

Notice

NOTICE is hereby given that the Thirty third Annual General Meeting of Warren Tea Limited will be held at the G. S. Ruia Memorial Complex at Deohall Tea Estate, P.O. Hoogrijan, Dist. Tinsukia, Assam 786 601 on Friday, the 27th August, 2010 at 11.30 a..m. for the following purposes:

1. To receive, consider and adopt the Profit and Loss Account for the year ended 31st March, 2010, the Balance Sheet as at that date and the Reports of the Directors and the Auditors thereon.
2. To appoint Directors in place of those retiring by rotation.
3. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following Resolution ,with or without modifications, as an Ordinary Resolution.

4. "THAT the Company hereby approves the reappointment and remuneration payable to Mr. Vinay . K. Goenka as Executive Chairman of the Company for a period of three years from 1st April, 2010 on the terms and conditions set out in the Agreement, within the limits specified in Schedule XIII of the Companies Act, 1956, and as approved by the Remuneration Committee, to be made between the Company of the One Part and Mr. Goenka of the Other Part, a draft of which initialled by the Chairman is placed before the Meeting."

By Order of the Board

'Suvira House'
4B, Hungerford Street,
Kolkata 700 017.
27th May, 2010

Siddhartha Roy
Executive Director (Legal)
& Company Secretary

Notice (Continued)

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

A Proxy, in order to be effective, must be received at the Company's Registered Office at Deohall Tea Estate, P. O. Hoogrijaan, Dist. Tinsukia, Assam 786 601 not less than forty-eight hours before the Meeting.

2. The Company is registered with National Securities Depository Ltd. ('NSDL'), and Central Depository Services (India) Ltd. ('CDSL'), for dematerialization of its Equity Shares which has been allotted the ISIN INE712A01012. EIH Limited, 4 Mangoe Lane, Kolkata 700 001 are the Interface Registrars of the Company. However, the manual part of share administration work is carried out at the Company's Office.
3. The Register of Members of the Company will remain closed from 19th August, 2010 to 27th August, 2010, both days inclusive.
4. Members who are holding shares in physical form are requested to:
 - a. notify any change in their addresses ;
 - b. communicate on all matters pertaining to their shareholdings with the Company's Corporate Office at Kolkata, quoting their respective Ledger Folio Numbers ;
 - c. note that as per provisions of the Companies Act, 1956, facility for making nominations is available for shareholders in respect of Equity Shares held by them ;
 - d. bring their copies of the Resumé and Accounts to the Meeting.

5.i. Pursuant to Section 205A of the Companies Act, 1956 ('the Act') all dividends declared and relative dividend warrants posted upto and including the Dividend for the year 1993-94 paid on 8th November, 1994 and remaining unclaimed by members have been transferred to the General Revenue Account of the Central Government. Shareholders who have not encashed their dividend warrants in respect of the said period are requested to prefer their claims to the Registrar of Companies, Assam, Tripura, Manipur, Nagaland, Meghalaya, Mizoram and Arunachal Pradesh at Morello Building, Shillong 793001, Meghalaya. In case any assistance is required, shareholders are requested to write to the Company's Corporate Office at Kolkata.

ii. Pursuant to Section 205A of the Companies Act, 1956 dividends declared from the year 1994-95 upto 2001-2002 and remaining unclaimed by the members have been transferred to the Investor Education & Protection Fund constituted by the Central Government under Section 205C of the Act on which no claim for Unpaid Dividend can be preferred.

iii. Those members who have not so far encashed their warrants pertaining to the dividends paid for the year, 2002-2003 are requested to send the same to the Company's Corporate Office at Kolkata for revalidation immediately since no dividend remaining unpaid/unclaimed over a period of seven years and transferred to the aforesaid Fund can be claimed from the Fund.

6. Relevant details in respect of Item no. 2 of the Notice pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges are given hereunder and details in respect of Item No. 4 of the Notice are included in the Explanatory Statement pursuant to Section 173(2) of the Companies Act, which is given hereinafter.

Notice (Continued)

DETAILS OF DIRECTORS RETIRING BY ROTATION AND SEEKING RE-APPOINTMENT
(In pursuance of Clause 49 of the Listing Agreement)

Name of Director: Mr. A. K. Ruia

Brief Resumé:

Mr. A.K. Ruia has been a Director of the Company since 1983 and its Chairman since 1985. He is a Law Graduate and Chartered Accountant from the United Kingdom. He has been in business including that of tea for more than two decades. He is a Justice of Peace, a Board Member of the North West Development Agency, Past President of the Manchester Chamber of Commerce, Chairman of the North West International trade Forum and an OBE and presently High Sheriff of Greater Manchester.

Expertise in Specific Functional Areas:

Textile processing and trading including international trade of various commodities including tea.

Directorships & Committee Memberships of Other Companies:

Warren Tea Holdings Limited	Managing Director
Warren Industrial Limited	Chairman
Wrengate Limited	Director
ABC Textiles Limited	Director
Butedean Limited	Director
A K Dyson & Company Limited	Director
J Milom Limited	Director
Botraco Limited	Managing Director
Parimbrook Limited	Managing Director
Derrysel Limited	Managing Director

Mr. Ruia does not hold any share in the Company.

Name of Director: Dr. S. Sarma

Brief Resumé:

Dr. S. Sarma is a Post Graduate in Chemistry from Utkal University and he is also a Post Graduate Diploma Holder in Synthetic Drugs as well as Ph.D. in Chemistry from IIT, Kharagpur. He has experience of more than 41 years, having been associated with the Indian Association for the Cultivation of Science, Jadavpur, Indian Chamber of Commerce, Kolkata, Tea Research Association, Kolkata and Tocklai Experimental Station, Jorhat.

Expertise in Specific Functional Areas:

Tea Research

Directorships & Committee Memberships of Other Companies:

Dr. Sarma does not hold any directorships in other companies.

Dr. Sarma does not hold any share in the Company.

Notice (Continued)

EXPLANATORY STATEMENT
(Pursuant to Section 173(2) of the Companies Act, 1956)

Item No. 4

Mr. Vinay. K. Goenka (Mr. Goenka) had been reappointed as President and Managing Director for a period of 3 years with effect from 1st April, 2007(approved by the shareholders at the Annual General Meeting held on 19th September ,2007), which term of office expired on 31st March,2010. The designation of Mr Goenka has been changed from President and Managing Director to Executive Chairman of the Company with effect from 1st January, 2008. The Board of Directors at its Meeting held on 29th January,2010 decided to reappoint Mr. Goenka as Executive Chairman of the Company for a period of 3 years with effect from 1st April, 2010, on the terms and conditions contained in the Agreement to be entered into by the Company with Mr. Goenka, subject to the approval of the Members of the Company in accordance with the requirements of Schedule XIII to the Companies Act, 1956 ('the Act'). The remuneration payable to Mr. Goenka for such period of reappointment has been approved by the Remuneration Committee on 21st January, 2010 .

The principal terms and conditions of Mr. Goenka's reappointment are as follows:

- A. Salary:
 - i) From 1st April, 2010 to 31st March, 2011 - Rs. 1,70,000 per month
 - ii) From 1st April, 2011 to 31st March, 2012 - Rs. 1,85,000 per month
 - iii) From 1st April, 2012 to 31st March, 2013 - Rs. 2,00,000 per month

- B. In addition to the above salary, commission is payable to Mr. Goenka calculated with reference to the net profits of the Company in a relevant year at the rate of 1% of the net profits of the Company subject to a ceiling of 100% of his annual salary.

- C. Perquisite entitlement of Mr. Goenka :
In addition to salary and commission, Mr. Goenka will be entitled to perquisites like house rent allowance or furnished accommodation, medical expenses, leave travel expenses and retirement benefits etc. in accordance with the Rules of the Company. Perquisites shall be valued as per Income Tax Rules, wherever applicable and in the absence of any such Rule, at actual cost.

The aggregate of the total salary, commission and monetary value of the perquisites payable to Mr. Goenka and other Managing / Whole-time Directors shall not exceed 10% of the profits of the Company calculated in accordance with Sections 198 and 309 of the Companies Act, 1956 ('the Act').

In the event of absence or inadequacy of profits of the Company in any financial year during the period of appointment of Mr. Goenka, he shall be entitled to receive/ enjoy his aforesaid salary and perquisites (but no commission on the net profits of the Company) .

Mr. Goenka will not receive any sitting fees for attending Meetings of the Board or any Committee thereof.
The Agreement also sets out mutual rights and obligations of the parties.

The re- appointment and remuneration of Mr. Goenka as Executive Chairman of the Company require the approval of the Members of the Company in General Meeting in terms of Part III of Schedule XIII to the Act and the remuneration payable also requires the approval of the Company in General Meeting under Section 309 of the Act.

Notice (Continued)

The re-appointment of Mr. Goenka on the terms proposed satisfies the conditions laid down in Parts I, II and Clause 1 of Part III of Schedule XIII to the Act and a Return in the prescribed form (along with certificate under Clause 2 of Part III of Schedule XIII to the Act) under Section 269(2) of the Act has been duly filed with the Registrar of Companies, Assam, Tripura, Manipur, Nagaland, Meghalaya, Mizoram and Arunachal Pradesh.

Brief Resumé:

Mr. Goenka has more than 3 decades of experience in the tea industry and has held several important positions as Chairman of the Consultative Committee of Plantation Associations, Indian Tea Association and Darjeeling Planters Association, Chairman & Director of Indian Institute of Plantation Management and the Vice Chairman of the Tea Board of India. He has represented the Ministry of Commerce as Member of Trade delegation to Pakistan and of Tea Trade Delegation to FAO, Rome. Mr. Goenka is the Honorary Consul of Ecuador in Kolkata.

Expertise in specific Functional Areas :

Plantation, Manufacturing, Marketing and Export of Tea

Directorships & Committee Memberships of Other Companies

DPIL Limited	Chairman
Project India Blend Pvt. Ltd	Director
Bearita Holding Inc. (British Virgin Islands)	Director
Derrysel Limited (Manchester U.K.)	Director
Rhondda Finance Corporation (Panama)	Director
Audit Committee (DPIL Limited)	Member
Shareholders' Grievance & Share Transfer Committee (DPIL Limited)	Chairman

A copy of the draft Agreement referred to in the Resolution set out in Item 4 of the convening Notice will be available for inspection by the Members of the Company at its Registered Office on any working day prior to the date of the meeting between 9.30 a.m. and 11.30 a.m. and will also be available at the Meeting.

No Director of the Company except Mr. Goenka is concerned or interested in the Resolution set out in Item 4 of the convening Notice.

By Order of the Board

'Suvira House'
4B, Hungerford Street,
Kolkata 700 017.
27th May, 2010

Siddhartha Roy
Executive Director (Legal)
& Company Secretary

Directors’ Report

Your Directors have pleasure in presenting their Thirty-third Annual Report to the Members together with the Audited Accounts for the year ended 31st March, 2010 :

FINANCIAL RESULTS

	Current Year (Rs. in 000's)	Previous Year (Rs. in 000's)
Profit before Depreciation and Taxation	429823	259314
Less: Depreciation and Amortisation	<u>88301</u>	<u>82014</u>
Profit before Taxation	341522	177300
Provision/(Credit) for Corporate Taxation		
Current Tax	120000	27500
Deferred Tax	(1225)	964
Fringe Benefit Tax	<u>-</u>	<u>2500</u>
Profit after Taxation	222747	146336
Balance brought forward from Previous Year	<u>226540</u>	<u>80204</u>
Balance carried to Balance Sheet	<u>449287</u>	<u>226540</u>

AUDITORS’ REPORT

The Branch Auditors of the Company, Messrs B. M. Chatrath & Co., in respect of Travels Division, have submitted their Audit Report to the Statutory Auditors, Messrs Price Waterhouse who have submitted their Report under Section 227 of the Companies Act, 1956 and the comments made by the Auditors in their Report have been adequately dealt with in the relative Notes on Accounts which are self explanatory.

For the year ended 31st March 2009 the Cost Audit in respect of its Tea operations had been completed and the Cost Audit Report had been submitted by the Cost Auditors to the appropriate Authorities.

ACCOUNTING POLICIES AND PROCEDURES

The major accounting policies as narrated in the Notes on Accounts in Schedule 18 in conformity with the Accounting Standards which have been specified in the Companies Act, 1956 and the Rules framed thereunder as applicable to the Company have been followed as usual in course of preparing and presenting these Accounts.

Your Company continues to have an adequate internal audit system carried out by external firms of Chartered Accountants who submit their Reports upon completion of Audit for consideration by the Directors.

Directors’ Report (Continued)

RESUMÉ OF PERFORMANCE

Your Directors view with satisfaction the performance of the Company for the year under review. The Company recorded improved profitability during 2009-10 with total income increasing to Rs 202.68 crores compared with Rs.170.62 crores in the previous year. This considerable improvement is attributed to the significant increase in tea prices during the year ,both in India and in the export market and your Company’s continued policy on producing a quality product able to attract better prices in the market.Such improvement has been in spite of lower harvest as well as significant increase in all input costs including substantial rise in employee related expenses arising from revised Industry-wide Agreements being put in place.

The Company’s operating businesses are organized and managed separately according to the nature of products and services. The Company has a separate smaller business segment denoted as Warren Travels, which earned an income of Rs.0.49 Crores during the year .

Crop

Your Company’s saleable crop was recorded at 14.10 Million Kgs. as compared to the previous year’s production of 14.70 Million Kgs.

Comparative Crop figures during the past five years are given below :

Year Ended on	Saleable Crop In Million Kgs.
31.3.2010	14.10
31.3.2009	14.70
31.3.2008	14.32
31.3.2007	15.17
31.3.2006	15.23

Sales

Gross Turnover increased from Rs.168.16 Crores to Rs.198.74 Crores .Firmer prices due to higher domestic consumption with low carry over stock and continued emphasis on quality were the key factors for the higher Turnover during the year under review.

Quality

Your Company continues to concentrate on quality and manufacture green leaf grown only on its own estates, strict adherence to this policy continuing to benefit your Company in price realisations.The manufacture of quality teas which commanded a premium both in the domestic as well as international markets, has been maintained through implementation of optimum agricultural practices and this continues to be the focus of the Management .

Your Directors continue to recognise the attributes of Tea as a Health Drink. All fourteen Tea Estates of your Company continue to be HACCP (Hazard Analysis of Critical Control Points) certified as well as being participants of the ETP (Ethical Tea Partnership) Programme. Your Company also continues to lay emphasis on the critical issues of Maximum (Permissible Chemicals) Residue Limits (MRLs)and ensures compliance with stringent international as well as Indian standards at all its estates.

Directors' Report (Continued)

Exports

The year under review saw a thrust in exports when 14.81 Lac kgs were exported at gross value of Rs.24.75 Crores as compared to Rs. 17.25 Crores in 2009.

Employees' Welfare

Your Company acknowledges that its strength lies in its people, and is conscious of the responsibilities towards improvement in welfare measures particularly at the plantations. It is sensitive to the environment in which it operates and is conscious of its social responsibilities. It has continued with its programmes for overall development in the fields of education, culture and welfare activities and to improve the general standard of living in and around the tea estates of the Company.

During the year under review, Welfare Week Programmes were carried out in all the fourteen tea estates of the Company. The programmes were on employees' welfare with focus on issues like health, hygiene, education, savings and on negative effects of alcoholism, absenteeism, unhealthy and unsocial practices, all of which affect the lives of the workers and their families. The employees were reassured of their being an integral part of the Company as its most valuable asset and the Company is always concerned about their welfare.

Personnel

One of your Company's key strengths is its people. Industrial relations with employees remained cordial, harmonious, peaceful and satisfactory during the year under review, at all levels in Assam and Kolkata. Your Board would like to place on record its sincere appreciation to all employees for their sincere and dedicated services at all levels and for the smooth functioning of the estates without which the improved performance for the year would not have been possible.

Prospects

The financial results for the year were very encouraging and vindicated your Company's efforts. Your Company will continue to focus on both development and expansion of markets in a highly competitive environment to secure growth and to sustain improvement, particularly in its tea operations. For the purpose, your Company has plans to carry out several activities, particularly in the plantations, over the next few years. In its endeavor to sustain improvement of quality and quantity, your Company continues with its emphasis on uprooting and replanting. As additional land for extension planting continues to be unavailable, reduction in crop in short to medium term is unavoidable; work relating to renovation of factories as well as improvement of infrastructural facilities in the estates also continues together with preventive work for flood protection to combat erosion of land and consequential loss of tea bushes. Moreover, the full impact of the revised Industry-wide Agreements and levies would be felt only from the year 2010-11. To cater to all such requirements, your Company's resources are being necessarily ploughed back in its plantations with an eye to long term benefits for your Company and its shareholders.

RETURNS TO SHAREHOLDERS

From a long term perspective of improved yield and productivity, your Company needs to carry on with its programme of continued investment in its estates. Thus, keeping the long term welfare of your Company and its Shareholders in mind, your Directors have considered it prudent to conserve benefits for the time being and therefore, though your Company earned profits in the year under review, it has been considered judicious by your Directors not to recommend a dividend for the year.

Directors’ Report (Continued)

PARTICULARS OF EMPLOYEES

Particulars of employees as required to be disclosed under Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, are annexed.

COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

Conservation of Energy

Information pertaining to conservation of energy as required under Section 217(1)(e) of the Companies Act, 1956, including Form A specified under the above Rules, is given in Annexure ‘A’.

Technology Absorption

Information pertaining to technology absorption in Form B specified under the above Rules is also given in Annexure ‘A’.

Foreign Exchange Earning & Outgo

Activities relating to exports : The Company continues to pursue its activities in exporting teas to UK, Germany, Netherlands, U.S.A, Pakistan, and the Middle East. New customers in different countries have been added to the existing overseas buyers portfolio during the year under review.

Initiatives taken to increase exports : Your Company continues with its focus on quality in its endeavour to cater to quality conscious markets for both Orthodox and CTC teas.

Your Company's Integrated Management Policy relating to Pesticides, Fertilizers and other Agro inputs in conformity with both domestic and global norms continues as before.

All fourteen estates of your Company continue to be HACCP certified as well as being participants of the Ethical Tea Partnership Programme.

Development of new export markets for products and services: Your Company has initiated steps to explore new markets in addition to developing existing ones.

Export plans : Your Company continues in its efforts with a view to increasing its exports to existing buyer countries as well as to explore new countries where exports could be effected in future.

Total Foreign Exchange	- Earned (Gross)	: Rs 24.61 Crores
	- Used	: Rs. 0.35 Crores

CORPORATE GOVERNANCE

In compliance with the disclosures required under the said Clause 49 of the Listing Agreement with the Stock Exchanges, a Management Discussion and Analysis Report is provided in Annexure ‘B’.

The Report on Corporate Governance as required under the aforesaid Clause is also provided in Annexure ‘C’ to this Report, together with the Declaration affirming compliance with the Code of Conduct of the Company and Auditors’ Certificate on Compliance with the conditions of Corporate Governance.

Directors' Report (Continued)

DIRECTORS' RESPONSIBILITY STATEMENT (Pursuant to Section 217 (2AA) of the Companies Act, 1956)

Your Directors confirm that the items of Directors' Responsibility Statement given below have long been practised in course of running of the Company. However, as a means of adequate compliance of the statutory requirements the Board re-asserts that :

- (i) The Accounting Standards as applicable to your Company and corroborated by the Companies Act, 1956 have been followed in course of preparation of the Annual Accounts for the year ended 31st March, 2010 and there has been no material departure to warrant further explanation.
- ii) In keeping with the Company's practices, accounting policies have been followed in course of the Annual Accounts for the year ended 31st March, 2010, so as to exhibit a true and fair view of the state of affairs of the Company and of the profit for that period as have also been certified by the Statutory Auditors of the Company.
- (iii) The Statutory Auditors' Report does confirm in regard to adequate controls and internal audit systems being followed by the Company in course of running its affairs as also for maintenance of its assets. Your Directors take every caution to relate such control measures to the benefit of the Company and with a view to prevent any fraud or irregularities to creep in.
- (iv) The Annual Accounts of the Company for the year ended 31st March, 2010 have been prepared on a going concern basis as hitherto.

DIRECTORATE

In accordance with Article 99 of the Articles of Association of the Company, Mr.A.K.Ruia and Dr.S.Sarma retire by rotation and being eligible, offer themselves for reappointment.

AUDITORS

Messrs Price Waterhouse and Messrs B. M. Chatrath & Co., Chartered Accountants, Auditors and Branch Auditors respectively retire at the conclusion of the forthcoming Annual General Meeting and being eligible, offer themselves for reappointment.

During the year under review Messrs. Shome & Banerjee, Cost Accountants were re-appointed with the approval of the Central Government for audit of Cost Accounts maintained by the Company in respect of Plantation Products for the year ended 31st March, 2010.

Kolkata
27th May , 2010

Directors

Annexure 'A' to the Directors' Report

Information as per Section 217 (1) (e) of the Companies Act, 1956

Conservation of Energy

Energy consumption in the Tea Industry has been a critical factor and major concern as it is one of the major components of the manufacturing cost. With the escalation of costs day by day, proper monitoring of Energy consumption has become the need of the day. As a matter of requirement and good governance your Company has always had an eye on conservation of energy since avoidable use of energy also constitute a national waste. By reducing wastage of energy and using it more efficiently, there is a potential of saving energy substantially. Your Directors have always sought to conserve energy by different measures, further particulars of which are provided hereunder.

a) Energy conservation measures taken

Maintaining Optimum Power Factor has been one of the major thrust areas in all the estates of your Company. The power factor is monitored strictly thus leading to lesser losses during transmission of power. Power Transformers and Capacitors are regularly monitored for their performance thus reducing power consumption through Grid. Your Directors and your Company's Senior Management personnel continuously make efforts with a view to conserve energy. The domestic consumption of power is regulated with the use of proper metering devices in all the estates of your Company, to ensure measured use of the energy available whereby cost is minimized without affecting operations. Your Company has also taken necessary regulatory energy saving measures to ensure beneficial use of energy, like replacement of old engines with new fuel efficient ones for better fuel economy.

Your Company has taken additional measures such as re-layout of the CTC sorting systems in some of its Tea Estates for increasing the efficiency of the sorting systems. Layouts designed so as to maximize the use of conveyors in sorting directly result in reducing running hours and also minimize idle time of the machines, thus increasing the output and subsequently lesser consumption of electrical power. Some of the older sorting machines have been replaced by newer efficient machines.

b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy

Additional investments and proposals include incorporation of new and efficient Vibro Bed Dryer and Continuous Fermenting Machine for enhancing the production output and to reduce longer operational hours thereby leading to savings in electrical power consumption. New energy efficient troughs in replacement of older ones are also under construction.

Your Company has built new fermenting beds at some of its Tea Estates for better process control. New more energy efficient rolling tables are also been introduced which are with higher outputs. Keeping efficient energy consumption in mind, your Company works in tandem with the State Electricity Board for upgradation and maintenance of overhead power transmission lines for better availability of Grid Power.

c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods

Improvement of energy utilization results in economy in cost. Efforts of the technical and concerned personnel at the tea estates, to devise new systems and implement modernized methods have improved overall energy consumption at factories without affecting operations as well as performance of machinery and other equipment.

Annexure 'A' to the Directors' Report (Continued)

Form for disclosure of particulars with respect to Conservation of Energy
FORM A

(A) Power and Fuel consumption		Current Year	Previous Year	
1. Electricity				
(a) Purchased				
Units	('000KWH)	7797	8538	
Total Amount	(Rs.'000)	52358	53710	
Rate/Unit	(Rs/KWH)	6.72	6.29	
(b) Own Generation				
i) Through Diesel Generator				
Units	('000KWH)	1864	1573	
Units per ltr.of Diesel Oil	(KWH)	2.97	2.69	
Fuel Cost/Unit	(Rs/KWH)	11.23	12.44	
ii) Through Natural Gas Generator				
Units	('000KWH)	3839	3563	
Units per Scm of Gas	(KWH)	1.22	1.24	
Fuel Cost/Unit	(Rs/KWH)	2.52	2.89	
2. Coal				
	(MT)	-	-	
3. Furnace Oil for Tea Processing in Withering & Drying				
Quantity	(K.Ltrs)	30	42	
Total Amount	(Rs.'000)	1057	1363	
Average Rate	(Rs/K.Ltr.)	35077	32252	
4. Others/Internal Generation				
(a) Natural Gas : for Tea Processing in Withering & Drying				
Quantity	('000Scm)	11321	11286	
Total Cost	(Rs.'000)	39515	37247	
Rate/Unit	(Rs/Scm)	3.49	3.30	
(b) H.S.D.Oil: for Transport & Material Handling, etc.				
Quantity	(K.Ltrs)	325	307	
Total Cost	(Rs.'000)	10849	10285	
Rate/Unit	(Rs/K.Ltr.)	33367	33513	
(c) Petrol : for Transport & Material Handling, etc.				
Quantity	(K.Ltrs)	74	76	
Total Cost	(Rs.'000)	3429	3751	
Rate/Unit	(Rs/K.Ltr.)	46105	49602	
(d) L.P.G.(for domestic use at Gardens)				
Quantity	(Cylinder)	11069	11311	
Total Cost	(Rs.'000)	3434	3633	
Rate/Unit	(Rs/Cylinder)	310	321	
(B) Consumption per unit of production		Standards		
(Including energy used for Domestic purposes at Gardens)		(Estimated)		
Products - Tea (Gross Production)	('000 Kgs)	-	14421	14920
Electricity	(KWH/Kg)	0.88	0.94	0.92
Furnace Oil	(Ltr/Kg)	0.001	0.00209	0.00283
Others : Natural Gas	(Scm/Kg)	0.80	0.79	0.76
H.S.D.Oil	(Ltr/Kg)	0.018	0.023	0.021
Petrol	(Ltr/Kg)	0.003	0.005	0.005
L.P.G.	(Cylinder/Kg)	0.0008	0.0008	0.0008

Annexure 'A' to the Directors' Report (Continued)

FORM B
Form for disclosure of particulars with respect to absorption

RESEARCH AND DEVELOPMENT (R & D)

1. Specific Areas 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
2. Benefits derived as a result of the above R & D	
3. Future plan of action	
4. Expenditure on R & D	
(a) Capital	
(b) Recurring	
(c) Total	
(d) Total R & D expenditure as a percentage of total Turnover	

The Company undertakes various kinds of its own Research and Developmental activities apart from contributing to the Tea Research Association which at present are in the following ways:

- a) Your Company is always in a search to find out the better germplasm through clonal selection at all gardens held by the Company in order to specialize in uniform clonal planting materials of superior quality which are regularly manufactured and tested in a 'miniature factory' located at one of the properties of the Company.
- b) The Company treats Tea as a Health Drink and has already successfully implemented its own integrated pest and weed management practices(WIPWM)
- c) All factories of the Company are HACCP certified with neat work culture for manufacturing of tea in a most hygienic way, which has been also recognized by the appropriate authorities.
- d) Tea being a perennial crop, preservation and upgradation of soil is one of the important areas where the Company has undertaken necessary steps to improve the soil status not only by application of organic materials but also in the mode of utilization of chemical fertilizers with a view to keep the live assets i.e tea bushes in a healthy and productive condition.
- e) In order to improve the productivity of Orthodox teas, the entire sorting system has been upgraded to online which has improved the quality of the product and also reduces the requirement of energy and manpower. The Company has further improvised in Tea Drying System to offer better self-line and quality produce.
- f) Tea being a manpower intensive industry, the Company recognizes human resources as one of its most important assets and continues with development of such resources at all levels.
- g) The process developed by the Company to bring up the younger teas to yield maximum benefits within a shorter period of time has been found very successful.
- h) The Company has also taken in hand research activities for composite plants by way of grafting which could be used for future planting activities of the Company.

Annexure 'A' to the Directors' Report-Form B (Continued)

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. Efforts, in brief, made towards technology absorption, adaptation and innovation.	}	Not Applicable
2. Benefit derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution, etc.		
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 :		
(a) Technology imported		
(b) Year of Import		
(c) Has technology been fully absorbed ?		
(d) If not fully absorbed, areas where this has not taken place, reasons therefor, and future plans of action		

Annexure to the Directors' Report

<u>Name</u>	<u>Designation</u>	<u>Gross Remuneration (Rs.in 000's)</u>	<u>Qualification and Experience (Years)</u>	<u>Age (Years)</u>	<u>Date of Commencement of Employment</u>	<u>Last Employment held before Joining the Company Organisation</u>	<u>Designation</u>
Goenka Vinay K.	Executive Chairman	5146	B.Sc.(Botany) (33)	52	19.04.83	The Eriabarie Tea Co.Pvt. Ltd.	Senior Executive
Ghosh S.K.	Managing Director	3496	B.Com.(Hons.) F.C.A (33)	56	02.05.83	Consultant	—

Notes : (1) The gross remuneration shown above is subject to tax and comprises salary, commission, allowance , monetary value of perquisites evaluated as per Income Tax Rules, Company's contribution to Provident Fund , Superannuation and Gratuity Funds subject to the relative Fund Rules.

(2) All appointments are contractual.

(3) Mr.Goenka holds more than 2% of the Equity Shares of the Company.

(4) Mr. Goenka is related to Mr.A.K.Ruia,Chairman.
Mr Ghosh is not related to any Director of the Company.

Kolkata
27th May, 2010

Directors

Annexure 'B' to the Directors' Report

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Clause 49 of the Listing Agreement with the Stock Exchanges stipulates disclosure under specific heads which are given in the following paragraphs and which continue to be followed in the usual course of the Company's business over the years in discussions amongst the Directors and other Senior Management Personnel.

(a) Industry Structure and Developments

The 170 year old Indian Tea Industry is on a comeback trail after nearly a decade long recession with rising exports and prices firming up. India is the world's largest tea producer after China .The Tea Industry makes a significant contribution to the economy of the country through employment opportunities offered and in foreign exchange earnings realised.

With the promotion of Tea as having positive health properties world-wide over the last few years,there has been an upsurge in Tea consumption. Exports are expected to further rise in the coming years as there is a global demand of tea as well as prooduction of good quality teas within the country.

Indian Tea Industry ,however faces high labour costs.Since labour accounts for a lion's share of total cost of production ,the cost of producing tea in India is the highest in the world. The revised Industry-wide Agreements have seen substantial increase in employee costs with its consequential impact on revenue . The labour intensive Tea Industry provides highly valued direct employment to more than a million workers mainly drawn from the backward and socially weaker sections of society.

(b) Opportunities and threats

With global production being comparatively less and with less carry -over stock coupled with rising domestic demand and exports, tea prices ruled firm. The demand for internal consumption of tea as well as exports are expected to grow in the coming years.

Your Company continues to produce well made quality teas consistently. All fourteen Tea Estates are HACCP (Hazard Analysis of Critical Control Points) certified which also helps to improve both quality and quantity of produce .All fourteen tea estates also continue to be participant of the Ethical Tea Partnership Programme. Export continues to be a thrust area for your Company.

Indian tea exports were susceptible to the financial meltdown and to that extent a slowdown was inevitable. Other threats are weather related which are not in control of the Industry.Nonetheless the adverse effect of draughts,floods and hails can be minimized through good and careful agricultural practices.

(c) Segment-wise or Product-wise Performance

The Company's operating businesses are organized and managed separately according to the nature of products and services. The Company has a separate smaller business segment denoted as Warren Travels, the results of which contribute to the overall performance .

(d) Outlook

The outlook for the Industry, of which your Company is a part , for the current year is expected to further improve with increased exports as well as internal consumption ,coupled with better price realisations in the coming years. Your Company continues to believe that quality must come first along with checks against inflationary spiral of cost increase . As always, quality product through a prudent cost management regime will continue to be the cornerstone of your Company's business strategy .

Annexure 'B' to the Directors' Report (Continued)

(e) Risks & Concerns

Tea is an agricultural crop and like all such crop it is dependant on weather conditions. As a commodity, tea continues to be affected by the interplay of demand and supply dynamics which directly influence prices. Your Directors continue in their emphasis on both 'quality' and 'quantity' of teas. Despite best efforts, adverse climatic conditions and unpredictable markets will continue to govern results.

(f) Internal Control Systems & their Adequacy

The Company has in place adequate systems of internal control procedures commensurate with the Company's size and nature of its operations. The objective of these procedures are to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding of assets from unauthorized use or losses, executing transactions with proper authorization and ensuring compliance of corporate policies.

The statutory requirements of Audit Committee are being met. In meetings of the Audit Committee, the Statutory Auditors, Cost Auditors and Internal Auditors participate. All the Auditors periodically visit various units of the Company. Preparation of activity plans, identification, categorisation of the areas of risks are closely looked at the estate level and thereafter undergo a further scrutiny and implementation under superintendence of top level Management of the Company. Budgetary and other control measures continue to be observed for monitoring plantation and other activities with a view to improving performance.

(g) Financial & Operational Performances

The details of financial performance of the Company are appearing in the Balance Sheet & Profit & Loss Account for the year. During the year total turnover has increased to Rs.199.23 Crores and Profit before Tax to Rs.34.15 Crores. Along with the continual efforts on quality upgradation, prudent cost management has been the stated objective of your Company. In the year under review, your Company has improved its profitability significantly. The financial base of your Company would be further strengthened by exercising of prudent financial discipline by conserving resources for sustained long term growth; further improvement is expected with better financial and operational performance in the future.

(h) Material Developments in Human Resources / Industrial Relations Front

Tea Industry is highly labour intensive and human resources form the core of the operations. Human resources are valuable assets of your Company and attention is continuously paid to their development and well being. Industrial relations at all the Estates remain satisfactory, inspite of having an employee strength of almost 30,000. Employee-Management relations remained cordial throughout the year. Continuing education and training of employees at all levels of the Company, particularly at its plantations, contribute to development of human resource. Various welfare measures continue to be carried out, particularly at the Company's Tea Estates. During the year under review, Welfare Week Programmes have been carried out at all the Estates of your Company.

Annexure ‘C’ to the Directors’ Report

REPORT ON CORPORATE GOVERNANCE

1. Company’s Philosophy on Code of Governance :-

The Company continues to lay utmost importance on continuous upliftment of human assets as well as economic assets like Plantations and also to improvements in the factories. The Governing codes consistently followed by the Company have made its product well acceptable to buyers, both in India and abroad. The labour and management practices are also followed rigorously within the limits of law so as to aim at the fullest economic utilisation of resources. The Company observes ethical practices in all its operations.

2. Board of Directors : -

The Board of Directors at present comprises a Non-executive Chairman, two Executive Directors designated as Executive Chairman and Managing Director, and five Non-executive Directors. The particulars of the Directors for the year ended on 31st March, 2010 are given hereunder :-

Name	Category	Attendance		Directorships in other companies	Committee Positions in other companies	
		At Board Meeting	At last AGM		As Chairman	As Member
Mr. A. K. Ruia	Chairman (Non-Executive)	-	No	1	-	-
Mr. Vinay K.Goenka	Executive Chairman	6	Yes	1	1	1
Mr. P.K.Bose	Vice-Chairman Non-Executive Independent Director	6	No	1	-	-
Mr. S. K. Ghosh	Managing Director	6	Yes	1	1	-
Mr. N. Musry	Non-Executive Director	-	No	-	-	-
Mr. S. Bhoopal	Non-Executive Independent Director	5	Yes	4	-	-
Mr. N. Dutta	Non-Executive Independent Director	1	Yes	-	-	-
Dr. S. Sarma	Non-Executive Independent Director	6	Yes	-	-	-

Notes :

- i) Mr.A.K.Ruia and Mr.Vinay K.Goenka are brothers-in law. Other than that there is no inter-se relationship between any of the Directors of the Company.
- ii) Directorships in other companies excludes Directorships in Private Limited companies, companies incorporated outside India and companies under Section 25 of the Companies Act, 1956.
- iii) Committee Positions in other companies relate to Chairmanship /Membership of Audit and Investors/ Shareholders’ Grievance Committees only.

Annexure ‘C’ to the Directors’ Report (Continued)

During the year under review, six Board meetings were held on 13th April, 2009, 24th June, 2009, 24th July, 2009, 16th September, 2009, 30th October, 2009 and 29th January, 2010 .

3. Audit Committee : –

The Audit Committee consists of three independent Non-executive Directors who are persons of high standing in the industry and have the requisite experience and expertise to carry out their obligations at meetings of the Committee at which the Whole-time Directors provide the necessary inputs.

The terms of reference of the Audit Committee include :-

- a) review internal control systems; nature and scope of audit as well as post audit discussions;
- b) review quarterly, half-yearly and annual financial statements with particular reference to matters to be included in the Directors’ Responsibility Statement to be included in the Board’s Report;
- c) ensure compliance with internal control systems;
- d) recommend to the Board on any matter relating to financial management, including audit report;
- e) oversee Company’s financial reporting process and disclosure of financial information;
- f) review performance of statutory and internal auditors.

During 2009-2010 the Audit Committee met on 13th April, 2009, 24^h June, 2009, 24th July, 2009, 4th September,2009, 30th October, 2009 ,and 29th January, 2010

Composition of the Audit Committee during the year 2009-2010 :-

Name	Position held	No. of Meetings	
		Held	Attended
Mr. S. Bhoopal	Chairman	6	6
Mr. N. Dutta	Member	6	2
Dr. S. Sarma	Member	6	6

Invitees : The Executive Chairman , Managing Director and the representatives of the Statutory, Cost and Internal Auditors were invited and generally remained present at the meetings of the Audit Committee during the year under review.

The Executive Director (Legal) & Company Secretary acts as the Secretary to the Committee.

Annexure ‘C’ to the Directors’ Report (Continued)

4. Remuneration Committee :-

No Remuneration Committee has been formed pursuant to Clause 49 of the Listing Agreement. However, a Remuneration Committee has been constituted in accordance with Schedule XIII to the Companies Act, 1956 to consider and approve the Managerial Remuneration consisting of the respective salary and perquisites to be paid to the Executive Directors in accordance with their respective terms of employment . The Remuneration Committee comprises Mr. S. Bhoopal, Mr. N. Dutta and Dr. S. Sarma, with Mr. S. Bhoopal as Chairman. The Committee met once during the year on 24th June, 2009 (attended by Mr. S.Bhoopal, Dr.S.Sarma and Mr.N.Dutta) .

Details of remuneration paid to the Executive Directors during the year under review are given below:-

	(Rupees in 000's)	
	Mr. Vinay K. Goenka (Executive Chairman)	Mr. S. K. Ghosh (Managing Director)
Salary	1800	840
Contributions to Provident and Other Funds	216	101
Commission	1800	840
Other Benefits	1330	1715
Total	5146	3496

The Service Agreement with Mr. Vinay K. Goenka Executive Chairman of the Company for a period of 3 years with effect from 1st April,2007 (approved by the shareholders at the Annual General Meeting held on 19th September, 2007),expired on 31st March,2010.A new Service Agreement with Mr.Vinay K.Goenka as Executive Chairman of the Company for a period of 3 years with effect from 1st April ,2010,shall be entered into by the Company with Mr.Goenka after obtaining requisite approval of the shareholders which is being sought at the ensuing Annual General Meeting. The Company also has a separate Service Agreement with Mr. S. K. Ghosh as Managing Director of the Company, for a period of 3 years with effect from 1st April,2008 which was approved by the shareholders at the Annual General Meeting held on 19th September, 2008. There are no severance compensation other than six months’ remuneration in absence of any notice, the notice period being 6 months in writing. The Executive Directors are not entitled to any Stock Option or Performance Linked Incentive.

Only sitting fees for attending the meetings of the Board and Committees thereof are paid to the Non-Executive Directors.

Particulars of sitting fees paid to the Non-Executive Directors during the year under review are given below:-

	(Rupees in 000's)		
Name	Board Meetings	Committee Meetings	Total
Mr. A. K. Ruia	-	-	-
Mr. P. K. Bose	12	8	20
Mr. N. Musry	-	-	-
Mr. S. Bhoopal	10	14	24
Mr. N. Dutta	2	6	8
Dr. S. Sarma	12	14	26

None of the Non-executive Directors hold any Shares in the Company, except Mr. P. K. Bose, who holds 7 Equity Shares in the Company.

The Company has not issued any convertible instruments.

Annexure ‘C’ to the Directors’ Report (Continued)

5. Shareholders’ Grievance and Share Transfer Committee :-

This Committee is composed of three Directors viz Mr. P. K. Bose, as the Chairman, and Mr. Vinay K. Goenka and Mr. S.K. Ghosh as Members.

The Committee had met four times during the year.

Share Transfer formalities are complied with once a fortnight, the power to approve the same being delegated jointly and severally to Mr. Vinay K. Goenka and Mr. S. K. Ghosh.

Mr. Siddhartha Roy, Executive Director (Legal) & Company Secretary is the Compliance Officer.

E-mail ID pursuant to Clause 47(f) of the Listing Agreement with the Stock Exchanges:
investors@warrentea.com

Status of Investors’ Complaints as on 31st March, 2010 :-

No. of complaints received during the year and dealt with	: 8
No. of complaints pending	: Nil.
No. of pending share transfers as on 31 st March, 2010	: Nil

During the year under review 103 requests for transfer of shares in physical form and 304 requests for dematerialisation of shares were received and processed.

6. General Body Meetings :-

Location and time where last three Annual General Meetings were held :-

Date	Location	Time
19th September,2007	G. S. Ruia Memorial Complex at Deohall Tea Estate, P.O. Hoogrijan, Dist. Tinsukia, Assam 786 601	4.00 P M
19 th September, 2008	Same as above	4.00 P M
4 th September,2009	Same as above	11.30 A. M

A Special Resolution was passed in the Annual General Meeting held on 19.09.2007 for reappointment and remuneration payable to Mr.Vinay K.Goenka as President and Managing Director (since redesignated as Executive Chairman) .

A Special Resolution was passed in the Annual General Meeting held on 19.09.2008 for reappointment and remuneration payable to Mr.S.K.Ghosh as Managing Director of the Company.

No Special Resolution was passed at the Annual General Meeting held on 4th September,2009 .

No Special Resolution was passed last year through postal ballot.

Resumé and other information on the Directors appointed or re-appointed as required under Clause 49IV(G) (i) of the Listing Agreement is given in the Notice of the Annual General Meeting annexed to the Annual Report for the year under review.

Annexure 'C' to the Directors' Report (Continued)

7. Disclosures :-

- a) Materially significant related party transactions : The Company has not entered into any transactions of material nature with its Promoters, Directors, the management, subsidiary companies or relatives, etc. that may have potential conflict with its interest during the year under review. However, the list of related party relationships or transactions as required to be disclosed in accordance with Accounting Standard 18 as provided in the Companies (Accounting Standards) Rules, 2006 has been given in Notes on Accounts in Schedule 18 to the Annual Accounts for the year ended 31st March, 2010.
- b) No penalties/strictures were imposed on the Company by any regulatory authority for non-compliance of any laws or any matter relating to capital markets during the last three years.
- c) The Company has complied with all the mandatory requirements of Sub-clauses I to VII of Clause 49 of the Listing Agreement. The Company continues in its efforts on improvement, consolidation and documentation of methods of internal control for financial reporting and its effectiveness. Insofar as the non-mandatory requirements are concerned, some of such requirements such as Constitution of the Remuneration Committee, presence of all members of that Committee at its Meeting, attendance of Chairman of that Committee at the Company's Annual General Meeting as well as administrative norms with regard to inter personnel relationships are already being followed by the Company.

8. Means of Communication :-

- a) In compliance with Clause 41 of the Listing Agreement the Company regularly intimates unaudited half yearly and quarterly results after Limited Review by the Statutory Auditors as well as the audited annual results to the Stock Exchanges after they are taken on record by the Board of Directors. In addition, the same are also filed on the Electronic Data Information Filing and Retrieval (EDIFAR) website maintained by the SEBI in association with the National Informatics Centre (NIC) pursuant to the requirements of Clause 51 of the Listing Agreement. However, filling on the EDIFAR website is no longer required.
- b) Such results are also published in newspapers namely, Sentinel and Ajir Asom, having wide circulation in Assam, where the Registered Office of the Company is situate and Business Standard (Kolkata).
- c) The Company has no web-site.
- d) No presentations have been made to institutional investors or to the analysts.
- e) The document on Management Discussion and Analysis Report forms a part of the Annual Report.

9. General Shareholder Information :-

- a) AGM date, time and venue :
27th August, 2010 at the G. S. Ruia Memorial Complex : Deohall Tea Estate,
P O – Hoogrijaan, Dist.- Tinsukia, Assam 786 601 at 11.30 a.m.
- b) Financial Year: 1st April to 31st March.
- c) Book closure Period : 19th August, 2010 to 27th August, 2010, both days inclusive.
- d) Dividend payment date : No dividend has been recommended for the year ended 31st March, 2010.
- e) Listing on Stock Exchanges and Stock Codes : The shares of the Company are listed with the Stock Codes at the Stock Exchanges given hereinbelow :

Annexure ‘C’ to the Directors’ Report (Continued)

<u>Stock Exchange</u>	<u>Stock Code</u>
(i) The Gauhati Stock Exchange Limited 2 nd Floor, Shine Tower Sati Jaymati Road Arya Chowk, Rehabari Guwahati 781 008.	L/575
(ii) The Calcutta Stock Exchange Association Limited 7, Lyons Range, Kolkata 700 001	33002
(iii) Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400 023.	508494

Listing Fees as prescribed have been paid to all the aforesaid Stock Exchanges upto 31st March, 2011.
Demat Code No. allotted by NSDL & CDSL : INE712A01012

f) Stock Price Data :

Year 2009-2010			(Rupees)			
Month	Bombay Stock Exchange Limited		The Gauhati Stock Exchange Limited		The Calcutta Stock Exchange Association Limited	
	High	Low	High	Low	High	Low
April, 2009	98.55	79.00	No Trade	No Trade	No Trade	No Trade
May, 2009	132.55	101.15				
June, 2009	149.50	128.00				
July, 2009	148.05	115.95				
August, 2009	174.45	140.25				
September, 2009	195.75	169.65				
October, 2009	186.05	167.50				
November, 2009	234.45	159.90				
December, 2009	242.25	206.80				
January, 2010	240.35	168.30				
February, 2010	176.60	152.00				
March, 2010	169.75	155.15				

g) Stock Performance:

Share Price Performance in comparison to BSE SENSEX : (April, 2009 to March, 2010) –

Company's Share Price on : 01.04.2009 – Rs. 80.45 (Open) (BSE)
31.03.2010 – Rs 160.20 (Close) (BSE)

Change 99.12%

Indices : on 01.04.2009 – 9,708.50 (Open)
on 31.03.2010 – 17,527.77 (Close)

Change : 80.54%

h) Share Transfer System :

Share transfers are registered within a maximum period of 30 days from the date of receipt, provided, the documents are complete in all respects. The shares of the Company are compulsorily traded in dematerialised form for all shareholders with effect from 28th August, 2000.

Annexure 'C' to the Directors' Report (Continued)

i) Dematerialisation of shares & liquidity :

EIH Ltd. at 4 Mangoe Lane, Kolkata 700 001 acts as the Interface Registrars for electronic part of the processing relating to dematerialisation of shares. Physical verification of share certificates surrendered for dematerialisation is carried out in-house. As on 31st March, 2010, 41.35% of total number of shares stand dematerialised. With regard to SEBI's requirement of appointment of Common Agency for Share Registry Work, the Company had repeatedly referred the matter to SEBI stating that in its opinion such compliances could result in violation of provisions of the Companies Act, 1956, to which no reply has been received from SEBI.

j) Outstanding GDR/ADR/Warrants or any convertible instruments : Not Applicable.

k) (A) Distribution of Shareholding as on 31st March, 2010 :

Break-up of Equity shares held	No. of Shareholders	Percentage of Shareholders	No. of Equity shares held	Percentage of Equity shares
1-500	13293	97.45	835036	7.78
501-1000	149	1.09	120282	1.12
1001-2000	92	0.67	140731	1.31
2001-3000	29	0.21	76302	0.71
3001-4000	15	0.11	53643	0.50
4001-5000	11	0.08	49861	0.47
5001-10000	25	0.18	177562	1.66
10001-20000	9	0.07	140903	1.32
20001-30000	4	0.03	87518	0.82
30001-40000	1	0.01	35786	0.33
40001-50000	1	0.01	48850	0.46
50001-100000	2	0.01	145251	1.36
100000 and above	11	0.08	8802548	82.16
Total	13642	100.00	10714273	100.00

(B) Shareholding Pattern as on 31st March, 2010 :

Category		No.of Shares held	Percentage of Shareholding
A	Promoters' Holding		
	1. Promoters		
	- Indian Promoters	2993728	27.94
	- Foreign Promoters	5954071	55.57
B	2. Persons acting in concert	-	-
	Total (A)	8947799	83.51
	Non-Promoters' Holding		
	1. Institutional Investors		
	a) Mutual Funds and UTI	25	-
	b) Banks, Financial Institutions, Insurance Companies (Central/ State Govt. Institutions/ Non-Government Institutions)	1432	0.01
	c) FIIs	-	-
	Sub-Total	1457	0.01
	2. Others		
	a) Private Corporate Bodies	242202	2.26
	b) Individuals	1522815	14.22
	Sub-Total	1765017	16.47
	Total (B)	1766474	16.49
	Grand Total (A+B)	10714273	100.00

Annexure 'C' to the Directors' Report (Continued)

l) Plant locations : The Company owns fourteen Tea Estates, all in Assam, details of which are given elsewhere in the Annual Report. It also has a Division, Warren Travels, located at 31 Chowringhee Road, Kolkata 700 071.

m) Address for Correspondence :

Corporate Office : Suvira House
4B, Hungerford Street,
Kolkata 700 017.
Tel No. : 2287 2287
Fax No. : 2289 0302
E-mail ID : investors@warrentea.com

Signatures to Annexures A to C

Kolkata
27th May , 2010

Directors

DECLARATION BY THE CEO ON AFFIRMATION OF COMPLIANCE WITH
THE CODE OF CONDUCT OF THE COMPANY

To the Members of
Warren Tea Limited

Pursuant to Clause 49(l)(D)(ii) of the Listing Agreement with the Stock Exchanges, I hereby declare that all Directors of the Company and Members of the Management Staff (other than those who have retired or resigned from the services of the Company) have affirmed compliance with the Code of Conduct of the Company, for the year ended 31st March, 2010.

(Vinay K. Goenka)
Executive Chairman

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To the Members of
Warren Tea Limited

We have examined the compliance of conditions of Corporate Governance by Warren Tea Limited, for the year ended 31st March, 2010, as stipulated in Clause 49 of the Listing Agreements of the said Company with stock exchanges in India.

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

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

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

For Price Waterhouse
Firm Registration Number-301112E
Chartered Accountants

Place: Kolkata
Date : 27th May, 2010

(P.Law)
Partner
Membership Number - 51790.

Auditors' Report to the Members of Warren Tea Limited

1. We have audited the attached Balance Sheet of Warren Tea Limited (the "Company") as at 31st March, 2010 and the related Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. The report on the audit of Travels Division of the Company by Messrs. B.M.Chatrath & Co. under Section 228 of the Companies Act, 1956 of India, (the 'Act') has been forwarded to us as required by clause(c) of sub-section (3) of that Section which has been considered in preparing our report.
3. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as, evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
4. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together 'the Order'), issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we further report that:
 - i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation, of fixed assets.
 - (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion the frequency of verification is reasonable.
 - (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the Company during the year.
 - ii) (a) The inventory(excluding stocks with third parties), has been physically verified by the Management during the year. In respect of inventory lying with third parties, these have been confirmed by them. 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 has maintained proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.



Auditors' Report to the Members of Warren Tea Limited

- iii) (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act.
- (b) The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Act.
- iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory, fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v) (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that Section.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees Five Lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi) The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed thereunder.
- 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 account maintained by the Company in respect of Tea, where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed under Clause (d) of sub-section (1) of Section 209 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- 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 has generally been regular in depositing during the year the undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues as applicable with the appropriate authorities.

As explained by the Management, the Employees' State Insurance Scheme is not applicable to the Company.



Auditors' Report to the Members of Warren Tea Limited

- (b) According to the information and explanations given to us and the records of the Company examined by us, as at 31st March, 2010, there have been no dues in respect of Customs Duty, Wealth Tax, Service Tax, Excise Duty and Cess which have not been deposited on account of dispute other than certain disputed Income Tax and Sales Tax dues, in respect of which amounts involved and forums at which dispute is pending have been indicated in Note 10 on Schedule 18 to the Accounts.
- x) The Company has no accumulated losses as at 31st March, 2010, and it has not incurred any cash losses in the financial year ended on that date or 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 in repayment of dues to any bank as at the Balance Sheet date. The Company has neither issued any debenture nor has outstanding loan from any financial institution.
- 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, debentures and 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) In our opinion and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained.
- 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 a short-term basis which have been used for long-term investment.
- xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
- xix) The Company has not issued any debenture and accordingly the question of creation of securities in respect of debentures does not arise.
- xx) The Company has not raised any money by public issue 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.



Auditors' Report to the Members of Warren Tea Limited

5. Further to our comments in paragraph 4 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, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act;
- (e) On the basis of written representations received from the directors, as on 31st March, 2010 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
- (f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give, in the prescribed manner, subject to Note 14(a)(viii) on Schedule 18 to Accounts regarding non-ascertainment of value of Green Leaf consumed, the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;
 - (ii) In the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - (iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Price Waterhouse
Firm Registration Number - 301112E
Chartered Accountants


(P. LAW)

Partner
Membership Number 51790

Kolkata
27th May, 2010

BALANCE SHEET
as at 31st March, 2010

		As at 31st March, 2010	As at 31st March, 2009
	Schedule	Rs. in 000's	Rs. in 000's
SOURCES OF FUNDS			
Shareholders' Funds			
Capital	1	107142	107142
Reserves and Surplus	2	<u>1282282</u>	<u>1059535</u>
		<u>1389424</u>	<u>1166677</u>
Loan Funds	3		
Secured Loans		40000	90153
Deferred Tax Liability (Net)	4	<u>15492</u>	<u>16717</u>
		<u>1444916</u>	<u>1273547</u>
APPLICATION OF FUNDS			
Fixed Assets	5		
Gross Block (includes Revaluation Surplus of Rs. 362743)		2504035	2401966
Less : Depreciation and Amortisation		<u>1163124</u>	<u>1078460</u>
Net Block		1340911	1323506
Capital Work-in-Progress		<u>9328</u>	<u>2853</u>
		<u>1350239</u>	<u>1326359</u>
Investments	6	255454	41975
Current Assets,Loans and Advances			
Inventories	7	116913	112594
Sundry Debtors	8	110630	151655
Cash and Bank Balances	9	16389	3770
Other Current Assets	10	81272	60963
Loans and Advances	11	<u>68306</u>	<u>110035</u>
		<u>393510</u>	<u>439017</u>
Less:			
Current Liabilities and Provisions			
Liabilities	12	388698	373155
Provisions	13	<u>165589</u>	<u>160649</u>
		<u>554287</u>	<u>533804</u>
Net Current Assets		<u>(160777)</u>	<u>(94787)</u>
		<u>1444916</u>	<u>1273547</u>
Notes on Accounts	18		

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

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

For Price Waterhouse
Firm Registration Number - 301112E
Chartered Accountants

(P. Law)
Partner
Membership Number - 51790
Kolkata , 27th May, 2010

Company Secretary

Directors

PROFIT AND LOSS ACCOUNT
for the year ended 31st March, 2010

	Schedule	Current Year Rs. in 000's	Previous Year Rs. in 000's
Income			
Sales		1992278	1687444
Other Income	14	<u>34549</u>	<u>18781</u>
		<u>2026827</u>	<u>1706225</u>
Expenditure			
Expenses	15	1586209	1417546
Interest	16	11468	29746
(Accretion)/Decretion to Stock	17	<u>(673)</u>	<u>(381)</u>
		<u>1597004</u>	<u>1446911</u>
Profit Before Depreciation and Taxation		429823	259314
Depreciation and Amortisation		<u>88301</u>	<u>82014</u>
Profit Before Taxation		341522	177300
Provision/(Credit) for Corporate Taxation			
Current Tax		120000	27500
Deferred Tax		(1225)	964
Fringe Benefit Tax		<u>-</u>	<u>2500</u>
Profit After Taxation		222747	146336
Balance brought forward from Previous Year		<u>226540</u>	<u>80204</u>
Balance carried to Balance Sheet		<u>449287</u>	<u>226540</u>
Basic and Diluted Earnings per Share (Rs.)		20.79	13.66

Notes on Accounts 18

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

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

For Price Waterhouse
Firm Registration Number - 301112E
Chartered Accountants

(P. Law)
Partner
Membership Number - 51790
Kolkata , 27th May, 2010

Company Secretary

Directors

Schedules to the Balance Sheet

	As at 31st March, 2010 Rs. in 000's	As at 31st March, 2009 Rs. in 000's
Schedule 1		
CAPITAL		
Authorised		
2,00,00,000 Equity Shares of Rs. 10/- each	<u>200000</u>	<u>200000</u>
Issued, Subscribed and Paid-up		
1,07,14,273 Equity Shares of Rs. 10/- each		
fully paid-up (including Bonus Shares - Rs.45501)	107142	107142
	<u>107142</u>	<u>107142</u>
Schedule 2		
RESERVES AND SURPLUS		
Share Premium Account	81000	81000
Revaluation Reserve	362743	362743
General Reserve	389252	389252
Profit and Loss Account	<u>449287</u>	<u>226540</u>
	<u>1282282</u>	<u>1059535</u>

Schedules to the Balance Sheet

	As at 31st March, 2010 Rs. in 000's	As at 31st March, 2009 Rs. in 000's
Schedule 3		
LOAN FUNDS		
SECURED LOANS		
Working Capital Facilities from Banks	-	22531
[Secured by joint equitable mortgage/charge on the current assets and fixed assets (movable and immovable) ranking <i>pari passu</i> first charge amongst the Banks severally and with other Lenders for their respective Term Loans which are secured by fixed assets only (movable and immovable)]		
Loan from a Bank	25000	37500
[Secured by equitable mortgage of fixed assets only (movable and immovable) ranking <i>pari passu</i> first charge with the Banks for working capital facilities]		
Loan from a Bank	15000	30000
[Secured by equitable mortgage/charge on current assets and fixed assets (movable and immovable) ranking <i>pari passu</i> first charge with the Banks for working capital facilities]		
Loan from a Bank	-	122
[Secured by way of hypothecation of related vehicle]		
	<u>40000</u>	<u>90153</u>
Schedule 4		
DEFERRED TAX LIABILITY (NET)		
Deferred Tax Liability		
Timing difference on account of Depreciation	44826	50007
Less : Deferred Tax Assets		
Timing difference on account of :		
Expenses allowable on payment	29123	33061
Provision for Doubtful Debts	211	229
	<u>15492</u>	<u>16717</u>

Schedules to the Balance Sheet

Schedule 5

FIXED ASSETS

Rs. in 000's

PARTICULARS	GROSS BLOCK - AT COST/VALUATION				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 1st April 2009	Additions	Disposals/ Adjustments	As at 31st March 2010	Upto 1st April 2009	For the Year	Disposals/ Adjustments	Upto 31st March 2010	As at 31st March 2010	As at 31st March 2009
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
TANGIBLE ASSETS										
Land (Freehold)	58901	-	-	58901	-	-	-	-	58901	58901
Estates and Development (Leasehold)	528320	-	-	528320	-	-	-	-	528320	528320
Buildings,Roads and Bridges	1104332	83620	-	1187952	572748	50841	-	623589	564363	531584
Plant and Machinery	553776	10024	128	563672	389865	26231	74	416022	147650	163911
Airconditioners, Refrigerators and Other Equipment	12938	251	210	12979	7559	607	198	7968	5011	5379
Furniture and Fixtures	33553	151	-	33704	20365	1906	-	22271	11433	13188
Vehicles	76405	12205	3894	84716	65600	5061	3365	67296	17420	10805
INTANGIBLE ASSETS (ACQUIRED)										
Tenancy Right	2100	-	-	2100	1260	105	-	1365	735	840
Excise Duty Relief Right	10000	-	-	10000	6334	1812	-	8146	1854	3666
Computer Software	21641	50	-	21691	14729	1738	-	16467	5224	6912
	2401966	106301	4232	2504035	1078460	88301	3637	1163124	1340911	1323506
Previous Year	2281390	122721	2145	2401966	998222	82014	1776	1078460	1323506	

Schedules to the Balance Sheet

	As at 31st March, 2010 Rs. in 000's	As at 31st March, 2009 Rs. in 000's
Schedule 6		
INVESTMENTS		
Long Term - at or under cost		
Trade Investments		
Unquoted		
20000 Equity Shares of Rs.10/- each fully paid-up in ABC Tea Workers Welfare Services	200	200
Other than Trade Investments		
Quoted		
30300 Equity Shares of Rs. 10/- each fully paid-up in Pal Peugeot Limited	303	303
6994 Equity Shares of Rs. 10/- each fully paid-up in Malanpur Steel Limited	70	70
450 Equity Shares of Rs. 5/- each fully paid-up in McLeod Russel India Limited	11	11
1728 Equity Shares of Rs.10/- each fully paid-up in Syndicate Bank	87	87
Unquoted		
In Government Securities		
* Rs.17600/- 3% Government of India Conversion Loan	1	1
In Equity Shares		
335000 Equity Shares of Rs. 10/- each fully paid-up in Warren Steels Private Limited	41875	41875
In Debentures and Bonds		
145 5% Ten Year Debentures of Rs. 100/- each fully paid-up of Shillong Club Limited	-	-
Rs. 64500/- 5% Debentures Stock of The East India Clinic Limited	1	1
29 1.5 % Debentures of Rs. 100/- each in The East India Clinic Limited	-	-
	42548	42548
Current Investments - at lower of cost and fair value		
Other than Trade Investments		
Unquoted		
In Mutual Fund Units		
HDFC Cash Management Fund - Treasury Advantage Plan - Retail Daily Dividend 1260729.423 units of Rs. 10/- each (Acquired during the year)	12647	-
HDFC Cash Management Fund - Treasury Advantage Plan - Wholesale Daily Dividend 6962074.425 units of Rs. 10/- each [Acquired 23908692.583 units, (Previous Year - 2760574.086 units), Sold - 16946618.158 units (Previous Year -2760574.086 units) during the year]	69840	-
LIC MF Savings Plus Fund - Daily Dividend Plan - Reinvestment 10028080.791 units of Rs. 10/- each (Acquired during the year)	100281	-
Reliance Money Manager Fund - Institutional - Daily Dividend Plan 30669.639 units of Rs. 1000/- each [Acquired 50645.899 units, (Previous Year - Nil) Sold - 19976.260 units, (Previous Year - Nil) during the year]	30711	-
	213479	-
Less: Provision for diminution in the value of Investments	256027	42548
	573	573
	255454	41975
Notes :		
1 Market Value of Quoted Investments	271	112
2 Aggregate Book Value of Quoted Investments	471	471
3 Aggregate Book Value of Unquoted Investments	255556	42077
*4 Deposited with Excise Authorities		

5 Current Investments (other than Trade - unquoted) acquired and sold during the year (in units)

Reliance Medium Term Fund - Nil (Previous Year - 1618684.028 units)

Reliance Liquid Fund - Treasury Plan - Institutional Option - Daily Dividend Option
- 981293.069 units (Previous Year - Nil)

HDFC Floating Rate Income Fund - Retail Option - Nil
(Previous Year - 1241555.825 Units)

HDFC Floating Rate Income Fund - Wholesale Option - Nil
(Previous Year - 2738332.215 Units)

Schedules to the Balance Sheet

	As at 31st March, 2010 Rs. in 000's	As at 31st March, 2009 Rs. in 000's
--	--	--

Schedule 7

INVENTORIES

(Note 24(e) on Schedule 18)

Stock of Stores	57577	53931
Stock of Tea	59336	58663
	<u>116913</u>	<u>112594</u>

Schedule 8

SUNDRY DEBTORS

(Unsecured)

Debts outstanding for a period exceeding six months		
Considered Good	943	1254
Considered Doubtful	3485	2811
Other Debts		
Considered Good	109687	150401
Considered Doubtful	-	674
	<u>114115</u>	<u>155140</u>
Less: Provision for Doubtful Debts	3485	3485
	<u>110630</u>	<u>151655</u>

Schedule 9

CASH AND BANK BALANCES

Cash in hand	209	192
Cash with Garden Kayahs	14	303
With Scheduled Banks on		
Current Accounts	15945	2619
Unpaid Dividend Accounts	103	538
Deposit Account	118	118
	<u>16389</u>	<u>3770</u>

Schedule 10

OTHER CURRENT ASSETS

(Unsecured - Considered Good)

Security and Other Deposits	81188	60879
(includes Rs. 54; Previous Year - Rs. 54 ,		
deposited with Port Trust and Excise Authorities)		
Deposits with National Bank for Agriculture		
and Rural Development	2	2
Interest Accrued on Deposits	82	82
	<u>81272</u>	<u>60963</u>

Schedules to the Balance Sheet

	As at 31st March, 2010 Rs. in 000's	As at 31st March, 2009 Rs. in 000's
--	--	--

Schedule 11

LOANS AND ADVANCES

(Unsecured - Considered Good)

Loans to Employees	7474	6890
Advances recoverable in cash or in kind or for value to be received	<u>60832</u>	<u>103145</u>
	<u>68306</u>	<u>110035</u>

Schedule 12

LIABILITIES

Sundry Creditors (Note 12 on Schedule 18)	386751	370599
Advances from Customers	873	249
Investor Education and Protection Fund shall be credited by :		
Unpaid and Unclaimed Dividends *	103	538
Interest Accrued but not Due on Loans	971	1769
	<u>388698</u>	<u>373155</u>

* No amount is due as at the Balance Sheet date for actual credit.

Schedule 13

PROVISIONS

Corporate Taxation - Current (Net) (including Fringe Benefit Tax - Rs. 1000; Previous Year - Rs. 1000)	165589	160649
	<u>165589</u>	<u>160649</u>

Schedules to the Profit and Loss Account

	Current Year	Previous Year
	Rs. in 000's	Rs. in 000's
Schedule 14		
OTHER INCOME		
Income from Investments - Trade		
Long Term		
Loss on Disposal of Investments	-	(1938)
Income from Investments - Other than Trade		
Long Term		
Dividend	5	5
Current Investments		
Dividend	3479	365
Interest on Deposits (Gross)	152	193
[Tax deducted at Source - Nil]		
Profit/(Loss) on Disposal of Fixed Assets (Net)	339	(30)
Insurance Claims	3542	3704
Tea Board Subsidy	13038	4415
Miscellaneous Receipts	13423	9780
Provisions no longer required written back	571	2287
	<u>34549</u>	<u>18781</u>

Schedule 15

EXPENSES

Salaries, Wages and Bonus	650636	628241
Contributions to Provident and Other Funds	101845	67470
Employees' Welfare	115607	101645
Consumption of Stores and Spares	288534	237170
Power and Fuel	126024	122158
Land Rent and Taxes	24617	30687
Tea Board Cess	4412	4569
Rent	1336	651
Repairs and Maintenance		
Buildings, Roads and Bridges	44996	37727
Plant and Machinery	29279	29666
Insurance	2368	2993
Administrative Overheads	82081	60057
Provision for Doubtful Debts	-	674
Selling		
Freight	47138	54863
Insurance	4156	2192
Brokerage	11552	9264
Commission	12288	10082
Warehousing, Shipment and Other Charges	37932	21234
Loss / (Gain) on Exchange (Net)	1408	(3797)
	<u>1586209</u>	<u>1417546</u>

Schedules to the Profit and Loss Account

	Current Year Rs. in 000's	Previous Year Rs. in 000's
Schedule 16		
INTEREST		
Interest on Fixed Loans		
Banks	7673	18822
Others	-	1189
Interest on Others	3795	9735
	<u>11468</u>	<u>29746</u>

Schedule 17

(ACCRETION)/DECRETION TO STOCK

Opening Stock	58663	58282
Less: Closing Stock	59336	58663
	<u>(673)</u>	<u>(381)</u>

NOTES ON ACCOUNTS

- 1
- Revaluation of all Plantation Assets excluding depreciable Assets was conducted in 2001-02 by approved Valuers appointed by the Company. In evaluating such Assets, the Valuers carried out physical inspection, verification and analysis of plantation areas and valued the same on a conservative basis. The resultant incremental amount of Rs. 362743 was incorporated in the Accounts as on 31st March, 2002 and credited to the Revaluation Reserve Account.
- 2
- Pursuant to an Agreement dated 8th October, 2002, Tippuk Tea Estate located in Doom Dooma sub-district in Assam was acquired by the Company as a going concern with effect from 1st October, 2002 and possession and operations have been taken over by the Company effective from the same date. Conclusion of the Deed of Conveyance is in process.

- 3
- (a)

Depreciation/Amortisation is provided on Straight Line Method at the following rates:

	%
Buildings, Roads and Bridges (including Tenancy Right)	5.0
Plant and Machinery : Computers including Software	20.0
Others	7.5
Airconditioners, Refrigerators and Other Equipments	7.5
Furniture and Fixtures	7.5
Vehicles	15.0
- (b)
- Amortisation of Excise Duty Relief Right available upto June 2011, subject to periodical review, has been provided to the extent of production of Tea of the respective Tea Estate during the year.
- 4
- Issued, Subscribed and Paid-up Capital both for current and previous year includes :
- (a)

5419153 Equity Shares of Rs.10/- each allotted as fully paid-up for consideration otherwise than in cash at par in terms of the Schemes of Arrangements for Amalgamation.

(b)

4550070 Equity Shares of Rs.10/- each allotted as fully paid-up Bonus Shares by capitalisation of General Reserve.

(c)

5730386 Equity Shares held by the Holding Company - Warren Tea Holdings Limited, U.K.

- 5
- Under the Assam Fixation of Ceiling of Land Holding Act, 1956, undeveloped lands,approximately 3745 (Previous Year - 3745) hectares have been vested in the State Government . Necessary adjustments in respect of land compensation will be made in the accounts on settlement of the same.

- 6
- (a)

Computation of Profit under Section 198 read with Section 309 of the Companies Act, 1956 for the purpose of commission payable to the Executive Chairman and the Managing Director :

	Current Year Rs.	Previous Year Rs.
Net Profit before Depreciation and Taxation as per Profit and Loss Account	429823	259314
Less :		
Profit/(Loss) on Disposal of Fixed Assets (Net) as per Profit and Loss Account	339	(30)
Profit/(Loss) on Disposal of Investments	-	(1938)
Depreciation under Section 350	52353	51091
Provision for Diminution in the Value of Investments written back	-	2287
The excess of expenditure over income, in so far as such excess has not been deducted from net profits in any earlier year	-	21164
	377131	186740
Add :		
Profit/(Loss) on Disposal of Fixed Assets (Net) computed with Depreciation under Section 350	(235)	(667)
Provision for Doubtful Debts	-	674
Provision for Wealth Tax	-	100
Managerial Remuneration (including Commission Rs. 2640, Previous Year - Rs. 2340)	8720	7484
Net Profit in accordance with Section 198	385616	194331
Restricted to 1% thereof for each of the Directors	3856	1943
Commission payable to		
Mr. Vinay K. Goenka, Executive Chairman, limited to	1800	1620
Mr. S. K. Ghosh, Managing Director, limited to	840	720
	2640	2340

- (b)
- Managerial Remuneration paid/payable

Whole-time Directors

Salary	2640	2340
Contributions to Provident and Other Funds	317	281
Commission	2640	2340
Other Benefits	3045	2435
	8642	7396
Other Directors		
Sitting Fees	78	88
	8720	7484

	Current Year Rs.	Previous Year Rs.
7 Estimated amount of contracts remaining to be executed on Capital Account	4230	1799
8 Contingent Liabilities		
(a) Claims not acknowledged as debts	2224	2224
(b) Sales Tax Demands in dispute (under Appeals)	21949	17252
9 Bank Guarantees	6789	2439
10 Unpaid Disputed Statutory Dues in respect of		
(a) Income-tax		
Forum : Commissioner of Income-tax (Appeals)	9634	9634
Income-tax Appellate Tribunal	519	519
Deputy Commissioner of Taxes (Appeals) *	62363	32891
* For Agricultural Income-tax (Assam)		
(b) Sales tax		
Forum : Deputy Commissioner of Taxes (Appeals)	15779	10857
Commissioner of Taxes	586	586
Gauhati High Court	2781	2781
11 Advances include amounts		
Due by a Director of the Company	1722	1773
Maximum amount due at any time during the year	1773	1815
(Advanced to an employee since elevated as a Director)		
12 There are no outstanding dues of micro and small enterprises based on information available with the Company.		
13 Amounts paid/payable to Auditors		
Statutory Auditors		
(a) Audit Fees (including for Branch Auditors Rs. 10)	810	610
(b) For Tax Audit (including for Branch Auditors Rs. 3)	203	203
(c) For Limited Review & Other Matters		
(including for Branch Auditors Rs. 15)	530	455
(d) Service Tax & Education Cess	159	140
(e) Out of Pocket Expenses	30	28
Cost Auditors	110	110
(including Service Tax & Education Cess - Rs.10 ; Previous Year - Rs.10)		
14 Quantitative and Other information		
(a) Tea	(Kgs. in 000's)	(Kgs. in 000's)
(i) Capacity		
Licensed	Not Applicable	Not Applicable
Installed	Not Ascertainable	Not Ascertainable
(ii) Production	14421	14920
(iii) Saleable Production	14098	14697
(iv) Opening Stock	654	740
(v) Turnover (Net of Returns)	14160	14777
(vi) Claims/Damaged	21	6
(vii) Closing Stock	571	654
(viii) Consumption of Raw Materials - Green Leaf	67079	69689
[In Tea Industry, value of Green Leaf produced in Company's own estates is not ascertainable from financial accounting records since production involves an integrated process of growing, cultivation and manufacture of tea]		
(b) Sales	Rs.	Rs.
Tea	1987380	1681596
Commission	4898	5848
	<u>1992278</u>	<u>1687444</u>
15 Consumption of Stores and Spares	Rs.	Rs.
(a) Imported	-	-
(b) Indigenous	288534	237170
	<u>288534</u>	<u>237170</u>
16 Value of Imports Calculated on C.I.F. basis		
Stores and Spares	1240	-
17 Earnings in Foreign Exchange		
Exports on F.O.B. basis	243422	171266
18 Expenditure in Foreign Currency		
(a) Commission, Subscription and Other Charges	4340	2796
(b) Pension	692	868
(c) Travelling	1493	547

19 Post Employment Defined Benefit Plans

The Company operates defined Benefit Schemes like Gratuity, Superannuation, Pension and Additional Retiral Benefit Plans based on current salaries in accordance with the Rules of the Funds/Plans.

In terms of Accounting Policies enumerated in Note 24 the following Table sets forth the particulars in respect of Defined Benefit Plans of the Company for the year ended 31st March, 2010 arising out of actuarial valuations:

A) Funded Plans

I. Reconciliation of opening and closing balances of the present value of the Defined Benefit Obligation

	Gratuity			Superannuation		
	2009-10	2008-09	2007-08	2009-10	2008-09	2007-08
Present Value of Obligation at the beginning of the year	171243	164750	170872	54617	54002	55112
Current Service Cost	10692	9505	9070	5427	3070	1373
Interest Cost	12851	11799	13587	4254	3914	4684
Actuarial (Gains)/Losses	27578	56	(6723)	1459	(2500)	(7167)
Benefits paid	(21218)	(14867)	(22056)	(3093)	(3869)	-
Present Value of Obligation at the end of the year	201146	171243	164750	62664	54617	54002

II. Reconciliation of opening and closing balances of the fair value of Plan Assets

Fair value of Plan Assets at the beginning of the year	167811	164076	170872	59111	59233	51444
Expected Return on Plan Asset	13425	13126	13670	4729	4739	4115
Actuarial Gains/(Losses)	5862	4802	1590	689	(4028)	734
Contributions	47432	674	-	7313	3036	2940
Benefits paid	(21218)	(14867)	(22056)	(3093)	(3869)	-
Fair value of Plan Assets at the end of the year	213312	167811	164076	68749	59111	59233

III. Reconciliation of the present value of the Defined Benefit Obligation and the fair value of Plan Assets

Present Value of the Obligation at the end of the year	201146	171243	164750	62664	54617	54002
Fair value of Plan Assets at the end of the year	213312	167811	164076	68749	59111	59233
(Asset)/Liabilities recognised in the Balance Sheet	(12166)	3432	674	(6085)	(4494)	(5231)

IV. Expenses recognised in the Profit and Loss Account

Current Service Cost	10692	9505	9070	5427	3070	1373
Interest Cost	12851	11799	13587	4254	3914	4684
Expected Return on Plan Asset	(13425)	(13126)	(13670)	(4729)	(4739)	(4115)
Actuarial (Gains)/Losses	21716	(4746)	(8313)	770	1528	(7901)
Total Expenses Recognised Disclosed under Contributions to Provident and Other Funds in Schedule 15	31834	3432	674	5722	3773	(5959)

V. Category of Plan Assets

Fund with Insurance Companies	56112	46299	34845	2157	-	-
Central Government Securities	40014	41565	33521	8780	7379	5405
State Government Securities	21539	21226	16969	2320	1538	1534
Bond/Term Deposits	48082	54567	63886	29193	24506	23605
Special Deposits	45119	1577	11764	21674	23710	23601
Others (incl. Bank Balances)	2446	2577	3091	4625	1978	5088
	213312	167811	164076	68749	59111	59233

VI. Actual Return on Plan Assets	19287	17928	15260	5418	711	4849
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B) Unfunded Plans

I. Reconciliation of opening and closing balances of the present value of the Defined Benefit Obligation

	Pension			Additional Retiral Benefit
	2009-10	2008-09	2007-08	2009-10
Present Value of Obligation at the begining of the year	117829	110117	97267	-
Current Service Cost	6286	5530	7181	364
Interest Cost	9299	8138	8124	-
Past Service Cost	-	-	-	4193
Actuarial (Gains)/Losses	(1922)	(2742)	925	-
Benefits paid	(3189)	(3214)	(3380)	-
Present Value of Obligation at the end of the year	128303	117829	110117	4557

II. Expenses recognised in the Profit and Loss Account

Current Service Cost	6286	5530	7181	364
Interest Cost	9299	8138	8124	-
Past Service Cost	-	-	-	4193
Actuarial (Gains)/Losses	(1922)	(2742)	925	-
Total Expenses Recognised Disclosed under Employees' Welfare in Schedule 15	13663	10926	16230	4557

C) Principal Actuarial Assumptions of funded and unfunded Plans, as applicable

	2009-10	2008-09	2007-08
Discount Rate (%)	8.00	7.50	8.50
Salary Escalation (%)	5.00	5.00	6.00
Inflation Rate (%)	5.00	5.00	6.00
Expected Return on Asset (%)	8.00	8.00	8.00

Actuarial valuation considered estimates of future salary increases taking into account inflation and other relevant factors.

Post Employment Contribution Plan

During the year an aggregate amount of Rs. 61642 (Previous Year - Rs. 57750) has been recognised as expenditure towards defined contribution plan of the Company.

Schedule 18 (Continued)

	Current Year	(Rs. in 000's) Previous Year
20 Basic and Diluted Earnings Per Share		
Number of Equity Shares at the beginning of the year	10714273	10714273
Number of Equity Shares at the end of the year	10714273	10714273
Weighted average number of Equity Shares outstanding during the year	10714273	10714273
Face value of each Equity Share (Rs.)	10	10
Profit after tax available for distribution to the Equity Shareholders	222747	146336
Basic and Diluted Earnings per Share (Rs.)	20.79	13.66
Dilutive Potential Equity Shares	Not Applicable	Not Applicable

21 Related Party Disclosures

(i) Names and Relationship

Relationship	Name
Holding Company	Warren Tea Holdings Limited
Significant Influence by Key Management Personnel	Warren Industrial Limited DPIL Limited Sectra Plaza Private Limited Suvira Properties Private Limited Warren Steels Private Limited
Key Management Personnel	Mr. Vinay K. Goenka (Executive Chairman) Mr. S. K. Ghosh (Managing Director)
Relative of a Key Management Personnel	Mr. Vivek Goenka

(ii) Particulars of Transactions and year-end balances

Names and Relationship	Rs.	Rs.
Significant Influence by Key Management Personnel		
Receiving of Services		
Warren Industrial Limited	400	354
Suvira Properties Private Limited	300	300
Sectra Plaza Private Limited	480	-
	<u>1180</u>	<u>654</u>
Rendering of Services		
Warren Steels Private Limited	310	285
DPIL Limited	12	24
Others	11	7
	<u>333</u>	<u>316</u>
Security Deposit		
Sectra Plaza Private Limited	20000	-
Key Management Personnel & Relative		
Directors' Remuneration		
Mr. Vinay K. Goenka	5146	4426
Mr. S. K. Ghosh	3496	2970
	<u>8642</u>	<u>7396</u>
Remuneration		
Mr. Vivek Goenka	834	831
Balance at the year-end		
Holding Company		
Advances	860	860
Significant Influence by Key Management Personnel		
Warren Steels Private Limited		
Investments	41875	41875
Sundry Debtors	102	180
Sectra Plaza Private Limited		
Security Deposit	44760	25000
Suvira Properties Private Limited		
Advances	8378	8558
Warren Industrial Limited		
Current Liabilities	5341	5464
Key Management Personnel		
Mr. Vinay K. Goenka		
Current Liabilities	1800	1620
Mr. S. K. Ghosh		
Advances	1722	1773
Current Liabilities	840	720

22 Segment Reporting

- (i) Business Segments have been considered as Primary Segment for disclosure. The integrated process of growing, harvesting, manufacturing and sale of Black Tea and Travel related activities are denoted as "Tea" and "Travels" respectively which comprise Reportable Business Segments in accordance with the Accounting Standard - 17.
- (ii) Geographical Segments have been considered for disclosure as the Secondary Reporting Segment based on Sales in domestic markets and Exports.

(iii) Primary Segment Information

	Tea	Travels	Total
Segment Revenue - External Sales	1987380 <i>[1681596]</i>	4898 <i>[5848]</i>	1992278 <i>[1687444]</i>
Segment Results	349705 <i>[205418]</i>	(977) <i>[661]</i>	348728 <i>[206079]</i>
Unallocated Corporate Income	-	-	4262 <i>[967]</i>
Interest Expenses	-	-	(11468) <i>[(29746)]</i>
Corporate Taxation	-	-	(118775) <i>[(30964)]</i>
Profit after Taxation	-	-	222747 <i>[146336]</i>
Segment Assets	1690097 <i>[1728911]</i>	8587 <i>[10725]</i>	1698684 <i>[1739636]</i>
Unallocated Corporate Assets	-	-	300519 <i>[67715]</i>
Total Assets			<u>1999203</u> <u><i>[1807351]</i></u>
Segment Liabilities	386303 <i>[371229]</i>	2292 <i>[1388]</i>	388595 <i>[372617]</i>
Loan Funds			40000 <i>[90153]</i>
Unallocated Corporate Liabilities			181184 <i>[177904]</i>
Total Liabilities			<u>609779</u> <u><i>[640674]</i></u>
Capital Expenditure	112516 <i>[102821]</i>	260 <i>[24]</i>	112776 <i>[102845]</i>
Depreciation and Amortisation	88102 <i>[81840]</i>	199 <i>[174]</i>	88301 <i>[82014]</i>

(iv) Secondary Segment Information

	Domestic	Export	Total
Segment Revenue - External Sales	1744789 <i>[1514982]</i>	247489 <i>[172462]</i>	1992278 <i>[1687444]</i>
Segment Assets	1698684 <i>[1739636]</i>	- <i>-</i>	1698684 <i>[1739636]</i>
Capital Expenditure	112776 <i>[102845]</i>	- <i>-</i>	112776 <i>[102845]</i>

Figures of Previous Year are indicated in Italics within "brackets" []

23 Previous year's figures have been regrouped or rearranged, wherever necessary.

24 Major Accounting Policies

- (a) The financial statements have been prepared in accordance with the standards of accounting prescribed under the Companies Act, 1956 of India.
- (b) Fixed Assets
- Written down value of Fixed Assets (both Tangible and Intangible) represents cost of acquisition/valuation of such assets after deduction of depreciation (including amortisation) on Straight Line Method at rates indicated in Note 3(a). Rights are carried at cost of acquisition less amortisation, basis of which is indicated in Note 3.
- Although Tea Plantation is an item of wasting asset, no depreciation is charged on such assets as it is customary in the Tea Industry and also because the Infilling costs of Tea Bushes, Replanting of Tea areas and other long term developmental expenditure in the plantation areas are charged to Revenue Expenditure which are allowed by the Indian Taxation Authorities. Thus, no depreciation has been charged on New Planting.
- For additions to Assets during the course of the year depreciation/amortisation is being charged on a full year basis. In case of acquisition of any undertaking, depreciation is charged from the effective date of such acquisition.
- Assets costing upto Rs 5000/- each are fully depreciated in the same year.
- Compensation received for acquisition of Assets of the Company is accounted for upon acceptance of the Company's claim by the appropriate authorities.
- (c) Impairment of Assets
- Loss on account of Impairment of Assets is to be recognised if and when the carrying amount of the Fixed Assets exceeds the recoverable amount i.e higher of net selling price and value in use.
- (d) Investments
- Long term Investments made by the Company have been stated at cost, except in certain cases where these have been brought down upon commercial considerations and in keeping with the applicable Accounting Standard. Current Investments are stated at lower of cost and fair value.
- (e) Current Assets, Loans and Advances
- Inventories of Stores, as existing at the year-end, represent weighted average cost of procurements. Obsolete and slow moving inventories are fully depreciated in the Accounts.
- Unsold but saleable Stock of Tea are valued at weighted average cost of production including attributable charges and levies or net realisable value, whichever is lower.
- (f) Sales and Revenue Recognition
- Disposal of Company's produce is accounted for as Sales whenever appropriate documents are received even when the proceeds are received after the accounting period.
- Items of income including Export Benefits are recognised on accrual and conservative basis.
- (g) Government Grants
- Government Grants related to specific depreciable fixed asset are deducted from gross values of the related fixed asset in arriving at their book value.
- Government Grants related to revenue are recognised in the Accounts on prudent basis.
- (h) Foreign Currencies Transactions
- Transactions in foreign currency are accounted for at the exchange rates prevailing on the date of transactions. Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year-end exchange rates.
- Gains/Losses arising out of fluctuations in the exchange rates are recognised in the Accounts in the period in which they arise. Differences between the forward exchange rates and the exchange rates at the date of transactions are accounted for as income/expense over the life of the contracts.

(i)	Employee Benefits
	a) Short Term Employee Benefits
	The amount of Short Term Employee Benefits payable in terms of employment for the services rendered by such employees is recognised during the period when the employee renders services.
	b) Post Employment Benefits
	(i) The Company operates defined Contribution Schemes of Provident Funds and makes regular contributions to Provident Funds which are fully funded and administered by the Trustees/Government and are independent of the Company's finance. Such contributions are recognised in the Accounts on accrual basis. Interest accruing to the Fund administered by the Trustees are credited to respective members' accounts based on the rates stipulated by the Government and shortfall in this regard, if any, is borne by the Company.
	(ii) The Company operates defined benefit Superannuation and Gratuity Schemes administered by the Trustees, which are independent of the Company's finance. Such obligations are recognised in the Accounts on the basis of actuarial valuation including gains and losses at the year-end.
	(iii) The Company operates a defined benefit Pension Scheme and Additional Retiral Benefit for certain categories of employees for which obligations are recognised in the Accounts based on actuarial valuation including gains and losses at the year-end.
	c) Other Long Term Employee Benefits
	Other Long Term Employee Benefits are recognised in the Accounts based on actuarial valuation including gains and losses at the year-end.
(j)	Expenditure
	As is customary in the Tea Industry, maintenance expenditure incurred at Gardens,for which accruing benefits may not be relatable in terms of periods, are charged off to Revenue Expenditure in the year these are incurred.
	Operational Borrowing Costs are recognised as Revenue Expenditure in the year in which these are incurred.
(k)	Corporate Taxation
	Current Tax is determined as the amount of income-tax payable/recoverable in respect of the taxable income for the current period.
	Deferred Tax is recognised as the tax effect of timing differences being the differences between taxable income and accounting income that originated in one period and is capable of reversal in one or more subsequent periods.
	Deferred Tax Assets are recognised subject to the consideration of prudence only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

25 Balance Sheet Abstract and Company's General Business Profile

I. Registration Details

Registration No.

1

7

0

6

State Code

0

2

Balance Sheet Date

3

1

0

3

2

0

1

0

Date

Month

Year

II. Capital Raised During the Period (Amount in Rs. Thousands)

Public Issue

N

I

L

Rights Issue

N

I

L

Bonus Issue

N

I

L

Private Placement

N

I

L

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

Total Liabilities

1

9

9

9

2

0

3

Total Assets

1

9

9

9

2

0

3

Sources of Funds

Paid-up Capital

1

0

7

1

4

2

Reserves & Surplus

1

2

8

2

2

8

2

Secured Loans

4

0

0

0

0

Unsecured Loans

N

I

L

Application of Funds

Net Fixed Assets

1

3

5

0

2

3

9

Investments

2

5

5

4

5

4

Net Current Assets

1

6

0

7

7

7

Miscellaneous Expenditure

N

I

L

Accumulated Losses

N

I

L

+ -

vd

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

Turnover

1

9

9

2

2

7

8

Total Expenditure

1

6

8

5

3

0

5

Profit Before Tax

3

4

1

5

2

2

Profit After Tax

2

2

2

7

4

7

Earnings per Share in Rs.

2

0

.

7

9

Dividend Rate %

N

I

L

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

Item Code No.(ITC Code)

0

9

0

2

3

0

.

0

0

Product Description

B

L

A

C

K

T

E

A

8

4

7

9

8

9

.

1

9

T

R

A

V

E

L

A

G

E

N

C

Y

Signatures to Schedules 1 to 18

Kolkata, 27th May, 2010

Company Secretary

Directors

CASH FLOW STATEMENT
for the year ended 31st March 2010

	Current Year Rs in 000's	Previous Year Rs in 000's
A. Cash Flow from operating activities		
Profit before Taxation	341522	177300
Adjustments for		
Depreciation and Amortisation	88301	82014
Interest Expenses	11468	29746
Income from Interest and Dividends	(3636)	(563)
Provisions no longer required written back	(571)	(2287)
(Profit)/Loss on Disposal of Fixed Assets (Net)	(339)	30
Provision for Doubtful Debts	-	674
Loss on Disposal of Investments	-	1938
Operating Profit before working capital changes	436745	288852
Adjustments for changes in		
Trade and other Receivables	62445	46752
Inventories	(4319)	8494
Trade Payables	17347	33560
Cash generated from operations	512218	377658
Direct Taxes Paid	(115060)	(28500)
Net Cash from operating activities	(A) 397158	349158
B. Cash Flow from investing activities		
Purchase of Fixed Assets	(112776)	(102845)
Sale of Fixed Assets	934	339
Purchase of Current Investments	-	(55000)
Proceeds from Redemption of Long Term Investments	-	81
Proceeds from Sale of Current Investments	-	55000
Interest and Dividend Received	3636	565
Net Cash used in investing activities	(B) (108206)	(101860)
C. Cash Flow from financing activities		
Proceeds from Short Term Borrowings	186870	170135
Repayment of Long Term Borrowings	(27500)	(67500)
Repayment of Short Term Borrowings	(209523)	(315347)
Interest Paid	(12266)	(33665)
Dividends Paid	(435)	(1069)
Net Cash used in financing activities	(C) (62854)	(247446)
Net increase/(decrease) in Cash and Cash Equivalents	(A+B+C) 226098	(148)
Cash and Cash Equivalents		
Opening Balance		
Cash and Bank Balances [Schedule 9]	3770	3918
	3770	3918
Closing Balance		
Cash and Bank Balances [Schedule 9]	16389	3770
Current Investments in Mutual Fund Units [Schedule 6]	213479	-
	229868	3770
	226098	(148)

- Notes :
- The above Cash Flow Statement has been prepared under the Indirect Method as set out in the Accounting Standard - 3 on Cash Flow Statement prescribed under the Companies Act , 1956.
 - The Schedules referred to above form an integral part of the Cash Flow Statement.
 - Previous year's figures have been regrouped or rearranged, wherever necessary.

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

For Price Waterhouse
Firm Registration Number - 301112E
Chartered Accountants

(P. Law)
Partner
Membership Number - 51790
Kolkata , 27th May, 2010

Company Secretary

Directors