. 89500 5% Non Redeemable Mortgage Debenture Stock	-	0.36
Rs.6600-1/2% Registered Mortgage Debenture	-	-
Woodlands Multispeciality Hospital Limited (Note 3 below) 229610 Shares (31.03.10 - Nil)	22.36	-
Thakurbari Club Limited 56 Preference Shares of Rs.100 each	-	-
CFL Capital Financial Services Ltd. 1154790 13% Redeemable Cumulative Preference Shares of Rs.100 each	1160.56	1160.56
- Investments in Government Securities		
QUOTED		
8% Government of India Loan,2011	1.26	1.26
7% Government of India Loan,2009	-	1.35
9% Government of India Loan,2013	0.63	0.63
UNQUOTED		
National Defence Bond (Deposited with Excise Authorities)	0.02	0.02
	4531.43	4669.45
Less : Provision for diminution in carrying amount of Investments	1170.17	1170.17
	3361.26	3499.28

Notes :

1. Following Shares are pledged against loans availed by the Parent Company

Babcock Borsig Limited

Nos.

Nos.

911987

911987

- 2.

Aggregate market value of quoted investments

31st March 2011

31st March 2010

Rs. Lakhs

Rs. Lakhs

8789.76

11184.84

Book Value of quoted investments

873.49

874.84

Period end gross diminution in carrying amount of quoted and unquoted investments

1170.17

1170.17

Book Value of unquoted investments

3657.94

3794.61

3. Pursuant to the Scheme of Amalgamation of Woodlands Medical Centre Limited (WMCL) with Woodlands Multispeciality Hospital Ltd.(WMHL),the Parent Company has been allotted the following during the year :-

- 9610 Equity Shares of Rs. 10/- each fully paid up in WMHL in lieu of Rs. 89500 5% Non Redeemable Mortgage Debenture Stock and Rs.6600-1/2% Registered Mortgage Debenture of WMCL
- 220000 Equity Shares of Rs. 10 each fully paid up have been allotted against Rs. 22.00 lakhs contributed by the predecessor companies to the Members' Fund of WMCL and expensed in the accounts in earlier years. Accordingly contribution so made has been recognised as investment in this accounts with corresponding credit to Sundry Income (Schedule - 14)



Schedules annexed to Consolidated Balance Sheet as at 31st March, 2011

SCHEDULE 5 [Contd.]

	31st March 2011 Rs. Lakhs	31st March 2010 Rs. Lakhs
4. Investment in D1 Williamson Magor Bio Fuel Limited (Associate Company) : [Note 2 (c) on Schedule 17]		
Share in Net Assets on Acquisition	1585.11	1527.49
Add: Goodwill arising on Acquisition	526.32	514.64
Cost of Investment	2111.43	2042.13
Less : Group's share in accumulated loss : As per last account	588.54	217.28
Loss for the year	255.59	371.26
	<u>1267.30</u>	<u>1453.59</u>
5. Investment in Babcock Borsig Limited (Associate Company) : [Note 2 (c) on Schedule 17]		
Share in Net Assets on Acquisition	1514.38	1514.38
Less : Capital Reserve arising on Acquisition	338.02	385.18
Cost of Investment	1176.36	1129.20
Less : Group's share in accumulated Profit : As per last account	41.28	-
Profit /(Loss) for the year	19.54	41.28
	<u>1198.10</u>	<u>1170.48</u>

SCHEDULE 6 INVENTORIES

At lower of cost or net realisable value		
Stores	5040.58	4396.23
Finished Goods	4636.20	2718.07
Finished Goods added on consolidation	-	888.83
	<u>9676.78</u>	<u>8003.13</u>

SCHEDULE 7 SUNDRY DEBTORS

Secured - Considered Good		
Outstanding for a period exceeding six months	350.00	350.00
Unsecured - Considered Good		
Outstanding for a period exceeding six months [includes doubtful debts Rs. 213.92 lakhs (31.03.10 - Rs. 255.45 lakhs)]	600.82	731.01
Other Debts	1505.73	1900.52
	2456.55	2981.53
Less : Provision for doubtful debts	213.92	255.45
	<u>2242.63</u>	<u>2726.08</u>



Schedules annexed to Consolidated Balance Sheet as at 31st March, 2011

SCHEDULE 8	31st March 2011	31st March 2010
CASH AND BANK BALANCES	Rs. Lakhs	Rs. Lakhs
Cash in hand	203.10	309.55
Cheques in hand	0.02	0.56
Balances with Scheduled Banks on :		
Margin Money Accounts	13.03	12.91
Current Accounts	1903.77	166.75
Fixed Deposit Account [Note 14(a) on Schedule 17]	875.00	1770.67
Dividend Accounts	114.73	65.11
Escrow Accounts/Fractional Share Sale Proceeds Account	0.62	0.50
Balances with Non - Scheduled Banks on :		
Margin Money Accounts	-	27.21
Current Accounts	5.22	1,782.31
Fixed Deposit Account [Note 14(b) on Schedule 17]	-	1,127.44
	3115.49	5263.01
 SCHEDULE 9		
OTHER CURRENT ASSETS		
Unsecured - Considered Good unless otherwise stated [Note 7 on Schedule 17]		
Book value of Investments held through Trust -2,70,67,500 (31.03.10 - 2,70,67,500) Equity Shares of Rs. 5 each in the Parent Company pursuant to a Scheme of Arrangement and a Scheme of Amalgamation given effect to in earlier years	892.79	853.97
Interest Accrued on Loans and Deposits [including considered doubtful Rs. 173.35 lakhs (31.03.10 - Rs. 173.35 lakhs)]	2831.88	2642.56
Subsidies receivable from Government	977.80	1361.40
Accrued duty exemption benefits pertaining to exports	917.15	1,182.25
Others [Including Foreign Exchange Derivative Assets Rs. Nil (31.03.10 - Rs. 535.76 lakhs)]	336.12	578.51
	5955.74	6618.69
Less : Provision for doubtful interest receivable	173.35	173.35
	5782.39	6445.34



Schedules annexed to Consolidated Balance Sheet as at 31st March, 2011

	31st March 2011 Rs. Lakhs	31st March 2010 Rs. Lakhs
SCHEDULE 10		
LOANS AND ADVANCES		
Unsecured - Considered Good unless otherwise stated [Note 7 on Schedule 17]		
Loans to Bodies Corporate	3469.77	2280.55
[Includes Rs. 248 lakhs (31.03.10 - Rs. 248 lakhs) - considered doubtful]		
Advances recoverable in cash or in kind or for value to be received [includes Rs. 124.53 lakhs (31.03.10 - Rs. 92.15 lakhs) - considered doubtful] [Note (a) below]	7396.54	6511.23
Advance given for proposed acquisition of a Company [Note 22 on Schedule 17]	1065.90	1,080.32
Balance with Excise Authorities	44.50	11.67
MAT Credit Entitlement	839.00	-
Deposits [Includes Rs. 26.25 lakhs (31.03.10 - Rs. Nil) - considered doubtful] [Note (b) below]	9151.06	4157.12
	<u>21966.77</u>	<u>14040.89</u>
Less: Provision for doubtful loans, advances and deposits	398.78	340.15
	<u>21567.99</u>	<u>13700.74</u>

Notes: Includes -

(a) Advance against fixed assets Rs. 535.63 lakhs (31.03.10 - Rs. 590.86 lakhs)

(b) Rs. 7973.39 lakhs (31.03.10 - Rs. 2973.39 lakhs) with National Bank for Agriculture and Rural Development

SCHEDULE 11 CURRENT LIABILITIES

Sundry Creditors [includes Foreign Exchange Derivative Liability Rs. 162.73 Lakhs (31.03.10 - Rs. Nil)]	14137.67	13576.69
Advances from Customers / Selling Agents	146.20	480.41
Investor Education and Protection Fund shall be credited by the following amounts namely (Note below)		
Unpaid Dividend	114.73	65.11
Unpaid Matured Deposits	0.41	0.56
Interest accrued on Unpaid Matured Deposits	0.26	0.26
Unclaimed Fractional Share Sale Proceeds	0.62	0.50
Interest accrued but not due on loans	241.34	220.20
	<u>14641.23</u>	<u>14343.73</u>

Note : No amount is due for credit at the year-end

SCHEDULE 12 PROVISIONS

Provision for Income Tax (Net of Advance Tax)	1606.42	2973.73
Provision for Fringe Benefit Tax (Net of Advance Tax)	80.58	80.58
Proposed Dividend	5472.79	4378.23
Provision for Tax on Proposed Dividend	1774.78	1,177.83
Provision for Employee Benefits	3998.16	5016.33
Provision for Contingencies- [Note 7 on Schedule 17]	4351.42	5295.68
	<u>17284.15</u>	<u>18922.38</u>



Schedules annexed to Consolidated Balance Sheet as at 31st March, 2011

	Year ended 31st March 2011 Rs. Lakhs	Year ended 31st March 2010 Rs. Lakhs
SCHEDULE 13		
SALES		
Tea [including net exchange gain Rs. 332.37 lakhs (2009-10 - Rs. 595.71 lakhs)]	124032.73	110335.86
Other Sales	86.38	284.52
	124119.11	110620.38
SCHEDULE 14		
OTHER INCOME		
Sundry Income	319.95	144.92
Subsidy on Orthodox Tea	103.11	176.38
Replantation Subsidy	395.33	217.92
Excise Duty Rebate	0.95	1.10
Accrued duty exemption entitlements relating to exports / premium on sale thereof	2300.62	2383.78
Profit on Sale of Fixed Assets	186.41	-
Provision for diminution in carrying amount of Investments no longer required written back		376.55
Insurance Claims	169.85	113.15
Dividend on Long Term Trade Investments (Gross)	70.32	56.88
Liabilities etc. no longer required written back	249.82	14.45
Provision for Contingencies no longer required written back	944.26	-
Provision for doubtful debts no longer required written back	3.00	-
	4743.62	3485.13



Schedules annexed to Consolidated Profit & Loss Accounts for the year ended 31st March, 2011

SCHEDULE 15

Year ended
31st March 2011
Rs. Lakhs Rs. Lakhs

Year ended
31st March 2010
Rs. Lakhs Rs. Lakhs

EXPENSES

Salaries, Wages, Bonus etc.	31541.26	27194.63
Contribution to Provident and Other Funds	4682.36	4332.93
Labour and Staff Welfare	6301.30	5056.50
Purchase of Green Leaf	11398.23	8943.56
Consumption of Stores and Spare Parts	7381.88	5185.83
Power and Fuel	11229.61	9517.03
Rent	102.65	60.94
Lease Rent	18.30	6.67
Repairs		
- Buildings	1926.05	1794.32
- Machinery	2373.17	1722.01
- Others	1234.24	814.20
Insurance	426.29	375.25
Rates and Taxes [including wealth tax Rs. 30 lakhs (2009-10 - Rs. 35 lakhs)]	460.97	825.33
Cess on Black Tea	234.07	240.38
Assam Green Leaf Cess	1064.30	920.97
Travelling	1172.21	995.69
Loss on disposal of Fixed Assets (net)	-	96.20
Loss on sale of Trade Investments (net)	-	33.93
Legal and Professional Fees	1072.15	953.03
Freight, Shipping and Selling Expenses [Net of Transport Subsidy Rs. 268.58 lakhs (2009-10 - Rs. 407.79 lakhs)]	5888.15	4712.11
Brokerage on Sales	548.87	471.06
Selling Agents' Commission	474.77	515.03
Bad Debts/Deposits/Advances written off	108.97	57.07
Less: Adjusted from Provisions (Note below)	-	54.78
Provision for doubtful debts and advances	26.25	219.07
Miscellaneous Expenses	2214.35	2232.04
	91880.40	77221.00

Note :

Comprises provision for contingencies Rs. Nil (2009-10 - Rs. 26.37 lakhs and provision for doubtful debts/advances Rs. Nil (2009-10 - Rs. 28.41 lakhs)

SCHEDULE 16**INTEREST AND EXCHANGE FLUCTUATION [NET]****Interest Charge**

On Fixed Loans	1760.32	3611.30
On Others	2171.62	1164.04
Exchange loss / (gain) on Foreign Exchange Translation in respect of Loans etc.	203.98	(811.56)
	4135.92	3963.78
Less : Interest Subsidy	232.64	389.12
	3903.28	3574.66

Less :**Interest Income (Gross)**

On Deposit	585.96	284.55
[Tax deducted at source Rs. 57.54 lakhs (2009-10 - Rs. 32.88 lakhs)]		
On Loans	403.85	327.87
[Tax deducted at source Rs. 58.04 lakhs (2009-10 - Rs. 57.33 lakhs)]		
On Tax Refunds	0.51	1.00
	990.32	613.42
	2912.96	2961.24



Notes on Consolidated Accounts for the year ended 31st March, 2011

Schedule 17

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Fixed Assets

Fixed Assets (tangibles) are stated at cost or valuation. Cost of extension planting is capitalised. Fixed assets (intangibles) are stated at acquisition cost. An impairment loss is recognised wherever the carrying amount of the fixed assets of a cash generating unit exceeds its net selling price or value in use, whichever is higher. Also refer Note 24 below.

1.2 Depreciation / Amortisation

Depreciation on straight line method is provided on book value of Tangible Fixed Assets (other than Estate and Development) in the manner and at rates as per Schedule XIV to the Companies Act, 1956 of India (the Act). Items of fixed assets for which related actual cost do not exceed Rs.5,000 are fully depreciated in the year of purchase.

Tangible fixed assets of certain subsidiary companies are depreciated using the straight-line method over the following estimated useful lives:

	<i>Years</i>
Buildings	20-40, 5-50
Plant and Machinery	12, 5-20
Estate and Development	33.33
Furniture and Fittings	5-8, 3-5
Motor and Other Vehicles	5-10, 4

Intangible fixed assets are amortised on straight line method over their estimated economic lives as set out in Schedule 4.

Additional charge of depreciation on amount added on revaluation is adjusted against Revaluation Reserve, wherever available.

1.3 Investments

Long Term Investments are stated at cost. Provision is made for diminution, other than temporary. Gains/losses on disposal of investments are recognised as income / expenditure.

1.4 Inventories

Inventories are valued as under :

- Stores and Spare Parts : At lower of cost (determined under weighted average method) and net realisable value.
- Finished Goods : At lower of weighted average cost (including attributable charges and levies) and net realisable value.
- In case of a subsidiary company, Inventories are valued at lower of cost and net realisable value, cost being determined under FIFO method.



Notes on Consolidated Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

1.5 Sales

Sale is recognised on completion of sale of goods. Sale includes tea claim and is net of sales return, sales tax etc.

1.6 Employee Benefits

a. Short Term Employee Benefits:

These are recognised at the undiscounted amount as expense for the year in which the related service is rendered.

b. Post Employment Benefit Plans:

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenditure for the year.

In case of Defined Benefit Plans, the cost of providing the benefit is determined using the Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in full in the Profit and Loss Account for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, if any, and as reduced by the fair value of plan assets, where funded. Any asset resulting from this calculation is limited to the present value of any economic benefit available in the form of refunds from the plan or reductions in future contributions to the plan.

c. Other Long Term Employee Benefits (Unfunded):

The cost of providing long-term employee benefits is determined using Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses and past service cost are recognised immediately in the Profit and Loss Account for the period in which they occur. Other long term employee benefit obligation recognised in the Balance Sheet represents the present value of related obligation.

In case of a subsidiary company, Post Employment Defined Benefit Plan is accounted for on the full liability method.

1.7 Borrowing Cost

Interest and other costs in connection with the borrowing of funds by the Group are recognised as an expense in the period in which they are incurred unless these are attributable to the acquisition and construction of qualifying assets and added to the cost up to the date when such assets are ready for their intended use.

1.8 Research and Development

Revenue expenditure on Research and Development is recognised as a charge to the Profit and Loss Account. Capital expenditure on assets acquired for Research and Development is added to Fixed Assets.

1.9 Recognition of Income and Expenditure

Items of Income and Expenditure are recognised on accrual and prudent basis.



Notes on Consolidated Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

1.10 Accounting for Taxes on Income

Current Tax in respect of taxable income is recognised based on applicable tax rates and laws. Deferred Tax is recognised subject to consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income, that originate in one period and are capable of reversal in one or more subsequent periods and is measured using tax rates and laws that have been substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only if there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets will be realised. Such assets are reviewed as at each Balance Sheet date to reassess realisability thereof.

1.11 Transactions in Foreign Currencies

Transactions in foreign currency are recorded at exchange rates prevailing on the date of the transaction. Monetary items denominated in foreign currency are restated at the exchange rate prevailing on the Balance Sheet date. Foreign currency non-monetary items carried in terms of historical cost are reported using the exchange rate at the date of the transactions. Exchange differences arising on settlement of transactions and/or restatements are dealt with in the Profit and Loss Account.

1.12 Derivative Instruments

Derivative financial instruments such as forward exchange contracts, currency swaps etc. are used to hedge its risks associated with foreign currency fluctuations relating to the underlying transactions, highly probable forecast transactions and firm commitments. In respect of Forward Exchange Contracts with underlying transactions, the premium or discount arising at the inception of such contract is amortised as expense or income over the life of contract.

Other Derivative contracts outstanding at the Balance Sheet date are marked to market and resulting loss, if any, is provided for in the financial statements. Any profit or losses arising on cancellation of derivative instruments are recognised as income or expenses for the period.

In case of a subsidiary company Derivative Contracts outstanding at the balance sheet date are marked to market and resulting profits are also recognised in the financial statements.

1.13 Government Grants

Government grants related to specific fixed assets are deducted from gross values of related assets in arriving at their book value.

Government grants related to revenue are recognised in the Profit and Loss Account.

1.14 Consolidation

Consolidated financial statements relate to McLeod Russel India Limited, the Parent Company and its subsidiary companies (the Group). The consolidated financial statements are in conformity with the Accounting Standard (AS) – 21 on Consolidated Financial Statements prescribed under the Act and are prepared as set out below:

- (a) The financial statements of the Parent Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after adjustments/elimination of inter-company balances, transactions including unrealised profit etc.



Notes on Consolidated Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

- (b) The consolidated financial statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances in all material respects and are presented to the extent practicable and possible, in the same manner as the Parent Company's separate financial statements.
- (c) The excess of cost to the Parent Company of its investment in the subsidiary companies over the Parent's portion of equity of the subsidiary companies at the date those became subsidiary companies is recognised in the financial statements as goodwill which is not amortised.
- (d) The translation of the functional currencies into Indian Rupees (reporting currency) is performed for equity in the foreign subsidiaries, assets and liabilities using the closing exchange rate at the Balance Sheet date, and for revenues, costs and expenses using average exchange rates prevailing during the period. The resultant exchange difference arising out of such transactions is recognised as part of equity (Foreign Currency Translation Adjustment Account) by the Parent Company until the disposal of investment.
- (e) Investment in Associate Companies is accounted for in accordance with AS-23 on 'Accounting for Investments in Associates in Consolidated Financial Statements' prescribed under the Act, under equity method.
2. (a) The Consolidated Financial Statements for the year comprise the financial statements of the Parent Company and its subsidiary companies as detailed below:-

Name of the Company	Country of Incorporation	Proportion of Ownership Interest as at 31 st March		Reporting Date
		2011	2010	
Subsidiaries				
i) Borelli Tea Holdings Limited (BTHL)	United Kingdom	100%	100%	31 st March
ii) Phu Ben Tea Company Limited (Phu Ben)	Vietnam	100%	100%	31 st December
iii) Rwenzori Tea Investments Limited (RTIL)	Uganda	100%	100%	31 st December
iv) Mcleod Russel Uganda Limited (MRUL) formerly known as James Finlay (Uganda) Limited (JFUL)	Uganda	100%	100%	31 st December
v) Olyana Holdings LLC (OHL)	U.S.A.	95%	75%	31 st December

- (b) During the year the Group has increased its controlling interest from 75% to 95% in OHL and goodwill arising on such acquisition has been accounted for in keeping with the related accounting policy set out in Note 1.14 above.



Notes on Consolidated Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

- (c) The Consolidated Financial Statements also include the Group's interest in the following Associate Companies accounted for under equity method based on their financial statements:

Associate	Country of Incorporation	Proportion of ownership interest	
		As at 31 st March, 2011	As at 31 st March, 2010
D1 Williamson Magor Bio Fuel Limited	India	33.93%	33.56%
Babcock Borsig Limited	India	48.33%	48.33%

3. Schemes of Amalgamation/Scheme of Arrangement given effect to in earlier years

Pending completion of the relevant formalities of transfer of certain assets and liabilities acquired pursuant to the Schemes, such assets and liabilities remain included in the books of the Parent Company under the name of the transferor companies (including other companies which were amalgamated with the transferor companies from time to time).

4. Depreciation

Depreciation and Amortisation in the Consolidated Profit and Loss Account comprises:

	Year ended 31 st March 2011 Rs. Lakhs	Year ended 31 st March 2010 Rs. Lakhs
Depreciation and Amortisation for the Year (Schedule 4)	4233.22	3666.98
Withdrawn on account of depreciation on amount added on Revaluation of Fixed Assets (Schedule 2)	(415.67)	(437.46)
	3817.55	3229.52

5. Employee Benefits :

5.1 Post Employment Defined Contribution Plans:

During the year an amount of Rs 2738.73 lakhs (31st March 2010 - Rs. 2464.20 lakhs) has been recognised as expenditure towards Defined Contribution plans of the Parent Company.



Notes on Consolidated Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

5.2. Post Employment Defined Benefit Plans:

Gratuity (Funded)

The Parent Company's gratuity scheme, a defined benefit plan, covers the eligible employees and is administered through certain gratuity fund trusts. Such gratuity funds, whose investments are managed by insurance companies/trustees themselves, make payments to vested employees or their nominees upon retirement, death, incapacitation or cessation of employment, of an amount based on the respective employee's salary and tenure of employment subject to a maximum limit of Rs. 10.00 lakhs. Vesting occurs upon completion of five years of service.

Superannuation (Funded)

The Parent Company's Superannuation scheme, a Defined Benefit plan, is administered through trust funds and covers certain categories of employees. Investments of the funds are managed by insurance companies /trustees themselves. Benefits under these plans had been frozen in earlier years with regard to salary levels then prevailing with the exception of a few employees. Upon retirement, death or cessation of employment, Superannuation Funds purchase annuity policies in favour of vested employees or their spouses to secure periodic pension. Such superannuation benefits are based on respective employee's tenure of employment and salary.

Staff Pension – Type A (Funded)

The Parent Company's Staff Pension Scheme – Type A, a Defined Benefit plan, is administered through a trust fund and covers certain categories of employees. Investments of the fund are managed by Life Insurance Corporation of India. Pursuant to the scheme, monthly pension is paid to the vested employee or his/her nominee upon retirement, death or cessation of service based on the respective employee's salary and tenure of employment subject to a limit on the period of payment in case of nominee. Vesting occurs upon completion of twenty years of service.

Staff Pension – Type B (Unfunded)

The Parent Company's Staff Pension Scheme – Type B, a Defined Benefit Plan, covers certain categories of employees. Pursuant to the scheme, monthly pension is paid to the vested employee or his/her nominee upon retirement, death or cessation of service based on the respective employee's salary and tenure of employment subject to a limit on the period of payment in case of nominee. Vesting occurs upon completion of twenty years of service.

Expatriate Pension (Unfunded)

The Parent Company has an informal practice of paying pension to certain categories of retired expatriate employees and in certain cases to their surviving spouses. The scheme is in the nature of Defined Benefit plan.

Medical Insurance Premium Re-imbursment (Unfunded)

The Parent Company has a scheme of re-imbursment of medical insurance premium to certain categories of employees and their surviving spouses, upon retirement, subject to a monetary limit. The scheme is in the nature of Defined Benefit plan.

The following Tables sets forth the particulars in respect of Defined Benefit plans of the Parent Company for the year ended 31st March, 2011 and corresponding figures for the previous year.



Notes on Consolidated Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

Description	Rs. Lakhs	
	Gratuity Fund	
	Funded	
	2011	2010
Changes in present value of defined benefit obligations during the year ended 31st March		
Present value of obligation at the beginning of the year	8508.40	6903.02
Interest Cost	641.29	515.55
Current Service Cost	505.37	965.07
Past Service Cost	-	417.12
Benefits Paid	984.48	917.17
Actuarial loss/(gain) on obligation	908.71	624.81
Present Value of obligation at the end of the year	9579.29	8508.40

Changes in the fair value of plan assets during the year ended 31st March		
Fair Value of Plan Assets at the beginning of the year	7100.68	4952.18
Expected Return on Plan Assets	568.05	396.17
Contributions	3031.61	2363.03
Benefits Paid	984.48	917.17
Actuarial gain/(loss) on Plan Asset	57.67	306.47
Fair Value of Plan Assets at the end of the year	9773.53	7100.68

Amount recognised in Balance Sheet		
Present Value of obligation at end of the year	9579.29	8508.40
Fair Value of Plan Asset at end of the year	9773.53	7100.68
Net Asset/(Liability) Recognised in Balance Sheet	194.24	(1407.72)

Expense Recognised in Profit and Loss Account		
Current Service Cost	505.37	965.07
Past Service Cost	-	417.12
Interest Cost	641.29	515.55
Expected Return on Plan Assets	568.05	396.17
Actuarial loss/(gain) recognised in the year	851.04	318.34
Expense Recognised in Statement of Profit and Loss Account	@ 1429.65	@ 1819.91

@ included in Contribution to Provident and Other Funds (Schedule 15)

Category of Plan Assets		
Investments in Bonds and Special Deposit	480.37	483.68
Investments with Life Insurance Corporation of India	1703.92	1566.80
Investments with other Insurance Companies	7501.14	4996.31
Others including Bank Balances	88.10	53.89
Total	9773.53	7100.68
Actual Return on Plan Assets	631.80	706.21

Principal Actuarial Assumptions		
Discount Rate (%)	8.0	8.0
Inflation Rate (%)	5.0	5.0
Return on Asset (%)	8.0	8.0



Notes on Consolidated Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

Description	Rs. Lakhs	
	Superannuation Fund	
	Funded	
	2011	2010
Changes in present value of defined benefit obligations during the year ended 31st March		
Present value of obligation at the beginning of the year	2018.52	2222.68
Interest Cost	152.02	164.87
Current Service Cost	-	-
Benefits Paid	236.55	323.69
Actuarial loss/(gain) on obligation	(54.66)	(45.34)
Present Value of obligation at the end of the year	1879.33	2018.52

Changes in the fair value of plan assets during the year ended 31st March		
Fair Value of Plan Assets at the beginning of the year	2233.99	2031.74
Expected Return on Plan Assets	178.72	162.54
Contributions	54.13	221.77
Benefits Paid	236.55	323.69
Actuarial gain/(loss) on Plan Asset	(20.80)	141.63
Fair Value of Plan Assets at the end of the year	2209.49	2233.99

Amount recognised in Balance Sheet		
Present Value of obligation at end of the year	1879.33	2018.52
Fair Value of Plan Asset at end of the year	2209.49	2233.99
Net Asset/(Liability) Recognised in Balance Sheet	330.16	215.47

Expense Recognised in Profit and Loss Account		
Current Service Cost	-	-
Interest Cost	152.02	164.87
Expected Return on Plan Assets	178.72	162.54
Actuarial loss/(gain) recognised in the year	(33.86)	(186.97)
Expense Recognised in Statement of Profit and Loss Account	@(60.56)	@(184.64)

@ Included in contribution to Provident and other Funds (Schedule 15)

Category of Plan Assets		
Investments in Bonds & Special Deposit	202.04	215.39
Investments with Life Insurance Corporation of India	181.76	177.76
Investments with other Insurance Companies	1786.87	1762.43
Others including Bank Balances	38.82	78.41
Total	2209.49	2233.99
Actual Return on Plan Assets	162.58	306.68

Principal Actuarial Assumptions		
Discount Rate (%)	8.0	8.0
Return on Asset (%)	8.0	8.0



Notes on Consolidated Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

Description	Rs. Lakhs	
	Staff Pension Fund Type A	
	Funded	
	2011	2010
Changes in present value of defined benefit obligations during the year ended 31st March		
Present value of obligation at the beginning of the year	407.45	373.73
Interest Cost	32.52	28.90
Current Service Cost	36.67	25.85
Benefits Paid	1.70	24.92
Actuarial loss/(gain) on obligation	(33.56)	3.89
Present Value of obligation at the end of the year	441.38	407.45

Changes in the fair value of plan assets during the year ended 31st March		
Fair Value of Plan Assets at the beginning of the year	98.55	113.81
Expected Return on Plan Assets	7.88	9.10
Contributions	0.46	0.47
Benefits Paid	1.70	24.92
Actuarial gain/(loss) on Plan Asset	0.05	0.09
Fair Value of Plan Assets at the end of the year	105.24	98.55

Amount recognised in Balance Sheet		
Present Value of obligation at end of the year	441.38	407.45
Fair Value of Plan Asset at end of the year	105.24	98.55
Net Asset/(Liability) Recognised in Balance Sheet	(336.14)	(308.90)

Expense Recognised in Profit and Loss Account		
Current Service Cost	36.67	25.85
Interest Cost	32.52	28.90
Expected Return on Plan Assets	7.88	9.10
Actuarial loss/(gain) recognised in the year	(33.61)	3.80
Expense Recognised in Statement of Profit and Loss Account	@ 27.70	@ 49.45

@ Included in contribution to Provident and other Funds (Schedule 15)

Category of Plan Assets		
Investments with Life Insurance Corporation of India	105.24	98.55
Total	105.24	98.55
Actual Return on Plan Assets	7.93	9.19

Principal Actuarial Assumptions		
Discount Rate (%)	8.0	8.0
Inflation Rate (%)	5.0	5.0
Return on Asset (%)	8.0	8.0



Notes on Consolidated Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

Description	Rs. Lakhs	
	Staff Pension Type B	
	Unfunded	
	2011	2010
Changes in present value of defined benefit obligations during the year ended 31st March		
Present value of obligation at the beginning of the year	2537.87	2241.47
Interest Cost	197.71	174.47
Current Service Cost	149.49	136.23
Benefits Paid	132.83	121.16
Actuarial loss/(gain) on obligation	(65.28)	106.86
Present Value of obligation at the end of the year	2686.96	2537.87
Amount recognised in Balance Sheet		
Present Value of obligation at end of the year	2686.96	2537.87
Fair Value of Plan Asset at end of the year	-	-
Net Asset/(Liability) Recognised in Balance Sheet	(2686.96)	(2537.87)
Expense Recognised in Profit and Loss Account		
Current Service Cost	149.49	136.23
Interest Cost	197.71	174.47
Expected Return on Plan Assets	-	-
Actuarial loss/(gain) recognised in the year	(65.28)	106.86
Expense Recognised in Statement of Profit and Loss Account	#281.92	#417.56
# included in Salaries, Wages, Bonus etc. (Schedule 15)		
Principal Actuarial Assumptions		
Discount Rate (%)	8.0	8.0
Inflation Rate (%)	5.0	5.0

Description	Medical Benefit Liability	
	Unfunded	
	2011	2010
Changes in present value of defined benefit obligations during the year ended 31st March		
Present value of obligation at the beginning of the year	289.88	291.04
Interest Cost	23.19	23.28
Current Service Cost	-	-
Benefits Paid	18.05	14.07
Actuarial loss/(gain) on obligation	(12.29)	(10.37)
Present Value of obligation at the end of the year	282.73	289.88
Amount recognised in Balance Sheet		
Present Value of obligation at end of the year	282.73	289.88
Fair Value of Plan Asset at end of the year	-	-
Net Asset/(Liability) Recognised in Balance Sheet	(282.73)	(289.88)
Expense Recognised in Profit and Loss Account		
Current Service Cost	-	-
Interest Cost	23.19	23.28
Expected Return on Plan Assets	-	-
Actuarial loss/(gain) recognised in the year	(12.29)	(10.37)
Expense Recognised in Statement of Profit and Loss Account	*10.90	*12.91
* included in Insurance (Schedule 15)		
Principal Actuarial Assumptions		
Discount Rate (%)	8.0	8.0



Notes on Consolidated Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

Description	Rs. Lakhs	
	Expatriate Pension	
	Unfunded	
	2011	2010
Changes in present value of defined benefit obligations during the year ended 31st March		
Present value of obligation at the beginning of the year	59.02	85.60
Interest Cost	2.81	4.90
Current Service Cost	-	-
Benefits Paid	47.72	48.63
Actuarial loss/(gain) on obligation	29.35	17.15
Present Value of obligation at the end of the year	43.46	59.02

Amount recognised in Balance Sheet		
Present Value of obligation at end of the year	43.46	59.02
Fair Value of Plan Asset at end of the year	-	-
Net Asset/(Liability) Recognised in Balance Sheet	(43.46)	(59.02)

Expense Recognised in Profit and Loss Account		
Current Service Cost	-	-
Interest Cost	2.81	4.90
Expected Return on Plan Assets	-	-
Actuarial loss/(gain) recognised in the year	29.35	17.15
Expense Recognised in Statement of Profit and Loss Account	# 32.16	# 22.05
# included in Salaries, Wages, Bonus etc. (Schedule 15)		

Principal Actuarial Assumptions		
Discount Rate (%)	8.0	8.0

The estimates of rate of inflation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment sphere.

Plan assets represent investment in various categories. The return on amounts invested with LIC is declared annually by them. Return on amounts invested with Insurance companies, other than LIC, is generally by way of Net Asset Value declared on units purchased, with certain schemes declaring returns annually while some other offering a guaranteed rate of return. Investment in Bonds and Special Deposit carry a fixed rate of interest.

The expected return on plan assets is determined after taking into consideration composition of the plan assets held, assessed risk of asset management and other relevant factors.



Notes on Consolidated Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

Other Particulars	2011	2010	2009	Rs. Lakhs 2008
Gratuity Fund (Funded)				
Defined Benefit Obligation	9579.29	8508.40	6903.02	6628.54
Plan Assets	9773.53	7100.68	4952.18	4540.70
Surplus/(Deficit)	194.24	(1407.72)	(1950.84)	(2087.84)
Experience Adjustments on Plan Liabilities	499.79	235.67	(1.77)	92.57
Experience Adjustments on Plan Assets	57.67	306.47	(51.77)	130.38
Superannuation Fund (Funded)				
Defined Benefit Obligation	1879.33	2018.52	2222.68	2418.93
Plan Assets	2209.49	2233.99	2031.74	2203.06
Surplus/(Deficit)	330.16	215.47	(190.94)	(215.87)
Experience Adjustments on Plan Liabilities	(23.17)	(8.67)	67.79	26.22
Experience Adjustments on Plan Assets	(20.80)	141.63	(88.31)	24.02
Staff Pension Fund Type A (Funded)				
Defined Benefit Obligation	441.38	407.45	373.73	303.81
Plan Assets	105.24	98.55	113.81	160.00
Surplus/(Deficit)	(336.14)	(308.90)	(259.92)	(143.81)
Experience Adjustments on Plan Liabilities	4.21	1.71	12.58	(8.20)
Experience Adjustments on Plan Assets	0.05	0.09	(58.99)	(1.32)
Staff Pension Fund Type B (Unfunded)				
Defined Benefit Obligation	2686.96	2537.87	2241.47	2299.58
Plan Assets	NA	NA	NA	NA
Surplus/(Deficit)	NA	NA	NA	NA
Experience Adjustments on Plan Liabilities	112.42	47.53	(88.07)	(36.52)
Experience Adjustments on Plan Assets	NA	NA	NA	NA
Medical Benefit Liability (Unfunded)				
Defined Benefit Obligation	282.73	289.88	291.04	282.50
Plan Assets	NA	NA	NA	NA
Surplus/(Deficit)	NA	NA	NA	NA
Experience Adjustments on Plan Liabilities	(10.95)	(4.51)	(0.17)	(7.45)
Experience Adjustments on Plan Assets	NA	NA	NA	NA
Expatriate Pension (Unfunded)				
Defined Benefit Obligation	43.46	59.02	85.60	156.19
Plan Assets	NA	NA	NA	NA
Surplus/(Deficit)	NA	NA	NA	NA
Experience Adjustments on Plan Liabilities	5.59	7.52	(10.30)	(32.77)
Experience Adjustments on Plan Assets	NA	NA	NA	NA

NA : Not Applicable



Notes on Consolidated Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

Provident Fund:

Contributions towards provident funds are recognised as expense for the year. The Parent Company has set up Provident Fund Trusts in respect of certain categories of employees which is administered by Trustees. Both the employees and the Parent Company make monthly contributions to the Funds at specified percentage of the employee's salary and aggregate contributions along with interest thereon are paid to the employees/nominees at retirement, death or cessation of employment. The Trusts invest funds following a pattern of investments prescribed by the Government. The interest rate payable to the members of the Trusts is not lower than the rate of interest declared annually by the Government under The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 of India and shortfall, if any, on account of interest is to be made good by the Parent Company.

In terms of the Guidance on implementing Accounting Standard 15 (Revised 2005) on Employee Benefits issued by the Accounting Standard Board of The Institute of Chartered Accountants of India (ICAI), a provident fund set up by the Parent Company is defined benefit plan in view of its obligation to meet shortfall, if any, on account of interest. In view of the higher rate of interest declared by the Government for the year 2010-11, the Provident Fund Trusts of the Parent Company incurred a net shortfall of Rs. 8.92 lakhs (31st March 2010 - Rs. Nil) which has been provided for in these Accounts.

The Actuary has expressed his inability to provide an actuarial valuation of the provident fund as at the year end in the absence of a Guidance Note from The Institute of Actuaries of India. Accordingly, complete information required to be considered as per AS 15 in this regard are not available and the same could not be disclosed.

The Parent Company's contribution to the aforesaid provident fund for the year was Rs. 189.10 lakhs (31st March 2010 - Rs. 174.44 lakhs).

Gratuity Plan (Unfunded) in respect of MRUL, a subsidiary company:

MRUL's terms and conditions of employment provide for a gratuity to Ugandan nationals employed by the company. The gratuity is payable after completion of five years' service upon resignation, retirement or termination and on condition that the employee leaves honourably. The gratuity is calculated at twenty working days per year of service for employees with five to ten years service and thirty working days per year of service for those with more than ten years service. The provision takes account of service rendered by employees up to the balance sheet date and is accounted for on the full liability method.

No allowance is made in the provision calculation for those employees with less than 5 years service, as they do not qualify for gratuity.

6. Capital Work-in-Progress includes acquired intangible assets - Computer Software under implementation Rs. 117.61 lakhs (31st March 2010 - Rs. Nil).
7. There are certain overdue loans and advances, interest accrued on loans and other recoverable items aggregating Rs. 4351.42 lakhs (31st March 2010 - Rs. 5295.68 lakhs). These advances became overdue on account of the sluggish market conditions and the resultant difficulty in liquidating the assets by these parties. The management is actively continuing to pursue options for recovery of these loans and advances. As a measure of prudence, and in the management's best judgement Rs. 4351.42 lakhs (31st March 2010 - Rs. 5295.68 lakhs) are being held in provision for contingency, for overdue, loans and advances etc. at the year end (Refer Schedule 12 to Accounts).



Notes on Consolidated Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

8. Contingent Liabilities

8.1 Claims against the Company not acknowledged as debts : -

	31 st March 2011 Rs. Lakhs	31 st March 2010 Rs. Lakhs
Sales Tax :	26.37	27.53
Electricity Dues :	32.47	29.27
Assam Pollution Control Board :	7.41	9.92
Provident Fund :	68.43	68.43
Income Tax :	79.49	84.59
Service Tax :	75.48	-
Disputed Labour Claims :	138.09	-
Others :	6.30	12.84

8.2 Guarantees given on behalf of other companies to bank, Financial institutions etc. limit Rs. Nil (31st March 2010 - Rs. 1000.00 lakhs); Year end utilisation Rs. Nil (31st March 2010 - Rs. 112.59 lakhs)

8.3 Bank Guarantees Rs. 83.28 lakhs (31st March 2010 - Rs. 89.04 lakhs)

8.4 Bills Discounted - Rs. 2445.65 lakhs (31st March 2010 - Rs. 6452.41 lakhs)

9. TAXATION

9.1 Current Tax charge for the year, in case of the Parent Company, has been reckoned after taking into account, benefit under Section 33AB of the Income Tax Act, 1961 (which are available on timely deposit of required amount with development bank).

9.2 Year end Deferred Tax balance comprises the following : -

	31 st March 2011 Rs. Lakhs	31 st March 2010 Rs. Lakhs	31 st March 2010 Rs. Lakhs	31 st March 2010 Rs. Lakhs
Deferred Tax Liability				
i) Differences between net book value of depreciable capital assets as per books vis-à-vis written down value as per tax laws		8180.13		8677.20
ii) Fair Value Gain on Derivative Asset		-		160.80
ii) Others		304.83		-
		8484.96		8838.00
Deferred Tax Assets				
i) Unabsorbed tax losses / depreciation	-		225.13	
ii) Voluntary Retirement Compensation	1.73		3.41	
iii) Items allowed for tax purpose on payment	549.01		761.53	
iv) Others	707.52	1258.26	687.56	1677.63
Net Deferred Tax Liability		7226.70 *		7160.37 *

* After considering Net Deferred Tax Liability of Rs. 875.45 lakhs (31st March, 2010 - Rs. 1409.12 lakhs) added on consolidation.



Notes on Consolidated Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

10. Estimated capital commitment on account of contracts remaining to be executed and not provided for at the year-end is Rs. 1256.20 lakhs (31st March 2010 - Rs. 933.36 lakhs). Such commitment, net of advances is Rs. 720.57 lakhs (31st March 2010 - Rs. 313.77 lakhs).

11. Advances include :-

Loan to directors of the Parent Company Rs. 10.16 lakhs (31st March 2010 - Rs. 13.46 lakhs) [Maximum amount due during the year Rs. 13.46 lakhs (31st March 2010 - Rs. 16.76 lakhs)] being originally initiated as advances to employees in the books of Eveready Industries India Limited, taken over in terms of a Scheme of Arrangement in 2004-05.

12. Segment Information

The Group is primarily engaged in the business of cultivation, manufacture and sale of tea and has a single business segment. However, pursuant to recent acquisitions of tea estates through subsidiaries across various geographical locations with different political and economic environment, risks and returns etc, the Group after review, has revised during the year the system of segment reporting by considering geographical segments as primary reporting format.

The geographical segments have been identified as India, Vietnam and Uganda.

	31 st March 2011 Rs. Lakhs	31 st March 2010 Rs. Lakhs
Segment Revenue		
India	107313.42	107682.09
Vietnam	3561.99	2922.36
Uganda	13243.70	*
	124119.11	110604.45
Unallocable	-	15.93
Total	124119.11	110620.38
Segment Results (Profit before Interest and Tax)		
India	29921.69	33619.60
Vietnam	299.54	350.13
Uganda	4523.05	*
Total	34744.28	33969.73
Less :		
Interest (net)	2912.96	2961.24
Other Unallocated Expenditure - net of Income	550.20	499.10
Profit before Taxation, share of Earnings from Associates and Minority Interest	31281.12	30509.39
Less :		
Taxation Charge		
Current Tax	6913.96	6640.38
Less : MAT Credit	(839.00)	-
Deferred Tax	285.78	498.89
Profit after Taxation but before share of Earning from Associates and Minority Interest	24920.38	23370.12



Notes on Consolidated Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

	31 st March 2011 Rs. Lakhs	31 st March 2010 Rs. Lakhs
Segment Assets		
India	162696.79	142204.58
Vietnam	4114.36	4309.65
Uganda	10844.71	14260.77
	177655.86	160775.00
Unallocable	22022.20	21.71
	199678.06	160796.71
Segment Liabilities		
India	75236.05	63343.92
Vietnam	190.50	3589.02
Uganda	1111.36	4803.99
	76537.91	71736.93
Unallocable	2507.47	8896.36
	79045.38	80633.29
Acquisition of Fixed Assets relating to Segments		
India	4647.59	4320.68
Vietnam	693.27	383.35
Uganda	508.02	*
	5848.88	4704.03
Unallocable	719.56	159.14
	6568.44	4863.17
Depreciation and Amortisation relating to Segments		
India	2754.18	2711.72
Vietnam	187.30	168.27
Uganda	510.09	*
	3451.57	2879.99
Unallocable	365.98	349.53
	3817.55	3229.52
Significant non-cash expenses other than Depreciation and Amortisation relating to Segments	-	-

* Ugandan subsidiary was acquired with effect from 18th January, 2010 and included in the consolidation based on its financial statement as of 31st December, 2009.

The Group does not have any Secondary Segment

- 13.** Information given in accordance with the requirement of Accounting Standard 18 on Related Party Disclosures prescribed under the Act : -

(A) List of Related Parties

i. Key Management Personnel (of the Parent Company)

Managing Director	Mr. Aditya Khaitan (AK)
Wholetime Directors	Mr. R. Takru (RT)
	Mr. A. Monem (AM)
	Mr. K. K. Baheti (KKB)



Notes on Consolidated Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

- ii. Relatives of Key Management Personnel with whom transactions took place during the year.

Mr. B. M. Khaitan (BMK) Father of Mr. Aditya Khaitan

Mr. D. Khaitan (DK) Brother of Mr. Aditya Khaitan

- iii Others :

- Associates :

D1 Williamson Magor Bio Fuel Limited (D1)

Babcock Borsig Limited (BBL)

(B) Transactions / Balances with Key Management Personnel

	Remuneration		Sale of Fixed Assets		Loan Outstanding as at	
	2010-11 Rs. Lakhs	2009-10 Rs. Lakhs	2010-11 Rs. Lakhs	2009-10 Rs. Lakhs	31 st March 2011 Rs. Lakhs	31 st March 2010 Rs. Lakhs
AK	216.25	178.41	-	-	-	-
RT	101.52	84.09	141.60	-	9.13	11.53
AM	93.92	72.51	148.50	-	1.03	1.93
KKB	100.23	83.75	-	-	-	-
Total	511.92	418.76	290.10	-	10.16	13.46

(C) Transactions / Balances with relatives of Key Management Personnel

	Year ended 31 st March 2011 Rs. Lakhs	Year ended 31 st March 2010 Rs. Lakhs
Directors' Sitting Fees		
BMK	0.60	1.00
DK	0.20	0.10
Commission		
BMK	1.20	1.20
DK	1.20	1.20
Amount outstanding at year end		
BMK	1.20	1.20
DK	1.20	1.20



Notes on Consolidated Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

(D) Transactions / Balances with Associates

	Name of the Associates	Nature of Transactions/Balances	Year ended 31st March 2011 Rs. Lakhs	Year ended 31st March 2010 Rs. Lakhs
(i)	D1	Subscription in Share Capital during the year	69.30	436.86
		Advance repaid	-	25.74
(ii)	BBL	Subscription in Share Capital during the year	-	1037.47
14.	(a)	Fixed Deposits with Scheduled Bank held by the Parent Company (Schedule 8) are under lien and represents the following:		
	-	Offered as security for a guarantee of USD 1.674 millions (31 st March 2010 - USD 3.344 millions) {Rs. 742.09 lakhs (31 st March 2010 - Rs. 1501.59 lakhs)} issued by a bank on behalf of BTHL, a wholly owned subsidiary of the Parent Company in connection with repayment of certain dues by its wholly owned subsidiary, Phu Ben	875.00	1770.67
	(b)	Fixed Deposit of Rs. Nil (31 st March 2010- Rs. 1127.44 lakhs) with a Non-Scheduled Bank held by BTHL is under lien with the bank, for securing working capital facilities given by the bank to MRUL, a wholly owned subsidiary of BTHL.		



Notes on Consolidated Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

- 15.** In connection with an overseas acquisition of a subsidiary in 2005, the Income Tax authority had raised a demand of Rs.5278 lakhs during the year 2009-10 on the Parent Company on account of alleged non-deduction of tax at source and interest thereon pertaining to the transaction. The Parent Company has challenged the said demand before the appropriate authorities and the matter is pending. Further, the Parent Company has obtained a stay against the said demand from the Hon'ble High Court of Calcutta. In any event, as per the related Share Purchase Agreement, Capital Gain tax or other tax, if any, relating to sale of shares etc. is to be borne by the seller and not the Parent Company.

- 16.** Earnings per Share :

	Year ended 31st March 2011	Year ended 31st March 2010
a] Numerator used: Profit after Taxation and Minority Interest (Rs. Lakhs)	24646.90	23092.09
b] Denominator used Weighted Average Number of Equity Shares	10,94,55,735	10,94,55,735
c] Face Value of Equity Shares - Rs.	5	5
d] Dilutive Potential Equity Shares	-	-
e] Earnings per Share [Basic and Diluted] - Rs.	22.52	21.10

- 17.** Revenue Expenditure on Research and Development Rs. 114.84 lakhs (31st March 2010 - Rs. 84.84 lakhs) represent subscription to Tea Research Association.

- 18.** Dividend for the year 2009-10 amounting to Rs. 1082.70 lakhs (2008-09 - Rs. 541.35 lakhs) paid during the year by the Parent Company on its Equity Shares held by its Subsidiary has been adjusted against the opening balance of the Profit and Loss Account.

- 19.** Lease Commitments:

A non cancellable operating lease agreement had been entered during the year 2007-08 for a period of three years, in connection with a motor car. There is an option for renewal of lease for further period of one year after expiry of three years and purchase of the motor car at negotiated price.

Following amount has been charged in the Consolidated Profit and Loss Account on account of lease rental :

	Year ended 31st March 2011 Rs. Lakhs	Year ended 31st March 2010 Rs. Lakhs
Lease Rent	18.30	6.67
The future minimum lease commitment of the Group is as under :		
Up to one year	8.32	2.04



Notes on Consolidated Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

20. Following items, to the extent indicated, have been measured and recognised on the basis of different accounting policies applied by certain subsidiary companies, as set out in Note 1 above, as compared to those applied by the Parent Company. It is not practicable to use uniform accounting policies in preparing the consolidated financial statements. Had the accounting policies of the Parent Company being applied, the impact thereof on the expenditure for the year and year-end carrying amounts of assets / liabilities is not ascertainable at this stage.

	Year ended 31 st March 2011	Rs. Lakhs Year ended 31 st March 2010
Income and Expenditure		
Depreciation / Amortisation	1033.50	168.28
Assets and Liabilities	As at 31st March 2011	As at 31st March 2010
Estate and Development	-	6002.01
Inventories	2636.46	1769.43
Foreign Exchange Derivative Asset	-	535.76
Accumulated Depreciation	9813.43	7827.53
Provision for Employee Benefit	438.39	353.44

21. D1 and BBL, Associates apply accounting policies relating to the following items which are different from those followed by the Parent Company :

- (a) Depreciation is provided by D1 and BBL on written down value method as against straight line method; and
 (b) Inventory is valued by D1 on FIFO method as against weighted average method.

It is not considered practicable to quantify the impact of differences for making appropriate adjustments in the financial statements of the aforesaid Associates for the purpose of consolidation.

22. OHL, a subsidiary company pursuant to an agreement dated 24th September, 2009 with Government of Rwanda (RWANDA) for acquisition of 60% stake in Gisovu Tea Company from RWANDA remitted full consideration of US Dollars 2,400,000 (equivalent to Rs. 1065.90 lakhs at the year end) during previous year. Due to violations alleged by the RWANDA as to the ownership structure of OHL, the purchase contract was terminated by RWANDA. The matter was submitted to a mediator who then concluded that the termination was not justified. Subsequently, after RWANDA failed to follow the mediator's findings, OHL requested arbitration of its claim for wrongful breach of contract before the International Centre for Dispute Resolution (ICSID) pursuant to the Bilateral Investment Treaty between the United States and RWANDA. The request was registered by the ICSID on April 16, 2010. On February 11, 2011, OHL was notified that the sale was approved and the acquisition will be completed.
23. Group share of loss for the year amounting to Rs. 19.54 lakhs in respect of Babcock Borsig Limited, an Associate Company, has been considered for consolidation based on unaudited Management Account which represents insignificantly part of these Consolidated Financial Statements of the Group.



Notes on Consolidated Accounts for the year ended 31st March, 2011

Schedule 17 [Contd.]

24. With effect from current year, Estate and Development (Biological Assets) of a subsidiary company, hitherto measured at year end fair value less estimated point-of-sale costs has been accounted for at cost. Accumulated fair value gain of Rs. 1715.68 lakhs recognised up to the previous year has been adjusted against the opening balance of the Profit and Loss Account.
25. Items of Expenditure in the Consolidated Profit and Loss Account include reimbursements to and by the Parent Company.
26. Figures for the previous year have been rearranged / regrouped wherever necessary to make comparable with the current year figures.

Signatures to Schedules 1 to 17.

For PRICE WATERHOUSE
Firm Registration Number: 301112E
Chartered Accountants

P. Law
Partner
Membership Number 51790

Kolkata, 30th May, 2011

On behalf of the Board of Directors

A. Khaitan Managing Director

K. K. Baheti Wholetime Director

A. Guha Sarkar Company Secretary



Consolidated Cash Flow Statement for the year ended 31st March, 2011

	<u>2010-2011</u>		<u>2009-2010</u>	
	<u>Rs. Lakhs</u>	<u>Rs. Lakhs</u>	<u>Rs. Lakhs</u>	<u>Rs. Lakhs</u>
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before taxation, Share of Earnings from Associates and Minority Interest		31281.12		30509.39
Adjustments for :				
Provision for Doubtful Debts and Advances		26.25		219.07
Provision for diminution in carrying amount of Investments no longer required written back		-		(376.55)
Liabilities no longer required written back		(249.82)		(14.45)
Provision For Contingencies/Other provisions written back/adjusted		(944.26)		(54.78)
Provision For Doubtful Debts no longer required written back		(3.00)		-
Credit Arisen on recognition of an investment [Note - 3(ii) on Schedule - 5]		(22.00)		-
Dividend on Long Term Trade Investments		(70.32)		(56.88)
Depreciation and Amortisation		3817.55		3229.52
Adjustment for machinery spares included in fixed assets		-		61.86
Loss on Sale of Trade Investments (Net)		-		33.93
Bad Debts written off		108.97		-
Interest and Foreign Exchange fluctuation (Net)		2912.96		2975.37
(Profit) / Loss on disposal of Fixed Assets (Net)		(186.41)		96.20
Exchange difference on translation of foreign currency		617.90		467.28
Operating Profit before Working Capital changes		37288.94		37089.96
Adjustments for :				
Trade and Other Receivables	(6355.76)		(3157.16)	
Inventories	(1695.73)		551.37	
Trade Payables	263.66	(7787.83)	(241.12)	(2846.91)
Cash Generated from operations		29501.11		34243.05
Payment of Direct Taxes		(7671.83)		(5269.34)
Net Cash from Operating Activities		21829.28		28973.71
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets	(6240.05)		(5453.10)	
Purchase of Investments	(69.30)		(15219.85)	
Disposal of Investments	-		990.14	
Advance paid in connection with proposed acquisition of a company	-		(1,206.68)	
Loan to Subsidiary	(140.28)		(1,939.33)	
Loans to related party outside group	(179.18)		(512.46)	
Purchase of Investments in a subsidiary company	(748.07)		-	
Disposal of Fixed Assets	352.81		50.99	
Capital Subsidy Received	117.88		213.56	
Loans Recovered / (given)	110.00		(1675.00)	
Redemption/Sale of Long Term Trade Investments	1.35		1.41	
Interest received	795.09		495.17	
Dividend received	70.32		56.88	
Net cash used for Investing Activities		(5929.43)		(24198.27)



Consolidated Cash Flow Statement for the year ended 31st March, 2011

	<u>2010-2011</u>		<u>2009-2010</u>	
	<u>Rs. Lakhs</u>	<u>Rs. Lakhs</u>	<u>Rs. Lakhs</u>	<u>Rs. Lakhs</u>
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Long Term Borrowings		3609.31		16228.16
Proceeds from Short Term Borrowings		805.64		4,115.63
Repayment of Short Term Borrowings		(4962.76)		(7,162.95)
Repayment of Long Term borrowings		(7427.79)		(10790.00)
Interest paid (Net of Interest Subsidy realised Rs 383.73 lakhs; 2009-10 Rs 725.02 lakhs)		(3674.04)		(4206.22)
Dividend paid / Transferred to Investor Education and Protection Fund		(6017.15)		(1623.87)
Dividend Tax paid		(290.87)		(148.82)
Net cash used for Financing Activities		<u>(17957.66)</u>		<u>(3588.07)</u>
D. EFFECT OF FOREIGN EXCHANGE DIFFERENCE ON				
Cash and Cash Equivalents		<u>89.71</u>		<u>(301.87)</u>
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C+D)		<u>(2147.52)</u>		<u>885.50</u>
Cash and Cash Equivalents on Opening date (Schedule 8)		5263.01		3879.73
Add : Cash and Cash Equivalents acquired pursuant to :				
Consolidation		-		497.78
Cash and Cash Equivalents on Closing date(Schedule 8)		<u>3115.49</u>		<u>5263.01</u>
Changes in Cash and Cash Equivalents - Increase/ (Decrease)		<u>(2147.52)</u>		<u>885.50</u>

Notes:

1. The above Consolidated Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard 3 on Cash Flow Statements prescribed under the Companies Act, 1956 of India
2. Also refer Notes 14 on Schedule 17.
3. Schedules referred to above form an integral part of the Consolidated Cash Flow Statement.

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

For and on behalf of the Board of Directors

For Price Waterhouse
Firm Registration Number : 301112E
Chartered Accountants

A. Khaitan - Managing Director
K. K. Baheti - Wholetime Director
A.Guha Sarkar - Company Secretary

P.Law
Partner
Membership No. 51790

Kolkata, 30th May, 2011.



Statement containing financial information of Subsidiary Companies

(in terms of General Circular No.2/2011 dated 8th April 2011 issued by the Ministry of Corporate Affairs)

Name of the Subsidiary Company	Borelli Tea Holdings Ltd.	Phu Ben Tea Company Limited	Rwenzori Tea Investments Ltd.	McLeod Russel Uganda Limited	Olyana Holdings LLC
Reporting Currency	GBP	Vietnamese Dong (VND)	Uganda Shillings (Ushs)	Uganda Shillings (Ushs)	USD
Financial Year ends on	31st March	31st December	31st December	31st December	31st December
Exchange Rate as on 31.03.2011	Rs. 71.130	Rs. 0.002	Rs. 0.018	Rs. 0.018	Rs. 44.456
	Rs. In Lakhs*	Rs. In Lakhs*	Rs. In Lakhs*	Rs. In Lakhs*	Rs. In Lakhs*
* Capital	257.49	1,755.96	6,238.56	7,581.88	1,351.51
* Reserves and Surplus	10,115.09	(942.64)	1,094.29	900.30	(303.98)
* Total Assets (net of current liabilities)	19,475.41	3,908.19	7,332.85	11,489.93	1,047.53
* Total Liabilities (including Shareholders' Fund)	19,475.41	3,908.19	7,332.85	11,489.93	1,047.53
* Investments	16,856.98	-	7,332.85	-	-
* Turnover	365.31	3,251.91	-	11,853.58	-
* Profit before Taxation	2,523.49	160.53	1,966.93	3,684.15	(98.58)
* Provision for Taxation	380.48	-	-	1,180.46	-
* Profit after Taxation	2,143.01	160.53	1,966.93	2,503.69	(98.58)
* Dividend (Interim/Proposed and provided in Accounts)	#		1,966.93	1,966.93	-
Country	United Kingdom	Vietnam	Uganda	Uganda	U.S.A

The Board of Directors of Borelli Tea Holdings Ltd. has recommended a dividend of GBP 1 per share (i.e. 100%). However, as per Accounting Standards in U.K., provision for the same has not been made in their books of accounts.

Place : Kolkata
Date : 30th May 2011

For and on behalf of the Board
A. Khaitan – Managing Director
K. K. Baheti – Wholetime Director



PARTICULARS OF TEA ESTATES

Locations	Estates	Area Under Tea (Hect.)	Saleable Production for 2010-11 (Kgs.)
Bishnauth	Dekorai	858.55	2236590
	Mijicajan	959.86	1913126
	Monabarie	1138.43	2996021
	Pertabghur/Nilpur	809.47	1772771
Dhunseri	Behora	700.49	1351418
	Bukhial	567.51	1129932
Doom Dooma	Baghjan	594.57	1502966
	Bordubi	879.18	1456556
	Koomsong	695.07	1320815
	Phillobari	397.50	1071271
	Beesakopie/Daimukhia	1240.55	1495466
	Samdang/Messaijan/Panikhowa	908.74	1456856
	Raidang/Hansara	940.13	1634968
East Boro	Bargang	1026.53	2389576
	Behali	573.97	1992161
	Boro	412.21	888115
	Dufflaghur	694.51	1413125
	Halem	581.48	2040498
	Nya Gogra	650.17	1466281
Jorhat	Hunwal	900.07	2036400
Mangaldai	Attareekhat	526.55	2009671
	Bhooteachang	613.89	1376996
	Borengajuli	621.24	1912075
	Corramore	480.50	1676774
	Dimakusi	439.35	1505598
	Paneery	413.80	1127556
Margherita	Bogapani	845.28	2249368
	Dehing	481.82	1369640
	Dirok	793.89	1902082
	Margherita	598.23	1477319
	Namdang	750.87	1628689
Moran	Attabarie	390.62	797087
	Dirai	689.71	1634861
	Lepetkatta	434.72	724855
	Moran	621.95	1214546
	Rajmai	481.15	1237698
	Sepon	607.68	1419538



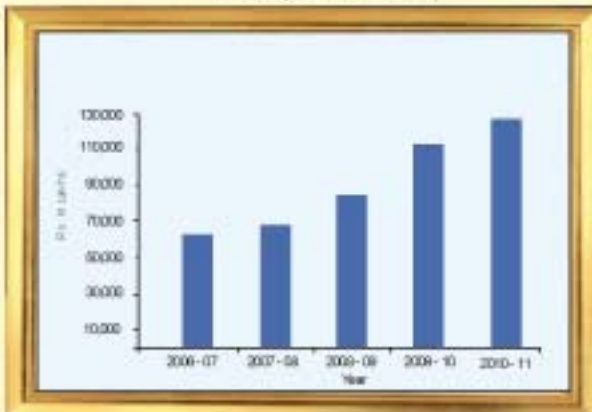
Particulars of Tea Estates (Contd.)

Locations	Estates	Area Under Tea (Hect.)	Saleable Production for 2010-11 (Kgs.)
Thakurbari	Addabarie	684.38	900871
	Harchurah / Nilpur	449.26	992167
	Phulbari	829.96	1652066
	Rupajali	366.60	691357
	Tarajuli	484.47	797378
	Tezpore & Gogra	519.14	1126269
Tingri	Dirial	599.47	1573557
	Itakhooli	389.02	604660
	Keyhung	602.14	1311236
	Mahakali	574.99	949502
Dooars	Bhatpara	603.22	844285
	Central Dooars	773.06	1168883
	Chuapara	626.73	1239385
	Jainti / Chuniajhora	617.27	1213645
	Mathura	651.05	977194
	Jaybirpara	208.71	
		34,229.71	74871720

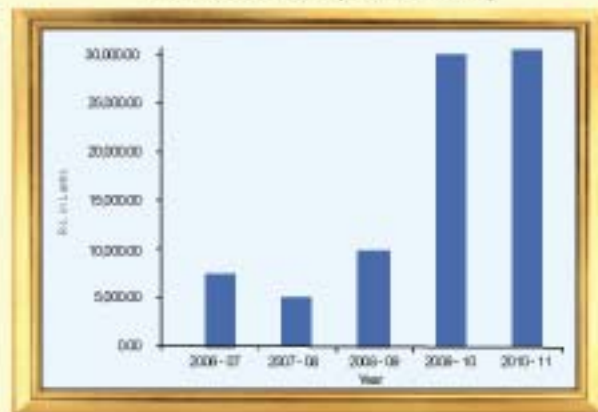
Production includes tea made out of inter-estate transfer / purchase of green leaf.

5 Years Trend

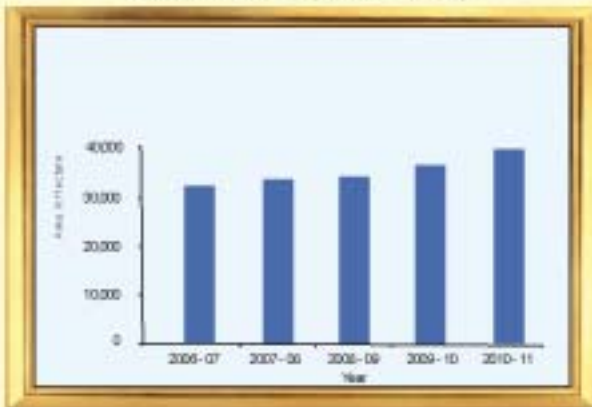
Sales (Consolidated)



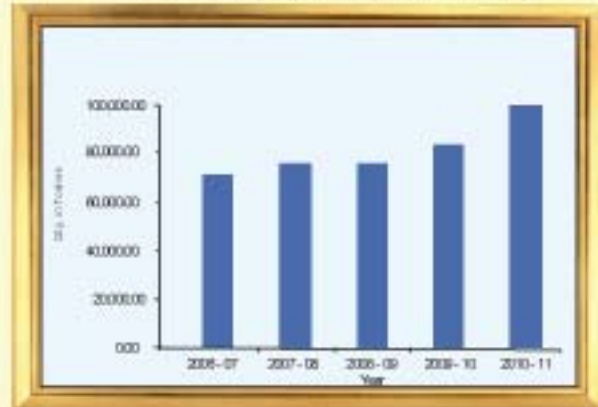
Profit before Tax (Consolidated)



Area under Tea (Consolidated)



Saleable Production (Consolidated)





A MEMBER OF WILLIAMSON MAGOR GROUP