

The Methoni Tea Company Limited



**Report and Accounts
for the year
Ended 31st March
2013**

Corporate information

Board of Directors :

H. M. Parekh
R. P. Bubna
S. Bubna
P. Tushial

Auditors :

Dhandhanian & Associates
Chartered Accountants
13, Crooked Lane,
Kolkata - 700 069

Bankers :

UCO Bank
HDFC Bank

Registered Office :

75-C, Park Street
First Floor
Kolkata : 700 016
Phone : 2229-3241, 2229-7638
Fax : 91-33-22496587
e-mail : methoni@methonitea.com

Tea Estate :

Methoni Tea Estate
P. O. Bokakhat
Dist : Golaghat, Assam
Pin : 785612
Phone : 03776-268230
Fax No. : 03776-268230
E-mail : methonite@rediffmail.com

Stock Exchanges (Listing Fees Paid) :

The Calcutta Stock Exchange Association Ltd.
7, Lyons Range
Kolkata - 700 001

The Gauhati Stock Exchange Ltd.
House No. 57, 2A, 2nd Floor
Shine Tower, Sati Jaymati Road
Arya Chowk, Guwahati - 781 008

Registrars & Share transfer Agents :

Maheshwari Datamatics Pvt. Ltd.
6, Mangoe Lane, 2nd Floor
Kolkata - 700 001
Phone : 2243-5029, 2243-5809
Fax : 91-33-2248 4787
E-mail : mdpl@cal.vsnl.net.in

Contents :

	Page
Notice	2
Directors' Report	3
Secretarial Compliance Certificate	8
Auditors' Report	12
Balance Sheet	16
Profit & Loss Account	17
Cash Flow Statement	18
Schedules to the Accounts	20

Annual General Meeting

on 2nd August, 2013 at 10.30 A.M.
at MCC Chamber of Commerce & Industry
15B, Hemanta Basu Sarani, 2nd Floor
Kolkata - 700 001

THE METHONI TEA COMPANY LIMITED

NOTICE

NOTICE is hereby given that the Annual General Meeting of the Members of THE METHONI TEA COMPANY LTD., will be held on 2nd. August, 2013 at 10.30 A.M. at the MCC Chamber of Commerce & Industry, 15B, Hemanta Basu Sarani, 2nd Floor, Kolkata-700 001 to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Profit & Loss Statement for the year ended 31st March, 2013 the Balance Sheet as at that date and the Reports of the Directors' and Auditors' thereon.
2. To declare a dividend.
3. To appoint a Director in place of Sri H. M. Parekh who retires by rotation and being eligible offer himself for re-appointment
4. To appoint a Director in place of Sri P. Tusnial who retires by rotation and being eligible offer himself for re-appointment.
5. To appoint Auditors and to fix their remuneration.

Registered Office :
75C, Park Street (1st Floor)
Kolkata – 700 016
Dated 25th day of May, 2013

By Order of the Board

SANJEEV BUBNA
MANAGING DIRECTOR

NOTES:

- i) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A proxy may be sent in the form enclosed and in order to be effective must reach the registered office of the company at least 48 hours before the meeting.
- ii) The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, 25th July, 2013 to Friday, 2nd August 2013 (both days inclusive)
- iii) Shareholders seeking any information with regard to accounts are requested to write to the Company at least 10 days prior to the meeting so as to enable the management to keep the information ready.
- iv) Members are requested to bring their copies of Annual Report to the meeting.
- v) Members who have not encashed their dividend warrants for the year 2008-2009, 2009-2010, 2010-2011 & 2011-12 are requested to send their warrants at the Registered Office of the Company for revalidation.

THE METHONI TEA COMPANY LIMITED

Directors' Report

Dear Members

Your Directors have pleasure in presenting the Annual Report of your Company together with the Audited Statement of Accounts for the year ended 31st March, 2013.

FINANCIAL RESULTS

(Figures in Rs.)

	2012-13	2011-12
	Rs.	Rs.
Turnover and other income	129,871,176	92,222,852
Profit before interest and Depreciation	6,525,625	4,071,933
Interest	685,950	33,497
Depreciation	3,698,583	2,488,711
Profit for the year before Exceptional & Extraordinary Items	2,141,092	1,549,725
Exceptional & Extraordinary Items	32,539,100	-
Provision for tax :-		
- Current tax	1,780,000	50,000
- Deferred tax	2,321,837	(1,366,776)
Profit / (Loss) after tax	(34,499,845)	2,866,501

DIVIDEND :

Your Directors recommended a dividend @Rs.3.00/- per equity share of Rs.10/- for the year ended 31st March 2013, maintaining the last year's rate, subject to the approval of the shareholders at the ensuing Annual General Meeting.

OPERATIONS :

The total tea manufactured for the year under review was 8.31 Lac Kg. against 8.37 Lac Kg in the previous year.

The sale during the year was 9.23 Lac Kg. against 7.49 Lac Kg. in the previous year. The realization during the year under review was better in comparison to the previous year.

The demand for Orthodox teas is expected to increase in the coming year. The Company continues to focus on improving the yield for achieving higher productivity with resultant reduction in production cost. It is also constantly monitoring the adoption of cost control as well as quality upgradation measures which will enable your company to sustain its growth and profitability over the coming years.

DEVELOPMENT PROGRAMME

During the Year Your Company spent Rs.33.80 lacs on Capital Account for installation of Panel Board, Sorter-Cum-Fibre Extractor, Computer System etc.

DIRECTORS :

Sri H.M. Parekh and Sri P. Tusnial retire by rotation and being eligible offer themselves for re-appointment.

AUDITORS' REPORT :

The notes to the accounts referred to in the Auditors' Report are self-explanatory.

THE METHONI TEA COMPANY LIMITED

PARTICULARS OF EMPLOYEES :

The provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 is not attracted and hence no statement is being enclosed.

PARTICULARS REGARDING ENERGY ETC :

The particulars in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo is attached and forms part of this report.

COMPLIANCE CERTIFICATE :

As required under the proviso to section 383A(1) of the Companies Act, 1956 read with Companies (Compliance Certificate) Rules, 2001, the Compliance Certificate obtained from a Company Secretary in whole-time practice is attached and forms part of this report.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed :

- i) That in the preparation of the annual accounts the applicable accounting standards were followed and no material departures have been made from the same;
- ii) That the Directors selected such accounting policies and applied them consistently and made judgements and estimates that were 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 & Loss for that period ;
- iii) That the Directors took proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the Company's assets and for preventing and detecting fraud and other irregularities;
- iv) That the Directors prepared the annual accounts on a going concern basis.

AUDITORS :

M/s. Dhandhanian & Associates, Chartered Accountants retire and being eligible offer themselves for re-appointment.

ACKNOWLEDGEMENT :

Your Directors take this opportunity to express their grateful appreciation for the excellent assistance and co-operation received from the commercial banks and other authorities. Your directors also thank the employees of the company for their valuable service and support during the year. Your Directors also gratefully acknowledge with thanks the co-operation and support received from the shareholders of the Company.

R.P. BUBNA	Whole-Time Director
S. BUBNA	Managing Director
H.M. PAREKH	Directors
P. TUSNIAL	

Kolkata,
Date: 25th Day of May, 2013

ANNEXURE TO THE DIRECTORS' REPORT :

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO :

Pursuant to Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

FORM 'A'

CONSERVATION OF ENERGY		Current Year ended 31-03-2013	Previous Year ended 31-03-2012
A. POWER & FUEL CONSUMPTION			
(i)	Electricity		
(a)	Purchased Unit		
	Units (KWH)	6,18,451	6,50,193
	Total Amount (in Rs.)	46,49,071	44,19,496
	Rate/Unit (in Rs.)	7.52	6.80
(b)	Own Generation		
	Through diesel generator		
	Units (KWH)	3,02,253	2,39,274
	Unit per Ltr. Diesel	2.73	2.98
	Cost/Unit (in Rs.)	17.29	13.86
(ii)	Coal (Khasi and ROM Coal used in drier)		
	Quantity (MT)	1,229	1,541
	Total Cost (In Rs.)	76,09,733	80,69,505
	Average Rate (In Rs.)	6,192	5,236
(iii)	Furnace Oil		
	Quantity (K.Ltrs.)	—	—
	Total Amount (in Rs.)	—	—
	Average Rate (In Rs.)	—	—
B. CONSUMPTION PER UNIT OF PRODUCTION			
	Products		
	Black Tea (in Kgs)	8,30,737	8,37,274
	Electricity (in Units)	1.11	1.06
	Furnace Oil (in Ltrs)	—	—
	Coal (in Kgs.)	1.48	1.84

THE METHONI TEA COMPANY LIMITED

RESEARCH AND DEVELOPMENT (R & D)

1. Specific Area in which R & D carried out by the Company.

The Company subscribes to Tea Research Association which is registered under Section 35(1)(ii) of the Income Tax Act, 1961, to carry out R&D on tea. TRA continues to provide strong scientific support to the tea estate and tea cultivation practices and mechanization of factory which are the thrust areas of research affecting productivity as well as quality.

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

- a) Improving yields and productivity.
- b) Pruning cycle optimized.

3. Future plan of action.

- a) Trials especially concerning nutrients to improve productivity.
- b) Better agronomy practices to be developed for field particularly where the yield is low and optimize manufacturing methods for improvement in quality.
- c) Your Company is complying with stringent requirements of minimum residual limits for chemicals in teas and producing teas in conformity with the requirements of rising consumer safety requirement norms.

4. Expenditure on R & D

The company contributes for the activities of TRA by way of subscription.

a) Capital

NIL

b) Recurring

Rs. 1,35,683/- being amount paid to TRA.

c) Total R & D Expenditure
as percentage of Total turnover

.11 %

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1) Efforts in brief, made towards technology absorption, adaptation and innovation.

Managerial staff are encouraged to attend seminars and training programmes for agricultural practices in the field and manufacturing process in the factories.

2) Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution etc.

Increase in productivity, quality of tea and cost reductions were achieved in tea estate.

3. In case of Imported technology (imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished

None

- a) Technology Imported
- b) Year of Import
- c) Has technology been fully absorbed
- d) If not fully absorbed, areas where they have not taken place, reason and future plan of action.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange Earnings

Rs. Nil (Previous year Rs.Nil)

Foreign Exchange Outgo

Rs. 6,76,075 (Previous year Rs.12,00,595)

R.P. BUBNA | **Whole-Time Director**

S. BUBNA | **Managing Director**

H.M. PAREKH | **Directors**

P. TUSNIAL |

Kolkata,
Date: 25th Day of May, 2013

THE METHONI TEA COMPANY LIMITED

COMPLIANCE CERTIFICATE

Registration No. of the Company : L15492WB1929PLC006618
Nominal Capital : Rs.50,00,000/-

To,
The Members,
M/S. THE METHONI TEA CO. LTD.
75C, Park Street, 1st Floor
Kolkata - 700 016

We have examined the registers, records, books and papers of **M/S. THE METHONI TEA CO. LTD.**, as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the memorandum and articles of association of the Company for the financial year ended on 31st March, 2013. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year :

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, West Bengal, Kolkata within the time prescribed under the Act and the rules made thereunder.
3. The company, being a public limited company, comments are not required.
4. The Board of Directors duly met **4 (Four)** times respectively on 30th May 2012, 11th August 2012, 7th November 2012 and 05th February 2013 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The company closed its Register of Members from 09th August 2012 to 17th August 2012 (both days inclusive) and necessary compliance of section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended 31st March 2012 was held on 17th August 2012 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No extra ordinary general meeting was held during the financial year.
8. The company has not advanced any loans to its directors or persons or firms or companies referred to under section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of section 297 of the Act.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the company has not obtained any approvals from the Board of directors, members of Central Government.

THE METHONI TEA COMPANY LIMITED

12. The company has not issued any duplicate share certificates during the financial year.
13.
 - i) The company has delivered all the certificate on lodgement thereof for transfer in accordance with the provisions of the Act.
 - ii) The Company has deposited the amount of dividend in HDFC Bank Account, Stephen Court House Branch (Dalhousie), Kolkata - 700 001, on 21st August 2012 which is within five days from the the date of declaration of such dividend.
 - iii) The Company has posted warrants for dividends to all the members within a period of 30 (Thirty) days from the date of declaration.
 - iv) The company has transferred the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund **Not Applicable**.
 - v) The company has duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the company is duly constituted. There was no appointment of additional directors, alternate directors and directors to fill casual vacancy during the financial year.
15. The Company has not appointed any Managing Director / Whole-time Director / Manager during the financial year.
16. The company has not appointed any sole selling agents during the financial year.
17. The company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and / or such authorities prescribed under the various provisions of the Act during the financial year.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The company has not issued any shares, debentures or other securities during the financial year.
20. The company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The company has not accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year.
24. The company has not made any borrowings during the financial year ending 31st March, 2013.
25. The company has made loans and investments to other bodies corporate in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose.
26. The company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one State to another during the year under scrutiny.

THE METHONI TEA COMPANY LIMITED

27. The company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.
28. The company has not altered the provisions of the Memorandum with respect to name of the company during the year under scrutiny.
29. The company has not altered the provisions of the Memorandum with respect to share capital of the company during the year under scrutiny.
30. The company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against or show cause notices received by the company and no fines or penalties or any other punishment was imposed on the company during the financial year, for offences under the Act.
32. The company has not received any money as security from its employees during the financial year.
33. The company has deposited both employee's and employer's contribution to Provident Fund with prescribed authorities pursuant to section 418 of the Act.

Place : Kolkata
Date : 25th day of May, 2013

FOR K. C. DHANUKA & CO.
Company Secretaries
K. C. DHANUKA
Proprietor
FCS : 2204
C.P. No. : 1247

M/s. THE METHONI TEA CO. LTD.

Annexure - 'A'

Registers as maintained by the Company

Statutory Registers / Other Registers

1. Register of Transfer u/s 108
2. Register of Members u/s 150
3. Minutes of Shareholders u/s 193
4. Minutes of Board Meetings u/s 193
5. Books of Account u/s 209
6. Register of Contracts u/s 301
7. Register of Directors etc. u/s 303
8. Register of Directors' Shareholding u/s 307
9. Register of Investments etc. u/s 372A
10. Register of Fixed Assets
11. Register of Charges u/s 143

Annexure - 'B'

Forms and Returns as filed by the Company with Registrar of Companies, West Bengal, Kolkata during the financial year ended 31st March 2013.

Sl. No.	Form No. / Return	Filed Under Section	Date of Filing	For
1.	Form No. 51 NV Dt. : 22.07.2011	205C	24.08.2012	For the financial year ended 31.03.2011
2.	Form No. 20B Annual Return of 17.08.2012	159	04.09.2012	As on the date of AGM held on 17.08.2012
3.	Form No. 66 Compliance Certificate Dt. : 30.05.2012	383A	04.09.2012	For the financial year ended 31.03.2012
4.	Form No. 51NV Dt. : 17.08.2012	205C	16.11.2012	For the financial year ended 31.03.2012
5.	Form No. 23ACXBRL & 23ACAXBRL Balance Sheet, etc. as on 31.03.2012	220	06.12.2012	For the Financial year ended 31.03.2012
6.	Form No. A-XBRL Dt. 17.08.2012	209(1)(d)	13.12.2012	For the Financial year ended 31.03.2012

THE METHONI TEA COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF THE METHONI TEA COMPANY LTD.

Report on Financial Statements

We have audited the attached Balance Sheet, of THE METHONI TEA COMPANY LTD. ("the Company") as at 31st March, 2013, the statement of profit and loss and also the cash flow statement for the year ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Basis for Qualified opinion

- i) Attention is drawn to Note 2.27 regarding shortfall in carrying value of certain investments as indicated therein, the extent of permanent diminution in their value not being currently ascertainable.

Opinion

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

- a) in the case of the Balance Sheet of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Profit and Loss Account, of the **Loss** for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 . We enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. As required by section 227 (3) of the Act, we report that :
 - i. 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.
 - ii. In our opinion, proper books of account, as required by the law, have been kept by the company so far as appears from our examination of those books.
 - iii. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - iv. *Except for the effects of the matter described in the basis for Qualified opinion paragraph*, in our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement of the Company dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
3. On the basis of written representations received from the directors as on 31st March, 2013 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

SHUBHAM DAGA, FCA, Partner
(Membership No : 063574)
For & on behalf of
DHANDHANIA & ASSOCIATES
Registration No. : 316052E
Chartered Accountants

Place: Kolkata
Date: 25th Day of May, 2013

THE METHONI TEA COMPANY LIMITED

ANNEXURE TO AUDITORS' REPORT

Referred to in paragraph 1 of the Auditors' Report of even date to the members of THE METHONI TEA COMPANY LTD. on the Financial Statements for the year ended March 31, 2013.

- i. (a) The company is maintaining proper records showing full particulars including quantitative details and situation of Fixed Assets except for certain Fixed Assets acquired prior to 1st January 1985 for which records have not been maintained.
(b) As explained to us, all the fixed assets has been physically verified by the Management in a phased periodical manner, which is our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.
(c) In our opinion and according to the information and explanations given to us, a substantial part of the fixed assets has not been disposed of by the Company during the year.
- ii. (a) The inventory of the Company (excluding stock with third parties) has been physically verified by the Management during the year. However, no inventory was lying with third parties as at 31st March 2013. In our opinion, the frequency of verification is reasonable.
(b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on such physical verification as compared to book records which were not material, have been properly dealt with in the books of account.
- iii. (a) The company has granted unsecured demand loan to a company covered in the register maintained under Section 301 of the Act. The maximum amount involved during the year was Rs.25,00,000/- and the year end balance of such loans amounts to Rs.Nil/-.
(b) In our opinion, the rate of interest and other terms and conditions of such loans are not prima facie prejudicial to the interest of the Company.
(c) In respect of the aforesaid loan, repayment of the principal amount was not due at the year end and the party was regular in the payment of interest.
(d) In respect of the aforesaid loan, there is no overdue amount at the year end.
(e) The company has not taken any loans secured or unsecured from companies, Firms or other parties covered in the register maintained u/s 301 of the Act, hence clause (f) & (g) are not applicable.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods. Further, on the basis of our examination of the books and records of the Company and according to the information and explanations given to us, we have neither come across nor have been informed of any instances of major weaknesses in the aforesaid internal control systems.
- v. (a) In our opinion and according to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees Five Lakhs in respect of a party during the year, have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi. The Company has not accepted any deposits from the public within the meaning of Section 58A, 58AA or any of the relevant provisions of the Act and the rules framed there under.

THE METHONI TEA COMPANY LIMITED

- vii. In our opinion the company has an Internal Audit system commensurate with its size and nature of its business.
- viii. We have broadly reviewed the books of accounts and records maintained by the Company relating to the manufacture of Tea under section 209(1) (d) of the Companies Act, 1956 and we are of the opinion that prima facie, prescribed accounts and records have been maintained. We have, however, not made a detail examination of the cost records with a view to determine whether they are accurate or complete.
- ix. (a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is generally regular undisputed statutory dues including provident fund, investor education and protection fund, income-tax, service tax, sales tax, custom duty, excise duty, service tax, cess and other statutory dues as applicable, with the appropriate authorities. According to the information and explanations given to us, there are no undisputed amounts payable in respect of such statutory dues, which have remained outstanding as at 31st March, 2013 for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues as at 31st March, 2013 which have not been deposited on account of dispute.
- x. The Company does not have accumulated losses at the end of the financial year. The company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
- xi. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted during the year in repayment of dues to any bank. The Company has neither any outstanding dues to any Financial Institutions or debenture holders at the beginning of the year nor it has obtained any loans from such parties during the year.
- xii. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. The provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund / societies are not applicable to the Company.
- xiv. In our opinion, the Company is not a dealer or trader in shares, securities, debenture or other investments.
- xv. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
- xvi. The Company has not obtained any Term Loans during the year. Hence, commenting under this clause is not required.
- xvii. On the basis of an overall examination of the Balance Sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on Short Term basis which has been used for Long Term Investment.
- xviii. 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 Act during the year.
- xix. The Company has not issued any Debentures and hence commenting under this clause does not arise.
- xx. The Company has not raised any money by public issues during the year.
- xxi. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.

SHUBHAM DAGA, FCA, Partner

Membership No : 063574

For & on behalf of

DHANDHANIA & ASSOCIATES

Chartered Accountants

Registration No. : 316052E

Place: Kolkata

Date: 25th Day of May, 2013

THE METHONI TEA COMPANY LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2013

(Figures in Rs.)

Sl. No.	Particulars	Note No.	As at 31st March, 2013	As at 31st March, 2012
I.	EQUITY AND LIABILITIES			
(1)	Shareholder's Funds			
	(a) Share Capital	2.1	4,080,000	4,080,000
	(b) Reserves & Surplus	2.2	1,46,434,332	1,82,356,740
(2)	Non-Current Liabilities			
	(a) Deferred Tax Liabilities (net)	2.3	1,735,849	-
	(b) Other Long-Term Liabilities	2.4	2,620,194	6,43,029
(3)	Current Liabilities			
	(a) Trade Payables	2.5	9,690,954	4,903,906
	(b) Other Current Liabilities	2.6	18,280,846	2,188,521
	(c) Short-term Provisions	2.7	120,922,779	118,204,456
	Total Equity & Liabilities		303,764,954	312,376,652
II.	ASSETS			
(1)	Non Current Assets			
	(a) Fixed Assets			
	(i) Gross Block		89,658,396	86,278,313
	(ii) Depreciation		58,567,125	54,868,544
	Net Block	2.8	31,091,271	31,409,769
	(b) Non-Current Investment	2.9	78,994,896	79,794,472
	(c) Deferred Tax Assets (net)	2.3	-	585,988
	(d) Long Term Loans and Advances	2.10	924,618	851,118
	(e) Other Non-Current Assets	2.11	258,374	258,374
(2)	Current Assets			
	(a) Inventories	2.12	18,293,270	19,204,264
	(b) Trade Receivables	2.13	409,785	14,228
	(c) Cash and Cash Equivalents	2.14	34,318,218	33,008,860
	(d) Short-Term Loans and Advances	2.15	135,170,352	140,449,030
	(e) Other Current Assets	2.16	4,304,170	6,800,549
	Total Assets		303,764,954	312,376,652

Significant accounting Policies and Notes on Accounts

1&2

SHUBHAM DAGA, FCA, Partner

Membership No : 063574

For & on behalf of

DHANDHANIA & ASSOCIATES

Chartered Accountants

Registration No. : 316052E

Place: Kolkata

Date: 25th Day of May, 2013

R.P. BUBNA

Whole-Time Director

S. BUBNA

Managing Director

H.M. PAREKH

Directors

P. TUSNIAL

THE METHONI TEA COMPANY LIMITED

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

(Figures in Rs.)

Sl. No.	Particulars	Note No.	For the year ended 31st March, 2013	For the year ended 31st March, 2012
1.	Revenue from Operations	2.17	123,383,886	82,300,274
2.	Other Income	2.18	6,487,290	9,922,578
	Total Revenue (1+2)		129,871,176	92,222,852
3.	Expenses :			
	Changes in inventories of finished goods, Work-in-Progress and Stock-in-Trade	2.19	8,075,799	(9,366,163)
	Employees Benefit Expenses	2.20	64,905,029	54,247,786
	Financial Costs	2.21	685,950	33,497
	Depreciation and Amortization Expense	2.8	3,698,583	2,488,711
	Other Expenses	2.22	50,364,724	43,269,297
	Total Expenses		127,730,084	90,673,126
4.	Profit / (Loss) before Exceptional and Extraordinary items and tax		2,141,092	1,549,725
5.	Exceptional and Extraordinary items (Refer Note 2.29)		32,539,100	-
6.	Profit / (Loss) after Exceptional and Extraordinary items and before tax		(30,398,008)	1,549,725
7.	Tax Expense :			
	(1) Current Tax		1,780,000	50,000
	(2) Deferred Tax		2,321,837	(13,66,776)
8.	Profit / (Loss) from Operations		(34,499,845)	2,866,501
9.	Earning per Equity Share :			
	(1) Basic		(84.56)	7.03
	(2) Diluted		(84.56)	7.03

Significant accounting Policies and Notes on Accounts

1&2

SHUBHAM DAGA, FCA, Partner

Membership No : 063574

For & on behalf of

DHANDHANIA & ASSOCIATES

Chartered Accountants

Registration No. : 316052E

Place: Kolkata

Date: 25th Day of June, 2013

R.P. BUBNA

Whole-Time Director

S. BUBNA

Managing Director

H.M. PAREKH

Directors

P. TUSNIAL

THE METHONI TEA COMPANY LIMITED

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

Particulars	For the year ended 31 March, 2013		For the year ended 31 March, 2012	
	Rs.	Rs.	Rs.	Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit/(Loss) before extra ordinary items and tax		2,141,092		1,549,725
<i>Adjustments for:</i>				
Depreciation and amortisation	3,698,583		2,488,711	
Finance Costs	685,950		33,497	
Interest Income	(3613,666)		(2,917,703)	
Dividend Income	(451,453)		(390,020)	
Net (gain) / Loss on sale of investments	210807		(787,988)	
Liabilities / provisions no longer required written back	-	530,221	(50,054)	(1,623,557)
Operating profit / (loss) before working capital changes		2,671,313		(73,832)
<i>Adjustments for (increase) / decrease in Assets :</i>				
Inventories	910,994		(11,148,941)	
Trade receivables	(373,315)		1,364,928	
Short-term loans and advances	(701,989)		20,084,258	
Long term loans and advances	-		(330,561)	
Other current assets	(162,721)		(2,378,014)	
Other non-current assets	-		743,434	
<i>Adjustments for increase / (decrease) in Liabilities</i>				
Trade payables	4,787,047		2,404,770	
Other current liabilities	(520,524)		407,128	
Other long-term liabilities	1,977,165		643,029	
Short-term provisions	938,323	6,854,979	488,580	12,278,611
Cash flow from extraordinary items		-		50,054
Cash generated from operations		9,526,292		12,254,833
Net income tax (paid) / refunds		(1,421,575)		(1,751,871)
Net cash flow from / (used in) operating activities (A)		8,104,717		10,502,962
B. Cash flow from investing activities				
Capital expenditure on fixed Assets	(3,380,083)		(12,222,651)	
Proceeds from sale of fixed assets	-		275,660	
Short Term Loans and Advances Given	(22,500,000)		-	
Long Term Loans and Advances	(73,500)		-	
Purchase of long-term investments	(4,500,000)		(26,255,815)	
Proceeds from sale of long-term investments	5,088,769		26,941,677	
Interest income	3,613,666		2,917,703	
Dividend income	451,453		390,020	
Net cash flow from / (used in) investing activities (B)		(21,299,695)		7,953,405
C. Cash flow from financing activities				
Finance cost	(685,950)		(33,497)	
Dividends paid	(1,143,465)		(1,133,581)	
Tax on dividend	(198,563)		(203,291)	
Net cash flow from / (used in) financing activities (C)		(2,027,978)		(1,370,369)

THE METHONI TEA COMPANY LIMITED

	For the year ended 31 March, 2013		For the year ended 31 March, 2012	
	Rs.	Rs.	Rs.	Rs.
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(1,52,22,956)		1,179,188
Cash and cash equivalents at the beginning of the year		3,30,08,859		31,829,672
Cash and cash equivalents at the end of the year		1,77,85,903		33,008,860

Reconciliation of Cash and cash equivalents with the Balance Sheet

Cash and cash equivalents as per Balance Sheet at the year end comprises		1,77,85,903		33,008,860
Cash and cash equivalents as per Balance Sheet at the year end comprises				
(a) Cash in hand		3,16,186		294,766
(b) Balances with banks :				
(i) In current accounts		(1,16,29,949)		9,54,964
(ii) In Deposit accounts		2,88,68,982		31,608,982
(iii) In Earmarked accounts		2,30,684		150,149
		17,785,903		33,008,860

See accompanying notes forming part of the financial statements
In terms of our report attached:

SHUBHAM DAGA, FCA, Partner
Membership No : 063574
For & on behalf of
DHANDHANIA & ASSOCIATES
Chartered Accountants
Registration No. : 316052E

Place: Kolkata
Date: 25th Day of May, 2013

R.P. BUBNA

S. BUBNA

H.M. PAREKH

P. TUSNIAL

Whole-Time Director

Managing Director

Directors

THE METHONI TEA COMPANY LIMITED

NOTES ON ACCOUNTS AND SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

COMPANY OVERVIEW

The Methoni Tea Company Limited having its registered office at 75C, Park Street (1st Floor), Kolkata - 700 016 and tea estate, Methoni Tea Estate at P.O. Bokakhat, Dist. Golghat, Assam - 785 612 is engaged in the business of manufacturing and selling of Black Tea.

SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Indian GAAP, applicable Accounting Standards issued by "The Institute of Chartered Accountants of India" and relevant provisions of the Companies Act, 1956. A summary of significant accounting policies, which have been applied consistently, is set out below :

1.1 BASIS OF ACCOUNTING

The financial statements have been prepared in accordance with historical cost convention. All expenses and incomes, unless specifically stated to be otherwise, have been accounted for on accrual basis. Replantation Subsidy and other claims, refunds etc., which are not ascertainable with reasonable accuracy, are accounted for on receipts/acceptance of the same.

1.2 USE OF ESTIMATES

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise.

1.3. FIXED ASSETS

Fixed Assets are stated at cost less accumulated depreciation. Cost includes cost of acquisition, custom duties, taxes, other incidental expenses relating to acquisition and installation and interest upto the date (in case of qualifying assets). The asset is put to use.

Expenditure incurred towards Estate Development during the first year is capitalized and the expenses incurred thereafter in subsequent years and cost of replanting in existing area is charged to revenue.

1.4 DEPRECIATION

Depreciation on fixed assets other than Leasehold Land and Estate Development has been provided on Written Down Value Method at the rates specified in Schedule XIV of the Companies Act, 1956. Land Development and Leasehold Land are not depreciated.

Assets costing below Rs.5,000/- each are fully depreciated in the year of addition.

1.5 INVESTMENTS

Long Term Investments are stated at cost. Diminution in value, if any, which are not temporary in nature, are adjusted there from and recognized in the financial statements. Current Investments are valued at lower of cost or fair market value of such investment.

1.6 INVENTORIES

Inventories are valued at lower of cost or net realisable value, except tea waste, which is valued at net realisable value. Cost comprises expenditure incurred in the normal course of business and bringing such inventories to their present location and condition and includes appropriate overhead.

Cost in respect of stores, spares and packing materials are determined at weighted average.

Provision is made for obsolete and slow-moving stock, wherever necessary.

1.7 FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currency are recorded at the exchange rate prevailing at the transaction date.

Exchanges differences arising on settlement of transactions or on reporting at the year end rates are recognized as income or as expenses in the period in which they arise.

1.8 RETIREMENT BENEFITS

Contribution to Defined Contribution Provident Fund scheme is made based on a percentage of current salary and is recognised in the Profit & Loss Account on accrual basis.

Short term benefits are charged off at the undiscounted amount in the year in which the related service rendered.

Post employment and other long term employee benefits are charged off in the year in which the employee has rendered services. The amount charged off is recognised at the present value of the amounts payable determined using actuarial valuation technique and funded with the approved gratuity fund. Actuarial gains and losses in respect of post employment benefits are charged to the Profit and Loss Account.

1.9 BORROWING COSTS

Borrowing Costs that are directly attributable to the acquisition or construction of an assets that necessarily takes a substantial period of time to get ready for its intended use are capitalised till substantial completion of all the activities that are necessary for this if any, otherwise borrowing cost are charged to revenue.

1.10 REVENUE RECOGNITION

Revenue from sale of goods is recognized on passing of the title of the goods/confirmation of the broker. Sales are exclusive of Sales Tax. Other income and expenditure are accounted for on accrual basis.

1.11 GRANTS/SUBSIDIES

Subsidies from Government in respect of fixed assets are deducted from the cost of respective assets. Other subsidies are accounted for on accrual basis when one is reasonably certain of its receipt.

1.12 TAXES ON INCOME

- a) Provision for current tax made on the basis of the estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961.
- b) Deferred tax is recognized, at the current rates of taxation, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one year and are capable of reversal in one or more subsequent years. Deferred tax assets in respect of business loss is not recognized unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

THE METHONI TEA COMPANY LIMITED

- c) Tax credit is recognized in respect of Minimum Alternate Tax (MAT) as per the provision of section 115JAA of the Income Tax Act, 1961 based on convincing evidence that the Company will pay normal Income tax within the statutory time framed and is reviewed at each Balance Sheet date.

1.13 IMPAIRMENT OF ASSETS

Impairment of Assets is recognized when there is an indication of impairment. On such indication the recoverable amount of the assets is estimated and if such estimation is less than carrying amount, the carrying amount is reduced to its recoverable amount.

1.14 CONTINGENT LIABILITIES

The contingent liabilities are provided when it is considered that there may be an outflow of resources embodying future economic benefits in settlement of :

- a) present obligation the one whose existence at the balance sheet date is considered probable.
- b) a possible obligation the existence of which at the balance sheet date is considered not probable.

1.15 CASH AND CASH EQUIVALENTS

Cash and cash equivalent comprises cash in hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

1.16 CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit / loss before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

1.17 EARNING PER SHARE

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

1.18 INSURANCE CLAIMS

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

THE METHONI TEA COMPANY LIMITED

Notes forming part of the financial statements as at 31st March, 2013

Note 2.1 Share Capital		Figures in Rs.	
Sl. No.	Particulars	As at 31st March, 2013	As at 31st March, 2012
1.	<u>Authorised Capital</u> Equity shares, Rs 10/- per value 5,00,000 (5,00,000) Equity Shares	5,000,000	5,000,000
		5,000,000	5,000,000
2.	<u>Issued, Subscribed and Paid-Up Capital</u> Equity shares, Rs 10/- per value 4,08,000 (4,08,000) Equity Shares	4,080,000	4,080,000
	Total	4,080,000	4,080,000

2,92,000 Equity Shares of Rs. 10/- each allotted as fully paid-up Bonus Shares by Capitalisation of General Reserves.
1,15,998 Equity Shares of Rs. 10/- each allotted as fully paid-up for consideration other than cash.

The Company has only one class of shares referred to as equity shares having a par value of 10/- Each holder of equity shares is entitled to one vote per share.

Reconciliation of the number of shares outstanding :

Particulars	As at 31st March, 2013	As at 31st March, 2012
Number of shares at the beginning of the year	408,000	408,000
Add : Shares issued during the year	-	-
Number of shares at the closing of the year	408,000	408,000

Details of shares held by each shareholder holding more than 5% shares

Sl. No.	Particulars	As at 31st March, 2013		As at 31st March, 2012	
		Total No. of Shares	Holding (%)	Total No. of Shares	Holding (%)
1.	Indistock Private Limited	191,401	46.91	191,401	46.91
2.	Thirdwave Credit & Commercial (P) Ltd	56,787	13.92	56,787	13.92

THE METHONI TEA COMPANY LIMITED

Note 2.2 Reserve & Surplus

(Figures in Rs.)

Sl. No.	Particulars	As at 31st March, 2013	As at 31st March, 2012
1.	Capital Reserve		
	Opening Balance	6,626	6,626
	Add : Addition during the year	-	-
	Less : Utilised / transferred during the year	-	-
	Closing Balance	6,626	6,626
2.	General Reserve		
	Opening Balance	108,658,480	108,228,505
	Add : Transfer from Profit & Loss Account	-	429,975
	Less : Utilised during the year		
	Dividends proposed to be distributed to equity shareholders (Rs.3/- per share) (Previous Year Rs.3/- per share)	1,224,000	-
	Tax on dividend	198,563	-
	Closing Balance	107,235,917	108,658,480
3.	Surplus / (Deficit) in Statement of Profit and Loss		
	Profit / Loss brought forward from previous year	73,691,634	72,677,672
	Add : Profit / (Loss) for the year	(34,499,845)	2,866,501
	Dividends proposed to be distributed to equity shareholders (Rs.3/- per share) (Previous Year Rs.3/- per share)	-	1,224,000
	Tax on dividend	-	198,563
	Transferred to :		
	General Reserve	-	429,975
	Closing Balance	39,191,789	73,691,634
	Total	146,434,332	182,356,740

Note 2.3 Deferred Taxes

Sl. No.	Particulars	As at 31st March, 2013	As at 31st March, 2012
1.	Deferred Tax Asset		
	On Account of Section 43B of Income Tax Act, 1961	1,187,316	332,370
	Provision for doubtful debts / advances	-	3,446,420
	Total Deferred Tax Asset	1,187,316	3,778,790
2.	Deferred Tax Liabilities		
	On difference between book balance and tax balance of fixed assets	29,23,165	3,192,802
	Total Deferred Tax Liabilities	29,23,165	3,192,802
	Net Deferred Tax Asset / (Liability)	(17,35,849)	585,988

THE METHONI TEA COMPANY LIMITED

Note 2.4 Other Long Term Liability

(Figures in Rs.)

Sl. No.	Particulars	As at 31st March, 2013	As at 31st March, 2012
1.	The Methoni Tea Company Limited Gratuity Fund	2,620,194	643,029
Total		2,620,194	643,029

Note 2.5 Trades Payable

(Figures in Rs.)

Sl. No.	Particulars	As at 31st March, 2013	As at 31st March, 2012
1.	Sundry Creditors for Material / Suppliers	8,907,632	3,696,052
2.	Sundry Creditors for Services	783,322	1,207,854
Total		9,690,954	4,903,906

Note 2.6 Other Current Liabilities

(Figures in Rs.)

Sl. No.	Particulars	As at 31st March, 2013	As at 31st March, 2012
1.	<u>Accrued Salaries & Benefits</u>		
	Salaries & Wages	515,398	1,268,229
2.	Statutory Payables	780,638	738,387
3.	Unpaid Dividends	230,684	150,149
4.	Other Payables	221,811	31,756
5.	Bank OD A/c (HDFC Bank A/c)	16,532,315	-
Total		18,280,846	2,188,521

Note 2.7 Short Term Provisions

(Figures in Rs.)

Sl. No.	Particulars	As at 31st March, 2013	As at 31st March, 2012
1.	Bonus Payable	5,321,230	4,546,840
2.	Provision for Tax	113,699,514	111,919,514
3.	Provision for Proposed Equity Dividends	1,224,000	1,224,000
4.	Provision for Tax on Proposed Dividends	198,563	198,563
5.	Leave Encashment Payable	4,79,472	315,539
Total		12,09,22,779	118,204,456

Notes forming part of the financial statements as at 31st March, 2013

Note 2.8

FIXED ASSETS

Figures in Rs.

Sl. No.	Particulars	ORIGINAL COST				DEPRECIATION / AMORTISATION				NET BOOK VALUE	
		As at 31st March, 12	Addition during the Year	Deduction / Adjustment during the year	As at 31st March, 2013	As at 31st March, 2012	Addition during the Year	Deduction / Adjustment during the year	As at 31st March, 2013	As at 31st March, 2013	As at 31st March, 2012
	Tangible Assets										
1	Land (Lease and Free hold and Development)	5,097,916	-	-	5,097,916	2,127,071	-	-	2,127,071	2,970,845	2,970,845
2	Building	21,497,352	16,000	-	21,513,352	13,266,776	412,049	-	13,678,825	7,834,527	8,230,576
3	Factory Buildings	4,768,303	-	-	4,768,303	2,044,267	272,404	-	2,316,671	2,451,632	2,724,036
4	Plant & Machinery	47,087,135	3,298,688	-	50,385,823	30,937,567	2,693,389	-	33,630,956	16,754,867	16,149,567
5	Motor Vehicles	6,525,543	-	-	6,525,543	5,666,606	222,465	-	5,889,071	636,472	858,937
6	Furniture & Fittings	1,302,064	65,395	-	1,367,459	826,256	98,275	-	924,531	442,928	475,808
	Total (Current Year)	86,278,313	3,360,083	-	89,638,396	54,868,544	3,688,583	-	58,567,125	31,091,271	31,409,769
	(Previous Year)	74,331,322	12,222,651	275,660	86,278,313	52,379,832	2,558,949	70,238	54,868,544	31,409,769	

THE METHONI TEA COMPANY LIMITED

Notes forming part of the financial statements as at 31st March, 2013

NOTE - 2.9 Non-Current Investments

(Figures in Rs.)

Sl. No.	Particulars	As at 31st March, 2013			As at 31st March, 2012		
		Quoted	Unquoted	Total	Quoted	Unquoted	Total
A.	Trade Investment	-	-	-	-	-	-
B.	Other Investments						
(a)	Investment in equity instruments of other entities						
1.	Ambalal Sarabhai Enterprises Ltd. 24,70,625 (24,70,625) equity shares of Rs.10/- each fully paid up	28,089,515	-	28,089,515	28,089,515	-	28,089,515
2.	Alstom T&D India Ltd. 23,500 (23,500) equity Shares of Rs.2/- each fully paid up	3,150,526	-	3,150,526	3,150,526	-	3,150,526
3.	Ballarpur Industries Ltd. 14,000 (14,000) equity shares of Rs.2/- each fully paid up	328,428	-	328,428	328,428	-	328,428
4.	Bata India Ltd. 1,059 (1,059) equity shares of Rs.10/-each fully paid up	436,800	-	436,800	436,800	-	436,800
5.	Calcutta Investments Co. Ltd. Nil (5,500) equity Shares of Rs.100/- each fully paid up	-	-	-	292,875	-	292,875
6.	Castrol India Ltd.* 2,000 (1,000) equity shares of Rs.10/- each fully paid up	491,904	-	491,904	491,904	-	491,904
7.	Deepak Fertilisers & Petrochemicals Corporation Ltd. 2,000 (2,000) equity shares of Rs.10/- each fully paid up	393,971	-	393,971	393,971	-	393,971
8.	EIH Ltd. 7,630 (7,630) equity shares of Rs.2/- each fully paid up	915,205	-	915,205	915,205	-	915,205
9.	Escorts Ltd. 2,000 (2,000) equity shares of Rs.10/- each fully paid up	231,418	-	231,418	231,418	-	231,418
10.	Financial Technologies (India) Ltd. 500 (500) equity shares of Rs.2/- each fully paid up	688,444	-	688,444	688,444	-	688,444
11.	Fresenius Kabi Oncology Ltd. 2,000 (2,000) equity shares of Re.1/- each fully paid up	344,770	-	344,770	344,770	-	344,770
12.	Himatsingka Seide Ltd. 84,970 (95,000) equity shares of Rs5/- each fully paid up	3,868,773	-	3,868,773	4,325,449	-	4,325,449
13.	Hindusthan Petroleum Corporation Ltd. 2,500 (2,500) equity shares of Rs.10/- each fully paid up	1,119,497	-	1,119,497	1,119,497	-	1,119,497
14.	IDBI Bank Ltd. 8,500 (8,500) equity shares of Rs.10/- each fully paid up	1,250,861	-	1,250,861	1,250,861	-	1,250,861
15.	ICFI Ltd. 50,000 (50,000) equity shares of Rs.10/- each fully paid up	2,485,594	-	2,485,594	2,485,594	-	2,485,594
16.	India Glycols Ltd. 1,000 (1,000) equity shares of Rs.10/- each fully paid up	155,093	-	155,093	155,093	-	155,093
17.	Indiabulls Real Estate Ltd. 3,100 (3,100) equity shares of Rs.2/- fully paid up	103,869	-	103,869	103,869	-	103,869
18.	Indiabulls Power Ltd. 9,145 (9,145) equity shares of Rs.2/- each fully paid up	306,414	-	306,414	306,414	-	306,414
19.	Indiabulls Securities Ltd. 10,000 (10,000) equity shares of Rs.2/- each fully paid up	209,862	-	209,862	209,862	-	209,862
20.	Indiabulls Wholesale Services Ltd.	51,219	-	51,219	51,219	-	51,219

THE METHONI TEA COMPANY LIMITED

Notes forming part of the financial statements as at 31st March, 2013

NOTE - 2.9 Non Current Investments

(Figures in Rs.)

Sl. No.	Particulars	As at 31st March, 2013			As at 31st March, 2012		
		Quoted	Unquoted	Total	Quoted	Unquoted	Total
21.	387 (387) equity shares of Rs.2/- each fully paid up JVL Agro Industries Ltd.	1,009,259	-	1,009,259	1,009,259	-	1,009,259
22.	50,000 (50,000) equity shares Re.1/- each fully paid up Jubilant Life Sciences Ltd.	7,456,758	-	7,456,758	7,456,758	-	7,456,758
23.	24,742 (24,742) equity shares of Re.1/- each fully paid up Jubilant Industries Ltd.	113,027	-	113,027	113,027	-	113,027
24.	375 (375) equity shares of Rs.10/- each fully paid up K.S. Oils Ltd.	15,883,070	-	15,883,070	15,883,070	-	15,883,070
25.	3,77,900 (3,77,900) equity shares of Re.1/- each fully paid up Larsen & Toubro Ltd.	350,627	-	350,627	350,627	-	350,627
26.	250 (250) equity shares of Rs.2/- each fully paid up Nagarjuna Fertilizers & Chemicals Ltd.	786,695	-	786,695	786,695	-	786,695
27.	55,000 (55,000) equity shares of Re.1/- each fully paid up Nagarjuna Oil Refinery Ltd.	715,177	-	715,177	715,177	-	715,177
28.	50,000 (50,000) equity shares of Rs.1/- each fully paid up Punj Lloyd Ltd.	452,364	-	452,364	452,364	-	452,364
29.	4,500 (4,500) equity shares of Rs.2/- each fully paid up Rural Electrification Corporation Ltd.	213,055	-	213,055	213,055	-	213,055
30.	1,000 (1,000) equity shares of Rs.10/- each fully paid up Reliance Communications Ltd.	2,120,977	-	2,120,977	2,120,977	-	2,120,977
31.	3,300 (3,300) equity shares of Rs.5/- each fully paid up Schneider Electric Infrastructure Ltd.	3,150,526	-	3,150,526	3,150,526	-	3,150,526
32.	23,500 (23,500) equity shares of Rs.2/- each fully paid up Supreme Infrastructure Ltd.	598,878	-	598,878	598,878	-	598,878
33.	2,000 (2,000) equity shares of Rs.10/- each fully paid up Tata Chemicals Ltd.	1,260,673	-	1,260,673	1,260,673	-	1,260,673
34.	3,000 (3,000) equity shares of Rs.10/- each fully paid up The West Coast Paper Mills Ltd.	258,397	-	258,397	258,397	-	258,397
35.	2,500 (2,500) equity shares of Rs.2/- each fully paid up ABC Tea Workers Welfare Services	-	1,250	1,250	-	1,250	1,250
36.	625 (625) equity shares of Rs.10/- each fully paid up Calcutta Sales Agency Limited	-	-	-	-	50,025	50,025
	Nil (500) equity shares of Rs.100/- each fully paid up	-	-	-	-	-	-

THE METHONI TEA COMPANY LIMITED

Notes forming part of the financial statements as at 31st March, 2013

(Figure in Rs.)

Sl. No.	Particulars	As at 31st March, 2013			As at 31st March, 2012		
		Quoted	Unquoted	Total	Quoted	Unquoted	Total
b)	<u>Investment in debentures or bonds of other entities</u>						
1	Woodlands Hospital & Medical Research Institute (5% Non-Redeemable debenture Stock) Debentures of Rs.100/- each fully paid up	-	2,000	2,000	-	2,000	2,000
	Total Non - Current Investment	78,991,646	3,250	78,994,896	79,741,197	53,275	79,794,472
	Less : Provision for diminution in value of investments			-			-
	Total			78,994,896			79,794,472
	Aggregate amount of quoted investments			78,991,646			79,741,197
	Aggregate market value of listed and quoted investments			54,625,076			40,071,094
	Aggregate amount of unquoted investments			3,250			53,275

* Received on 1000 shares as Bonus during the financial year 2012-13.

a) Investments in Mutual Funds purchased, reinvested and sold during the year.

Sl.No.	Mutual Funds	Face Value Per Unit	Purchasing (including switch in)	Reinvested (including switch out)	Sold/ Redeem
1	UTI Liquid Cash Fund - Institutional Growth Option	10	4,500,000	-	4,572,961

THE METHONI TEA COMPANY LIMITED

Notes forming part of the financial statements as at 31st March, 2013

Note : 2.10 Long Terms Loans and Advances

(Figures in Rs.)

Sl. No.	Particulars	As at 31st March, 2013	As at 31st March, 2012
1.	<u>Security Deposit</u>		
	a) <u>Unsecured, Considered Good :</u>		
	Electricity Supply & Others	924,618	851,118
	Total	924,618	851,118

Note : 2.11 Other Non-Current Assets

Sl. No.	Particulars	As at 31st March, 2013	As at 31st March, 2012
1.	Others	258,374	258,374
	Total	258,374	2,58,374

Note : 2.12 Inventories

Sl. No.	Particulars	As at 31st March, 2013	As at 31st March, 2012
1.	Black Tea	2,860,299	10,983,966
2.	Tea Waste	298,800	250,932
3.	Packing Materials	1,288,620	893,584
4.	Fuel	7,402,268	2,541,242
5.	Consumable Stores	5,882,959	4,369,763
6.	Consumable Stores in Transit	560,324	164,777
	Total	18,293,270	19,204,264

Note : 2.13 Trade Receivables

Sl. No.	Particulars	As at 31st March, 2013	As at 31st March, 2012
1.	<u>Others</u>		
	a) Unsecured, Considered Good	409,785	14,228
	Total	409,785	14,228

Note : 2.14 Cash & Cash Equivalent

Sl. No.	Particulars	As at 31st March, 2013	As at 31st March, 2012
1.	Cash Balance	316,186	294,766
2.	<u>Balances with Banks</u>		
	(i) In Current Accounts	4,902,366	954,964
	(ii) In Deposit Accounts	28,868,982	31,608,982
	(iii) In Earmarked Accounts		
	- Unpaid Dividend Accounts	230,684	150,149
	Total	34,318,218	33,008,860

THE METHONI TEA COMPANY LIMITED

Notes forming part of the financial statements as at 31st March, 2013

Note : 2.15 Short Terms Loans and Advances

(Figures in Rs.)

Sl. No.	Particulars	As at 31st March, 2013	As at 31st March, 2012
1.	<u>Loans and advances to employees</u>		
	Unsecured, Considered good	245,550	309,275
2.	<u>Prepaid expenses</u>		
	Unsecured, considered good	353,564	125,590
3.	<u>Balances with Government Authorities</u>		
	(i) Advance Income Tax	111,073,497	109,651,922
	(ii) MAT Credit Entitlement	279,009	279,009
	(iii) Cess on Made Tea (Including Edu. Cess)	656	206
4.	<u>Loan to Corporates and Others</u>		
	(i) Unsecured, Considered good	22,500,000	29,880,000
	(ii) Doubtful	-	11,000,000
		22,500,000	40,880,000
	Less : Provision for doubtful loans to Corporates and others	-	11,000,000
		22,500,000	29,880,000
5.	<u>Advance to others</u>		
	Advance to Suppliers	600,000	7,706
	Advance to Service Providers	118,076	195,322
	Total	135,170,352	140,449,030

Note : 2.16 Other Current Assets

Sl. No.	Particulars	As at 31st March, 2013	As at 31st March, 2012
1.	<u>Accruals</u>		
	(i) Interest accrued on deposits	4,149,383	4,011,445
	(ii) Interest accrued on Loan to Related Party	-	130,004
	(iii) Interest accrued on Loan to Corporate and others		
	Considered good	154,787	2,659,100
	Doubtful	-	351,844
	Less : Provision of doubtful accrued interest on loan to Corporate and others	-	351,844
	Total	4,304,170	6,800,549

Note : 2.17 Revenue from Operations

Sl. No.	Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
1.	Sales	123,813,349	82,677,167
	Less : Excise Duty	429,463	376,893
	Total	123,383,886	82,300,274

THE METHONI TEA COMPANY LIMITED

Notes forming part of the financial statements as at 31st March, 2013

Note : 2.18 Other Income

(Figures in Rs.)

Sl. No.	Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
1.	Dividend Received	451,453	390,020
2.	Net Gain on Sale of Long Term Investments	(210,807)	787,988
3.	Subsidies :		
	Tea Board Orthodox Subsidy	2,622,594	4,794,145
	Tea Board Other Subsidy	-	933,053
4.	Tea Insurance Claim	10,384	25,552
5.	Liabilities / provisions no longer required written back	-	50,054
6.	Interest Income	3,613,666	2,917,703
7.	Misc. Receipts	-	24,063
	Total	6,487,290	9,922,578

Note : 2.19 Change in Inventories

Sl. No.	Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
1.	Opening Stock	11,234,898	1,868,735
2.	Closing Stock	3,159,099	11,234,898
	Total	8,075,799	(9,366,163)

Note : 2.20 Employment Benefit Expenses

Sl. No.	Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
1.	Salaries and Wages	51,561,950	43,756,464
2.	Contributions to Provident and Other Funds	6,875,488	4,791,229
3.	Staff Welfare Expenses	6,467,591	5,700,093
	Total	64,905,029	54,247,786

Note : 2.21 Financial Cost

Sl. No.	Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
1.	<u>Interest on Borrowing</u> Bank OD A/c - HDFC Bank A/c	685,950	33,497
	Total	685,950	33,497

THE METHONI TEA COMPANY LIMITED

Notes forming part of the financial statements as at 31st March, 2013

Note : 2.22 Other Expenses

(Figures in Rs.)

Sl. No.	Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
1.	Cultivation Expenses	7,768,759	6,207,294
2.	Power & Fuel	17,991,238	16,307,710
3.	Repairs & Maintenance	7,708,696	5,933,728
4.	Consumption of Stores and Spares	402,174	257,993
5.	Consumption of Packing Material	1,260,122	1,190,259
6.	Rent Charges	155,359	155,359
7.	Rates & Taxes	747,223	753,105
8.	Insurance Charges	3,156,002	3,073,556
9.	Travelling and Conveyance	869,673	679,562
10.	Freight Charges	2,433,073	2,493,500
11.	Commission & Brokerage	1,441,418	910,254
12.	Other Selling Expenses	2,446,143	1,276,680
13.	Auditors' Remuneration	67,416	67,283
14.	Cess on Green Leaf	1,463,399	1,398,548
15.	Directors Sitting Fees	6,000	8,000
16.	Professional & Legal Charges	250,213	307,126
17.	Miscellaneous Expenses	2,197,818	2,249,340
	Total	50,364,724	43,269,297

Payments to the Auditors Comprises

Sl. No.	Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
1.	As Auditors - Statutory Audit	56,180	56,180
2.	For Other Services	11,236	11,103
	Total	67,416	67,283

THE METHONI TEA COMPANY LIMITED

Additional Information to the Financial Statements

2.23 Estimated amounts of contract to be executed on capital account net of advance and not provided for Rs. Nil (Previous Year : Rs. Nil).

2.24 Managerial Remuneration (As per Schedule XIII of Companies Act, 1956)

A) Details of Managerial Remuneration	2012-13	2011-12
Salary	1,940,000	1,820,000
House Rent Allowance	970,000	910,000
Total	2,910,000	2,730,000
B) Computation of Net Profit and Director's Commission	2012-13	2011-12
Profit / (Loss) Before Tax as per Profit & Loss Account	(30,398,008)	1,549,725
Less : Profit / (Loss) on Sale of Investments	(210,807)	787,988
	(30,187,201)	761,737
Add : Sitting Fees	6,000	8,000
Add : Managerial's Remuneration	2,910,000	2,730,000
Profit / (Loss) for computaton of Director's Remuneration	(27,271,201)	3,499,737
Commission thereon@2.5% each for two Directors	-	87,493

2.25 Details of government Subsidies / grants :

Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Government grants received by the Company during the year towards Subsidies (Recognised under other Income)		
Tea Board Orthodox subsidy	2,622,594	4,794,145
Tea Board Other Subsidy	-	933,053
Total	2,622,594	5,727,198

2.26. The Company is engaged in the business of integrated activities of manufacture and sale of black tea, predominantly in the domestic account. Hence, there is no reportable segment as per AS-17 on "Segment Reporting" issued by "The Institute of Chartered Accountants of India."

2.27 In the opinion of the Management, the carrying value of long term quoted investments of Rs.7,89,91,646/- (P.Y.Rs.7,97,41,197/-) when compared against their market value of Rs.5,46,25,076/- (P.Y. Rs.4,00,71,094/-), have not suffered any permanent diminution and the shortfall (if any) in the carrying value of unquoted investments amounting to Rs.3,250/- (P.Y. Rs.53,275/-) is not determinable in the absence of availability of financial statement for the same. No provision has therefore been considered necessary at this stage.

2.28 Basic and Diluted Earnings per share

Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Basic & Diluted		
Net profit/ (Loss) for the year from operations attributable to the equity shareholders	(34,499,845)	2,866,501
Weighted average number of equity shares	408,000	408,000
Par Value per share	10.00	10.00
Basic and diluted Earning per share	(84.56)	7.03

2.29 The amount charged as Extra Ordinary & Exceptional Items during the year is related to writing off of Loans and Advances including Interest thereof, amounting to Rs.3,25,39,100/- (Previous Year : NIL) net of Provisions.

2.30 Related party transactions
a) Details of related Parties

Description of relationship	Names of related parties
Key Management Personnel (KMP)	Mr. R. P. Bubna - Whole Time Director Mr. S. Bubna - Managing Director
Enterprises over which Key Management Personnel and their relatives have significant influence	M/s. Spark Securities (P) Ltd. M/s. M. Prasad & Co. Ltd. M/s. Gyan Traders Ltd. M/s. Thirdwave Credit & Commercial (P) Ltd. M/s. Fine 'N' Fair Financiers(P) Ltd. M/s. Monet Securities (P) Ltd. M/s. M. P. Bubna Foundation.

Note : Relied upon as indentified by the Management.

b) Details of related party transactions during the year ended 31 March, 2013 and balances outstanding as at 31 March, 13

Particulars	Key Management Personnel		Entities in which KMP / relatives of KMP have significant influence				Total
	Mr. R. P. Bubna	Mr. S. Bubna	M/s. Spark Securities (P) Ltd.*	M/s. M. Prasad & Co.Ltd.*	M/s. Gyan Traders Ltd.	M/s. Monet Securities (P) Ltd.	
Brokerage	(-)	(-)	100	-	-	-	100
Service Tax & Cess on Brokerage	(0)	(0)	(2,483)	(0)	(0)	(0)	(2,483)
SIT	(0)	(0)	(258)	(0)	(0)	(0)	(258)
Demat Charges	(0)	(0)	456	(0)	(0)	(0)	456
Purchase / Sale of Shares	(0)	(0)	(7,170)	(0)	(0)	(0)	(7,170)
Loans and Advance given	(0)	(0)	-	562	-	-	562
Accrued Interest	(0)	(0)	(0)	(14,783)	(0)	(0)	(14,783)
Remuneration Paid	1,455,000	1,455,000	455,228	-	-	-	455,228
Donation Given	1,356,000	1,365,000	(5,687,505)	(0)	(0)	(0)	(5,687,505)
Balances outstanding at the end of the year	(0)	(0)	(0)	(0)	(25,300,000)	(10,500,000)	(35,800,000)
Loans and Advance given	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Demat Charges	(0)	(0)	(0)	(0)	(22,396)	(107,608)	(130,004)
Accrued Interest	1,455,000	1,455,000	(0)	(0)	(0)	(0)	2,910,000
Donation Given	1,356,000	1,365,000	(0)	(0)	(0)	(0)	2,730,000
Balances outstanding at the end of the year	(0)	(0)	(0)	(0)	(0)	(275,000)	(275,000)
Loans and Advance given	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Demat Charges	(0)	(0)	(0)	562	(0)	(0)	562
Accrued Interest	(0)	(0)	(0)	(1,750)	(0)	(0)	(1,750)
Donation Given	(0)	(0)	(0)	(0)	(22,396)	(161,978)	(184,374)

(*) Share Broking Firm

The details of related party transactions have been given on the basis of information provided by the management.
Note : Figures in bracket relates to the previous year.

THE METHONI TEA COMPANY LIMITED

2.31 Defined Contribution Plan

Contribution to Defined Contribution Plan namely Provident Fund is made by both the employer and employees. Total Employer contribution recognised as expense for the year amounts to Rs.37,07,294/-

Defined Benefit Plan

(Figures in Rs.)

I.	Change of Benefit Organisation	Leave Encashment		Gratuity	
		2012-13	2011-12	2012-13	2011-12
	Liability at the beginning of the year	315,539	146,714	13,611,597	11,912,104
	Interest Cost	26,032	12,471	1,122,957	1,012,529
	Current Service Cost	111,649	62,697	914,647	776,724
	Past Service Cost (Non Vested Funds)	-	-	-	-
	Past Service Cost (Vested Funds)	-	-	-	-
	Benefit Paid	(96,233)	(206,796)	(1,926,527)	(510,659)
	Actuarial (Gain)/Loss on Obligation	122,485	300,453	1,931,480	420,899
	Curtailments and Settlements	-	-	-	-
	Liability at the end of the year	479,472	315,539	15,654,154	13,611,597
II.	Fair Value of Plan Assets				
	Fair Value of Plan Assets at the beginning of the year	-	-	12,968,568	12,534,792
	Expected Return on Plan Assets	-	-	1,102,328	1,034,120
	Contributions	96,233	206,796	903,029	-
	Benefit Paid	(96,233)	(206,796)	(1,926,527)	(510,659)
	Actuarial (Gain) / Loss on Plan Assets	-	-	(13,438)	89,685
	Fair Value of Plan Assets at the end of the year	-	-	13,033,960	12,968,568
	Total Actuarial (Gain) / Loss to be Recognised	122,485	300,453	1,944,918	510,584
III.	Actual Return on Plan Assets				
	Expected Return on Plan Assets	-	-	1,102,328	1,034,120
	Actuarial (Gain) / Loss on Plan Assets	-	-	(13,438)	89,685
	Actual Return on Plan Assets	-	-	1,115,766	944,435
IV.	Amount Recognised in the Balance Sheet				
	Liability at the end of the year	(479,472)	(315,539)	(15,654,154)	(13,611,597)
	Fair Value of Plan Assets at the end of the year	-	-	13,033,960	12,968,568
	Fund Status [Surplus / (Deficit)]	(479,472)	(315,539)	(2,620,194)	(643,029)
	Unrecognised Past Service Cost	-	-	-	-
	Amount Recognised in the Balance Sheet [Asset/(Liability)]	(479,472)	(315,539)	(2,620,194)	(643,029)
V.	Expenses Recognised in the Income Statement				
	Current Service Cost	111,649	62,697	914,647	776,724
	Interest Cost	26,032	12,471	1,122,957	1,012,529
	Expected Return on Plan Assets	-	-	(1,102,328)	(1,034,120)
	Net Actuarial (Gain) / Loss to be Recognised	122,485	300,453	1,944,918	510,584
	Past Service Cost (Non Vested Benefit) Recognised	-	-	-	-
	Past Service Cost (Vested Benefit) Recognised	-	-	-	-
	Effect of Curtailment or Settlement	-	-	-	-
	Curtailments and Settlements	-	-	-	-
	Expenses Recognised in the Profit and Loss Account	260,166	375,621	2,880,194	1,265,717

THE METHONI TEA COMPANY LIMITED

VI. Balance Sheet Reconciliation					
Opening Net Liability		315,539	146,714	643,029	(622,688)
Expense as above		260,166	375,621	2,880,194	1,265,717
Employers Contribution		(96,233)	(206,796)	(903,029)	-
Effect of Curtailment or Settlement		-	-	-	-
Amount Recognised in the Balance Sheet [Liability / (Asset)]		479,472	315,539	2,620,194	643,029

VII. Actuarial Assumption					
Discount Rate Current		8.25%	8.50%	8.50%	8.50%
Rate of Return on Plan Assets Current		-	-	8.50%	8.50%
Salary Escalation Current		5.00%	5.00%	5.00%	5.00%

The present value of obligation for gratuity is determined based on actuarial valuation using the Projected Unit Credit Method. The estimates of future salary increase, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply & demand in the employment market.

2.32. Based on intimation from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) disclosures as required under section 22 of the said Act are as follows :

- The Principal amount and the interest due thereon remaining unpaid to any supplier as at 31st March, 2013 is Rs. NIL (Rs. NIL) respectively.
- No Interest was paid by the Company in terms of section 16 of MSMED Act during the year.
- There was no interest for delay in making payment beyond the appointed day ;
- There is no interest accrued and remaining unpaid beyond the appointed day ;
- No interest is remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to micro, small and medium enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the afore said Act.

2.33 Quantitative Details

(a) Installed capacity, actual production, turnover, opening and closing stocks of finished goods.

Product	Year	Unit	Installed Capacity	Opening Stock		Actual Production Qty. (Kgs.)	Turnover*		Closing Stock **	
				Qty. (Kgs.)	Amount (Rs.)		Qty. (Kgs.)	Amount (Rs.)	Qty. (Kgs.)	Amount (Rs.)
Tea	31.03.13	Kgs.	1,100,000	110,447	10,983,966	814,198	901,850	123,563,149	22,795	2,860,299
	31.03.12	Kgs.	1,100,000	16,639	1,634,186	816,424	722,616	82,443,167	110,447	10,983,966
Tea	31.03.13	Kgs.	N.A.	20,911	250,932	16,539	20,911	250,200	16,539	298,800
Waste	31.03.12	Kgs.	N.A.	26,061	234,549	20,850	26,000	234,000	20,911	250,932

* Including Sample, Staff, Complimentary, Liquid, Labourers Tea, Breakages, Damages etc.

** As certified by the Management.

THE METHONI TEA COMPANY LIMITED

(b) Raw Material Consumed :		
Particulars	For the Year ended 31st March 2013	For the Year ended 31st March 2012

Green leaf plucked and consumed (kgs.)*	3,626,286	3,496,371
-----------------------------------------	-----------	-----------

* Green leaf plucked (being raw material consumed) were harvested in the Company's own estate as agricultural produce involving integrated activities of nursery, cultivation, growth, etc. and utilized in the manufacture of tea and their values at the intermediate stage could not be ascertained.

2.34 Details of consumption of Imported and Indigenous items

Particulars	For the year ended	
	Amount (Rs.)	%age
<u>Imported</u>		
a) Stores, Spares and Tools consumed	—	—
	—	—
b) Packing Material Consumed	1,056,474	83.84
	(1,086,865)	(91.31)
<u>Indigenous</u>		
a) Stores, Spares and Tools consumed	402,174	100.00
	257,993	(100.00)
b) Packing Material Consumed	203,649	16.16
	(103,394)	(8.69)

Note : Figures / percentages in bracket relates to the previous year

2.35 The expenditure in foreign currency towards cost of materials was Rs.6,76,075/ (Previous Year Rs.12,00,595/-)

SHUBHAM DAGA, FCA, Partner
 Membership No : 063574
 For & on behalf of
DHANDHANIA & ASSOCIATES
 Chartered Accountants
 Registration No. : 316052E

Place: Kolkata
 Date: 25th Day of May, 2013

R.P. BUBNA

Whole-Time Director

S. BUBNA

Managing Director

H.M. PAREKH

Directors

P. TUSNIAL

THE METHONI TEA CO LTD

Regd. Office: 75-C, PARK STREET, 1ST FLOOR, KOLKATA-700016

Date : 25th day of May, 2013

Dear Member,

Re: Distribution/Payment of Dividend or other Cash Benefits through NECS/Electronic Modes

Securities and Exchange Board of India (SEBI) vide its Circular No. CIR/MRD/DP/10/2013 dated March 21, 2013, has mandated usage of electronic mode for making cash payments such as dividend, ecto the investors of Companies whose securities are listed on the Stock Exchanges.

Payment of dividend through electronic mode is beneficial to the Members since the risks associated with receiving payment through dividend warrants such as loss in transit/ misplacement/revalidation etc. can be easily mitigated.

Therefore, Members holding securities of the Company in physical form are requested to update their respective Bank Particulars with correct bank details such as MICR (Magnetic Ink Character Recognition), IFSC (Indian Financial System Code), etc. by filling up the NECS Mandate Form which is enclosed herewith and send it to the Company at its Registered Office or to the Registrar and Share Transfer Agents of the Company, M/s. Maheshwari Datamatics Private Ltd., 6, Mangoe Lane, Kolkata -700 001.

Members holding securities in demat mode are requested to ensure that updated and correct Bank Particulars are available with their respective Depository Participant.

In case your bank particulars are updated and you receive dividend through NECS/other electronic mode from the Company, you may kindly ignore this letter.

Thanking you for your co-operation and assuring you of our best services at all times.

Yours faithfully,

For The Methoni Tea Co Ltd

NAME : SANJEEV BUBNA

DESIGNATION : MANAGING DIRECTOR

Encl: NECS Mandate Form

THE METHONI TEA COMPANY LIMITED

NECS MANDATE FORM

Maheshwari Datamatics Pvt. Ltd.
Unit: The Methoni Tea Co Ltd
6, Mangoe Lane, 2nd Floor
(Surendra Mohan Ghosh Sarani)
Kolkata - 700 001

For Shares held in Physical Mode
Please complete the form and mail to
Maheshwari Datamatics Pvt. Ltd.

Shares held in Electronic Mode Should
inform to their respective Depository
Participant

Dear Sirs,

Change in mode of payment to NECS

I hereby consent to have the amount of dividend on my equity shares credited through the National Electronic Clearing Service (NECS). The particulars are:

1. Folio No. / Client ID No. /DP ID No. _____
(Folio No given in equity share certificate(s)/Customer ID Nos. given by your DPs)

2. Shareholder's Name _____

3. Shareholder's Address _____

4. Income Tax Permanent Account Nos:-10 digits _____
(PAN should be latest and correct)

5. Particulars of the Bank

• Bank Name _____

• Branch Name and Address _____

• Mention the 9 digit-code number of the Bank and branch appearing on the MICR cheque issued by the bank.

(Please attach the photocopy of a cheque or a cancelled blank cheque issued by your bank for verifying the accuracy of the code number)

• Account type (Please ✓) Savings Current Cash Credit

• Account number (as appearing on the MICR cheque book) _____

6. Date from which the mandate should be effective :

I hereby, declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information or non-availability of NECS facility with Company's banks at my place/city, I would not hold the Company/Registrar & Share Transfer Agents of the Company responsible. I also undertake to advise any change in the particulars of my account to facilitate updating of records for purpose of credit of dividend amount through NECS

Signature of the first / sole shareholder

THE METHONI COMPANY LIMITED

PROXY

Registered Folio No.

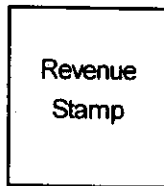
D.P. ID*

No. of Shares held

Client ID*

as my / our proxy to vote for me / us on my / our behalf at the Annual General Meeting of the above named Company to be held on Friday, 2nd. August, 2013 at 10.30 A.M. at MCC Chamber of Commerce & Industry, 15B, Hemanta Basu Sarani, 2nd Floor, Kolkata - 700 001

Signed by the said.



*Applicable for members holding shares in electronic form.

Note : The proxy must be deposited at the Registered Office of the Company at 75-C Park Street,
(1st Floor), Kolkata - 700 016 not less than 48 hours before the time for holding the meeting

PRINTED MATTER - BOOK POST

undelivered, please return to :
THE METHONI TEA CO. LTD.
5-C, Park Street (1st Floor)
Kolkata - 700 016