

**64th  
Annual Report  
2010-2011**

**BENGAL & ASSAM COMPANY LIMITED**

# BENGAL & ASSAM COMPANY LIMITED

<b>BOARD OF DIRECTORS</b>	:	HARI SHANKAR SINGHANIA <i>Chairman</i> BHARAT HARI SINGHANIA J.R.C. BHANDARI L.R. PURI O.P. KHAITAN DR. RAGHUPATI SINGHANIA SHAILENDRA SWARUP VINITA SINGHANIA
<b>BANKERS</b>	:	CENTRAL BANK OF INDIA NEW DELHI STANDARD CHARTERED BANK NEW DELHI
<b>AUDITORS</b>	:	LODHA & CO. <i>Chartered Accountants</i>
<b>COMPANY SECRETARY</b>	:	DILLIP SWAIN
<b>REGISTERED &amp; ADMINISTRATIVE OFFICE</b>	:	LINK HOUSE, 3, BAHADUR SHAH ZAFAR MARG, NEW DELHI-110 002
<b>REGISTRAR &amp; SHARE TRANSFER AGENT</b>	:	ALANKIT ASSIGNMENTS LTD. ALANKIT HOUSE, 2E/21, JHANDEWALAN EXTENSION, NEW DELHI-110055 (INDIA) PH.: 91-11-23541234, 42541234 FAX: 91-11-42541967 EMAIL: rta@alankit.com WEBSITE: www.alankit.com
<b>COMPANY WEBSITE</b>	:	<a href="http://www.bengalassam.com">www.bengalassam.com</a>

**DIRECTORS' REPORT****TO THE MEMBERS**

The Directors have pleasure in presenting the 64<sup>th</sup> Annual Report together with the Audited Accounts of the Company for the year ended 31<sup>st</sup> March 2011.

**FINANCIAL RESULTS**

	<b>31.03.2011</b>	<b>₹ in Lacs</b> 31.03.2010
Profit before Depreciation and Tax	<b>3,070.22</b>	2,661.00
Profit after Tax	<b>2,921.35</b>	2403.75
Surplus brought forward	<b>1,538.07</b>	1,332.16
Amount available for appropriation	<b>4,459.42</b>	3,735.91
Appropriations:		
Transfer to Reserve	<b>584.27</b>	480.75
Transfer to General Reserve	<b>2,000.00</b>	1,500.00
Dividend including Dividend Tax	<b>347.34</b>	217.09
Surplus carried to Balance Sheet	<b>1,527.81</b>	1,538.07
	<b>4,459.42</b>	3,735.91

The Company's improved performance is due to overall improvement in the working of the group companies, in which the Company has its major investments.

**DIVIDEND**

Your Directors are pleased to recommend a dividend of ₹ 4.00 per Share (40%) for the year ended 31<sup>st</sup> March 2011 as compared to ₹ 2.50 per share (25%) in the previous year. The dividend outgo for the year would amount to ₹ 347.34 lacs.

**SYSTEMICALLY IMPORTANT CORE INVESTMENT COMPANY**

In view of the recent notification issued by the Reserve Bank of India in January, 2011, for "Core Investment Companies", the earlier guidelines pertaining to "Systemically Important Non-Deposit Taking Non-Banking Finance Company" are no more applicable to the Company. Now, the Company falls under the category of Systemically Important Core Investment Company (CIC-ND-SI). Accordingly, application has been made to Reserve Bank of India for registration of the Company as CIC-ND-SI. This will help the Company in raising funds and expand its operations.

**PROSPECTS**

As the Company's assets broadly consists of equity investment and investments in liquid and secured instruments, the Company looks forward to stable growth with the Indian Economy poised to achieve 8-9% growth in GDP.

**DIRECTORS**

Smt. Vinita Singhania, Shri O.P. Khaitan and Shri Shailendra Swarup retire by rotation at the forthcoming Annual General meeting of the Company and being eligible, offer themselves for re-appointment.

**SUBSIDIARY COMPANIES**

The annual accounts of the subsidiary companies, namely, Fenner (India) Ltd., Southern Spinners & Processors Ltd., Modern Cotton Yarn Spinners Ltd., Acorn Engineering Ltd., BMF Investments Ltd., Panchmahal Properties Ltd., LVP Foods Pvt. Ltd. and Dwarakesh Energy Ltd. have been consolidated and the Statement pursuant to Section 212

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of the Companies Act, 1956 read with General Circular No.51/12/2007-CL-III dated 8<sup>th</sup> February 2011 of the Ministry of Corporate Affairs, containing details of the subsidiary companies is attached.

In terms of the said Circular, copies of the Balance Sheets, Profit & Loss Accounts, Reports of the Board of Directors and the Auditors, etc. of the aforesaid subsidiary companies have not been attached to the Balance Sheet of the Company. However, the annual accounts of the subsidiary companies shall be made available to the Shareholders of the Company and that of the subsidiary companies, seeking such information at any point of time and kept open for inspection at the Registered office of the Company and that of the Subsidiary Companies.

## **AUDITORS**

M/s. Lodha & Co., Chartered Accountants, Auditors of the Company retire and eligible for re-appointment. The observations of the Auditors in their Report on Accounts have been suitably explained in the relevant notes to the Accounts.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

As required under Section 217(2AA) of the Companies Act, 1956, your Directors state that—

- in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures in the financial statement;
- the accounting policies selected and applied are consistent and judgements and estimates made 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 the financial year ended 31st March 2011;
- proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the said Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- the annual accounts have been prepared on a going concern basis.

## **CORPORATE GOVERNANCE**

Your Company reaffirms its commitment to good corporate governance practices. Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Management Discussion and Analysis, Corporate Governance Report and Auditors' Certificate regarding compliance of conditions of Corporate Governance are made a part of this Annual Report.

## **PARTICULARS OF EMPLOYEES**

During the period under review, the Company had no employee in the category specified under Section 217(2A) of the Companies Act, 1956.

## **INFORMATION PURSUANT TO SECTION 217 (1) (E) OF THE COMPANIES ACT, 1956**

The requirement of furnishing particulars of energy conservation, technology absorption, etc. is not applicable to the Company. There has been no foreign exchange earnings, or outgo during the year.

## **FIXED DEPOSITS**

The Company is registered with the Reserve Bank of India (RBI) as a Non-Banking Finance Company and does not accept public deposits and as required by the RBI, the Directors have also passed necessary resolution for not accepting public deposits, without prior approval of RBI.

## **ACKNOWLEDGEMENTS**

The Directors wish to acknowledge the continued support and co-operation received from Government agencies, Lending Institutions and the esteemed shareholders of the Company. The Directors also record their appreciation for the total dedication of the employees.

On behalf of the Board

New Delhi  
26<sup>th</sup> May, 2011

HARI SHANKAR SINGHANIA  
Chairman

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **OVERVIEW**

The Company is engaged in the Investment and Finance business and is thus dependent upon economic growth in general and the state of capital markets in particular.

### **PERFORMANCE DURING THE YEAR**

There has been an overall improvement in the performance of the Company. During the year, its Profit before depreciation and tax has been improved from ₹ 2,661.00 Lacs to ₹ 3,070.22 Lacs.

### **OUTLOOK**

Considering the present economic conditions, the Company foresees a lot of opportunities coming up for equity participation in new projects/expansion of existing projects of the Investee Companies in the near future. The Company would also explore other opportunities which may come up.

### **SYSTEMICALLY IMPORTANT CORE INVESTMENT COMPANY**

In view of the recent notification issued by the Reserve Bank of India in January, 2011, for “Core Investment Companies”, the earlier guidelines pertaining to ‘Systemically Important Non-Deposit Taking Non-Banking Finance Company’ are no more applicable to the Company. Now, the Company falls under the category of Systemically Important Core Investment Company (CIC-ND-SI). Accordingly, application has been made to Reserve Bank of India for registration of the company as CIC-ND-SI. This will help the Company in raising funds and expand its operations. The Company does not accept Fixed Deposits and as required by RBI, necessary resolution has been passed for not accepting Fixed Deposits without prior approval of RBI.

### **ADEQUACY OF INTERNAL CONTROL SYSTEM**

The Company’s internal control system and procedures are commensurate with the size of operation and are adequate to ensure –

- safeguarding its assets and resources against loss, unauthorized use or disposition,
- compliance with the statutes and regulatory policies and framework, and
- all transactions are authorized, recorded and reported correctly.

The group Internal Audit Department evaluates the functioning and quality of internal control and provides assurance of periodic reporting. The Audit Committee reviews the Internal Audit Reports and the adequacy on regular basis which also acts as a tool for minimizing any possible risks in the operations of the Company.

### **CAUTIONARY STATEMENT**

The statement in this Management Discussion and Analysis Report, describing the Company’s outlook, projections, estimates, expectations may be “Forward-looking Statements” within the meaning of applicable securities laws or regulations. Actual results could differ materially from those expressed or implied.

# CORPORATE GOVERNANCE REPORT

## 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Corporate Governance is an integral part of values, ethics and the best business practices followed by the Company. The core values of the Company are:

- commitment to excellence and customer satisfaction
- maximising long term shareholders' value
- socially valued enterprise and
- caring for people and environment.

In a nutshell, the philosophy can be described as observing of business practices with the ultimate aim of enhancing long term shareholders' value and commitment to high standards of business ethics. The Company has in place a Code of Corporate Ethics and Conduct reiterating its commitment to maintain the highest standards in its interface with stakeholders and clearly laying down the core values and corporate ethics to be practised by its entire management cadre.

## 2. BOARD OF DIRECTORS:

The Board of Directors presently consists of eight Non-executive Directors (NED) of which four are Independent (IND). The Chairman is Non-executive. Four Board Meetings were held during the Financial Year 2010-11 ended 31<sup>st</sup> March 2011 on 28<sup>th</sup> April 2010, 26<sup>th</sup> July 2010, 25<sup>th</sup> October 2010 and 28<sup>th</sup> January 2011. Attendance and other details of the Directors are given below:

Name of the Director	Category	No. of Board Meetings Attended	Whether last AGM Attended (23.09.10)	Outside Directorships and Committee Positions		
				Directorships\$	Committee Memberships@	Committee Chairmanships@
Shri Hari Shankar Singhania, Chairman	NED	4	No	3	-	-
Shri Bharat Hari Singhania	NED	4	No	4	1	-
Dr. Raghupati Singhania	NED	3	No	7	2	1
Smt. Vinita Singhania	NED	4	No	3	-	-
Shri O.P. Khaitan	IND	3	Yes	8	4	3
Shri Shailendra Swarup	IND	2	No	3	1	-
Shri L.R.Puri	IND	3	Yes	8	-	1
Shri J.R.C.Bhandari	IND	4	No	3	1	2

\$ As per Section 275 read with Section 278 of the Companies Act, 1956 and explanation to clause 49 (1) (C) (ii) of the Listing Agreement with the Stock Exchanges.

@ Only covers Memberships/Chairmanships of Audit Committee and Shareholders/Investors' Grievance Committee.

The Board periodically reviews compliance reports of all laws applicable to the Company and the steps taken by the Company to rectify instances of non-compliances, if any.

The Company has a Code of Conduct for Management Cadre Staff which is strictly adhered to. In terms of Clause 49 of the Listing Agreement and contemporary practices of good corporate governance, a Code of Conduct was laid down by the Board for all the Board Members and Senior Management of the Company. The said code is available on the Company's website ([www.bengalassam.com](http://www.bengalassam.com)). All the Board Members and Senior Management Personnel have affirmed compliance with the said Code. This Report contains a declaration to this effect signed by the Manager.

## 3. AUDIT COMMITTEE:

The Company has an Audit Committee of Directors. The "Terms of Reference" of the Committee are in conformity with the provisions of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement with the Stock Exchanges.

## **BENGAL & ASSAM COMPANY LIMITED**

The Audit Committee consists of three Independent Directors. The Committee comprising of Shri L.R. Puri (Chairman), Shri O.P. Khaitan and Shri J.R.C. Bhandari, was reconstituted during the year. The Audit Committee now comprises of Shri J.R.C. Bhandari (Chairman), Shri O.P. Khaitan & Shri L.R. Puri. Four meetings of the Audit Committee were held during the year ended 31st March 2011.

Dates of the meetings and the number of Members attended are:

Dates of meetings	Number of members attended
28 <sup>th</sup> April 2010	2
26 <sup>th</sup> July 2010	2
25 <sup>th</sup> October 2010	3
28 <sup>th</sup> January 2011	3

The names of the Members of the Committee and their attendance at the Meetings are as follows:

Name	Status	No. of Meetings attended
Shri J.R.C. Bhandari	Chairman	4
Shri O.P. Khaitan	Member	3
Shri L.R. Puri	Member	3

Shri Bharat Hari Singhania and Dr. Raghupati Singhania are Invitees to the Audit Committee. Shri U.K. Gupta, Manager, regularly attends the Committee meetings and the Company Secretary acts as the Secretary of the Committee. All the Committee meetings were attended by the Statutory Auditors.

#### **4. SHAREHOLDERS / INVESTORS' GRIEVANCE COMMITTEE:**

The Company has Shareholders/Investors' Grievance Committee at the Board level. It consists of Shri O.P. Khaitan (Chairman), Shri L.R. Puri and Shri J.R.C. Bhandari. Four meetings of the said committee were held during the year ended 31st March 2011.

Dates of the meetings and the number of Members attended are:

Dates of meetings	Number of members attended
28 <sup>th</sup> April 2010	2
26 <sup>th</sup> July 2010	2
25 <sup>th</sup> October 2010	3
28 <sup>th</sup> January 2011	3

The names of the Members of the Committee and their attendance at the Meetings are as follows:

Name	Status	No. of Meetings attended
Shri O.P. Khaitan	Chairman	3
Shri L.R. Puri	Member	3
Shri J.R.C. Bhandari	Member	4

Shri Dillip Swain, Company Secretary, is the Compliance Officer who oversees the investors' grievances including related to Transfer of shares, Non-receipt of balance sheet and declared dividends, etc. During the year 2010-11, only 2 complaints were received which stand resolved. No complaint stood pending as on 31<sup>st</sup> March 2011.

With a view to expedite the approval of Share Transfer, Transmission, Rematerialisation, Issue of Duplicate Share Certificates and other activities relating to shares, the Board at its meeting held on 26<sup>th</sup> July 2010, has constituted a Share Transfer Committee to specifically look after the aforesaid activities, which were earlier delegated to the Committee of Directors of the Company. During the year ended 31<sup>st</sup> March 2011, 5 Meetings of Committee of Directors & 18 Meetings of Share Transfer Committee were held. All valid requests for transfer of shares were processed in time and there were no pending transfer of shares.

## 5. REMUNERATION COMMITTEE (non-mandatory):

Remuneration Committee was not required to be constituted.

### SITTING FEES:

The Non-Executive Directors have not drawn any remuneration from the Company except sitting fees of the Board/Committee of Directors/Share Transfer Committee attended by them. During the financial year 2010-11, the Company paid sitting fees aggregating to ₹ 4,74,000. The Non-executive Directors did not have any other material pecuniary relationship or transactions vis-a-vis the Company during the year.

The number of Equity Shares held by Non-Executive Directors in the Company: Shri Hari Shankar Singhania - 8,23,151, Shri Bharat Hari Singhania -1,52,560, Dr. Raghupati Singhania -8,15,500, Smt. Vinita Singhania -33,955, Shri O.P. Khaitan-236. Shri Shailendra Swarup, Shri J.R.C. Bhandari and Shri L.R. Puri do not hold any shares. The Company does not have any outstanding convertible instruments.

## 6. GENERAL BODY MEETINGS:

Location and time for the last three Annual General Meetings (AGMs) of the Company were:

Year	Location	Date	Time
2007-08	Sri Sathya Sai International Centre, Pragati Vihar, Lodi Road Institutional area, Lodi Road New Delhi-110 003	30 <sup>th</sup> December 2008	11.00 A.M.
2008-09	Same as above	22 <sup>nd</sup> September 2009	11.30 A.M.
2009-10	Same as above	23 <sup>rd</sup> September 2010	11.00 A.M.

No special resolutions were passed in the AGMs held in 2008. Special Resolution regarding insertion of Article 25A prescribing minimum number of shares for split of certificates for Equity Shares, in the Articles of Association of the Company was passed in the AGM held in 2009. No special resolutions were passed in the AGM held in 2010.

No special resolutions were required to be put through postal ballot last year.

## 7. DISCLOSURES:

- Disclosures on materially significant related party transactions i.e., transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc., that may have potential conflict with the interests of the Company at large: *None. Suitable disclosures as required by Accounting Standard (AS-18) on Related Party Transactions has been made in the Annual Report.*
- Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any Statutory Authority, on any matter related to capital market, during the last three years: *There were no cases of non-compliance of any matter related to capital markets during the last three years.*
- The Company has strengthened its risk management system and procedures to inform the Board about its risk assesment and minimization procedures. The Company has a Risk Management Committee comprising an Independent Director, Manager and the Secretary, which meets on quarterly basis and evaluate the efficacy of the framework relating to risk identification and its mitigation laid down by the Committee.

## 8. MEANS OF COMMUNICATION:

Quarterly, half-yearly and annual results are normally published in the leading English newspaper, namely, Financial Express and one regional daily Vir-Arjun/Jansatta/Business Standard, having wide circulation and promptly furnished to the Stock Exchanges for display on their respective websites. The financial results are also displayed on the Company's website – [www.bengalassam.com](http://www.bengalassam.com).



# BENGAL & ASSAM COMPANY LIMITED

“Management Discussion and Analysis” forms part of the Annual Report.

## 9. GENERAL SHAREHOLDERS’ INFORMATION:

(i) **Registered Office:** Link House, 3, Bahadur Shah Zafar Marg, New Delhi - 110 002

(ii) **Annual General Meeting (AGM)**

(a) Date & Time : 4<sup>th</sup> August 2011 at 11.30 A.M.

Venue : Sri Sathya Sai International Centre, Pragati Vihar, Lodi Road Institutional Area, Lodi Road, New Delhi-110 003.

(b) As required under Clause 49 (IV) (G) (i), brief resume and other particulars of the appointment of the Directors retiring by rotation at the aforesaid AGM and seeking re-appointment are given in the Notes to the Notice convening the said AGM.

(iii) **Financial Calendar (Tentative)**

Financial Reporting

- for the quarter ending 30.06.2011
- for the half-year ending 30.09.2011
- for the quarter ending 31.12.2011
- for the year ending 31.03.2012  
(If unaudited)  
(If audited)

Within 45 days of the end of the quarter

Within 60 days of the end of the quarter

- Annual General Meeting for the Financial Year ending 2011-12

Between July and September 2012

(iv) **Date of Book Closure:**

29<sup>th</sup> July 2011 to  
4<sup>th</sup> August 2011 (both days inclusive)

(v) **Dividend Payment Date:**

Before 3<sup>rd</sup> September 2011

(vi) **Listing on Stock Exchanges:** The Equity Shares of the Company are listed on Bombay Stock Exchange Ltd. (BSE). Annual listing fee for the financial year 2011-12 has been paid to BSE.

As approved by the Shareholders, the Equity Shares of the Company have been voluntarily delisted from The Calcutta Stock Exchange Ltd. w.e.f. 3<sup>rd</sup> November 2010 under SEBI (Delisting of Equity Shares) Regulations, 2009 due to no trading of the Company’s Shares on the said exchange.

(vii) **Security Code for Company’s Equity Shares on Bombay Stock Exchanges Ltd. and ISIN No.:**

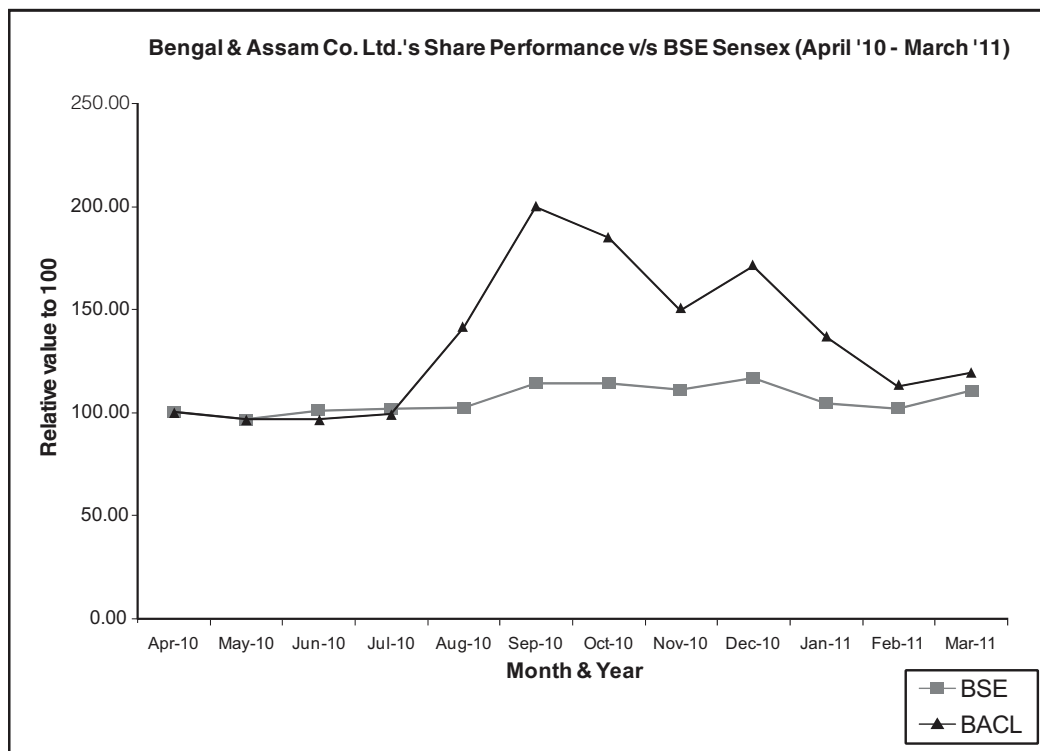
BSE – 533095, ISIN No. INE083K01017.

(viii) **Stock Market Price Data**

Months (2010-11)	Bombay Stock Exchange (BSE)	
	HIGH	LOW (in ₹)
April 2010	230.00	178.25
May 2010	217.40	181.20
June 2010	207.80	191.00
July 2010	214.70	189.05
August 2010	320.00	199.10
September 2010	454.00	286.45
October 2010	429.00	363.00
November 2010	391.00	296.00
December 2010	384.80	268.70
January 2011	362.80	270.00
February 2011	283.00	223.50
March 2011	254.00	214.90

No shares were traded on The Calcutta Stock Exchange Ltd. from 01.04.2010 to 03.11.2010.

(ix) Bengal & Assam Company Limited's Share Performance v/s BSE Sensex (April'10 -March'11)



(x) Distribution of Shareholding as on 31<sup>st</sup> March 2011

Category (No. of Shares)	No. of Equity Shares	%	No. of Shareholders	%
1-500	4,88,773	5.63	42,168	99.16
501-1000	1,08,412	1.25	146	0.34
1001-5000	3,00,297	3.46	137	0.32
5001-10000	2,12,692	2.45	28	0.07
10001 and above	75,73,379	87.21	46	0.11
<b>TOTAL</b>	<b>86,83,553</b>	<b>100.00</b>	<b>42,525</b>	<b>100.00</b>

(xi) Share Transfer System

All valid requests for transfer/transmission of Equity shares held in physical form are processed within a period of 15-20 days from the date of receipt thereof and the Share Certificates duly transferred are immediately returned to the transferee/ lodger. Transaction in the demated Shares are processed by National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) through the Depository Participants with whom the Shareholders have opened their demat accounts.

## **(xii) Dematerialisation of Shares and Liquidity**

Trading in the Equity Shares of the Company is permitted only in dematerialised form. Shareholders may therefore, in their own interest, dematerialise their holdings in physical form, with any one of the Depositories namely, NSDL and CDSL. The *ISIN No.* for Equity Shares of the Company for both the depositories is *INE083K01017*. As on 31st March 2011, 39.21% of the Equity Shares stand dematerialised. It may be noted that in respect of shares held in demat form, all the requests for nomination, change of address, ECS, Bank Mandate and rematerialisation etc. are to be made only to the Depository Participant (DP) of the Shareholders.

## **(xiii) Outstanding GDRs/ADRs/Warrants/Options or any Convertible instruments, conversion date and likely impact on Equity**

The Company had not issued any GDRs.

## **(xiv) Plant Location**

The Company being an investment company, does not have any plant.

## **(xv) Address for correspondence for share transfers and related matters**

### **1. Bengal & Assam Company Ltd. Secretarial Department,**

Gulab Bhawan, 3rd Floor (Rear Block),  
6A, Bahadur Shah Zafar Marg,  
New Delhi - 110 002  
Ph.: (011) 33001112, 33001162, 30179888  
Fax No.: 91-11-23739475  
Contact Person: Shri Dillip Swain  
(E-mail: [dswain@jkmil.com](mailto:dswain@jkmil.com))  
Website: [www.bengalassam.com](http://www.bengalassam.com)

### **2. Registrar and Share Transfer Agents (RTA): Alankit Assignments Ltd.**

Alankit House,  
2E/21, Jhandewalan Extension,  
New Delhi-110 055  
Ph.: (011) 23541234, 42541234  
Fax: 91-11-42541967  
E-mail: [rta@alankit.com](mailto:rta@alankit.com)  
Website: [www.alankit.com](http://www.alankit.com)  
Contact Person: Shri Y.K. Singhal  
Email: [yksinghal@alankit.com](mailto:yksinghal@alankit.com)

**Shareholders are requested to quote their Folio No./DP ID-Client Id and details of shares held in physical/demat mode, E-mail Ids and Telephone/Fax numbers for prompt reply to their communications.**

## **10. DECLARATION:**

This is to confirm that for the financial year ended 31<sup>st</sup> March 2011, all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for Directors and Senior Management adopted by the Board.

U.K. Gupta  
Manager

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# AUDITORS' COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

## To the Members of BENGAL & ASSAM COMPANY LIMITED

We have examined the compliance of conditions of Corporate Governance by Bengal & Assam Company Limited for the year ended 31<sup>st</sup> March 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination 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 explanation 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 further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Lodha & Co.  
Chartered Accountants

N.K. Lodha  
Partner

Place: New Delhi  
Date: 26<sup>th</sup> May, 2011

Firm Registration No.: 301051E  
Membership No.: 85155

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### **Disclosure of names of persons constituting group in relation to Bengal & Assam Company Limited pursuant to Regulation 3(1)(e)(i) of the SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 1997**

JK Tyre & Industries Ltd., JK Paper Limited, Fenner (India) Ltd., JK Agri Genetics Ltd., BMF Investments Ltd., Florence Alumina Ltd., JK Sugar Ltd., JK Lakshmi Cement Ltd., Nav Bharat Vanijya Ltd., Juggilal Kamalapat Udyog Ltd., Param Shubham Vanijya Ltd., J.K. Credit & Finance Ltd., Pranav Investment (M.P.) Company Ltd., Southern Spinners and Processors Ltd., Modern Cotton Yarn Spinners Ltd., Hansdeep Industries and Trading Company Ltd., Bhopal Udyog Ltd., Accurate Finman Services Ltd., Sago Trading Ltd., Dwarkesh Energy Ltd., Saptrishi Consultancy Services Ltd., JK Enviro-Tech Ltd., J.K. Risk Managers & Insurance Brokers Ltd., Panchmahal Properties Ltd., Acorn Engineering Ltd., Elate Builders Pvt. Ltd., LVP Foods Pvt. Ltd., CliniRx Research Pvt. Ltd., Rouncy Trading Pvt. Ltd., JK Plant Bio Sciences Research Ltd., Natext Biosciences Pvt. Ltd., Songadh Infrastructure & Housing Ltd., Jaykaypur Infrastructure & Housing Ltd., Umang Dairies Ltd., M/s. Habras International, M/s. Juggilal Kamalapat Lakshmiapat, and Directors of the promoter group and their relatives.

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## **AUDITORS' REPORT**

### **To the Members of BENGAL & ASSAM COMPANY LIMITED**

We have audited the attached Balance Sheet of BENGAL & ASSAM COMPANY LIMITED, as at 31st March, 2011, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with 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 misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003 (as amended) (The Order) issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 and on the basis of such checks of the books and records of the company as we considered appropriate, we enclose in the Annexure a statement on the matters specified in the paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to in Paragraph 1 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;
  - (c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956;
  - (e) As per the information and explanations given to us, none of the directors of the Company is disqualified as on 31<sup>st</sup> March 2011 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.

In our opinion and to the best of our information and according to the explanations given to us, the said accounts subject to and read with Note Nos. 1 of schedule 14(B) and read together with Significant Accounting Policies and other Notes thereon, give a true and fair view in conformity with the Accounting principles generally accepted in India:

- i) In the case of Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2011;
- ii) In the case of the Profit & Loss Account, of the Profit for the year ended on that date; and
- iii) In the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

For LODHA & CO.  
Chartered Accountants

N.K. Lodha  
Partner

Place: New Delhi  
Date: 26<sup>th</sup> May, 2011

Firm Registration No.: 301051E  
Membership No.: 85155

## ANNEXURE TO THE AUDITORS' REPORT

### (Referred to in paragraph (1) of our Report of even date of BENGAL & ASSAM COMPANY LIMITED for the year ended 31st March 2011)

1. (a) The Company has maintained proper records in respect of its fixed assets showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the Management at reasonable intervals, which in our opinion is reasonable having regard to the size of the Company and the nature of its Fixed Assets. As explained, the discrepancies noticed on such physical verification were not material.
- (c) As per the records and information and explanations given to us, no substantial fixed assets have been disposed off during the year.
2. According to the information and explanations given to us, the Company has neither granted nor taken any loan, secured or unsecured to and from companies, firms or other parties as covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4 (iii) (b) to (d), (f) & (g) of the Order are not applicable, read with footnote of schedule 4.
3. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and sale of shares / securities. Based on the audit procedure performed and on the basis of information and explanations provided by the management, during the course of our audit we did not observe any continuing failure to correct major weaknesses in internal control system.
4. According to the information and explanations provided by the Management and based upon audit procedures performed, we are of the opinion that the particular 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; and the transactions made in pursuance of such contracts or arrangements (exceeding the value of ₹ 5 lacs in respect of each party during the financial year) have been made at prices which are generally reasonable having regard to the prevailing market prices at the relevant time.
5. In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
6. (a) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Provident fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales-Tax, Wealth-Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues with the appropriate authorities to the extent applicable and there are no undisputed statutory dues payable for a period of more than six months from the date they became payable as at 31st March, 2011.
- (b) According to the records and information and explanations given to us, there are no dues in respect of, Sales Tax, Service Tax, Custom Duty, Excise Duty, Cess and Wealth Tax that have not been deposited with the appropriate authorities to the extent applicable on account of dispute and the dues in respect of Income Tax that have not been deposited with the appropriate authorities on account of dispute and the forum where the dispute is pending are given below:-

Name of the statute	Nature of the dues	PERIOD	Amount (₹)	Forum where dispute is pending
Income tax Act	Income tax	2003-04	26,946/-	Assessing Officer
		2007-08	54,266/-	Assessing Officer
		1995-96, 1997-98, 1998-99, 1999-00, 2001-02, 2002-03	4,40,518/-	CIT (A)
		2004-05, 2005-06, 2007-08	2,57,223/-	CIT (A)
		2005-06	1,51,017/-	CIT (A)
		2007-08	1,13,187/-	CIT (A)
		2006-07	1,95,000/-	ITAT

## **BENGAL & ASSAM COMPANY LIMITED**

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7. The Company has no accumulated losses as at the end of the financial year and has not incurred cash losses in the current financial year and in the immediately preceding financial year.
8. According to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
9. In our opinion, the Company is not a chit fund or a nidhi /mutual benefit fund /society, therefore, the provisions of clause 4 (xiii) of the Order are not applicable to the Company.
10. According to the information and explanations given to us, proper records have been maintained in respect of transactions and contracts of shares, securities, debentures and other investments and timely entries have been made therein; also the investments of the company have been held in the name of the Company except referred to in Note No 18 of Schedule 6.
11. According to the information and explanations given to us, the company has given guarantee for loans taken by other body corporate from banks as stated in note no. 4 and 8 (b) (ii) of schedule 14(B). In our opinion, the terms and conditions on which the Company has given guarantee for loans taken by other body corporate from banks are not prima facie prejudicial to the interest of the Company. However, the Company has not given any guarantee for loans taken by others from Financial Institutions.
12. According to information and explanations given to us and on an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima-facie, not been used for long-term investment.
13. The Company has not made any preferential allotment of shares to the parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
14. The Company has not raised any money through a public issue during the year.
15. Based on the audit procedure performed and on the basis of information and explanations provided to us, no fraud on or by the Company has been noticed or reported during the course of our audit.
16. No other matters specified in the said Order are applicable to the Company.

For LODHA & CO.  
Chartered Accountants

N.K. Lodha  
Partner

Place: New Delhi  
Date: 26<sup>th</sup> May, 2011

Firm Registration No.: 301051E  
Membership No.: 85155

**BALANCE SHEET**  
**AS AT 31st March 2011**

(Amount in ₹)

<b>PARTICULARS</b>	Schedule	<b>31.03.2011</b>	<b>31.03.2010</b>
<b>SOURCES OF FUNDS</b>			
Share Capital	1	<b>86,835,530</b>	86,835,530
Reserves & Surplus	2	<b>2,506,629,387</b>	2,249,228,207
Secured Loans	3	<b>52,000,000</b>	65,000,000
Unsecured Loans	4	<b>751,166,667</b>	861,249,821
Deferred Tax Liability (Net)		<b>1,044,458</b>	1,800,126
<b>TOTAL</b>		<b><u>3,397,676,042</u></b>	<b><u>3,264,113,684</u></b>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross Block	5	<b>218,169,517</b>	217,618,114
Less:- Depreciation		<b>26,090,326</b>	22,998,247
Net Block		<b><u>192,079,191</u></b>	<u>194,619,867</u>
Investments	6	<b>3,071,889,541</b>	2,880,316,062
<b>Current Assets, Loans &amp; Advances</b>			
Cash & Bank Balances		<b>5,687,943</b>	8,649,472
Loans & Advances		<b>263,636,386</b>	277,895,735
		<b><u>269,324,329</u></b>	<u>286,545,207</u>
Less: Current Liabilities & Provisions	8	<b>135,617,019</b>	97,367,452
<b>Net Current Assets</b>		<b><u>133,707,310</u></b>	<u>189,177,755</u>
<b>TOTAL</b>		<b><u>3,397,676,042</u></b>	<b><u>3,264,113,684</u></b>

Notes on Accounts 14

Schedules referred to above and Notes attached thereto form an integral part of the Balance Sheet.

As per our report of even date.

For LODHA & CO.

Chartered Accountants

N.K. Lodha  
Partner  
Membership No. 85155

HARI SHANKAR SINGHANIA  
BHARAT HARI SINGHANIA  
J.R.C. BHANDARI  
L.R. PURI  
O.P. KHAITAN  
RAGHUPATI SINGHANIA  
SHAILENDRA SWARUP  
VINITA SINGHANIA  
Directors

Place: New Delhi  
Dated: 26<sup>th</sup> May, 2011

U.K. GUPTA  
Manager

DILLIP SWAIN  
Secretary



# BENGAL & ASSAM COMPANY LIMITED

## PROFIT AND LOSS ACCOUNT For the year ended 31st March 2011

(Amount in ₹)

P A R T I C U L A R S	Schedule	2010-11	2009-10
<b>INCOME</b>			
Income from Operations	9	295,756,225	265,120,611
Other Income	10	47,042,073	39,759,078
		<b>342,798,298</b>	<b>304,879,689</b>
<b>EXPENDITURE</b>			
Employees Cost	11	3,432,442	3,005,287
Administrative and other expenses	12	13,637,980	9,533,967
Diminution in the value of Current Investments		605,044	—
Interest & Finance Charges	13	18,100,668	26,240,113
		<b>35,776,134</b>	<b>38,779,367</b>
<b>Profit before Depreciation &amp; Tax</b>		<b>307,022,164</b>	<b>266,100,322</b>
Depreciation		3,127,251	3,088,349
<b>Profit before Tax</b>		<b>303,894,913</b>	<b>263,011,973</b>
Provision for Current Tax		12,050,200	21,716,900
Income Tax Adjustments earlier years (Net)		464,989	258,073
Deferred Tax		(755,668)	661,892
<b>Profit after Tax</b>		<b>292,135,392</b>	<b>240,375,108</b>
Profit brought forward from previous year		153,806,527	133,215,324
<b>Balance available for appropriation</b>		<b>445,941,919</b>	<b>373,590,432</b>
<b>APPROPRIATIONS</b>			
Transfer to Reserve (As per RBI Guidelines)		58,427,078	48,075,022
Proposed Dividend		34,734,212	21,708,883
Transfer to General Reserve		200,000,000	150,000,000
Balance Carried to Balance Sheet		152,780,629	153,806,527
		<b>445,941,919</b>	<b>373,590,432</b>
<b>Basic / Diluted Earning per share (in ₹)</b>		<b>33.64</b>	<b>27.68</b>

{Refer Note 7 of Schedule 14 (B)}

Notes on Accounts 14

Schedules referred to above and Notes attached thereto form an integral part of the Profit & Loss A/c

As per our report of even date.

For LODHA & CO.

Chartered Accountants

N.K. Lodha  
Partner  
Membership No. 85155

HARI SHANKAR SINGHANIA  
BHARAT HARI SINGHANIA  
J.R.C. BHANDARI  
L.R. PURI  
O.P. KHAITAN  
RAGHUPATI SINGHANIA  
SHAILENDRA SWARUP  
VINITA SINGHANIA  
Directors

Place: New Delhi  
Dated: 26<sup>th</sup> May, 2011

U.K. GUPTA  
Manager

DILLIP SWAIN  
Secretary

<b>SCHEDULES TO THE ACCOUNTS</b>	<b>31.03.2011</b>	<b>31.03.2010</b>
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### Schedule-1

#### SHARE CAPITAL

##### Authorised

356,730,000 Equity Shares of ₹ 10/- each	<b>3,567,300,000</b>	3,567,300,000
1,252,000 Cumulative Redeemable Preference Shares of ₹ 100 each	<b>125,200,000</b>	125,200,000
	<b><u>3,692,500,000</u></b>	<u>3,692,500,000</u>

##### Issued, Subscribed & Paid up

##### Equity Shares fully paid up (a)

86,83,553 Equity Shares of ₹ 10/- each	<b>86,835,530</b>	86,835,530
	<b><u>86,835,530</u></b>	<u>86,835,530</u>

a) Above includes, 35,29,288 equity shares issued to the shareholders of erstwhile Ashim Investment Company Limited & Netflir Finco Limited, pursuant to the Scheme of Amalgamation without payment being received in cash.

### Schedule 2

#### RESERVES & SURPLUS

Capital Reserve **	<b>251,830</b>	251,830
Capital Redemption Reserve	<b>2,391,610</b>	2,391,610
Reserve (as per RBI guidelines)	<b>171,342,519</b>	123,267,497
Add: Transfer from Profit & Loss A/c	<b><u>58,427,078</u></b>	<u>48,075,022</u>
	<b>229,769,597</b>	171,342,519
General Reserve	<b>1,921,435,721</b>	1,771,435,721
Add: Transfer from Profit & Loss A/c	<b><u>200,000,000</u></b>	<u>150,000,000</u>
	<b>2,121,435,721</b>	1,921,435,721
Surplus in Profit & Loss Account A/c	<b>152,780,629</b>	153,806,527
	<b><u>2,506,629,387</u></b>	<u>2,249,228,207</u>

\*\* Proceeds of shares sold by trustee, allotted to them out of fractional entitlement, pursuant to the Scheme of Arrangement and Demerger between JK Tyre & Industries Ltd. and Netflir Finco Ltd. and kept as distributable surplus.

### Schedule 3

#### SECURED LOANS

Term Loan From Kotak Mahindra Bank Limited	<b>52,000,000</b>	65,000,000
	<b><u>52,000,000</u></b>	<u>65,000,000</u>

#### NOTES:-

1. Term Loan from Kotak Mahindra Bank Limited is secured by way of first charge on all existing and future current assets and movable fixed assets related to Company's immovable property situated at M-20 South Extension, New Delhi and further secured by equitable mortgage on the aforesaid Company's immovable property.
2. Term Loan repayable during next year ₹ 1,30,00,000/- (Previous Year ₹ 1,30,00,000/-)

### Schedule 4

#### UNSECURED LOANS

From Body Corporates *	<b>686,666,667</b>	760,000,000
Deferred Payment to SASF @	<b>64,500,000</b>	69,500,000
Interest Accrued & Due #	<b>—</b>	31,749,821
	<b><u>751,166,667</u></b>	<u>861,249,821</u>

\* Includes ₹56,66,66,667/- (previous year ₹ 60,00,00,000/-) {interest free} and Loan from subsidiary Co. ₹ 12,00,00,000/- (Previous Year- ₹ 16,00,00,000)

@ Repayable during one year ₹ 50,00,000/- (Previous Year- ₹ 50,00,000/-)

# Include on loan from subsidiary company ₹ NIL (Previous Year - ₹ 3,17,49,821/-)

# BENGAL & ASSAM COMPANY LIMITED

## Schedule-5

### FIXED ASSETS

(Amount in ₹)

PARTICULARS	GROSS BLOCK			Gross Block as at 31.03.11	DEPRECIATION				NET BLOCK	
	Gross Block as at 01.04.10	Additions	Sales/ Adjust-ments		Upto 31.03.10	For the Year	Sales/ Adjust-ments	Upto 31.03.11	As at 31.03.11	As at 31.03.10
Land (Freehold) @	63,970,366	-	-	63,970,366	-	-	-	-	63,970,366	63,970,366
Land (Leasehold) @	2,322,737	-	-	2,322,737	117,246	23,462	-	140,708	2,182,029	2,205,491
Buildings @	142,460,900	-	-	142,460,900	18,576,108	2,322,113	-	20,898,221	121,562,679	123,884,792
Furniture & Fixtures	3,237,396	256,731	-	3,494,127	1,952,605	245,445	-	2,198,050	1,296,076	1,284,791
Office equipment	4,946,075	-	115,800	4,830,275	2,185,546	377,165	35,173	2,527,538	2,302,737	2,760,529
Computer	79,640	-	-	79,640	78,206	573	-	78,779	861	1,434
Vehicles	601,000	410,472	-	1,011,472	88,536	158,493	-	247,029	764,443	512,464
Total	217,618,114	667,203	115,800	218,169,517	22,998,247	3,127,251	35,173	26,090,326	192,079,191	194,619,867
Previous year	217,133,723	500,000	15,609	217,618,114	19,917,798	3,088,349	7,900	22,998,247	194,619,867	

@ includes certain assets yet to be registered in the name of the Company.

## Schedule-6

### INVESTMENT

Name of the Bodies Corporate	Refer Note No.	As At 31.03.2011		As At 31.03.2010	
		Nos.	Amount (₹)	Nos.	Amount (₹)
<b>A Quoted Investments (Long Term) (Other than trade, fully paid up) Equity Shares</b>					
A I Champdany Inds. Ltd.		28	247	28	247
Abbott India Ltd.		5	737	5	737
Abhishek Jute & Industries Ltd.		66	557	66	557
ACC Limited		847	11,031	847	11,031
Aditya Birla Nuvo Limited		844	72,324	844	72,324
All Seasons Foods Limited		45	-	45	-
Ambuja Cement Ltd.		32,307	654,257	32,307	654,257
Andhra Cement Company Limited		25	937	25	937
Asahi India Glass Ltd.		74	2,500	74	2,500
Ashok Leyland Ltd.		2,000	32,500	2,000	32,500
Ashoka Paper Mills Ltd.		100	-	100	-
Astrazeneca Pharma India Ltd.		500	10,831	500	10,831
ATV Projects India Ltd.		2,500	-	2,500	-
Auckland International Ltd.		99	-	99	-
Aventis Pharma. Ltd.		5	1,384	5	1,384
Ballarpur Industries Limited		2,241	24,976	2,241	24,976
Bally Jute Co. Ltd.		1	-	1	-
Balrampur Chini Mills Ltd.		500	21,425	500	21,425
Bank of India		5	225	5	225
Baranagore Jute Factory Co. Ltd.		5	-	5	-
BASF India Limited		22	5,025	22	5,025
Bayer Cropscience India Ltd.		66	-	66	-
Bengal Coal Co. Ltd.		2	-	2	-
Bharat Heavy Electricals Limited		200	14,450	200	14,450
Bhatpara Jute & Properties Ltd.		112	-	112	-
Bhatpara Papers Ltd.		3	-	3	-
Bhiwani Denim & Apparel Ltd.		14,200	-	14,200	-
Bird Jute & Exports Ltd.		1	-	1	-
Birla Corp Limited		318	5,840	318	5,840
Bonanza Pharmaceuticals Ltd.		200	-	200	-

Name of the Bodies Corporate	Refer Note No.	As At 31.03.2011		As At 31.03.2010	
		Nos.	Amount (₹)	Nos.	Amount (₹)
Brabourne Enterprises Ltd.	(1)	-	-	50	-
Budge-Budge Co. Ltd.		85	-	85	-
Carol Info. Services Ltd.		200	6,770	200	6,770
Ceat Ltd.		49	1,928	49	1,928
Century Enka Limited		305	21,167	305	21,167
Chambal Fertilizers Limited		5	142	5	142
Cheviot Co. Ltd.		76	12,779	76	12,779
CHI Investment Ltd.	(1)	-	-	16	254
Clives Mills Co. Ltd.		3	-	3	-
Daewoo Motors India Limited		3,000	-	3,000	-
Delta Industries Ltd.		160	-	160	-
Dewan Tyres Ltd.		240	-	240	-
Digvijay Finlease Ltd.		100	-	100	-
Dunbar Mills Ltd.		20	-	20	-
Dunlop India Ltd.		113	746	113	746
EID Parry (India) Limited (F.V. ₹ 1/- )	(2)	300	3,774	150	3,774
Fort Gloster Industries Ltd.		99	-	99	-
G.K.W. Ltd.		3	48	3	48
Graphite India Limited		12	352	12	352
Garware Nylons Ltd.		112	-	112	-
Gas authority of India Ltd.		375	52,813	375	52,813
GIC Housing Finance Limited		62	992	62	992
Gilt Pack Limited		3,700	-	3,700	-
Goodyear India Ltd.		10	495	10	495
Grasim Industries Limited	(3)	240	11,107	240	11,107
Gujarat Composite Limited		66	-	66	-
Haryana Petrochemicals Limited		7,000	-	7,000	-
Hasimara Industries Ltd.		2	-	2	-
HDFC Bank Limited		1,305	40,368	1,305	40,368
Hilton Rubber Limited		100	-	100	-
Hindalco Industries Limited		462	21,317	462	21,317
Hindustan Development Corpn. Ltd.		160	-	160	-
Hindustan Unilever Limited		865	142,307	865	142,307
Housing Devel. Finance Corpn. Ltd. (F.V. ₹ 2/-)	(4)	25	-	5	-
ICICI Bank Limited		27,440	622,083	27,440	622,083
I.G. Petrochemicals Ltd.		100	1,425	100	1,425
Incheck Tyres Ltd.		100	-	100	-
Indag Rubber Ltd.		50	-	50	-
India Carbon Ltd.		40	-	40	-
India Cements Limited		100	6,667	100	6,667
India Paper & Pulp Co. Ltd.		19	-	19	-
Indo Rama Synthetics (India) Limited		1,560	22,230	1,560	22,230
Indofil Organic Inds. Ltd.		375	6,705	375	6,705
Indraprastha Medical Corporation Limited		500	5,000	500	5,000
Industrial Development Bank of India		8,170	471,409	8,170	471,409
Informed Technologies India Ltd.		100	-	100	-
Infosys Technologies Ltd.		240	301,608	240	301,608
Ispat Profiles Limited		1,951	-	1,951	-

## BENGAL & ASSAM COMPANY LIMITED

Name of the Bodies Corporate	Refer Note No.	As At 31.03.2011		As At 31.03.2010	
		Nos.	Amount (₹)	Nos.	Amount (₹)
ITC Limited	(5)	1,110	28,212	555	28,212
JK Sugar Limited		4,647,691	71,578,772	5,177,691	79,741,266
Jaykay Enterprises Ltd. (Formerly known as JK Synthetics Limited (F.V. ₹ 5/-)	(6)	450	1,710	900	1,710
JK Tyre & Industries Limited		8,434,250	493,930,713	8,434,250	493,930,713
JK Cement Limited		320	-	320	-
JK Lakshmi Cement Ltd. (F.V. ₹ 5/-)		27,221,455	533,608,285	27,221,455	533,608,285
JK Paper Limited		14,344,407	254,613,224	14,344,407	254,613,224
JK Pharmachem Ltd. (Under Liquidation)		7,651,469	-	7,651,469	-
Jaiprakash Associates Limited		18,772	235,485	18,772	235,485
Jaiprakash Power Ventures (Formerly known as Jaiprakash Hydro Power Limited)		500	14,700	500	14,700
Jaipur Udyog Ltd.		1	-	1	-
Jayant Paper Mills Ltd.		700	-	700	-
JCT Ltd.		124	383	124	383
JK Agri Genetics Limited		1,351,820	130,533,669	1,351,820	130,533,669
Kabir Das Investment Ltd.		160	-	160	-
Kamarthatty Co. Ltd.		50	-	50	-
Kanco Enterprises Ltd.	(7)	65	-	65	-
Kanco Tea & Industries Ltd.	(7)	6	-	-	-
Kesoram Textile Mills Ltd.		330	-	330	-
Khaitan Chem. & Fertilizers Ltd.		152	2,006	152	2,006
Khardah Co. Ltd.		62	-	62	-
Khatau Junker Ltd.		100	-	100	-
Kinnison Jute Mills Co. Ltd.		1	-	1	-
Kiran Overseas Exports Ltd.		1,000	-	1,000	-
Larsen & Toubro Limited		10,010	677,346	10,010	677,346
Mahanagar Telephone Nigam Limited		1,600	113,120	1,600	113,120
Malanpur Steel Ltd.		2,334	-	2,334	-
Mandya National Paper Mills Ltd.		25	-	25	-
Mangalam Cement Limited		100	3,900	100	3,900
Martin Burn Ltd.		20	424	20	424
Merind India Ltd.		50	-	50	-
Mideast India Ltd.		750	-	750	-
Mideast Intigrated Steels Ltd.		200	-	200	-
Modern Terry Towels Ltd. @		500	-	900	-
Modern Threads (I) Ltd.		250	-	250	-
Modi Rubber Limited		550	8,703	550	8,703
Modipon Limited		250	3,113	250	3,113
Modistone Limited		150	-	150	-
Montari Industries Limited @		-	-	218	-
MRF Tyres Ltd.		47	93,333	47	93,333
Mukerian Papers Limited		200	-	200	-
Mysore Paper Mills Ltd.		54	314	54	314
Naihati Jute Mills Co. Ltd.		5	-	5	-
Nath Pulp & Paper Limited @		-	-	200	-
National Co. Ltd.		1	-	1	-
National Thermal Power Corporation Ltd. (NTPC)		1,785	110,670	1,785	110,670

Name of the Bodies Corporate	Refer Note No.	As At 31.03.2011		As At 31.03.2010	
		Nos.	Amount (₹)	Nos.	Amount (₹)
New Central Jute Mills Co. Ltd.		10	-	10	-
North Brooke Jute Co. Ltd.		3	-	3	-
Northern Leasing Ltd.		100	-	100	-
ORG Informatics Ltd.		69	-	69	-
Orient Paper & Industries Limited		1,110	11,635	1,110	11,635
Oriental Civil Engg. Co. Ltd.		3,400	-	3,400	-
Orissa Extrusions Ltd.		2,900	-	2,900	-
Orkay Industries Ltd. @		1,200	-	2,000	-
Oswal Agro Mills Limited		5,150	-	5,150	-
Oswal Chemicals & Fertilizers Limited		4,745	22,491	4,745	22,491
Pentafour Products Ltd.		3,200	-	3,200	-
People Investment Limited		3,500	38,500	3,500	38,500
Pharmax Corporation Ltd.		250	-	250	-
Piramal Healthcare Ltd.		505	24,089	505	24,089
Piramal Life Sciences Ltd.		50	-	50	-
Piramal Glass Ltd. (Formerly Gujarat Glass Ltd.)		45	-	45	-
Polar Investment Limited		12,393	128,008	12,393	128,008
Pranav Investment (M.P.) Co. Ltd.		15,000	2,472,093	15,000	2,472,093
PTL Enterprises Ltd.		250	-	250	-
Prism Cement Limited		100	918	100	918
Punjab Anand Batteries Ltd.		50	-	50	-
Rain Commodites Limited		100	637	100	637
Rajasthan Breweries Limited		1,800	-	1,800	-
Rama Fibres Ltd.		5,000	-	5,000	-
Rameshwara Jute Mills Ltd.		100	-	100	-
Rampur Fertilizers Limited		304	-	304	-
Ranbaxy Laboratories Limited		3,366	131,142	3,366	131,142
Ready Foods Ltd. @		3,400	-	3,500	-
Reliance Capital Limited		425	3,654	425	3,654
Reliance Communication Ventures Limited		8,100	91,372	8,100	91,372
Reliance Infra Limited		637	20,519	637	20,519
Reliance Industries Limited		12,696	156,146	12,696	1,561,465
Reliance Jute & Industries Ltd.		112	-	112	-
Reliance Natural Resources Limited	(8)	-	-	8,505	2,081
Reliance Power Ltd	(8)	2,214	8,357	88	6,276
Remington Rand of India Ltd.		22	-	22	-
RJM Fibre Industries Ltd.		56	-	56	-
RJM Investments Ltd.		56	-	56	-
RPG Life Sciences Ltd.		50	-	50	-
Rohtas Industries Ltd.		22	-	22	-
Sanghi Polyester Limited		4,200	10,920	4,200	10,920
Satyam Computers Limited		350	78,896	350	78,896
Seshasayee Paper & Boards Limited		100	9,100	100	9,100
Shree Synthetics Ltd.		88	-	88	-
Mawana Sugar Ltd. (Formerly Siel Limited)		13	-	13	-
Sirpur Paper Mills Ltd.		2	68	2	68
SPL Empl.Co-op Stores		250	-	250	-
SRF Limited		5	372	5	372
Sri Digvijay Cement Co.Limited		1,900	11,761	1,900	11,761

## BENGAL & ASSAM COMPANY LIMITED

Name of the Bodies Corporate	Refer Note No.	As At 31.03.2011		As At 31.03.2010	
		Nos.	Amount (₹)	Nos.	Amount (₹)
Star Paper Mills Limited		100	1,710	100	1,710
State Bank of India		2,336	1,340,853	2,336	1,340,853
Sterlite Industries (India) Limited (FV ₹ 1/-)	(9)	100	19,801	125	19,801
B & B Reality Ltd. (Formerly Sterlite Projects Ltd.)		100	-	100	-
Surya Agroils Limited		1,300	-	1,300	-
Summit Securities Ltd.	(1)	3	254	-	-
Syndicate Bank		1,000	55,000	1,000	55,000
Tata Consultancy Services Ltd.		1,000	264,425	1,000	264,425
Tata Motors Ltd.		5	777	5	777
Tata Steel Ltd.[Formerly Known as Tata Iron & Steel Co. Ltd.(TISCO)]		10,497	2092406	10,497	2,092,406
The Bengal Paper Mills Ltd.		37	-	37	-
The Burrakur Coal Co. Ltd.		1	-	1	-
The Gourepore Co. Ltd.		100	-	100	-
The Scindia Steam Navigation Co. Ltd.		1	-	1	-
The West Coast Paper Mills Limited		1,000	20,804	1,000	20,804
Tirupati Texknit Ltd. (TT LTD.)		400	3,280	400	3,280
Titagarh Industries Ltd.		-	-	14	-
TVS Srichakra Ltd. (F.V. ₹ 5/-)		50	812	50	812
Udaipur Cement Works Ltd. (BIFR Co.)		31,153,242	29,595,580	31,153,242	29,595,580
Ultra Tech Cement Ltd.	(3)	2,712	673,484	2,576	673,484
Umang Dairies Limited (F.V. ₹ 5/-)		9,969,965	48049537	9,969,965	48,049,537
Union Jute Co. Ltd.		2	-	2	-
United Wire Ropes Ltd.		5	-	5	-
Universal Tyres Ltd.		100	-	100	-
Usha (INDIA) Ltd.		710	-	710	-
Vegepro Foods & Feeds Ltd.		100	-	100	-
Walford Transport (Eastern) Ltd.		15	-	15	-
Wyeth Lederle Ltd.		55	17,659	55	17,659
Zensar Technologies Ltd.	(10)	200	-	100	-
Zuari Industries Limited		17	-	17	-
<b>Total Quoted Equity Shares (A)</b>			<b>1,574,933,938</b>		<b>1,583,096,432</b>
<b>B1 Quoted Investments (Current)</b> <b>(Other than trade, fully paid up)</b> <b>Equity Shares</b>					
Ahmednagar Forgings Ltd.		1,324	170,200	-	-
Aurobindo Pharma Ltd.		570	111,692	145	131,568
Bank of Baroda		-	-	225	96,572
BGR Energy Systems		236	112,548	-	-
Bharat Heavy Electricals Limited		77	156,238	77	156,238
Bharti Airtel Limited		-	-	400	126,154
Biocon Ltd.		-	-	483	128,760
Coromandel International Ltd. (Formerly Coromandel Fertilisers Ltd.(F.V. ₹2/-)	(11)	706	185,000	-	-
Deepak Fertilizers & Petrochemicals Ltd.		824	130,769	-	-
Dr. Reddy's Laboratories Ltd. (F.V. ₹ 5/-)	(12)	81	132,763	-	-
Engineers India Ltd.		212	64,597	-	-
GAIL India Ltd.		275	127,600	-	-
Glaxo Smithkline Pharmaceuticals Ltd.		83	148,563	-	-

Name of the Bodies Corporate	Refer Note No.	As At 31.03.2011		As At 31.03.2010	
		Nos.	Amount (₹)	Nos.	Amount (₹)
Housing Development Infrastructure Ltd.		-	-	228	77,822
Hanung Toys & Textiles Ltd.		351	70,604	-	-
IndusInd Bank Ltd.		955	251,225	-	-
IRB Infrastructure Ltd.		-	-	534	133,471
IVRCL Infrastructure Ltd.		1,006	82,190	1,006	174,297
Infosys Technologies Limited		-	-	72	135,487
IDBI Bank Limited		1,080	153,846	-	-
ITC Ltd.	(5)	1,186	181,099	-	-
Jindal Steel & Power Limited		200	136,489	215	129,101
JBF Industries Ltd		1,017	166,483	-	-
Jet Airways Ltd.		258	115,352	358	167,613
Jubilant Food Works Ltd.		-	-	215	64,886
KEC International Ltd.		-	-	53	29,293
Larsen & Toubro Limited		116	150,857	116	150,857
LIC Housing Finance Ltd.	(13)	1,130	255,493	168	128,156
Mahindra & Mahindra Limited		-	-	254	113,526
Maruti Suzuki India Ltd.		60	45,859	60	45,859
Mercator Lines Ltd.		-	-	2,248	164,262
Mphasis Ltd.		-	-	60	41,245
National Mineral Development Corporation		-	-	916	335,046
OIL India Ltd.		141	185,027	-	-
Onmobile Global Ltd.		399	96,757	-	-
Polaris Software Lab		-	-	765	126,806
Punj Lloyd Ltd.		-	-	650	85,164
Punjab National Bank Ltd.		-	-	59	54,714
Reliance Comm.Ventures Ltd.		-	-	955	266,893
Reliance Industries Limited		-	-	158	154,171
Shree Renuka Sugar Ltd.		1,114	77,535	1,114	129,216
Shriram Transport Finance Corporation		-	-	300	139,901
Spice Jet Limited		-	-	1,500	82,980
Sterlite Technologies Ltd.		1,372	80,331	-	-
Tata Steel Ltd.		219	121,829	307	171,519
Titan Industries Limited		34	118,665	-	-
Tata Consultancy Services Ltd.		-	-	290	158,685
TVS Motors Ltd.	(14)	3,046	182,304	-	-
Unitech Limited		-	-	1,517	1,42,108
UCO Bank Ltd.		1,540	164,780	-	-
Welspun Corpn. Ltd.		543	112,646	-	-
<b>Total Quoted Equity Shares (B1)</b>			<b>4,089,338</b>		<b>4,042,369</b>
<b>Total Quoted Investment 'I' (A+B1)</b>			<b>1,579,023,276</b>		<b>1,587,138,801</b>
<b>B2 Unquoted Investments (Current)</b> <b>(Other than trade, fully paid up)</b> <b>Debentures</b>					
Dr. Reddy's Laboratories Ltd. (F.V. ₹ 5/-)	(12)	486	-	-	-
<b>C Unquoted Investments (Long Term)</b> <b>(Other than trade, fully paid up)</b> <b>Equity Shares</b> <b>Subsidiaries</b>					
Fenner (India) Ltd.		2,182,648	527,122,014	2,182,648	527,122,014



## BENGAL & ASSAM COMPANY LIMITED

Name of the Bodies Corporate	Refer Note No.	As At 31.03.2011		As At 31.03.2010	
		Nos.	Amount (₹)	Nos.	Amount (₹)
LVP Foods Pvt. Ltd.		1,999,800	19,998,246	1,999,800	19,998,246
Panchmahal Properties Ltd. (Wholly Owned Subsidiary)		351,230	3,512,300	351,230	3,512,300
Dwarkesh Energy Limited		25,000	250,000	25,000	250,000
<b>Others</b>					
Bharti Telecom Ltd.		600	55,402	600	55,402
E-Commodities Limited		200,000	-	200,000	-
Harshal Papers & Boards Limited		114,940	-	114,940	-
JK Traders Ltd.		4,313	13,344	4,313	13,344
Hilman Capital Finance Ltd.		43,060	85,120	43,060	85,120
Saptrishi Consultancy Services Ltd.		100	1,000	100	1,000
JK Investors (Bombay) Ltd.		2,966	295,614	2,966	295,614
JK Satoh Agricultural Machines Ltd.		50	-	50	-
JK Woollen Mfg. Co. Ltd.		50	-	50	-
JK Cotton Spg. & Wvg. Mills Co. Ltd.		4,540	-	4,540	-
JK Enviro-Tech Ltd.	(15)	2,250,000	22,500,000	2,250,000	22,500,000
JK Risk Managers & Insurance Brokers Ltd.		1,237,500	12,375,000	1,237,500	12,375,000
JK Tornel, S.A. de C.V. (Formerly known as Sunrise Hold Co Mexico, SA de C.V. (Face Value: MXN Pesos 1000 each)	(15)	25	104,379	25	104,379
Empresas Tornel, S.A. de C.V.	(17)	-	-	1	-
General de Inmuebles Industriales, S.A. de C.V.	(16)	1	-	1	-
Gintor Administracion, S.A. de C.V.	(16)	1	-	1	-
Hules y Process Tornel, S.A. de C.V.	(16)	1	-	1	-
Comercializadora America Universal, S.A. de C.V.	(16)	1	-	1	-
Compania Hulera Tacuba, S.A. de C.V.	(16)	1	-	1	-
Compania Hulera Tornel, S.A. de C.V.	(16)	1	-	1	-
Compania Inmobiliaria Norida, S.A. de C.V.	(16)	1	-	1	-
Ultima Finvest Ltd.		406,000	4,060,000	406,000	4,060,000
<b>Total Unquoted Equity Shares (C)</b>			<b>590,372,419</b>		<b>590,372,419</b>
<b>D Preference Shares</b>					
<b>Others</b>					
JK Agri Genetics Ltd. (Zero Coupon Pref. Shares)		5,000,000	425,000,000	5,000,000	425,000,000
JK Pharmachem Ltd. (Zero Coupom Reedemable) (Under Liquidation)		500,000	-	500,000	-
Ultima Finvest Ltd. (3.5% Non-Cum-Red-Participating Pref.)		42,500	42,500,000	42,500	42,500,000
JK Paper Ltd. (10% CRPS)		1,332	11,757,031	2,516	13,067,688
Farm Enterprises Ltd. (12% OCC)		54	380	54	380
Kelvin Jute Co. Ltd.		5	-	5	-
<b>Total Preference Shares (D)</b>			<b>479,257,411</b>		<b>480,568,068</b>

Name of the Bodies Corporate	Refer Note No.	As At 31.03.2011		As At 31.03.2010	
		Nos.	Amount (₹)	Nos.	Amount (₹)
<b>E Mutual Funds</b>					
LIC MF Liquid Fund - Growth		-	-	222,895	3,361,281
LIC Floating Rate Fund - STP-Growth		-	-	952,865	13,500,000
LIC MF Income Plus Fund		26,813,593	337,499,333	12,518,497	151,729,950
UTI Master Share Unit Scheme-Dividend Plan-Payout		660	9,156	660	9,156
SBI-SHF-Liquid Plus-Instl. Plan-Daily Dividend		3,388,001	33,897,188	3,212,026	32,136,387
HDFC Cash Management Fund-Treasury Advantage Plan-Wholesale-Growth		1,118,929	21,500,000	1,118,929	21,500,000
Reliance Liquid Fund-Cash Plan-Growth		1,912,080	30,330,758	-	-
<b>Total Mutual Funds (E)</b>			<b>423,236,434</b>		<b>222,236,774</b>
<b>Total Unquoted Investment 'II' (B2+C+D+E)</b>			<b>1,492,866,265</b>		<b>1,293,177,261</b>
<b>GRAND TOTAL 'I' + 'II'</b>			<b>3,071,889,541</b>		<b>2,880,316,062</b>
<b>Book Value of Quoted Investments</b>			<b>1,579,023,276</b>		<b>1,587,138,801</b>
<b>Book Value of Unquoted Investments</b>			<b>1,492,866,265</b>		<b>1,293,177,261</b>
<b>Market Value of Quoted Investments</b>			<b>4,034,357,484</b>		<b>5,020,499,591</b>

### Notes:

- Pursuant to the Composite Scheme of Arrangement between Summit Securities Limited, Brabourne Enterprises Limited, Chi Investments Limited, the Company received 2 Equity shares of Summit Securities Limited against 16 Equity Shares held of Chi Investments Limited and 1 Equity Shares of Summit Securities Limited against 50 Equity Shares held of Brabourne Enterprises Limited of ₹ 10 each fully paid up.
- Sub divided into 2 Equity Shares of ₹ 1/- each as against 1 Equity Share of ₹ 2/- each.
- Pursuant to the Scheme of Arrangement between Grasim Industries Limited and Samrudhi Cement Limited additional 240 Equity shares of ₹ 5 each fully paid up of Samrudhi Cement Limited were allotted to the Co. Further on Amalgamation of Samrudhi Cement Limited with Ultratech Cement Limited the Company received 136 Equity Shares of Ultratech Cement Limited in lieu of abovesaid 240 equity shares of ₹ 5/- each fully paid up of Samrudhi Cement Limited.
- Sub divided into 5 Equity Shares of ₹ 2/- each as against 1 Equity Share of ₹ 10/- each.
- The Company received 985 bonus equity shares of ITC Ltd. in the ratio of 1:1. 326 Equity Shares purchased during the year after allotment of bonus shares.
- The Company received 450 Equity Shares of ₹ 1/- each against 900 Equity Share of ₹ 10/- each of Jay Kay Enterprises (Formerly J.K. Synthetics Ltd.) on Reduction of Share Capital.
- Pursuant to the Scheme of Arrangement of Demerger between Kanco Enterprises Limited and Kanco Tea & Industries Limited, the Company received 6 Equity shares of ₹ 10 each of Kanco Tea & Industries Limited in the ratio 10 : 1 in addition to 65 Equity Shares of Kanco Enterprises held by the Company.
- Pursuant to the Scheme of Arrangement between Reliance Power Limited and Reliance Natural Resources Limited the Company received 2126 Equity shares of ₹ 10 each of Reliance Power Limited in lieu of 8505 Equity Shares held in Reliance Natural Resources Limited.
- The Company received 50 Equity Shares of ₹ 1/- each fully paid up Equity Shares of Sterlite Industries (India) Ltd. against 25 Equity Shares of ₹ 2/- each on sub-division and further Company received 50 bonus equity shares of Sterlite Industries (India) Ltd. in the ratio of 1:1
- The Company received 100 bonus equity shares of Zensar Technologies Ltd. in the ratio of 1:1
- The Company purchased 353 Equity Shares of ₹ 2/- each during the year. These shares of ₹ 2/- each were sub divided into 2 Equity Shares of ₹ 1/- each.
- The Company received additional 486 fully paid up bonus Debentures of ₹ 5/- each of Dr. Reddy's Laboratories Ltd. against 81 Equity Shares of ₹ 5/- each fully paid up held by the Company in the ratio of 6 Debentures for every 5 Equity Shares held.
- Sub divided into 5 Equity Shares of ₹ 2/- each as against 1 Equity Share of ₹ 10/- each.
- The Company purchased 1623 Equity Shares of ₹ 10 each fully paid up during the year and also received 1623 bonus equity shares of TVS Motors Ltd. in the ratio of 1:1 Further the Company purchased 800 Equity Shares and sold 1000 Equity Shares during the year.
- Includes 8,50,000 Equity Shares Pledged with Infrastructure Development Finance Company Limited (IDFC Ltd.) for a Loan availed by JK Envirotech Ltd.
- Pledged with Bank for Loans availed by certain foreign investees.
- The Company has been merged into Sunrise Holdco Mexico w.e.f. 01.11.2010.
- (i) Certain Investments are pending for transfer in the name of Company, and (ii) net of adjustment (@).

# BENGAL & ASSAM COMPANY LIMITED

(Amount in ₹)

<b>SCHEDULES TO THE ACCOUNTS</b>	31.03.2011	31.03.2010
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## Schedule-7 CURRENT ASSETS, LOANS & ADVANCES

### A. CURRENT ASSETS

Cash in Hand	28,326	28,684
Cheques in Hand	50,000	—
Stamps in Hand	860,000	—
Balance with scheduled banks :		
— Current accounts	4,749,617	8,620,788
<b>TOTAL (A)</b>	<b>5,687,943</b>	<b>8,649,472</b>

### B. LOANS & ADVANCES (considered good) #

Secured Loan	64,500,000	74,500,000
Unsecured:		
Loan to subsidiary*	79,000,000	79,000,000
Inter corporate Deposits	42,800,000	43,050,000
Advances recoverable in cash or in kind or for value to be received	1,284,652	2,195,016
Fixed Deposit with Body Corporate	1,090,000	18,390,000
Accrued Interest	1,189,232	2,360,319
Fringe Benefits Tax advance payments	73,141	73,141
Advance payment of tax (including TDS)	73,699,362	58,327,259
<b>TOTAL (B)</b>	<b>263,636,386</b>	<b>277,895,735</b>
<b>TOTAL (A + B)</b>	<b>269,324,329</b>	<b>286,545,207</b>

\*Pervious Year-Inter Corporate Deposit.

## Schedule-8

### CURRENT LIABILITIES & PROVISIONS

#### CURRENT LIABILITIES

Sundry Creditors		
— MSME*	—	—
— Others	1,141,690	330,117
Investor Education & Protection Fund (not due)		
— Unclaimed Dividend	2,783,356	2,606,523
— Fractional Entitelment Shares A/C	133,249	135,053
— Unclaimed Preference shares	23,820	24,070
Other Liabilities	37,853,407	26,648,619
Interest accrued but not due	574,137	308,905
<b>TOTAL (A)</b>	<b>42,509,659</b>	<b>30,053,287</b>

\* To the extent identified by and information available with the management; refer note no. 9 of Schedule 14 (B)

#### PROVISIONS

— For Income Tax	56,885,871	44,835,671
— For Fringe Benefit Tax	62,183	62,183
— For Proposed Dividend	34,734,212	21,708,883
— For Retirement Benefits	950,434	707,428
— Contingent Provisions against Standard Assets	474,660	—
<b>TOTAL (B)</b>	<b>93,107,360</b>	<b>67,314,165</b>
<b>TOTAL (A + B)</b>	<b>135,617,019</b>	<b>97,367,452</b>

(Amount in ₹)

<b>SCHEDULES TO THE ACCOUNTS</b>	<b>2010-11</b>	<b>2009-10</b>
<b>Schedule-9</b>		
<b>INCOME FROM OPERATIONS</b>		
Interest on :		
— Loans and deposits {includes TDS amounting to ₹ 13,73,606/- (Previous Year ₹ 19,21,920/-)}	<b>13,736,013</b>	14,309,420
— Others	<b>16,403</b>	—
Dividend {include ₹ 52,395/- (Previous Year ₹ 35,466/-) on current investments and dividend from subsidiary amounting to ₹ 13,09,58,880/-, ( Previous Year ₹ 2,18,26,480/-)}	<b>269,142,351</b>	158,180,874
Profit on sale of Long Term Investments {includes ₹ 9,07,366/-, profit on current investment, (Previous Year ₹ 19,25,010/-)}	<b>12,861,458</b>	92,630,317
<b>T O T A L</b>	<b>295,756,225</b>	265,120,611
<b>Schedule-10</b>		
<b>OTHER INCOME</b>		
Rent {includes TDS amounting to ₹ 41,40,059/- (Previous Year ₹ 49,99,518/-)}	<b>46,641,915</b>	39,157,250
Profit on sale of Fixed Asset	<b>5,373</b>	2,416
Liability no longer required, written back	<b>19,054</b>	65,416
Miscellaneous Receipts	<b>375,731</b>	533,996
	<b>47,042,073</b>	39,759,078
<b>Schedule-11</b>		
<b>EMPLOYEES COST</b>		
Salaries, wages, gratuity & bonus	<b>3,176,663</b>	2,864,475
Contribution to Provident and Other Fund	<b>188,057</b>	95,985
Employees welfare & other benefits	<b>67,722</b>	44,827
<b>TOTAL</b>	<b>3,432,442</b>	3,005,287
<b>Schedule-12</b>		
<b>ADMINISTRATIVE &amp; OTHER EXPENSES</b>		
Rent	<b>245,706</b>	173,484
Rates & Taxes	<b>3,115,875</b>	2,283,799
Loss on sale of long term Investments (includes ₹ 3,73,750/-, Previous Year ₹ 1,27,631/- loss on current investment)	<b>373,750</b>	208,790
Auditors' Remuneration		
— Statutory Audit Fees	<b>65,000</b>	50,000
— Tax Audit Fees	<b>10,000</b>	10,000
— Certification	<b>31,620</b>	20,000
Directors' Fee	<b>474,000</b>	552,000
Repairs & Maintenance to Building	<b>2,200,236</b>	653,928
Postage, Printing & Stationery	<b>1,627,154</b>	2,462,091
Insurance	<b>46,480</b>	36,912
Advertisement & Publicity Exp.	<b>153,156</b>	277,879
Securities Transaction Tax	<b>16,397</b>	159,970
Sundry balances written off	<b>1,068</b>	1,273
Provisions against Standard Assets	<b>474,660</b>	—

# BENGAL & ASSAM COMPANY LIMITED

(Amount in ₹)

<b>SCHEDULES TO THE ACCOUNTS</b>	<b>2010-11</b>	<b>2009-10</b>
Bank Charges, Travelling, Legal & Professional & Other Miscellaneous Expenses	<b>4,802,878</b>	2,643,840
<b>TOTAL</b>	<b><u>13,637,980</u></b>	<u>9,533,967</u>

## Schedule-13

### INTEREST & FINANCE CHARGES

Interest on Term loan & Inter Corporate Deposits	<b>18,100,668</b>	25,540,113
Other Finance Charges	—	700,000
<b>TOTAL</b>	<b><u>18,100,668</u></b>	<u>26,240,113</u>

## SCHEDULES TO THE ACCOUNTS

### Schedule-14

#### SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS:-

##### (A) SIGNIFICANT ACCOUNTING POLICIES:

###### 1. BASIS OF ACCOUNTING:

The Company follows the Mercantile System of Accounting and recognizes Income and Expenditure on Accrual basis except where recovery/realization is doubtful.

The Accounts are prepared on historical cost basis and as a going concern. Accounting Policies not referred to otherwise are consistent with generally accepted accounting principles.

###### 2. FIXED ASSETS AND DEPRECIATION:

- Fixed Assets are stated at their original cost less accumulated depreciation.
- Leasehold Land is being amortized over the lease period.
- Depreciation on Building is provided as per straight line method and on other assets is provided on written down value method at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956.
- The carrying amount of Assets is reviewed at each Balance Sheet date to assess impairment, if any, based on internal / external factors. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value being higher of value in use and net selling price. An impairment loss is recognised as an expense in the Profit & Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been an improvement in recoverable amount.

###### 3. REVENUE RECOGNITION:

- Dividend Income is accounted for in the year in which it is declared.
- Overdue interest on Lease Rentals, Loans & Advances is accounted for on actual receipt basis.

###### 4. INVESTMENTS:

Investments made by the company in various shares/stocks/securities are primarily meant to be held over long term period and are stated at cost less diminution, if the same is other than temporary in nature. The current investments are stated at lower of cost or quoted/fair value.

###### 5. EMPLOYEE BENEFITS:

- Defined-contribution plans:  
Contributions to the Employees' provident fund, Superannuation fund and Employees' pension scheme are recognized as defined contribution plan and charged as expenses during the period in which the employees perform the services.
- Defined-benefit plans:  
Retirement benefit in form of gratuity and leave encashment are considered as defined benefit plans and determined on actuarial valuation using the Projected Unit Credit Method at the balance sheet date. Actuarial gains and losses are recognized immediately in the Profit & Loss Account.

- (c) Short term employees benefits:  
Short term benefits are charged off at the undiscounted amount in the year in which the related service is rendered.

#### 6. TAXES ON INCOME:

Current Tax is the amount of tax payable on the estimated taxable income for the current year as per the provisions (proposed/enacted) of Income Tax Act, 1961. Deferred Tax Assets and Liabilities are recognised in respect of current year and prospective years. Deferred Tax Asset is recognised on the basis of reasonable / virtual certainty that sufficient future taxable income will be available against which the same can be realized.

#### 7. CONTINGENT LIABILITIES:

Contingent Liabilities are not provided for and are disclosed by way of Notes to the Accounts.

#### (B) NOTES ON ACCOUNTS:-

- Core Investment Company (Reserve Bank) Directions (CIC Directions) has been notified by Reserve Bank of India (RBI) on 5<sup>th</sup> January, 2011. The Company being eligible and accordingly has applied for grant of Certificate of Registration under the said directions, which is pending.
- Contingent Liabilities not provided for:-
  - Disputed Income Tax matters (estimated) under Appeal of ₹ 11,83,891/- (Previous Year ₹ 32,58,199/-). (Net of advance – ₹ 26,68,597/-, Previous year – ₹ 2,05,000/-).
  - In respect of certain disallowances and additions made by the income tax authorities, appeals are pending before the Appellate Authorities and adjustment, if any, will be made after the same are finally determined.
- Income Tax calculation has been made considering certain allowances / adjustments available as assessed by the management.
  - Provision for taxation represents Minimum Alternate Tax computed under section 115JB of the Income Tax Act, 1961.
- Guarantee has been given to a Bank in respect of loan facility availed by other Body Corporate [Outstanding as at 31.03.2011 ₹ 15,36,545/- (Previous Year - ₹ 1,81,13,890)] against counter indemnity.
- In the opinion of the Board, Current Assets, Loans and Advances have valued on realisation in the ordinary course of business at least equal to the amount at which these are stated.
  - There is no provision for bad and doubtful debts, loans & advances and diminution in the value of long term investments in their respective carrying values.
  - Loans and Advances pursuant to Clause 32 of the Listing Agreement:

(₹ / Lacs)

Sl.No	Subsidiaries	Current Year		Previous Year	
		Year end Outstanding	Maximum Amount Due	Year end Outstanding	Maximum Amount Due
A.	Loan to Body Corporate: # LVP Foods Pvt. Ltd. *	790.00	790.00	790.00	790.00
B.	Advances Recoverable: Fenner (India) Ltd.	—	—	—	302.00

# Previous year-Inter Corporate Deposit.

Note - Loans / Advances to employees as per Company's policy are not considered.

6. Pursuant to the Accounting Standard on 'Accounting for Taxes on Income' (AS- 22), deferred tax liability/ (assets) are as under:

(Amount in ₹)

Particulars	31.03.2011	31.3.2010
<b>A. Deferred Tax Assets:</b>		
- Disallowance u/s 43B	74,323	48,447
- Disallowance u/s 40A(7)s	2,34,045	1,86,543
- Disallowance u/s 35DD	2,94,718	4,70,342
<b>Total : (A)</b>	<b>6,03,086</b>	<b>7,05,332</b>

# BENGAL & ASSAM COMPANY LIMITED

(Amount in ₹)

Particulars	31.03.2011	31.3.2010
<b>B. Deferred Tax Liabilities:</b>		
- Difference between book depreciation & tax depreciation	16,47,544	25,05,458
<b>Total : (B)</b>	16,47,544	25,05,458
<b>Deferred Tax Liabilities (Net) (A-B)</b>	<b>10,44,458</b>	18,00,126

In view of uncertainty in the present market value of shares and securities due to volatile market conditions, management does not consider it prudent to create deferred tax asset on carried forward unabsorbed losses.

## 7. Earning Per Share (EPS):

(Amount in ₹)

	Current Year	Previous Year
Net Profit after tax for the year	<b>29,21,35,392</b>	24,03,75,108
Profit for Basic and Diluted Earning per share	<b>29,21,35,392</b>	24,03,75,108
Weighted Avg. No. of Equity Shares (Face value of Rs.10/- each)	<b>86,83,553</b>	86,83,553
Basic EPS (₹)	<b>33.64</b>	27.68
Diluted EPS (₹)	<b>33.64</b>	27.68

## 8. As per Accounting Standard 18, issued by the Institute of Chartered Accountants of India, the disclosures of and transactions with the related parties as defined in Accounting Standard are given below:-

- (a) List of related parties where control exists and related parties with whom transactions have taken place and relationships (As identified by the management):-

### Subsidiaries:

Fenner (India) Ltd.

Southern Spinners and Processors Ltd.

Modern Cotton Yarn Spinners Ltd.

Acorn Engineering Ltd.

BMF Investments Ltd.

JK Suger Ltd. - (ceased to be subsidiary w.e.f. 12.07.2010)

LVP Foods Pvt.Ltd

Panchmahal Properties Ltd.

Dwarkesh Energy Ltd.

Hifazat Chemicals Ltd. (Under liquidation)

### Key Management Personnel:

Shri U.K. Gupta, (Manager)

## (b) Transactions with related parties:-

(Amount in ₹)

Particulars	Subsidiaries	
	Current Year	Previous Year
<b>Loan Re-paid to:-</b>		
BMF Investments Ltd.	40000000	—
<b>Loan Given to:-</b>		
LVP Foods Pvt. Ltd.	—	39000000
<b>Interest earned:-</b>		
LVP Foods Pvt. Ltd.	7110001	7933841
<b>Interest charged:-</b>		
BMF Investments Ltd.	11176986	5922122



(Amount in ₹)

Particulars	Subsidiaries	
	Current Year	Previous Year
<b>Advance Recovered from:-</b> Fenner (India) Ltd.	—	30200000
<b>Receivables from:-</b> LVP Foods Pvt. Ltd.	79000000	79000000
<b>Payable to:-</b> BMF Investments Ltd.	120000000	191749821

- (i) There are no transactions with and remuneration to Key Management Personnel during the current and previous year.
- (ii) Guarantee has been given by the Company to a Bank in respect of loan facility of ₹ 17,53,00,000/- availed by a subsidiary company - LVP Foods Pvt. Limited. {Loan outstanding as at 31.03.11- ₹ 16,43,43,750/- (Previous Year – ₹ 17,53,00,000/-)}.
9. Based on the information available with the Company up to 31<sup>st</sup> March, 2011 in respect of MSME (as defined in the Micro Small & Medium Enterprise Development Act, 2006), there are no delays in payment of dues to such enterprises during the year and there are no such dues payable at the year end.
10. The balances of certain Creditors, Other Liabilities and Loans & Advances are subject to confirmation/ reconciliation.
11. Employee Benefits: Employee Defined Benefits – As per Actuarial Valuation March 31, 2011:-

(Amount in ₹)

Sl. No.	Particulars	31.03.2011	
		Gratuity	Leave Encashment
1	Expenses recognized in the statement of Profit & Loss Account:-		
	i) Current Service Cost	40,008	13,248
	ii) Interest Cost	42,119	10,939
	iii) Expected Return on plan assets	—	—
	iv) Net actuarial (gain)/loss recognized in the period	77,652	96,783
	v) Expenses recognized in the statement of Profit & Loss Account (*)	159,778	120,970
2	The amounts to be recognized in Balance Sheet:-		
	i) Present value of obligations as at the end of the period	721,358	229,076
	ii) Fair Value of plan assets at the end of the period	—	—
	iii) Funded assets	(721,358)	(229,076)
	iv) Excess of actual over estimated	—	—
	v) Net assets/(liability) recognized in Balance Sheet	(721,358)	(229,076)
3	Change in present value of obligation:-		
	i) Present value of obligation at the beginning of the period	561,580	145,848
	ii) Interest Cost	42,119	10,939
	iii) Current service cost	40,008	13,248
	iv) Benefits paid	—	(37,742)
	v) Actuarial (gain/loss) obligation	77,652	96,783
	vi) Present value of obligation at the ending of the period	721,358	229,076
4	Change in the Fair Value of plan assets	—	—
5	Actuarial Assumption:-		
	i) Discount Rate	7.50	7.50



# BENGAL & ASSAM COMPANY LIMITED

(Amount in ₹)

Sl. No.	Particulars	31.03.2011	
		Gratuity	Leave Encashment
ii)	Future Salary increase	5.00	5.00
iii)	Expected rate of return on plan assets	—	—
iv)	Mortality	LIC (1994-96)	
	Withdrawal Rate %		
	Up to 30 Years	3.00	3.00
	From 31 to 44 Years	2.00	2.00
	Above 44 Years	1.00	1.00

\* included under the head "Salaries, Wages, Gratuity and Bonus etc. in Schedule – 11 - Employees Cost.

- (i) Amount recognized as an expense include ₹ 1,88,057/- towards Provident and other Funds (Previous year- ₹ 95,985/-) in the Employees' Cost Schedule –11.
- (ii) Gratuity and Leave encashment liability had not been actuarially calculated up to the previous year due to limited number of employees and provided for on accrual basis considering provision made being immaterial. During the year, detailed / full disclosure as per Accounting Standard (AS-15) on the basis of actuarial valuation has been made. Hence, figures for the previous year are not disclosed.
12. No provision for diminution in the value of certain long term investments has been considered necessary, since in the opinion of the Management, such diminution in their value is temporary in nature considering the nature of investments, inherent value, investees' assets and expected future cash flows from such investments.
13. The information as required in terms of para 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions 2007, are given in enclosed Schedule - 15.
14. Previous year figures have been re-arranged / re-grouped / re-cast wherever considered necessary.
15. Schedules "1" to "15" form an integral part of the Accounts for the year ended 31<sup>st</sup> March, 2011.

As per our report of even date

for LODHA & CO.

Chartered Accountants

N.K.Lodha  
Partner  
Membership No. 85155

HARI SHANKAR SINGHANIA  
BHARAT HARI SINGHANIA  
J.R.C. BHANDARI  
L.R. PURI  
O.P. KHAITAN  
RAGHUPATI SINGHANIA  
SHAILENDRA SWARUP  
VINITA SINGHANIA  
Directors

Place: New Delhi  
Dated: 26<sup>th</sup> May, 2011

U.K. GUPTA  
Manager

DILLIP SWAIN  
Secretary

**Schedule - 15**

**Particulars as per NBFC Directions as at 31.03.2011**

(as required in terms of Paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007)

(₹ in Lacs)

Particulars			
<b>Liabilities side :</b>			
(1)	<b>Loans and advances availed by the non-banking financial company inclusive of interest accrued there on but not paid:</b>	Amount Outstanding	Amount Overdue
(a)	Debentures : Secured	NIL	NIL
	: Unsecured (other than falling within the meaning of public deposits)	NIL	NIL
(b)	Deferred Credits	NIL	NIL
(c)	Term Loans	520.00	NIL
(d)	Inter-corporate loans and borrowings including interest	7511.67	NIL
(e)	Commercial Paper	NIL	NIL
(f)	Other Loans (Interest)	NIL	NIL
(g)	Current Liabilities (excluding provisions)	425.10	
<b>Assets side:</b>			
		Amount outstanding	
(2)	<b>Break - up of Loans and Advances including bills receivables [ other than those included in (4) below ] :</b>		
(a)	Secured	645.00	
(b)	Unsecured (excluding advance Income tax, FBT & Mat Credit of ₹ 737.72 Lacs)	1253.64	
(3)	<b>Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities</b>	N.A.	
(4)	<b>Break-up of Investments:</b>		
	Current Investments:		
1	Quoted :		
(i)	Shares : (a) Equity	40.89	
	(b) Preference	NIL	
(ii)	Debentures and Bonds	NIL	
(iii)	Units of mutual funds	NIL	
(iv)	Government Securities	NIL	
(v)	Others (please specify)	NIL	
2	Unquoted :	NIL	
(i)	Shares : (a) Equity	NIL	
	(b) Preference	NIL	
(ii)	Debentures and Bonds	NIL	
(iii)	Units of mutual funds	NIL	
(iv)	Government Securities	NIL	
(v)	Others (please specify)	NIL	
	Long Term Investments :		
1	Quoted :		
(i)	Shares : (a) Equity	15749.34	
	(b) Preference	NIL	
(ii)	Debentures and Bonds	NIL	
(iii)	Units of mutual funds	NIL	
(iv)	Government Securities	NIL	
(v)	Others (please specify)	NIL	
2	Unquoted :		
(i)	Shares : (a) Equity	5903.73	
	(b) Preference	4792.57	

# BENGAL & ASSAM COMPANY LIMITED

(ii)	Debentures and Bonds	NIL
(iii)	Units of mutual funds	4232.37
(iv)	Government Securities	NIL
(v)	Others (please specify)	NIL
<b>(5) Borrower group-wise classification of assets financed as in (2) and (3) above:</b>		
Category		Amount net of provisions
		Secured      Unsecured      Total
1	Related Parties*	
	(a) Subsidiaries	-      790.00      790.00
	(b) Companies in the same group #	-      -      -
	(c) Other related parties	-      -      -
2	Other than related parties	645.00      463.64      1108.64
Total		645.00      1253.64      1898.64
<b>(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :</b>		
Category		Market Value / Break up or fair value or NAV **
		Book Value (Net of Provisions)
1	Related Parties*	
	(a) Subsidiaries	21631.79      5508.83
	(b) Companies in the same group #	-      -
	(c) Other related parties	-      -
2	Other than related parties	49808.98      25210.07
Total		71440.77      30718.90
<b>(7) Other information</b>		
<b>Particulars</b>		<b>Amount</b>
(i)	Gross Non - Performing Assets	NIL
	(a) Related parties	NIL
	(b) Other than related parties	NIL
(ii)	Net Non - Performing Assets	NIL
	(a) Related parties	NIL
	(b) Other than related parties	NIL
(iii)	Assets acquired in satisfaction of debt	NIL

**Notes :**

\* As per Accounting Standard under Companies (Accounting Standards) Rules, 2006.

\*\* For the purpose of Market/Break-up Value, Quoted Share/Units have been valued at Market Price/NAV as at 31.03.11 while, the Unquoted shares (other than subsidiaries) have been valued as per Break up Value calculated as per audited Balance Sheet as on 31.03.10 or cost of acquisition (in case fresh acquired during the year).

# The definition of group companies has been taken in terms of Sec 372(11) of the Companies Act, 1956.

FOR LODHA & CO.  
Chartered Accountants

N.K. Lodha  
Partner  
Membership No. 85155

HARI SHANKAR SINGHANIA  
BHARAT HARI SINGHANIA  
J.R.C. BHANDARI  
L.R. PURI  
O.P. KHAITAN  
RAGHUPATI SINGHANIA  
SHAILENDRA SWARUP  
VINITA SINGHANIA  
Directors

Place: New Delhi  
Dated: 26<sup>th</sup> May, 2011

U.K. GUPTA  
Manager

DILLIP SWAIN  
Secretary

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE AS PER SCHEDULE VI, PART IV OF THE COMPANIES ACT, 1956**

**I. REGISTRATION DETAILS**

Registration No.	116830
State Code	55
Balance Sheet Date	31.03.2011

**II. CAPITAL RAISED DURING THE YEAR (₹ In Thousand)**

Public Issue	—
Right Issue	—
Bonus Issue	—
Private Placement	—

**III. POSITION ON MOBILISATION AND DEPLOYMENT OF FUNDS (₹ In Thousand)**

Total Liabilities	3533293
Total Assets	3533293

**SOURCES OF FUNDS (₹ In Thousand)**

Paid-up Capital	86836
Reserves and Surplus	2506629
Secured Loans	52000
Unsecured Loans	751167
Deferred Tax Liability (Net)	1044

**APPLICATION OF FUNDS (₹ In Thousand)**

Net Fixed Assets	192079
Investments	3071890
Net Current Assets	133707
Deferred Tax Assets	—

**IV PERFORMANCE OF COMPANY (₹ In Thousand)**

Turnover including Other Income	342798
Total Expenditure	38903
Profit Before Tax	303895
Profit After Tax	292135
Earning Per Share (₹) Basic/ Diluted	33.64
Dividend Rate (%) — Equity	40%

**V GENERAL NAMES OF PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY (AS PER MONETARY TERMS)**

Product Description :	Investment in Shares and Securities.	
Item Code No.		N.A.

HARI SHANKAR SINGHANIA  
 BHARAT HARI SINGHANIA  
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 SHAILENDRA SWARUP  
 VINITA SINGHANIA  
 Directors

Place: New Delhi  
 Dated: 26<sup>th</sup> May, 2011

U.K. GUPTA  
 Manager

DILLIP SWAIN  
 Secretary

# BENGAL & ASSAM COMPANY LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2011

(Amount in ₹)

Particulars	2010-11		2009-10	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Net Profit before Tax &amp; Extraordinary Items</b>		303,894,913		263,011,973
Adjusted for :				
Sundry balances w/o	1,068		1,273	
Interest expense	18,100,669		25,540,113	
Profit on sale of Fixed Assets	(5,373)		(2,416)	
Liability no longer required written back	(19,054)		(65,416)	
Loss on sale of Investments	373,750		208,790	
Provisions against Standard Assets	474,660		—	
Diminution in the value of investment	605,044		—	
Depreciation	3,127,251		3,088,349	
Profit on sale of Investments	(12,861,458)	9,796,557	(92,630,317)	(63,859,624)
<b>Operating profit before working Capital changes</b>		<b>313,691,470</b>		<b>199,152,349</b>
Adjusted for :				
Trade & Other Receivables	2,080,384		34,135,613	
Trade & Other Payables	12,453,200	14,533,584	(33,786,298)	349,315
<b>Cash Generated from Operations</b>		<b>328,225,054</b>		<b>199,501,664</b>
Direct Taxes Paid (Net)	(15,837,092)		(17,436,578)	
Fringe Benefit Tax (Net)	—	(15,837,092)	(3,549)	(17,440,127)
<b>Net Cash from Operating Activities</b>		<b>312,387,962</b>		<b>182,061,537</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Investments	(363,464,066)		(258,513,782)	
Sale of Investments	183,773,251		249,150,553	
Purchase of Fixed Assets including WIP	(667,203)		(500,000)	
Sale of Fixed Assets	86,000		10,125	
Fixed Deposit with Body Corporate (net)	17,300,000		(1,890,000)	
Inter Corporate Deposit (Given)/Recovered Net	250,000		(17,750,000)	
Proceeds from secured loan	10,000,000		963,000	
<b>Net Cash from Investing Activities</b>		<b>(152,722,018)</b>		<b>(28,530,104)</b>
<b>C. CASH FLOW FROM FINANCIAL ACTIVITIES</b>				
Proceeds from Borrowings	—		65,000,000	
Repayment of Borrowings	(91,333,333)		(188,333,334)	
Dividend/CDT Paid	(21,708,883)		(13,025,330)	
Interest Paid (Including TDS)	(49,585,257)		(20,654,543)	
<b>Net Cash used in Financial Activities</b>		<b>(162,627,473)</b>		<b>(157,013,207)</b>
<b>D. NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>		<b>(2,961,529)</b>		<b>(3,481,774)</b>
<b>Opening Balance of Cash and Cash Equivalents (Schedule No.7)</b>		<b>8,649,472</b>		<b>12,131,246</b>
<b>Closing Balance of Cash and Cash Equivalents (Schedule No.7)</b>		<b>5,687,943</b>		<b>8,649,472</b>

Notes:-

- 1 Cash Neutral items have not been considered in this statement
- 2 Previous year's figures have been re-grouped/ re-arranged wherever necessary.

For **LODHA & CO.**

Chartered Accountants

N.K. Lodha  
Partner  
Membership No. 85155

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VINITA SINGHANIA  
Directors

Place: New Delhi  
Dated: 26<sup>th</sup> May, 2011

U.K. GUPTA  
Manager

DILLIP SWAIN  
Secretary

**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956**

1	Name of the Subsidiary Company	Fenner (India) Ltd.	Southern Spinners And Processors Ltd. *	Modern Cotton Yarn Spinners Ltd. *	Acorn Engineering Ltd. *	BMF Investments Ltd. *	Panchmahal Properties Ltd.	LVP Foods Pvt. Ltd.	Dwarkesh Energy Ltd. **
2	Financial period of the Subsidiary ended on	31.03.11	31.03.11	31.03.11	31.03.11	31.03.11	31.03.11	31.03.11	31.03.11
3	Holding Company's interest in Equity Capital								
	(i) Number - Equity	2182648					351230	1999800	25000
	(ii) Extent of Holding (%age)	87.90%	-	-	-	-	100.00%	99.99%	49.94%
4	Net aggregate of Profit less Losses of the Subsidiary Companies as far as it concerns the members of the holding Company:								
	1 Not dealt with in the Holding Company's Accounts:								
	a) For the Financial Year of the subsidiary ₹ /Lacs	3,718.59	-	-	-	-	2.82	110.80	-
	b) For the previous Financial years since it became the Holding Company's subsidiary ₹ /Lacs	12,296.67	-	-	-	-	5.26	44.36	-
	2 Dealt with in the Holding Company's Accounts:								
	a) For the Financial Year of the subsidiary ₹ /Lacs	1,309.59	-	-	-	-	-	-	-
	b) For the previous Financial years since it became the Holding Company's subsidiary ₹ /Lacs	1,878.15	-	-	-	-	-	-	-
5	Changes in the interest of Holding Company between the end of the Financial year of the Subsidiary and the end of the Holding Company's Financial year-increase%	-	-	-	-	-	-	-	-

\* Subsidiaries of Fenner (India) Limited

\*\* Subsidiary of the Company pursuant to joint holding with Fenner (India) Ltd.

HARI SHANKAR SINGHANIA  
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 VINITA SINGHANIA  
 Directors

Place: New Delhi  
 Dated: 26<sup>th</sup> May, 2011

U.K. GUPTA  
 Manager

DILLIP SWAIN  
 Secretary

**AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS:**

**To the Board of Directors of BENGAL & ASSAM COMPANY LIMITED on the Consolidated Financial Statements of BENGAL & ASSAM COMPANY LIMITED and its Subsidiaries ('The Group').**

We have examined the attached Consolidated Balance Sheet of BENGAL & ASSAM COMPANY LIMITED and its subsidiaries as at 31st March, 2011, the Consolidated Profit and Loss Account and also the Consolidated Cash Flow Statement for the year then ended.

These financial statements are the responsibility of BENGAL & ASSAM COMPANY LIMITED's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with generally accepted auditing standards in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of the subsidiaries (other than BMF Investments Ltd.), whose financial statements reflect total assets of ₹ 61,188.41 lacs as at 31st March, 2011 and total revenues of ₹ 80,628.45 lacs for the year then ended. The financial statements of these subsidiaries have been audited by other auditors, whose reports have been furnished to us and our opinion, in so far as it relates to the amounts included in respect of the said subsidiaries, is based solely on the reports of the other auditors.

The financial statements of Subsidiary, namely, BMF Investments Ltd. have been audited by us, whose financial statements reflect total assets of ₹ 4,575.75 lacs as at 31st March, 2011 and total revenue of ₹ 253.11 lacs for the year then ended.

We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21 "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of BENGAL & ASSAM COMPANY LIMITED and its subsidiaries included in the consolidated financial statements.

On the basis of the information and explanations given to us and on the consideration of the separate audit reports on individual audited financial statements of the Company and its Subsidiaries included in the Consolidated Financial Statements, we are of the opinion that the said consolidated financial statements subject to and read with Note no. 2 of Schedule 14 and read together with other notes thereon, give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of Consolidated Balance Sheet, of the consolidated state of affairs of the Company and its Subsidiaries as at 31st March, 2011;
- b) In the case of the Consolidated Profit & Loss Account, of the consolidated results of operations of the Company and its Subsidiaries for the year then ended; and
- c) In the case of Consolidated Cash Flow Statement, of the consolidated cash flow of the Company and its Subsidiaries for the year then ended..

For LODHA & CO.  
Chartered Accountants

N.K. Lodha  
Partner

Place: New Delhi  
Dated: 26<sup>th</sup> May, 2011

Firm Registration No.:- 301051E  
Membership No.:- 85155

# CONSOLIDATED BALANCE SHEET

## AS AT 31st March 2011

P A R T I C U L A R S	Schedule	₹ in Lacs	
		31.03.2011	31.03.2010
<b>SOURCES OF FUNDS</b>			
Share Capital	1	868.36	868.36
Reserves & Surplus	2	49,211.73	43,481.18
Minority Interest		4,367.10	3,913.24
Secured Loans	3	9,959.05	9,189.00
Unsecured Loans	4	12,300.13	12,679.79
Deferred Tax Liability (Net)		1,158.72	920.40
<b>TOTAL</b>		<b>77,865.09</b>	<b>71,051.97</b>
<b>APPLICATION OF FUNDS</b>			
Goodwill on Consolidation of Subsidiaries		287.53	287.53
<b>Fixed Assets</b>	5		
Gross Block		34,810.03	31,969.02
Less:- Depreciation		13,156.22	11,258.00
Net Block		21,653.81	20,711.02
Capital Work In Progress (including advances)		828.20	375.57
		22,482.01	21,086.59
Investments	6	42,066.78	39,213.12
<b>Current Assets, Loans &amp; Advances</b>	7		
Inventories		8,505.06	5,058.01
Debtors		8,060.85	6,822.66
Cash & Bank Balances		747.01	596.90
Other Current Assets		75.50	75.68
Loans & Advances		7,117.92	9,261.83
		24,506.34	21,815.08
Less: Current Liabilities & Provisions	8	11,478.48	11,352.15
<b>Net Current Assets</b>		<b>13,027.86</b>	<b>10,462.93</b>
Miscellaneous Expenditure ( to the extent not written off or adjusted)			
Preliminary Expenses		0.90	1.80
<b>TOTAL</b>		<b>77,865.09</b>	<b>71,051.97</b>

### Notes on Accounts

14

Schedules referred to above and Notes attached thereto form an integral part of the Balance Sheet.

As per our report of even date.

FOR LODHA & CO.  
Chartered Accountants

N.K. Lodha  
Partner  
Membership No. 85155

HARI SHANKAR SINGHANIA  
BHARAT HARI SINGHANIA  
J.R.C. BHANDARI  
L.R. PURI  
O.P. KHAITAN  
RAGHUPATI SINGHANIA  
SHAILENDRA SWARUP  
VINITA SINGHANIA  
Directors

Place: New Delhi  
Dated: 26<sup>th</sup> May, 2011

U.K. GUPTA  
Manager

DILLIP SWAIN  
Secretary



# BENGAL & ASSAM COMPANY LIMITED

## CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the year ended 31st March 2011

₹ in Lacs

P A R T I C U L A R S	Schedule	2010-11	2009-10
<b>INCOME</b>			
Income from Operations and Other Income	9	79,020.44	50,559.42
Increase / (Decrease) in Stock		1,019.76	488.11
		<u>80,040.20</u>	<u>51,047.53</u>
<b>EXPENDITURE</b>			
Employees Cost	10	6,535.96	5,681.40
Materials and Manufacturing Expenses	11	56,505.85	30,508.56
Freight & Transportation		952.57	781.13
Administrative and other Expenses	12	3,641.32	3,027.91
Diminution in the value of Current Investments		6.05	—
		<u>67,641.75</u>	<u>39,999.00</u>
<b>Profit before Interest, Depreciation &amp; Tax</b>		<u>12,398.45</u>	<u>11,048.53</u>
Interest & Finance Charges	13	1,332.65	1,449.84
<b>Profit before Depreciation &amp; Tax</b>		<u>11,065.80</u>	<u>9,598.69</u>
Depreciation		2,032.08	1,752.69
Transfer from Revaluation Reserve		64.99	70.74
<b>Profit before Tax</b>		<u>9,098.71</u>	<u>7,916.74</u>
Provision for Current Tax		1,469.80	1,173.05
MAT Credit Entitlement		505.10	330.05
Income Tax Adjustments For Earlier Years (net)		4.97	2.48
Deferred Tax		238.33	345.74
<b>Profit after Tax</b>		<u>6,880.52</u>	<u>6,065.42</u>
Minority Interest		581.93	446.38
<b>Profit after Tax (after adjusting for Minority Interest)</b>		<u>6,298.59</u>	<u>5,619.04</u>
Profit brought forward from previous year		2,779.23	2,044.27
<b>Balance available for appropriation</b>		<u>9,077.81</u>	<u>7,663.31</u>
Transfer to Reserve (As per RBI Guidelines)		625.78	502.03
Proposed Dividend		347.34	217.09
Corporate Dividend Tax		163.04	164.96
Transfer to General Reserve		6,000.00	4,000.00
Balance Carried to Balance Sheet		1,941.65	2,779.23
		<u>9,077.81</u>	<u>7,663.31</u>
<b>Basic / Diluted Earning per share (in ₹)</b>		<u>72.53</u>	<u>64.71</u>

**{Refer Note 13 of Schedule 14}**

Notes on Accounts

14

Schedules referred to above and Notes attached thereto form an integral part of the Profit & Loss A/c As per our report of even date.

FOR LODHA & CO.  
Chartered Accountants

N.K. Lodha  
Partner  
Membership No. 85155

HARI SHANKAR SINGHANIA  
BHARAT HARI SINGHANIA  
J.R.C. BHANDARI  
L.R. PURI  
O.P. KHAITAN  
RAGHUPATI SINGHANIA  
SHAILENDRA SWARUP  
VINITA SINGHANIA  
Directors

Place: New Delhi  
Dated: 26<sup>th</sup> May, 2011

U.K. GUPTA  
Manager

DILLIP SWAIN  
Secretary

(₹ in Lacs.)

**Schedules forming part of Consolidated Financial statement** **31.03.2011** **31.03.2010**

**Schedule-1 : SHARE CAPITAL**

**Authorised**

356,730,000 Equity Shares of ₹ 10/- each	<b>35,673.00</b>	35,673.00
1,252,000 Cumulative Redeemable Preference Shares of ₹ 100 each	<b>1,252.00</b>	1,252.00
	<b>36,925.00</b>	36,925.00

**Issued, Subscribed & Paid up**

**Equity Shares fully paid up (a)**

86,83,553 Equity Shares of ₹ 10/- each	<b>868.36</b>	868.36
	<b>868.36</b>	868.36

a) Above includes, 35,29,288 equity shares issued to the shareholders of erstwhile Ashim Investment Company Limited & Netflir Finco Limited, pursuant to the Scheme of Amalgamation without payment being received in cash.

**Schedule 2**

**RESERVES & SURPLUS**

Capital Reserve*		76.53		76.53
Capital Redemption Reserve		23.92		23.92
Share Premium account		121.80		121.80
Reserve (as per RBI guidelines)	1,734.71		1,232.68	
Add: Transfer from Profit & Loss A/c	<u>625.78</u>	2,360.50	<u>502.03</u>	1,734.71
General Reserve	26,730.27		22,730.27	
Add: Transfer from Profit & Loss A/c	<u>6,000.00</u>	32,730.27	<u>4,000.00</u>	26,730.27
Capital Reserve on Consolidation of Subsidiaries	12,014.72		8,416.08	
Add: Addition during the year	—		3,662.16	
Less: Deductions during the year**	<u>57.66</u>	11,957.06	<u>63.52</u>	12,014.72
Surplus in Profit & Loss Account A/c		<u>1,941.65</u>		<u>2,779.23</u>
		<b>49,211.73</b>		<b>43,481.18</b>

\* Includes ₹ 2.52 Lacs being proceeds of shares sold by trustee, allotted to them out of fractional entitlement, pursuant to the Scheme of Arrangement and Demerger between JK Tyre & Industries Ltd and Netflir Finco Ltd and kept as distributable surplus.

\*\* Represents ₹ 64.99 lacs towards additional depreciation arising out of revaluation of fixed assets, ₹ 0.61 lacs on account of assets sold/ written off by a subsidiary; which is net off share of minority amounting to ₹ 7.94 lacs.

**Schedule 3**

**SECURED LOANS**

**Banks**

Term Loans	<b>4,731.46</b>	5,917.74
Other Loans	<b>5,227.59</b>	3,271.26
	<b>9,959.05</b>	9,189.00

Notes in respect of security clause, are disclosed in separate respective financial statements of the company and its subsidiaries.

# BENGAL & ASSAM COMPANY LIMITED

(₹ in Lacs.)

**Schedules forming part of Consolidated Financial statement** 31.03.2011 31.03.2010

## Schedule-4

### UNSECURED LOANS

Fixed Deposits	2,441.13	2,601.55
Short Term Loans From Banks	3,050.00	2,500.00
Buyer's Credit facility from Bank	497.33	883.24
From Body Corporates*	5,666.67	6,000.00
Deferred Payment to SASF	645.00	695.00
	<b>12,300.13</b>	<b>12,679.79</b>

\*Includes ₹ 56,66,66,667/- (previous year ₹ 60,00,00,000/-) {interest free}

## Schedule-5

### FIXED ASSETS

(₹ in Lacs)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Gross Block as at 01.04.10	Additions	Sales/ Adjustments	Gross Block as at 31.03.11	Upto 31.03.10	For the Year	Adjustments	Upto 31.03.11	As at 31.03.11	As at 31.03.10
<b>Tangible Assets</b>										
Land (Freehold) @	3,307.76	-	-	3,307.76	-	-	-	-	3,307.76	3,307.76
Land (Leasehold)@	155.84	-	-	155.84	6.16	1.57	-	7.73	148.11	149.68
Buildings @	5,572.28	207.24	3.35	5,776.17	914.33	142.70	0.43	1,056.60	4,719.57	4,657.95
Furniture & Fixtures	1,430.68	119.81	36.12	1,514.37	801.44	113.31	25.44	889.31	625.06	629.24
Plant & Machinery	20,400.61	2,652.61	160.63	22,892.59	9,072.77	1,654.57	100.22	10,627.12	12,265.47	11,327.84
Office equipment	54.81	-	1.16	53.65	22.00	4.02	0.35	25.67	27.98	32.81
Computer	19.07	-	-	19.07	2.43	2.97	-	5.40	13.67	16.64
Vehicles	326.95	59.27	23.82	362.40	84.69	32.38	7.42	109.65	252.75	242.26
<b>Intangible Assets</b>										
Software	203.17	25.13	-	228.30	76.74	28.54	-	105.28	123.02	126.43
Trade Mark License	497.85	2.03	-	499.88	277.44	52.02	-	329.46	170.42	220.41
<b>Total</b>	<b>31,969.02</b>	<b>3,066.09</b>	<b>225.08</b>	<b>34,810.03</b>	<b>11,258.00</b>	<b>2,032.08</b>	<b>133.86</b>	<b>13,156.22</b>	<b>21,653.81</b>	<b>20,711.02</b>
Previous Year	24,267.06	7,833.62	131.66	31,969.02	9,594.51	1,752.69	89.20	11,258.00	20,711.02	
CWIP (Including Advances)	375.57	452.63	-	828.20	-	-	-	-	828.20	375.57

@ including certain assets yet to be registered in the name of the company.

## Schedule-6

31.03.2011

31.03.2010

### INVESTMENTS

#### Long Term Investment

##### Quoted Investment

- Equity Shares	31,341.32	31,422.94
- Mutual Funds	339.79	6.62
	<b>31,681.11</b>	<b>31,429.56</b>

##### Unquoted Investment

- Equity Shares*	394.90	394.90
- Debentures, Bonds & Govt. Securities	0.18	0.18
- Preference Shares	4,892.57	4,905.68
- Mutual Funds	5,056.96	2,442.22
- Others	0.16	0.16
	<b>10,344.77</b>	<b>7,743.14</b>

#### Total (A)

**42,025.88**

**39,172.70**

(₹ in Lacs.)

Schedules forming part of Consolidated Financial statement	31.03.2011	31.03.2010
<b>Current Investment</b>		
- Quoted Investment in Shares	40.89	40.42
<b>Total (B)</b>	<u>40.89</u>	<u>40.42</u>
<b>GRAND TOTAL (A) + (B)</b>	<u>42,066.78</u>	<u>39,213.12</u>

\* Includes 8,50,000 Equity Shares aggregating to ₹ 85,00,000/- of JK Envirotech Ltd. Pledged with Infrastructure Development Finance Company Limited (IDFC Ltd.) for a Loan availed by JK Envirotech Ltd.; and also 32 equity share amounting to ₹ 1.04 lacs of certain foreign entities Pledged with Bank for Loans availed by certain foreign investees.

### Schedule-7

#### CURRENT ASSETS, LOANS & ADVANCES

##### A. CURRENT ASSETS

###### Inventories

— Raw Material	4,916.47	2,731.38
— Packing Material	65.98	35.93
— Stores & Spares	230.30	199.15
— Finished Goods	2,749.36	1,755.81
— Work in Progress	542.95	335.74
	<u>8,505.06</u>	<u>5,058.01</u>

###### Debtors (Unsecured, Considered good)

— Debts outstanding for a period exceeding six months	754.86	716.98
— Others less than Six months	7,305.99	6,105.68
	<u>8,060.85</u>	<u>6,822.66</u>

###### Cash in Hand

5.97 11.96

###### Balance with scheduled banks :

— In Saving accounts	0.03	0.03
— In Current accounts	432.92	414.25
— In Deposit accounts	298.95	170.66
— Cheques/Stamps in hand	9.14	—
	<u>747.01</u>	<u>596.90</u>

###### Other Current Assets

75.50 75.68

##### TOTAL (A)

17,388.42 12,553.25

##### B. LOANS & ADVANCES

###### (Unsecured, Considered good)

Advances recoverable in cash or in kind or for value to be received	4,454.44	4,272.68
Deposits with Govt. Authorities & others	470.43	327.38
Inter Corporate Deposits	498.00	500.50
Secured Loan	645.00	745.00
Fixed Deposit with Bodies Corporate	10.90	183.90
Accrued Income	17.17	23.60
MAT Credit Entitlement Receivable	151.35	656.45
Advance payment of tax (including TDS)	870.52	2,552.21
Advance payment of Fringe Benefit Tax(Net)	0.11	0.11

##### TOTAL (B)

7,117.92 9,261.83

##### TOTAL (A + B)

24,506.34 21,815.08

# BENGAL & ASSAM COMPANY LIMITED

(₹ in Lacs.)

**Schedules forming part of Consolidated Financial statement** 31.03.2011 31.03.2010

## Schedule-8

### CURRENT LIABILITIES & PROVISIONS

#### CURRENT LIABILITIES

Sundry Creditors

— MSME \*

— Others

Acceptances

7,989.73

47.73

6,808.42

186.86

Investor Education & Protection Fund (not due)

— Unclaimed Dividend

— Unclaimed Deposits

27.83

70.75

26.07

47.38

Fractional Entitlement Shares

1.33

1.35

Unclaimed Preference Shares

0.24

0.24

Other Liabilities

1,697.03

1,170.65

Interest accrued but not due

6.97

20.70

**TOTAL (A)**

**9,841.61**

**8,261.67**

\* To the extent identified by and information available with the management.

#### PROVISIONS

— For Income Tax

— For Interim/Final dividend

— For Proposed Dividend

— For Corporate Dividend Tax

— Contingent Provisions against Standard Assets

— For Retirement Benefits

800.06

—

407.43

80.56

7.91

340.91

2,297.25

120.18

217.09

164.96

—

291.00

**TOTAL (B)**

**1,636.87**

**3,090.48**

**TOTAL (A + B)**

**11,478.48**

**11,352.15**

## Schedule-9

### INCOME FROM OPERATIONS AND OTHER INCOME

2010-11

2009-10

Sales (Net of Excise Duty)

75,437.39

46,800.88

Interest

80.67

94.65

Dividend

2,120.02

1,980.08

Profit on sales of Investments (Net)

133.70

930.23

Profit on sales of Asset (Net)

0.05

13.37

Rent

469.72

394.57

Miscellaneous Receipts

778.74

344.98

Liability on longer required written back

0.15

0.66

**79,020.44**

**50,559.42**

## Schedule-10

### EMPLOYEES COST

Salaries, wages, gratuity & bonus

5,713.58

4,993.64

Contribution to Provident and other Funds

274.97

240.60

Employees welfare & other benefits

547.41

447.16

**6,535.96**

**5,681.40**

(₹ in Lacs.)

Schedules forming part of Consolidated Financial statement	2010-11	2009-10
<b>Schedule-11</b>		
<b>MATERIALS &amp; MANUFACTURING EXPENSES</b>		
Raw Material Consumed	19,924.46	22,518.94
(Increase) / Decrease in WIP	(207.20)	(66.21)
Purchase of Finished Goods	4,717.36	3,082.04
Purchase for resale	24,792.50	—
Conversion charges	1,051.60	538.36
Poly Film Consumed	583.01	198.75
Consumption of Stores & Spares	2,126.70	1,527.77
Power & Fule	2,741.70	2,188.23
Repairs to Building	121.38	92.37
Repairs to Machinery	533.97	373.76
Excise duty on variation of stock	120.37	54.55
	<b>56,505.85</b>	<b>30,508.56</b>
<b>Schedule-12</b>		
<b>ADMINISTRATIVE &amp; OTHER EXPENSES</b>		
Rent	131.71	117.36
Rates & Taxes	139.84	116.25
Auditors Remuneration		
— Statuory & Tax Audit Fees (incl. Service Tax)	6.12	5.12
— Tax Audit Fee	0.16	0.16
— Certification	1.58	1.78
— Out of Pocket Expenses	1.95	1.25
Directors Fee	6.33	7.24
Discount	454.73	386.00
Commission	144.98	63.99
Loss on sale of Investment	8.65	—
Loss on Sale of Assets/Scrapped (net)	3.74	—
Insurance	80.95	59.84
Postage, Printing & Stationery	16.27	24.62
Advertisement & Publicity Exp.	1.53	2.78
Securities Transaction Tax	0.16	1.60
Preliminary expenes written off	0.90	0.90
Repairs & Maintenance	22.18	5.89
Sundry balances written off	0.01	0.01
Provisions against Standard Assets	7.91	—
Bank Charges, Travelling, Legal & Professional & other		
Miscellaneous Expenses	2,611.62	2,233.12
	<b>3,641.32</b>	<b>3,027.91</b>
<b>Schedule-13</b>		
<b>INTEREST &amp; FINANCE CHARGES</b>		
Interest on Term loan & Inter Corporate Deposits	1,332.65	1,442.84
Other Finance Charges	—	7.00
	<b>1,332.65</b>	<b>1,449.84</b>

# BENGAL & ASSAM COMPANY LIMITED

## Schedule-14

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS:

1. Principles of Consolidation:

- (a) The Consolidated Financial Statements comprise the financial statements of Bengal & Assam Company Limited ('the Company') and financial statements of the following (incorporated in India) as on 31.03.2011:-

<b>Subsidiaries:-</b>		
<b>S.No.</b>	<b>Name of the Company</b>	<b>Shareholding</b>
1	Fenner (India) Ltd.	87.90%
2	Modern Cotton Yarn Spinners Ltd. *	87.90%
3	Southern Spinners & Processors Ltd. *	87.90%
4	Acorn Engineering Ltd. *	87.90%
5	BMF Investments Ltd. *	87.90%
6	Panchmahal Properties Ltd.	100.00%
7	LVP Foods Private Ltd.	99.99%
8	Dwarkesh Energy Ltd.	93.84%

\* Subsidiaries of Fenner (India) Ltd.

- (b) The Financial Statements of Hifazat Chemicals Ltd.(subsidiary under Liquidation) has been excluded from consolidation as management has no direct or indirect control / significant influence on its functioning.
- (c) JK Sugar Ltd. ceased to be subsidiary w.e.f. 12.07.2010.
- (d) The Financial Statements of the Company and its Subsidiaries have been consolidated on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra-group transactions. Intra-group balances and transactions have been eliminated on the basis of information available with the Company.
- (e) The excess of cost to the Company of its investment in each of its subsidiary over its share of equity in the respective subsidiary, on the acquisition date, is recognised in the financial statements as Goodwill on consolidation and carried in the Balance Sheet as an asset. Negative Goodwill is recognised as Capital Reserve on consolidation.
- (f) The Accounting Policies of the Company and its Subsidiaries are largely similar. However, few Accounting Policies w.r.t. depreciation/amortization, employees' benefits etc. differ than the policies followed by the Company. Management is of the view that overall impact of the same on these Consolidated Financial Statements will not be material.
- (g) There are no Associates of the Company, which require to be considered for the purpose of Consolidation, since management has no direct or indirect control / significant influence on their functioning.
- (h) Significant Accounting Policies and Notes on Accounts of the financial statements of the Company and its subsidiaries are set out in their respective financial statements.
- (i) The Consolidated Financial Statements have been prepared using uniform accounting policies, in accordance with the generally accepted accounting practices.
- (j) Figures pertaining to the subsidiary companies have been reclassified wherever considered necessary to bring them in line with the Company's financial statements.
2. Core Investment Company (Reserve Bank) Directions (CIC Directions) has been notified by Reserve Bank of India (RBI) on 5<sup>th</sup> January, 2011. The Company being eligible and accordingly has applied for grant of Certificate of Registration under the said directions, which is pending.
3. Capital commitments (net of advances) – ₹ 2179.27 lacs (Previous Year-₹ 469.02 lacs).
4. Contingent Liabilities not provided for :-
- (a) Disputed Income Tax matters (estimated) under appeal of ₹ 11.84 Lacs (Previous Year-₹ 32.58 lacs). (Net of advance-₹ 26.69 lacs, Previous Year-₹ 2.05 lacs)
- (b) Claims against the subsidiary companies estimated at ₹ 66.69 Lacs (Previous Year-₹ 66.05 lacs) not acknowledged but disputed by the subsidiary companies and hence not provided for.



- (c) Claims against a subsidiary company not accepted and not provided for ₹ 1006.27 lacs (Previous Year- ₹ 1290.00 lacs). Details thereof are, Excise duty matters in appeal ₹ 65.25 lacs, Service Tax matters ₹ 2.39 lacs, Sales tax matters ₹ 527.71 lacs and other matters ₹ 410.92 lacs (Previous Year- ₹ 63.08 lacs, ₹ 1.97 lacs, ₹ 862.85 lacs and ₹ 362.10 lacs, respectively).
- (d) Margin Money given by a subsidiary company to secure Bank Guarantees of ₹ 164.95 lacs (Previous Year ₹ 165.82 lacs) issued by the bankers on its behalf.
- (e) In respect of certain disallowances and additions made by the income tax authorities, appeals are pending before the Appellate Authorities and adjustment, if any, will be made after the same are finally determined.
5. Bills discounted with Banks by a subsidiary outstanding ₹ Nil (Previous year ₹ 265.37 lacs).
6. (a) Guarantee has been given by the Company to a Bank in respect of loan facility availed by other Body Corporate [outstanding as at 31.03.2011 ₹ 15.37 lacs (previous year : ₹ 181.14 lacs)]
- (b) Guarantee has been given by the Company to a bank in respect of loan facility availed by LVP Foods Pvt. Limited, a subsidiary company {outstanding as at 31.03.11 ₹ 1643.44 lacs (Previous Year – ₹ 1753 lacs)}.
7. Land, buildings and plant & machinery transferred to a subsidiary under the Scheme of Amalgamation during the year 2006-07 were revalued as at 31st, August 1985 and as at 31st March 1995. The revaluation in respect of factory, service buildings and plant & machinery was further updated as at 31st March 1998 based on current replacement cost by a valuer and as a result, book value of the said assets had been increased by ₹ 2990.53 lacs.
8. No provision for diminution in the value of certain long term investments has been considered necessary, since in the opinion of the Management, such diminution in their value is temporary in nature considering the nature of investments, inherent value, investees' assets and expected future cash flows from such investments.
9. Miscellaneous expenses include Provision for Doubtful debts ₹ 5.77 lacs (Previous Year- ₹ Nil) and Bad debts Write-off ₹ Nil - (Previous Year- ₹ 6.23 lacs) and interest of ₹ Nil paid to Income Tax Department in an earlier year (Previous year – ₹ 329.77 lacs). Salaries, wages, gratuity & bonus include VRS Write-off ₹ 79.16 Lacs (Previous Year ₹ 388.10 Lacs).
10. Certain balances of current liabilities & provisions and loans & advances are subject to confirmation/reconciliation.
11. Pursuant to the Scheme of Amalgamation, 2,09,589 Shares of Bengal & Assam Company Ltd.(BACL) are held in the name of a Trustee on behalf of Fenner (India) Ltd., being Subsidiary of BACL, against their holding in Netflir Finco Ltd. Accordingly, the amount against the said shares is shown under Loans and advances, recoverable in cash or in kind or for value to be received.
12. Pursuant to the accounting standard on 'Accounting for Taxes on Income' (AS-22), deferred tax liability/(assets) are as under:-

	(₹ in Lacs)	
Particulars	31.03.2011	31.03.2010
<b>(A) Deferred Tax Assets:</b>		
- Unabsorbed depreciation and Carried Forward Losses	418.14	516.55
- Others	122.18	161.84
<b>Total : (A)</b>	<b>540.32</b>	678.39
<b>(B) Deferred Tax Liabilities:</b>		
- Difference between book depreciation & tax depreciation	1699.04	1598.79
<b>Total : (B)</b>	<b>1699.04</b>	1598.79
<b>Deferred Tax Liabilities (Net) (A-B)</b>	<b>1158.72</b>	920.40

In view of uncertainty in the present market value of shares and securities due to volatile market conditions, management of the Company does not consider it prudent to create deferred tax asset on carried forward losses.



# BENGAL & ASSAM COMPANY LIMITED

13. Earning per share (EPS):

Particulars	(₹ in Lacs.)	
	Current Year	Previous Year
Profit/(Loss) after tax (after adjusting for Minority Interest)	6298.59	5619.04
Profit/(Loss) for Basic earning per share	6298.59	5619.04
Weighted Avg. Number of equity shares (Face value of ₹ 10 each)	8683553	8683553
Basic and Diluted EPS (₹)	72.53	64.71

14. As per Accounting Standard 18, prescribed under Accounting Standard Rules 2006, the disclosures of and transactions with the related parties as defined in Accounting Standard are given below:-

- (a) List of related parties where control exists and related parties with whom transactions have taken place and relationships (As identified by the management):

**Key Management Personnel:**

Shri U.K. Gupta, Manager

Shri Vikrampati Singhania, Managing Director (w.e.f. 01.07.2010) – Fenner (India) Ltd.

Shri A N Ravichandran, President & Director - Fenner (India) Ltd.

Shri R. Natarajan, Vice President – Southern Spinners & Processors Ltd. (till 31.07.2010)

Shri S. Raghuraman, Vice President, Southern Spinners & Processors (w.e.f.01.08.2010)

Enterprises over which KMP is able to exercise significant influence -JK Tyre & Industries Ltd.

- (b) Transactions with related parties:

Particulars	(₹ in lacs)	
	Current Year	Previous Year
Remuneration	364.66	119.54
Deposits received	—	10.00
Interest paid on Deposits	2.10	2.44
Amount Payable:		
- Fixed Deposits	25.00	25.00
- Enterprise over which KMP is able to exercise significant influence	8.53	—

Enterprise over which KMP is able to exercise significant influence

	(₹ in lacs)	
	2010-11	2009-10
Sale of goods	5.32	-
Rent received	41.40	-
Other expenses	83.98	-

15. Segment information:

- (A) Information about Business Segments (Primary Segments):-

Sl. No.	Particulars	Business Segment				Others	Total
		Investment	Polymers	Cotton Yarn	Dairy Products		
<b>A</b>	<b>REVENUE</b>						
1	Gross Revenue	3824.44	40179.10	11955.98	26077.77	3.30	82040.59
	(External)	(3335.33)	(32303.18)	(7182.12)	(8771.29)	(3.00)	(51594.92)
	Less: Inter Segment	1492.47	89.95	2683.09	-	-	4265.51
		(334.61)	(106.48)	(1353.49)	(-)	(-)	(1794.58)
	<b>Total Revenue</b>	2331.97	40089.15	9272.89	26077.77	3.30	77775.08
		(3000.72)	(32196.70)	(5828.63)	(8771.29)	(3.00)	(49800.34)

(₹ in Lacs)

Sl. No.	Particulars	Business Segment				Others	Total
		Investment	Polymers	Cotton Yarn	Dairy Products		
2	Other Income	470.74 (397.59)	602.16 (150.66)	62.45 (157.53)	110.01 (53.29)	— (0.01)	1245.36 (759.08)
3	<b>Total Revenue</b>	2802.71 (3398.31)	40691.31 (32347.36)	9335.34 (5986.16)	26187.78 (8824.58)	3.30 (3.01)	79020.44 (50559.42)
<b>B RESULTS</b>							
1	Segment Result (PBIT)	2593.26 (3243.41)	6948.29 (6053.65)	405.44 (-137.57)	482.08 (204.82)	2.29 (2.27)	10431.36 (9366.58)
2	Interest Expense (Net)						1332.65 (1449.84)
3	Profit before Tax						9098.71 (7916.74)
4a	Provision for Current Tax						1469.80 (1173.05)
4b	Deferred Tax (Net)						238.33 (345.74)
4c	Income Tax paid/ Adjustments for earlier years (Net)						4.97 (2.48)
4d	Minimum Alternate Tax Credit Entitlement						505.10 (330.05)
5	Profit after Tax						6880.52 (6065.42)
<b>C OTHER INFORMATION</b>							
1	Segment Assets	49802.87 (47040.23)	29126.11 (27245.67)	7039.84 (5080.99)	3060.17 (3009.81)	27.05 (27.42)	89056.04 (82404.12)
2	Segment Liabilities	8284.32 (7828.59)	20958.78 (21967.22)	3647.82 (1730.92)	2003.37 (2812.54)	2.09 (2.07)	34896.38 (34141.34)
3	Capital Expenditure	6.67 (5.00)	3480.56 (1196.43)	22.92 (46.22)	8.57 (1488.11)	— (—)	3518.72 (2735.76)
4	Depreciation and Amortization Expenses	31.81 (30.88)	1747.18 (1521.23)	147.03 (143.06)	106.06 (56.98)	— (00.54)	2032.08 (1752.69)

## B. Information about Geographical Segments (Secondary Segments):

(₹ in Lacs)

Segment Revenue	Domestic	Overseas	Total
- Sales (External) (Net of Excise Duty)	65527.31 (41638.62)	9912.50 (5158.00)	75439.81 (46796.62)
- Investment & Other Revenue	2335.27 (3003.72)	—	2335.27 (3003.72)
- Other Income	1245.36 (759.08)	—	1245.36 (759.08)
- Segment Assets	87042.23 (80626.75)	2013.81 (1777.37)	89056.04 (82404.12)

Previous year figures have been shown in brackets.

**Notes:**

**Primary segment reporting (by business segment)**

Segments have been identified in line with Accounting Standard on 'Segment reporting' (AS-17) taking into account risks and returns of these segments. The company has identified four segments i.e. Investment (shares/securities/funding), Polymers, Cotton-Yarn, Dairy Products & others and therefore reported accordingly.

**Secondary Segments reporting (by Geographical Segments-customer location)**

In respect of secondary segment information, the company has identified its geographical segments as (a) Domestic and (b) Overseas on the basis of location of customers.

16. Figures less than ₹ 500 have been shown at actual in bracket.
17. Previous year figures have been re-arranged/re-grouped/re-cast wherever considered necessary.
18. Schedules "1" to "14" form an integral part of the Accounts for the year ended 31<sup>st</sup> March, 2011.

As per our report of even date.

FOR LODHA & CO.  
Chartered Accountants

N.K. Lodha  
Partner  
Membership No. 85155

Place: New Delhi  
Dated: 26<sup>th</sup> May, 2011

U.K. GUPTA  
Manager

DILLIP SWAIN  
Secretary

HARI SHANKAR SINGHANIA  
BHARAT HARI SINGHANIA  
J.R.C. BHANDARI  
L.R. PURI  
O.P. KHAITAN  
RAGHUPATI SINGHANIA  
SHAIENDRA SWARUP  
VINITA SINGHANIA  
Directors

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2011**

(₹ in Lacs.)

Particulars	2010-11		2009-10	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Net Profit/(loss) before Tax &amp; Extraordinary Items</b>		9,098.71		7,916.74
<b>Adjusted for :</b>				
Depreciation	2,032.09		1,752.69	
Voluntary Retirement Payments (VRS) written off	79.16		388.10	
Preliminary Expenses Written Off	0.90		0.90	
Transfer from Revaluation Reserve	(64.99)		(70.74)	
Interest Income	—		(4.24)	
Interest & Finance Charges	1,332.65		1,442.84	
Diminution in the value of investment	6.05		—	
(Profit) / Loss on sale of Investment (net)	(128.83)		(930.23)	
(Profit) / Loss on sale of Assets (net)	8.60		(13.37)	
Provisions against standard assets	7.91		—	
Bad Debts	—		6.23	
Sundry Balance written off	0.01		0.01	
Dividend Income	(612.54)		(572.90)	
Liability no longer required Written back	(0.19)	2,660.82	(0.66)	1,998.63
<b>Operating Profit before working Capital Changes</b>		<b>11,759.53</b>		<b>9,915.37</b>
<b>Adjusted for :</b>				
(Increase) / Decrease in Trade and Other receivables	(1,598.20)		(1,056.05)	
(Increase) / Decrease in Inventories	(3,447.05)		(1,646.28)	
Increase / (Decrease) in Trade and Other Payables	1,674.80	(3,370.45)	572.73	(2,129.60)
<b>Cash Generated from Operations</b>		<b>8,389.08</b>		<b>7,785.77</b>
Direct Taxes Paid (Including FBT)	(1,279.52)		(1,099.20)	
Fringe Benefit Tax (Net)	—		(0.04)	
Voluntary Retirement Payments (VRS)	(79.16)		(24.29)	
Share of Minority in Profits		(1,358.68)	(446.38)	(1,569.91)
<b>Net Cash From Operating Activities (A)</b>		<b>7,030.40</b>		<b>6,215.86</b>
<b>B. CASH FLOW FROM INVESTMENT ACTIVITIES</b>				
Purchase of Fixed Assets & CWIP	(3,518.72)		(2,666.08)	
Sale of Fixed Assets	81.99		54.32	
Sale of Investments	2,121.91		2,718.52	
Purchase of Investments	(4,852.77)		(2,701.96)	
Interest Received	—		4.23	
Fixed Deposits with Body Corporates	173.00		(18.90)	
Inter Corporate Deposit (Given) / Received Net	2.50		212.50	
Dividend Received	612.54		572.90	
Proceeds from Secured loan	100.00		9.63	
Change in Minority Interest	—		830.32	

# BENGAL & ASSAM COMPANY LIMITED

(₹ in Lacs.)

Particulars	31.03.2011		31.03.2010	
Adjustment on acquisition of Subsidiary	—		(504.12)	
<b>Net Cash used in Investing Activities</b>		<b>(5,279.55)</b>		<b>(1,488.64)</b>
<b>C. CASH FLOW FROM FINANCIAL ACTIVITIES</b>				
Dividend Paid (Including dividend tax)	(644.77)		(82.31)	
Proceeds from Long Term Borrowings	2,812.67		4,315.23	
Repayment of Long Term Borrowings	(2,769.62)		(7,516.14)	
Repayment of Short Term Borrowings	329.20		(154.61)	
Interest Paid	(1,328.22)		(1,491.56)	
<b>Net Cash from Financing Activities</b>		<b>(1600.74)</b>		<b>(4,929.39)</b>
<b>D. CHANGES IN CAPITAL RESERVE AND GOODWILL ARISING ON CONSOLIDATION</b>				
<b>Net (Decrease) in Cash &amp; Cash Equivalent (A+B+C+D)</b>		<b>150.11</b>		<b>(202.17)</b>
<b>Cash &amp; Cash Equivalent at the beginning of the year</b>				
Opening Balance (as per last CFS)	596.90		775.25	
Addition on acquisition of Subsidiaries	—	<b>596.90</b>	23.82	<b>799.07</b>
<b>Cash &amp; Cash Equivalent at the end of the year</b>		<b>747.01</b>		<b>596.90</b>

Notes:-

Cash Neutral items have not been considered in this statement.

Previous year's figures have been re-grouped / re-arranged / recast wherever required.

For LODHA & CO.  
Chartered Accountants

N.K. Lodha  
Partner  
Membership No. 85155

Place: New Delhi  
Dated: 26<sup>th</sup> May, 2011

U.K. GUPTA  
Manager

DILLIP SWAIN  
Secretary

HARI SHANKAR SINGHANIA  
BHARAT HARI SINGHANIA  
J.R.C. BHANDARI  
L.R. PURI  
O.P. KHAITAN  
RAGHUPATI SINGHANIA  
SHAILENDRA SWARUP  
VINITA SINGHANIA  
Directors

**DETAILS OF SUBSIDIARY COMPANIES FOR THE YEAR ENDED 31.03.2011**

(₹ In Lacs)

Name of the Subsidiary Company	Fenner (India) Limited	Southern Spinners and Processors Limited	Modern Cotton Yarn Spinners Limited	Acorn Engineering Limited	BMF Investments Limited	Panchmahal Properties Ltd.	LVP Foods Pvt. Ltd.	Dwarkesh Energy Ltd.
(a) Share Capital	248.31	505.00	305.00	5.05	30.20	35.12	200.00	5.01
(b) Reserves & Surplus (Net)	29115.82	1528.41	893.26	1.32	4459.05	11.39	226.65	0.08
(c) Total Assets	50278.94	4428.72	3200.90	6.43	4575.75	48.59	3219.63	5.20
(d) Total Liabilities	50278.94	4428.72	3200.90	6.43	4575.75	48.59	3219.63	5.20
(e) Investment (excluding investment in subsidiaries)	13602.80	-	-	6.27	3111.42	21.55	112.42	4.75
(f) Turnover and Other Income	41987.24	6940.20	5481.59	0.30	253.11	4.51	26214.28	0.33
(g) Profit/(Loss) before Taxation	6630.85	217.94	57.47	0.23	252.63	3.50	209.68	0.21
(h) Provision for Taxation	1903.75	103.31	23.16	-	41.90	0.68	27.76	0.04
(i) Profit/(Loss) after Taxation	4727.10	114.63	34.31	0.23	210.73	2.82	181.92	0.17
(j) Proposed Dividend	496.61	-	-	-	-	-	-	-

HARI SHANKAR SINGHANIA  
 BHARAT HARI SINGHANIA  
 J.R.C. BHANDARI  
 L.R. PURI  
 O.P. KHAITAN  
 RAGHUPATI SINGHANIA  
 SHAILENDRA SWARUP  
 VINITA SINGHANIA  
 Directors

Place: New Delhi  
 Dated: 26<sup>th</sup> May, 2011

U.K. GUPTA  
 Manager

DILLIP SWAIN  
 Secretary

# **BENGAL & ASSAM COMPANY LIMITED**

## **BENGAL & ASSAM COMPANY LIMITED**

Regd. Office: Link House, 3, Bahadur Shah Zafar Marg, New Delhi-110 002

### **NOTICE**

NOTICE is hereby given that the 64th Annual General Meeting of the Members of **BENGAL & ASSAM COMPANY LIMITED** will be held at Sri Sathya Sai International Centre, Pragati Vihar, Lodi Road Institutional Area, Lodi Road, New Delhi-110 003 on Thursday, the **4<sup>th</sup> August 2011** at 11.30 A.M. to transact the following business:

1. To receive, consider and adopt the Audited Accounts of the Company for the financial year ended 31<sup>st</sup> March 2011 and the Reports of the Directors and Auditors thereon.
2. To declare Dividend.
3. To appoint a Director in place of Smt. Vinita Singhania, who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint a Director in place of Shri O.P. Khaitan, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Shri Shailendra Swarup, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint Auditors and to fix their remuneration and in connection therewith to pass with or without modification(s), the following as **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 224 of the Companies Act, 1956, M/s. Lodha & Co., Chartered Accountants, New Delhi, (Registration No.301051E) be and are hereby appointed as Auditors of the Company from the conclusion of the 64<sup>th</sup> Annual General Meeting upto the conclusion of the next Annual General Meeting on a remuneration of ₹ 65,000/-(Rupees Sixty Five Thousand only), excluding service tax as applicable and reimbursement of travelling and other out-of-pocket expenses actually incurred by the said Auditors in connection with the audit.

**By Order of the Board**

Regd. Office:  
Link House, 3, Bahadur Shah Zafar Marg  
New Delhi-110002  
26<sup>th</sup> May, 2011

**Dillip Swain**  
Company Secretary

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## NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 is annexed.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from 29<sup>th</sup> July to 4<sup>th</sup> August 2011 (both days inclusive).
4. The dividend of ₹ 4.00 per Equity Share of ₹ 10 each (40%), as recommended by the Board of Directors, if declared at the Annual General Meeting, will be paid to the Members whose names shall be borne on the Company's Register of Members on 4<sup>th</sup> August 2011 or to their mandatees. In respect of shares held in dematerialised form, the dividend will be paid on the basis of details of beneficial ownership to be received from the Depositories for this purpose.
5. Appointment of Directors

Brief resumes of the Directors proposed to be re-appointed (item Nos. 3, 4 and 5) are given hereunder:

**Smt. Vinita Singhania**, aged 59 years, is a Graduate in Arts. She joined the Board of Directors of the Company on 2<sup>nd</sup> February, 2009. She has long experience in managing Cement business. She is the First Woman President of Cement Manufacturers' Association as well as National Council for Cement and Building Materials. Smt. Singhania has been conferred "Best Business Woman of the Year 2008-09" by PHD Chambers of Commerce. She was also awarded the prestigious "Bharat Shiromani Award" for Corporate Leadership in 2006 and "Global HR Excellence Award" in 2008 besides many others. She is the Managing Director of JK Lakshmi Cement Ltd. and Director of JK Paper Ltd., JKLC Employees Welfare Association Ltd., Niyojit Properties Ltd., and Vinita Stockholdings Pvt. Ltd. In terms of Clause 49 of the Listing Agreement, Chairmanship/Membership of Smt. Singhania in Committees of Directors in other Companies is-Nil. She holds 33,955 Shares of the Company. Her Director Identification No. is 00042983.

**Shri O.P.Khaitan**, aged 67 years, holds a Bachelor degree in Commerce and is also a Law Graduate and Attorney-at-Law (Solicitor) from Calcutta High Court. He has been practicing as a solicitor and an Advocate in the field of commercial, corporate, industrial disputes and labour, maritime, insurance laws, arbitration, conveyancing and foreign collaborations. He is the recipient of Bell Chambers Gold Medal from Calcutta High Court. He joined the Board of Directors of the Company on 2<sup>nd</sup> February, 2009. He is a Director of JK Tyre & Industries Ltd., Honda Siel Power Products Ltd., Shriram Pistons & Rings Ltd., ECE Industries Ltd., VLCC Healthcare Ltd., Ilpea Paramount Ltd., Sharda Motor Industries Ltd., Howden Insurance Brokers India Pvt. Ltd., Nipshell Builders Pvt.Ltd., and JKI Employees Welfare Association Ltd.. In terms of Clause 49 of the Listing Agreement, he is Chairman of the Audit Committee of JK Tyre & Industries Ltd., Shriram Pistons & Rings Ltd., and Ilpea Paramount Ltd. He is Member of the Audit Committee of Honda Siel Power Products Ltd., ECE Industries Ltd. and Member of the Shareholders/Investors Grievance Committee of JK Tyre & Industries Ltd. and Sharda Motor Industries Ltd. He holds 236 Shares of the Company. His Director Identification No. is 00027798.

**Shri Shailendra Swarup**, aged 67 years, holds a Bachelor degree in Arts and a Law Graduate. He has been practicing as an Advocate in Delhi High Court and the Supreme Court for over 35 years. He joined the Board of Directors of the Company on 2<sup>nd</sup> February, 2009. He is a Director of Gujarat Flourochemicals Ltd., India Thermit Corporation Ltd., Subros Ltd., Eros Energy Pvt. Ltd., Vis Legis Consult Pvt. Ltd., Xerox India Enterprises Pvt. Ltd., Kangaroo Properties Pvt. Ltd., and Dev Valley Devcon Pvt. Ltd.. In terms of Clause 49 of the Listing Agreement, he is the Member of the Audit Committee of Gujarat Flourochemicals Ltd.. He does not hold any Share of the Company. His Director Identification No. is 00167799.

**By Order of the Board**

Regd. Office:  
Link House, 3, Bahadur Shah Zafar Marg  
New Delhi-110002  
26<sup>th</sup> May, 2011

**Dillip Swain**  
Company Secretary



# BENGAL & ASSAM COMPANY LIMITED

## FOR ATTENTION OF THE SHAREHOLDERS

1. Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the Meeting.
2. Please check the Pin Code in the address slip pasted on the envelope and advise correction, if any, therein. Also please do indicate the Pin Code Number of your delivery post office while notifying change in your address to the Company where the shares are held in physical form.
3. Transferee(s) seeking transfer of shares in physical form should furnish copy of their PAN card to the Company/ RTA for registration of transfer of shares.
4. Shareholders having multiple folios are requested to write to the Company for consolidation of the Folios to save the administrative or servicing cost.
5. Requests for transfer of Equity Shares and related correspondence should be addressed to the Company's Registrar and Share Transfer Agents: Alankit Assignments Limited, Alankit House, 2E/21, Jhandewalan Extension, New Delhi-110 055. The Shareholder may approach their Depository Participant for getting their shares dematerialised and in respect of shares already held in dematerialised mode, for registration of change in their addresses, bank mandates, nominations etc. For any further clarifications and for other matters, kindly write to the **Company Secretary** at Gulab Bhawan (Rear Block), 3<sup>rd</sup> Floor, 6A, Bahadur Shah Zafar Marg, New Delhi-110 002 or E-mail: [dswain@jkm.com](mailto:dswain@jkm.com).
6. The Members are requested to furnish to the Company their Bank particulars to enable the Company to directly credit the dividend amount in their Bank Account through **Electronic Clearing Services**. Members are also requested to advise details of their Bank account i.e. name and address of their Bank, Account No. and name of Account Holder(s) for printing on the Dividend Warrants to avoid fraudulent encashment thereof.
7. **Unclaimed Dividend:** Shareholders who have not encashed their dividend warrants for the financial years 2007-08, 2008-09 and 2009-10 are requested to send the same for revalidation to the Company at the address given at Point No.5 above.
8. **Nomination:** Pursuant to Section 109A of the Companies Act, 1956 individual Shareholders holding shares in the Company singly or jointly may nominate an individual to whom all the rights in the shares in the Company shall vest in the event of death of the sole/all joint Shareholders.
9. **Dematerialisation of Shares and Liquidity:** Members may in their own interest consider dematerialisation of their shareholding in the Company held in physical form through their respective Depository Participants with one of the Depositories, namely, NSDL and CDSL. Company's ISIN No. is *INE083K01017*.
10. Pursuant to the Resolution passed by the Board of Directors of the Company under Section 212(8) of the Companies Act 1956, copies of the Balance Sheets, Profit & Loss Accounts, Reports of the Board of Directors and the Auditors, etc. of the subsidiary companies, namely, Fenner (India) Ltd., Southern Spinners & Processors Ltd., Modern Cotton Yarn Spinners Ltd., Acorn Engineering Ltd., BMF Investments Ltd., Panchmahal Properties Ltd., LVP Foods Pvt. Ltd. and Dwarkesh Energy Ltd. have not been attached to the Balance Sheet of the Company. These documents/details will be made available upon request by the investors and kept open for inspection on all working days between 11.00 A.M. to 1.00 P.M. at the Registered Office of the Company and that of the subsidiary companies.

### Green Initiative in Corporate Governance : Register E-mail Address

The Ministry of Corporate Affairs has now permitted companies to send various notices/documents under the Companies Act, 1956, to its shareholders, through electronic mode. We request the Members to support this initiative and register their E-mail addresses in respect of shares held in: (1) dematerialised mode, with their Depository Participants; and (2) physical mode with Alankit Assignments Ltd. (RTA). Please quote the following particulars in the E-mail Registration Request: Folio No./DP ID-Client ID, PAN, Name(s) of Registered Holder(s), Address, Telephone and E-mail Address (to be registered for sending future communications through E-mail) and send the same under your signature(s).



**BENGAL & ASSAM COMPANY LIMITED**  
 Regd.Office: Link House, 3, Bahadur Shah Zafar Marg, New Delhi – 110002

**ADMISSION SLIP**

Folio No./DP ID-Client ID#	
No. of Equity Shares held	

I hereby record my presence at the 64<sup>th</sup> Annual General Meeting of the Company being held at Sri Sathya Sai International Centre, Pragati Vihar, Lodi Road Institutional Area, Lodi Road, New Delhi- 110 003 on Thursday, the 4<sup>th</sup> August 2011 at 11.30 A.M.

Name of the Shareholder (in block Letters) :	
Name of the Proxy/Authorised Representative attending* ( in block letters) :	

# Applicable for Investors holding Shares in dematerialised form

\* Strike out whichever is not applicable.

Signature of the attending Shareholder/Proxy/Authorised Representative\*

**Notes:** Please produce this Admission Slip duly filled and signed at the entrance of the meeting hall. Shareholders intending to appoint a proxy may use the Proxy Form given below.

**BENGAL & ASSAM COMPANY LIMITED**  
 Regd.Office: Link House, 3, Bahadur Shah Zafar Marg, New Delhi – 110002

**PROXY FORM**

I/We.....  
 of .....being a member/members of Bengal & Assam Company Limited, hereby appoint  
 Shri/Smt./Km. .... of.....  
 or failing him /her Shri/Smt./Km. ....of .....  
 or failing him/her Shri/Smt./Km.... of .....

as my/our proxy in my/our absence to attend and vote for me/us and on my/our behalf at the 64<sup>th</sup> Annual General Meeting of the Company to be held on Thursday, the 4<sup>th</sup> August 2011 at 11.30 A.M. and at any adjournment thereof.

Signed this.....Day of.....2011

Folio No./DP ID-Client ID#	
No.of Equity Shares held	

Signature(s).....

Affix revenue stamp
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# Applicable for Shareholders holding shares in dematerialised form.

**Note:** The proxy, in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company at Link House, 3, Bahadur Shah Zafar Marg, New Delhi-110 002, at least 48 hours before the scheduled time.

**BOOK POST**



*If undelivered, please return to :*

**BENGAL & ASSAM COMPANY LIMITED**

Secretarial Deptt.

Gulab Bhawan, 3rd Floor (Rear Block)

6A, Bahadur Shah Zafar Marg,

New Delhi- 110 002