



ROSSELL INDIA LIMITED

CIN: L01132WB1994PLC063513

Registered Office : Jindal Towers, Block 'B', 4th Floor
21/1A/3, Darga Road, Kolkata - 700 017, Website: www.rossellindia.com

Notice to the Members

Notice is hereby given that the Twentieth Annual General Meeting of the Members of Rossell India Limited, will be held on Wednesday, 6th August, 2014 at 3.00 P.M. at Kala Kunj, 48, Shakespeare Sarani, Kolkata 700 017, to transact the following business:

1. To consider and adopt (a) the Audited Financial Statement for the financial year ended 31st March 2014 and Reports of the Directors and Auditors thereon and (b) the Audited Consolidated Financial Statement of the Company for the financial year ended 31st March, 2014.
2. To declare Dividend on the Equity Shares for the year ended 31st March, 2014.
3. To re-appoint M/s S. S. Kothari & Co., Chartered Accountants, Kolkata (Registration No. 302034E), the retiring Auditors, as Auditors to hold office from the conclusion of the Twentieth Annual General Meeting to the conclusion of the Twenty First Annual General Meeting of the Company as per the recommendation of the Audit committee, as accepted by the Board of Directors and to fix their remuneration.

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass with or without modification(s), the following Resolutions:

4.1 As Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 149 read with Schedule IV, Section 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, Dr. S. S. Baijal (DIN: 00027961), the existing Non Executive Director on the Board of the Company with Independent status as per Clause 49 of the Listing Agreement with the Stock Exchanges, who holds office till the conclusion of this Annual General Meeting and who has given the required notice in writing under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years till the conclusion of the Annual General Meeting of the Company to be held in the year 2019."

4.2 As Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 149 read with Schedule IV, Section 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. V. P. Agarwal (DIN: 00083912), the existing Non Executive Director on the Board of the Company with Independent status as per Clause 49 of the Listing Agreement with the Stock Exchanges, who would have held office till the conclusion of the Annual General Meeting of the Company to be held in the year 2015 and who has given the required notice in writing under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years till the conclusion of the Annual General Meeting of the Company to be held in the year 2019."

4.3 As Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 149 read with Schedule IV, Section 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. H. M. Parekh (DIN: 00026530), the existing Non Executive Director on the Board of the Company with Independent status as per Clause 49 of the Listing Agreement with the Stock Exchanges, who would have held office till the conclusion of the Annual General Meeting of the Company to be held in the year 2016 and who has given the required notice in writing under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years till the conclusion of the Annual General Meeting of the Company to be held in the year 2019."

4.4 As Ordinary Resolutions:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s Shome and Banerjee, Cost Accountants,



(Registration No. 000001) the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company in respect of Tea and Tea Products and Engineering Machinery (including Electrical and Electronic Products) for the financial year ending March 31, 2015, be paid the remuneration as set out in the Statement pursuant to Section 102 of the Companies Act, 2013 annexed to the Notice convening this Meeting"

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds and things and to take such steps as may be necessary, proper or expedient to give effect to this resolution."

4.5 As Special Resolutions:'

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 the draft regulations for management of the Company contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution of and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds and things and take such steps as may be necessary, proper or expedient to give effect to this resolution."

4.6 As Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 180 (1)(a) and all other applicable provisions of the Companies Act, 2013, the Board of Directors of the Company be and is hereby authorised to mortgage and / or charge and / or otherwise dispose of the immovable and moveable properties, both present and future or whole or substantially the whole of the undertaking or the undertakings of the Company for the purpose of securing i) any loan whether by way of Term Loan, overdraft or in any other manner obtained or as may be obtained from any Bank, Company, Body Corporate, Financial Institution, other Lending Institution, Firm or Person and / or ii) any

issue of Debentures whether convertible or non-convertible to any of the aforesaid or to any member(s) of the Company or to any person(s) together with interest, cost, charges, expenses and any other money payable by the Company."

4.7 As Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and all other applicable provisions of the Companies Act, 2013, consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow from time to time any sum or sums of money from Banks, Companies, Bodies Corporate, Financial Institutions, other Lending Institutions, Firms or Persons on such terms and conditions as may be considered appropriate by them in the interest of the Company, notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company, apart from the temporary loan obtained from the Company's Bankers in the ordinary course of business, will exceed aggregate of its Paid up Share Capital and Free Reserves, so however that the total amount already borrowed or to be borrowed by the Board of Directors and outstanding at any one time shall not exceed ₹250 (Rupees Two Hundred Fifty) Crores exclusive of interest.

By Order of the Board

N K Khurana

Chief Financial Officer-cum-
Company Secretary

Date: 23rd June, 2014

Registered Office:

Jindal Towers,
Block 'B', 4th Floor,
21/1A/3, Darga Road,
Kolkata 700 017
CIN: L01132WB1994PLC063513
Website: www.rossellindia.com
Email: corporate@rosselltea.com

NOTES:

1. A Member entitled to attend and vote at the Meeting is entitled to appoint another person as a Proxy to attend and vote on a Poll on his/her behalf. A Proxy need not be a Member of the Company. However, proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the Annual General Meeting.
2. The Instrument of Proxy in Form MGT 11 (Proxy Form) prescribed under Companies (Management and Administration) Rules, 2014 pursuant to Section 105(6) of the Companies Act, 2013 is given separately in the Annual Report.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 1st August, 2014 to 6th August, 2014 (both days inclusive) for the purpose of this Annual General Meeting.
5. The dividend on Equity Shares, if declared at the Meeting shall be paid to those Members whose names shall appear on the Company's Register of Members on 6th August, 2014 for Equity Shares held in physical form. In respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners for the purpose as on that date.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Members who are holding shares in identical order of names in more than one Folio in physical form are requested to write to the Company / the Registrars to consolidate their holdings in one Folio.
8. Members are requested to bring the Attendance Slip duly filled in along with their copy of Annual Report to the Meeting.
9. Members are requested to
 - (i) quote their Registered Folio Numbers / Client ID Nos. in all correspondences with the Company / with the Registrars; and
 - (ii) promptly notify any change in their address to the Company / the Registrars, CB Management Services Private Limited, P-22, Bondel Road, Kolkata – 700 019, in case they still hold the Equity Shares in physical form.
10. Unpaid Dividend

Those members, who have not so far encashed their Dividend Warrants from the year ended 31st March, 2008 onwards may immediately approach the Company for revalidation of such Dividend Warrants. Please note that pursuant to Section 124 of the Companies Act, 2013, the Company is obliged to transfer any money lying in the Unpaid Dividend Accounts, which remain unpaid or unclaimed for a period of seven years from the date of transfer in such Unpaid Dividend Accounts to the credit of Investor Education and Protection Fund established by the Central Government in accordance with Section 125 of the Act.
11. Unclaimed Equity Shares

In terms of Clause 5A of the Listing Agreement, the Company has opened an account under the name and style "Unclaimed Suspense Account", with IL&FS Securities Services Limited, Mumbai and the unclaimed 1,18,490 Equity Shares of the Company belonging to 486 Members are lying therein since the date of opening of the Account as on 31st March, 2014. No claim was received by the Company from any of those Members till date. The Members concerned are requested to lodge their Claim with the Company's Registrars and Share Transfer Agents, CB Management Services Private Limited in case no Equity Shares have been received by them after sub-division of the Equity Shares of the Company.
12. The Members are requested to contact the Company's Registrars and Share Transfer Agents, CB Management Services Private Limited for all their queries, transfer requests, or any other matter relating to their shareholding



in the Company as per their following contact details:

P-22, Bondel Road

Kolkata – 700 019

Tel. : 033 - 40116700, 40116711, 40116718, 40116723

Fax: 033 - 22870263

Email ID: rta@cbmsl.com

13. Dematerialisation of the Equity Shares of the Company

The Equity Shares of the Company are compulsorily required to be held under DEMAT mode for Trading on the floor of the Stock Exchanges, where such Equity Shares are listed. These can be held in electronic form with any Depository Participant (DP) with whom the Members have their Depository Account. All the Members, holding Equity Shares of the Company in the physical form, are advised to get the same dematerialized. The Members may contact the Registrars and Share Transfer Agents of the Company at their address mentioned above in case of any query / difficulty in the matter or at the Registered Office of the Company.

14. Members, who have not registered their e-mail addresses so far, are requested to register their e-mail id for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically, with the Company's Registrar and Share Transfer Agent at www.cbmsl.com/green.php or with the Company at corporate@rosselltea.com.

15. Payments to Shareholders by Electronic Payment Mode

In terms of Circular No.CIR/MRD/DP/10/2013 dated 21st March, 2013 issued by SEBI, all listed Companies are required to make payment of dividend to investors through electronic fund transfer.

Accordingly, if you are holding shares in physical form, you are requested to send your complete Bank Account details along with a cancelled cheque to the Company's Registrar and Share Transfer Agent as in 9 above to enable us to credit the dividend amount directly to your Bank Account.

In case of non-availability of MICR / IFSC etc. for making electronic payment or in cases where such payment have been rejected by the Bank, physical warrants will be issued with the Bank Account details of the shareholders' mandatorily printed on the warrants.

16. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the company is pleased to provide the Members facility to exercise their right to vote at the 20th Annual General meeting (AGM) by electronic means and the business may be transacted through e-Voting as per separate communication in this regard being sent with this Notice.

By Order of the Board

N K Khurana

Chief Financial Officer-cum-
Company Secretary

Date: 23rd June, 2014

Registered Office:

Jindal Towers,

Block 'B', 4th Floor,

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Explanatory Statement

[Pursuant to Section 102(1) of the Companies Act, 2013 (the Act)]

Attached to the Notice convening the Twentieth Annual General Meeting to be held on Wednesday, 6th August, 2014

ITEM NOS. 4.1, 4.2 AND 4.3

Dr. S. S. Baijal, Mr. V. P. Agarwal and Mr. H. M. Parekh (the Appointees) are the existing Non-Executive Directors on the Board of the Company as independent status as per Clause 49 of the Listing Agreement with the Stock Exchanges. In accordance with the relevant provisions of the Companies Act, 1956 they were appointed in the Annual General Meetings held in 2011, 2012 and 2013 respectively and liable to retire by rotation. The Appointees would have held office accordingly till the date of Annual General Meetings to be held in the year 2014, 2015 and 2016.

As per General Circular No. 14/2014 dated 9th June, 2014 issued by the Government of India, Ministry of Corporate Affairs, it has been clarified that Independent Directors must be appointed under Section 149(10) and 149(11) read with Schedule IV of the Act within 1 year from 1st April, 2014, subject to compliance with the eligibility and other prescribed conditions.

Section 149(4) of the Act requires at least one-third of the total number of Directors for every Listed Public Company to be Independent Directors satisfying the criteria of independence as per Section 149(6) of the Act. As per Section 149(10) of the Act, an Independent Director shall hold office for a term up to five consecutive years on the Board of the Company. Further, as per Section 152(6) of the Act, he shall not be included in the total number of Directors for ascertaining the number of directors subject to retirement by rotation.

In the first Meeting of the Board of Directors held in the current financial year 2014-2015 on 1st April, 2014, each of the Appointees has given the declarations that he meets the criteria of independence as provided in Section 149(6) of the Act. The required consent to continue to act as a Director pursuant to Section 152(5) of the Act has also been received by the Company from each of the Appointees.

In the opinion of the Board, Dr. S. S. Baijal, Mr. V. P. Agarwal and Mr. H. M. Parekh meet the criteria of independence as provided in Section 149 read with Schedule IV of the Act for such appointment.

Dr. S. S. Baijal has been associated with the Company as a Director since its formative stages. He did his doctorate in Organic Chemistry. A distinguished and accredited professional, he served as the Chairman & Managing Director of ICI India Ltd. and Chairman of ICI PLC, London. He was Chairman of Fertiliser Association of India. He is a Companion (highest honour) of Chartered Management Institute of London. He is well - versed in corporate affairs and management.

Mr. V. P. Agarwal has extensive experience of more than four decades in various industries in different capacities, senior executive as well as member of the Board. He has been at the helm of companies with more than ₹6,000 crore turnover. He is at present also a management consultant. He did his master's in commerce from Agra University in 1962 and topped the batch. He studied his Master's in Business Administration and Graduation in law in Delhi University. He also did an advanced management program in Harvard Business School, Boston (U.S.A.) in 1986. He has been a fellow member of the Institute of Company Secretaries of India for over four decades.

Mr. H. M. Parekh has extensive experience, spanning more than five decades, in tea industry. With a scholastic background in commerce, he served at the helm of distinguished companies in the tea industry. He retired as the Chairman of J. Thomas & Company Private Limited, the world's largest tea Broking Company. He also served as the Chief Executive Officer of Project India Blend Limited.

Keeping in view the expertise in the relevant field, expert knowledge and vast experience of the Appointees, it may be in the interest of the Company to appoint each of the Appointees as an Independent Director on the Board of the Company.

A copy of the draft letter of appointment to be issued to each of the Appointees for appointment as an Independent Director setting out the terms and conditions shall be kept open for inspection by the Members at the Registered Office of the Company during usual business hours viz. 10.00 AM to 5.00 PM on any working day till the date of the Annual General Meeting.

The required information under Clause 49 of the Listing Agreement has been appended below.

The Directors recommend the proposed Ordinary Resolutions for approval by the Members.



None of the Directors or other Key Managerial Personnel of the Company or any of their relatives is in any way concerned or interested, financially or otherwise, in the aforesaid resolutions, except the Appointees themselves.

ITEM NO. 4.4

The Board upon recommendation of the Audit Committee has approved the appointment of M/s. Shome & Banerjee, Cost Accountants as Cost Auditors to conduct the audit of the Cost Records maintained in respect of Tea and Tea Products and Engineering Machinery (including Electrical and Electronic Products) for the year ending 31st March, 2015 at a remuneration of ₹1,00,000 (Rupees one lakh) plus applicable Service Tax thereon and reimbursement of actual out of pocket expenses.

In terms of provision of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the aforesaid remuneration payable to the Cost Auditors is subject to ratification by the shareholders of the Company.

Accordingly, the consent of the Members is sought by way of Ordinary Resolutions in this regard.

The Directors recommend the proposed Ordinary Resolutions for approval by the Members.

None of the Directors or other Key Managerial Personnel of the Company or any of their relatives is in any way concerned or interested, financially or otherwise in the aforesaid Resolution.

ITEM NO. 4.5

The existing Articles of Association (existing AoA) of the Company are based on the Companies Act, 1956 and several Articles therein contain references to specific sections of the Companies Act, 1956. With most of the provisions of the Act having been made applicable with effect from 1st April, 2014 or even earlier, certain Articles contained in the existing AoA are no longer in conformity with the new provisions of the Act and therefore required to be deleted. Similarly, certain new provisions of the Act are required to be inserted in the existing AoA.

In view of this, it is considered expedient to wholly replace the existing AoA by a new set of Articles (new AoA), based on Table F of Schedule I to the Act, providing for a model Articles of

Association for a company limited by shares as well as various other provisions of the Act. Some of the new provisions in the new AoA regulations included in the draft new AoA, inter alia, are as follows:

- a. Service of documents to the Company by Electronic or other mode as may be prescribed apart from sending the same by registered post or speed post or courier.
- b. Notices for the General Meeting, Annual Report, Circular etc. may be sent through Electronic Mode.
- c. Voting through Electronic Means as well as by Postal Ballot.
- d. Maintenance of Books and Records as well as various Registers required to be maintained under the Act in the Electronic Forms and Inspection thereof in the manner permitted by the Act.
- e. Provision for Appointment of Key Managerial Personnel viz. Chief Executive officer (CEO) and Chief Financial Officer (CFO) apart from appointment of Managing Director and Company Secretary.

The existing AoA and the draft new AoA shall be kept open for inspection by any Member of the Company during the usual business hours viz. 10.00 AM to 5.00 PM on any working day till the date of the Annual General Meeting.

The Directors recommend the Special Resolutions set out in this regard in the Notice for approval by the Members.

None of the Directors or other Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed Special Resolutions.

ITEM NO. 4.6

As per provision of Section 180(1)(a) of the Act, the Board of Directors of a Company cannot, without the consent of the Company by a Special Resolution, sell, lease or otherwise dispose of the whole or substantially the whole of any of the undertakings of the Company. The Board of Directors of the Company while borrowing money for the business needs of the Company for meeting its working capital requirement as well as for financing various projects is required to create mortgage / charge on the moveable as well immoveable properties of the Company in favour of the concerned lender.

Since the relevant Clauses of the security documents empower

the lender to take over the properties and assets provided as security and the lenders have the power to sell the said properties and assets to the exclusion of any third party or without the intervention of any Court of law, it may be construed that the creation of mortgage/ a charge on the properties or undertakings of the Company in favour of the lender would attract the provisions of Section 180(1)(a) of the Act. Thus, the consent of the Members is being sought by a Special Resolution to enable the Board of Directors to create such mortgage/ charge.

The Directors recommend the proposed Special Resolution for approval by the Members.

None of the Directors or other Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed Special Resolution.

Item No. 4.7

As per provision of Section 180(1)(c) of the Act, the Board of Directors of a Company cannot, without the consent of the Company by a Special Resolution, borrow money where the money to be borrowed together with the money already borrowed by the Company will exceed the aggregate of its Paid Up Share Capital and Free Reserves apart from temporary loans obtained from the Company's Bankers in the ordinary course of business.

The aggregate of the present Paid Up Share Capital and Free Reserves of the Company as on 31st March, 2014 is ₹133.69 Crores. However, keeping in view the Company's growth strategy for its various business segments and future plans, the Company may have to resort to further borrowings as and when considered appropriate, which in the aggregate may exceed the aggregate amount of the Paid Up Share Capital and Free Reserves.

In view of this, it is considered prudent to seek the consent of the Members by way of a Special Resolution in accordance with Section 180(1)(c) of the Act to enable the Board of Directors of the Company to borrow up to a maximum of ₹2,50,00,00,000 (Rupees Two Hundred Fifty Crores) exclusive of interest.

The Directors recommend the proposed Special Resolution for approval by the Members.

None of the Directors or other Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed Special Resolution.

By Order of the Board

N K Khurana

Chief Financial Officer-cum-Company Secretary

Date: 23rd June, 2014

Registered Office:

Jindal Towers,

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21/1A/3, Darga Road,

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CIN: L01132WB1994PLC063513

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Details of Directors seeking appointment at the forthcoming Twentieth Annual General Meeting

Name of the Director	Dr. S. S. Baijal	Mr. V. P. Agarwal	Mr. H. M. Parekh
Date of Birth	September 06, 1929	July 01, 1943	March 23, 1937
Date of Appointment	July 14, 1994	May 12, 2009	October 19, 2001
Qualifications	B.Sc. M.Sc. D.Phil. – Organic Chemistry	M. Com., AMP (Harvard Business School)	B. Com. (Hons.)
Expertise in specific functional areas	Corporate Affairs and Management	Corporate Affairs & Management	Tea Marketing and Corporate Affairs
List of Public Companies in which Directorship is held	Atul Limited DCM Shriram Limited DCM Shriram Credit & Investments Limited Rossell India Limited BMG Enterprises Limited Delhi Guest Houses Pvt. Ltd. CAE Rossell India Limited	Rossell India Limited BMG Enterprises Limited	The Methoni Tea Co. Limited Quality Tea Plantations Pvt. Limited Diana Tea Co. Limited The Grob Tea Co. Limited Williamson Magor & Co. Limited Gillanders Arbuthnot & Co. Limited Peria Karamalai Tea & Produce Co. Limited Rasoi Limited BMG Enterprises Limited Rossell India Limited
Chairman / Member of the Committees of the Board of the Companies on which he is a Director	DCM Shriram Limited Audit Committee – Chairman Nomination and Remuneration Committee – Chairman Stakeholders' Relationship Committee – Member Rossell India Limited Audit Committee – Chairman Nomination and Remuneration Committee – Member Corporate Social Responsibility Committee – Chairman Atul Limited Audit Committee – Chairman Nomination and Remuneration Committee – Member BMG Enterprises Limited Remuneration Committee – Member	Rossell India Limited Audit Committee – Member Stakeholders' Relationship Committee – Member Nomination and Remuneration Committee – Member Corporate Social Responsibility Committee – Member	Williamson Magor & Co. Limited Audit Committee - Member Gillanders Arbuthnot & Co. Limited Audit Committee – Chairman Nomination and Remuneration Committee – Member Stakeholders' Relationship Committee – Chairman Diana Tea Co. Limited Audit Committee – Chairman Nomination and Remuneration Committee – Member Peria Karamalai Tea & Produce Co. Limited Audit Committee – Member Nomination and Remuneration Committee – Chairman Rasoi Limited Audit Committee – Chairman Nomination and Remuneration Committee – Member Stakeholders' Relationship Committee - Member Rossell India Limited Audit Committee – Member Stakeholders' Relationship Committee - Chairman Nomination and Remuneration Committee – Chairman
Shareholding in the Company	7,500 Equity Shares of ₹2 each	Nil	Nil

ROSSELL INDIA LIMITED

CIN: L01132WB1994PLC063513

Registered Office : Jindal Towers, Block 'B', 4th Floor
21/1A/3, Darga Road, Kolkata - 700 017, Website: www.rossellindia.com

ATTENDANCE SLIP

I hereby record my presence at the TWENTIETH ANNUAL GENERAL MEETING of the Company at Kala Kunj, 48, Shakespeare Sarani, Kolkata 700 017 at 3.00 p.m. on Wednesday, the 6th August, 2014.

.....
Full name of the Member (in block capitals) No. of Shares held Signature

Folio No...../ DP ID No.* & Client ID No.*.....

* Applicable for members holding shares in electronic form.

.....
Full name of Shareholder/Proxy Signature
(in block capitals)

NOTE : Member/Proxy wishing to attend the Meeting must bring the Admission Slip to the Meeting and hand over duly signed at the registration counter.



ROSSELL INDIA LIMITED

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PROXY FORM

.....
Full name of the Member (in block capitals) No. of Shares held Signature

Name of the member (s) :

Registered address:

E-mail ID:

Folio No / Client ID:

DP ID:

I/We, being the member (s) holding..... shares of the above named company, hereby appoint

1. Name :

Address :

E-mail ID :

Signature :, or failing him

2. Name :

Address :

E-mail ID :

Signature :, or failing him

3. Name :

Address :

E-mail ID :

Signature :

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twentieth Annual General Meeting of the Company, to be held on the 6th day of August, 2014 at 3.00 p.m. at Kala Kunj, 48, Shakespeare Sarani, Kolkata 700 017 and at any adjournment thereof in respect of such resolutions as are indicated below:





Resolution No.		For *	Against*
1.	Consider and adopt:		
	a) Audited Financial Statement, Reports of the Board of Directors and Auditors		
	b) Audited Consolidated Financial Statement		
2.	Declaration of Dividend on Equity Shares		
3.	Re-appointment of Auditors		
4.1.	Appointment of Dr. S. S. Baijal as Independent Director		
4.2.	Appointment of Mr. V. P. Agarwal as Independent Director		
4.3.	Appointment of Mr. H. M. Parekh as Independent Director		
4.4.	Fixation of Remuneration of Cost Auditors		
4.5.	Adoption of New Articles of Association		
4.6.	Resolution under Section 180 (1)(a)		
4.7.	Resolution under Section 180 (1)(c)		

Signed this 6th day of August, 2014

Signature of the Shareholder

Please Affix
Revenue
Stamp

Signature of the Proxy holder (s)

Notes :

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. *This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.





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Phone: +91-33-22874794, Fax: +91-33-22875269, E mail: corporate@rosselltea.com

Website: www.rossellindia.com

Folio No./ DP ID & Client ID :

Sl. No. :

Number of shares held :

Name & Address :

Dear member,

Sub: **Voting through electronic means**

Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members e-voting facility to cast their votes electronically in respect of the business to be transacted at the 20th Annual General Meeting scheduled to be held on 6th August, 2014 at 3.00 p.m. The Company has engaged the services of National Securities Depository Ltd (NSDL) for providing e-voting facilities. In this regard, your Demat Account / Folio Number has been enrolled by the Company for your participation in e-voting on resolutions placed by the Company on e-voting system. The e-Voting particulars are set out below:

EVEN (E-Voting Event Number)	User ID	Password

The e-voting facility is available during the following voting period:

Commencement of e-voting : From 1st August, 2014 at 9.00 a.m.

End of e-voting : Up to 2nd August, 2014 at 6.00 p.m.

The cut-off date (i.e. the record date) for the purpose of e-voting is 4th July, 2014

E-voting facility is available at the link – <https://www.evoting.nsdl.com>

Please refer the detail instructions printed overleaf for e-voting. This communication forms an integral part of the Notice dated 23rd June, 2014 for the 20th Annual General Meeting (AGM) to be held on 6th August, 2014. Attention is invited to Note 16 on the accompanying Notice that the business of the meeting may be transacted through e-voting and that the Company is providing facility for voting by electronic means.

The Notice of the Annual General Meeting of the Company can also be downloaded from the website of the company, www.rossellindia.com or from the link <https://www.evoting.nsdl.com>

Yours faithfully,
For **Rosell India Limited**

N. K. Khurana
Chief Financial Officer
-cum-Company Secretary

Place : Kolkata
Date : 23rd June, 2014

E-voting instructions are as hereunder :

The procedure to login to e-Voting website is given below:

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Depository Participants(s)]:

i) Open the attached PDF file “e-Voting.pdf” giving your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as password, which contains your “User ID” and “Password for e-voting”. Please note that the password is an initial password.

ii) Launch internet browser by typing the URL <https://www.evoting.nsdl.com>

iii) Click on “Shareholder - Login”.

iv) Put User ID and password as initial password noted in step (i) above and Click Login.

v) Password Change Menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof.

vi) Home page of “e-Voting” opens. Click on e-Voting: Active Voting Cycles.

vii) Select “EVEN” of **ROSSELL INDIA LIMITED**. Members can cast their vote online from 1st August, 2014 (9:00 am) till 2nd August, 2014 (6:00 pm). Note: e-Voting shall not be allowed beyond said time.

viii) Now you are ready for “e-Voting” as “Cast Vote” page opens.

ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm”, when prompted.

x) Upon confirmation, the message “vote cast successfully” will be displayed.

xi) Institutional shareholders (i.e., other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail: scrutinizeraklabh@gmail.com with a copy marked to evoting@nsdl.co.in.

B. In case a member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Depository Participants(s) or requesting physical copy]:

(i) User ID and initial password as provided in this letter attached.

(ii) Please follow all steps from Sl. No. (ii) to (xi) above, to cast vote.

Please note that :

- The voting rights of the shareholders shall be in proportion to their share of the Paid up Equity Share Capital of the Company as on the cut-off date viz. 4th July, 2014.
- Login to e-voting website will be disabled upon five unsuccessful attempts to key-in the correct password. In such an event, you will need to go through ‘Forgot Password’ option available on the site to reset the same. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the Company.
- It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.
- Please note that if you have opened 3-in-1 account with ICICI Group i.e. bank account and demat account with ICICI Bank Limited and trading account with ICICI Securities Limited, you can access e-Voting website of NSDL through their website viz.; www.icicidirect.com for the purpose of casting your votes electronically by using your existing user ID and password used for accessing the website www.icicidirect.com. Please note that in case you are not able to login through the ICICI direct website, you can also access the e-Voting system of NSDL by using your existing user ID and password for the evoting system of NSDL.
- In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of <https://www.evoting.nsdl.com> or contact NSDL at the following Telephone No.: 022-2499 4600.

Shri A. K. Labh, Practising Company Secretary, (Membership No.F4848) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer’s Report shall be placed on the Company’s website www.rossellindia.com and on the website of NSDL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock exchanges.



Rossell India Limited

Annual **Report** | 2013-2014

Forward-looking statement

Statements in this report that describe the Company’s objectives, projections, estimates, expectations or predictions of the future may be ‘forward-looking statements’ within the meaning of the applicable securities laws and regulations. The Company cautions that such statements involve risks and uncertainty and that actual results could differ materially from those expressed or implied. Important factors that could cause differences include raw materials’ cost or availability, cyclical demand and pricing in the Company’s principal markets, changes in government regulations, economic developments within the countries in which the Company conducts business, and other factors relating to the Company’s operations, such as litigation, labour negotiations and fiscal regimes.

What you will find in this report

02	→	Corporate identity
04	→	Performance highlights, 2013-14
06	→	Executive Chairman’s overview
08	→	Business segments

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42	→	Financial Section

Rossell India Limited is one company comprising three growing businesses.

What the Company reported in
2013-14

35.81

per cent growth in total revenues

What the Company earned in
2013-14

36.07

per cent increase in EBIDTA

As the Indian economy revives, industrial growth rebounds and consumer spending increases, Rossell India Limited is optimistic of doing significantly better.



Rossell India Limited is a multi-business company.

Over the recent past, the Company has diversified its business model to capitalise on some of the most exciting sectoral developments.

The Company is building on each of its businesses – tea, aerospace and quick service restaurants – through timely investments, with the objective to de-risk prospects, accelerate revenues, enrich margins and enhance value.

Vision

To create a quality product which is consistently appreciated the world over. To achieve this through world class standards, research, field and factory practices, based on sustainability and respect for the environment.

Mission

We espouse the cause of long-term sustainability in all areas of our business and commit ourselves to achieving this through excellence in productivity, quality and performance. The Company evolves, learns and adapts for the Common Good of its Stakeholders. We are further committed to the well being of all our people and the society that we live in.

Who we are

Rossell India Limited is a part of the Rossell Group, one of India's top quality black tea producers. The Company is a multi-business organisation engaged in growing Indian sectors. The Company is managed by Mr.H.M.Gupta and a team of accomplished professionals. The Company is headquartered in Kolkata, with offices in Delhi, Lucknow, Pune and Bengaluru.

What we do

The Company is engaged in three businesses - tea, aerospace and defense (technology and engineering product support services) and hospitality.

Rossell Tea

Tea: The Company is involved in the business of cultivating, manufacturing and marketing black tea worldwide.

Rossell Techsys

Aerospace and Defense: The Company is involved in the design and development of test solutions, wire harnesses and looms, test jigs, ATEs and test benches.

Aerotech Services

Product support services: The Company offers Original Equipment Manufacturers (OEMs) product support services across various domains (avionics, navigation, communication systems and other on-board electronic systems).

Rossell Hospitality

Hospitality: The Company launched a chain of fast-food quick service restaurants branded as Kebab Xpress.

Our technologies

Rossell India has invested in state-of-the-art technologies translating into quality product manufacture, high

efficiencies and environmentally safe processes.

Listing

The Company's equity shares are listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). The Company enjoyed a market capitalisation of ₹165.32 crore as on 31st March, 2014.

Shareholding pattern (as on 31st March, 2014)

Promoters

74.87%

Individuals

10.80%

Institutions

0.65%

FII's

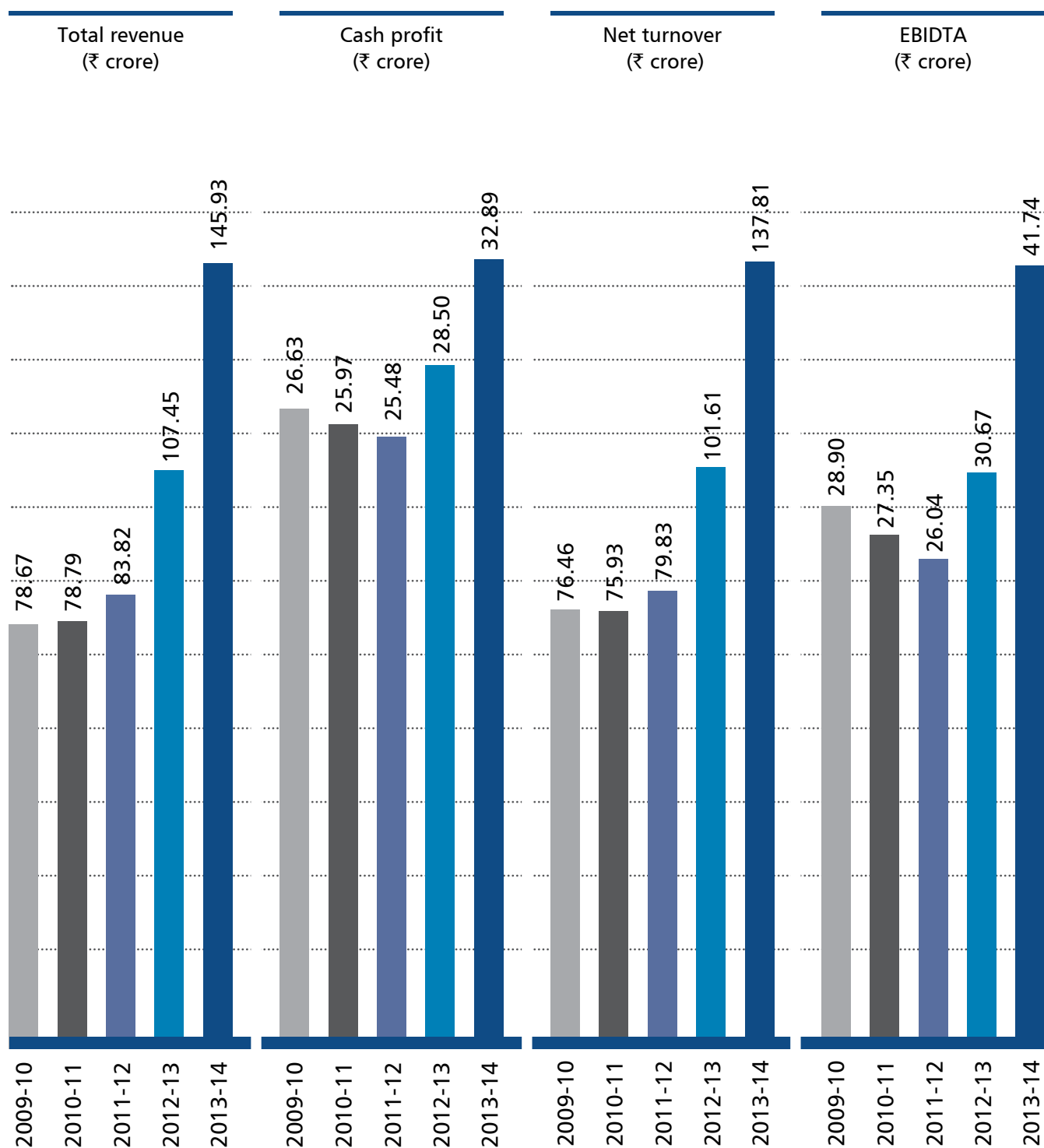
9.54%

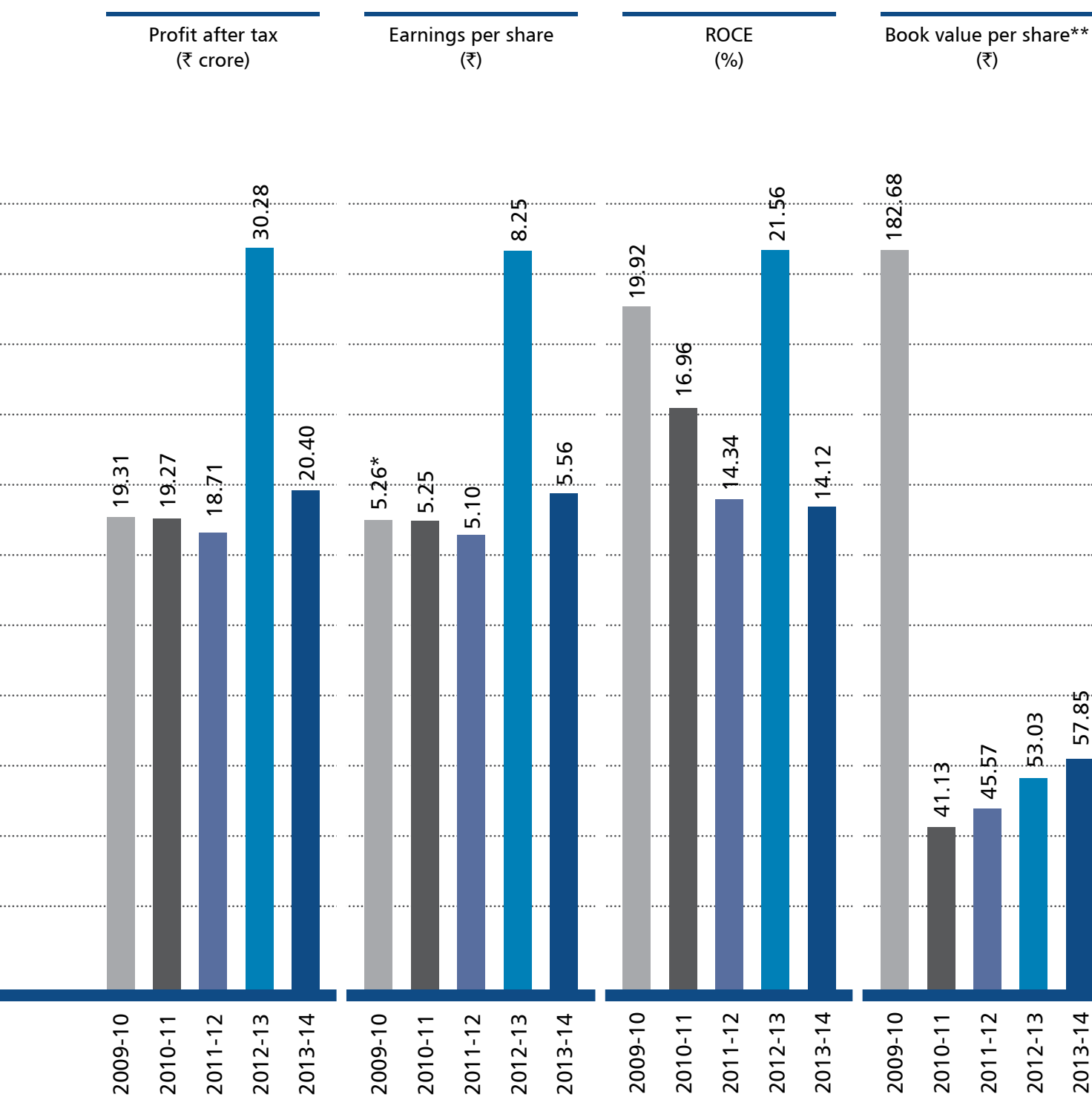
Others

4.14%



Performance highlights, 2013-14





* Calculated assuming face value of ₹2 each

**Face value of ₹10 as on 31.03.2010 and ₹2 from 31.03.2011 onwards



Executive Chairman's overview



Dear Shareholders,

The financial year 2013-14 was a favourable one for Rossell India from a numerical and strategic perspective, an achievement in what was a challenging time for most businesses.

Rossell India reported a 35.81% growth in revenues and 36.07% growth in EBITDA. These numbers indicate that the Company reported profitable growth, wherein the increase in profits was higher than the increase in revenues.

However, the highlight of our working was that we continued to invest in businesses of the future with the objective of broad-basing our revenues, addressing larger opportunities and de-risking our business model from an excessive dependence on any one segment.

Business model

At Rossell India, we are strengthening our presence in tea plantations, aerospace and defense products, as well as quick service restaurant chain businesses.

We entered two businesses with attractive prospects in a country marked by growing investments in infrastructure at one end and rising consumer spending on the other. Each of these businesses plays a specific role in the Rossell India business model. The aerospace and defense business represents an opportunity to participate in a sector which is beginning to take off. The quick service restaurant business is expected to address niche consumers within a large sectoral space.

At Rossell India, we are optimistic that the complement of these businesses is likely to generate an attractive topline, margins and surplus over time, leading to enhanced value in the hands of those who own shares in our Company.

Business-wise performance, 2013-14

Tea: We are pleased to report that we enhanced our saleable production to a record 5.56 million kgs, 27.67% higher than in the previous year. This improved performance was all the more creditable as it came in the face of climatic aberrations, which



Our teas (orthodox and CTC) continued to set a sectoral benchmark, a fact reflected in qualitative consistency, world-class field and manufacturing standards, marquee customers and higher realisations.

affected plantation productivity in the last three months of 2013-14. Our teas (orthodox and CTC) continued to set a sectoral benchmark, a fact reflected in qualitative consistency, world-class field and manufacturing standards, marquee customers and higher realisations. For instance, our tea fetched realisations worth ₹220.70 per kg (5% higher than in the previous year) and more than 47% higher than the Assam average of ₹149.67. Besides, our orthodox teas fetched an average ₹247.07 per kg (5.20% higher than the previous year) against the corresponding Assam average of ₹200.61 per kg. I am pleased to state that across a period of eight years, the Company more than doubled average realisations per kg.

Aerospace and Defense: India's aerospace and defense budget are expected to increase substantially over the foreseeable future. Not only can this result in direct orders from the government but also from vendors through offset clauses. These clauses warrant that foreign defense vendors source 30% of their contract value (for contracts exceeding ₹300 crore) from Indian companies. It is expected to create an offset domestic sector marked by several billion dollars in contract value. India is at an inflection point as global OEMs have shown a preference for local companies to provide key services leading to quicker turnaround and cost-effective solutions. Rossell's early-mover advantage translated into a strengthening of credentials, as a result of which the Company achieved its first overseas export order for wire harness and looms from Boeing, USA, the world's largest OEM

aerospace company. The Company was recognised as a key industry partner by a major European avionics company as well. Your Company is at an advanced stage of discussion for orders from various OEMs.

Hospitality: The Company plugged the gap related to North Indian cuisine in the Indian QSR space through the Kebab Xpress brand, a first-of-its-kind Indian food chain providing hygienic, quality, delicious and affordable North Indian cuisine. The Company added four outlets to its chain in 2013-14 and intends to take the total to 20 outlets by end-FY2015.

Road ahead

We are optimistic of our prospects as each of our new businesses are perched at the bottom-end of a long industry curve while our mature tea business continues to report profitable growth.

As a growth-driven corporate, we will continue focusing on enhancing our profitability in our existing businesses with the objective to accelerate momentum and enhance stakeholder value.

Going ahead, I am confident that our performance will validate our business strategy to enter relatively unconnected businesses in response to overarching national and sectoral opportunities.

With best regards,

H. M. Gupta

Executive Chairman



Tea



₹ 12,556 lakh

Revenues, 2013-14

2,693 hectares

Tea bearing area, 2013-14

5.56 million kilograms

Tea production, 2013-14

Overview

Rossell Tea (Division of Rossell India Limited) is a boutique tea producer with a cumulative production of 5.60 million kgs (66% orthodox) from seven Assam estates covering a cumulative tea bearing area of 2,693 hectares.

Over the years, the Company has established an entrepreneurial reputation, using its deep insight in identifying marginal tea estates, acquiring them and turning them around to profitability. Rossell is a forward-looking producer, which is reflected in the fact that more than 10% of its plantation area is under a replanting programme ensuring improved yields and quality. Besides, the Company's prudent capital investments, best agriculture and manufacture policies, SOP-driven practices and tea processing excellence translated into average yields of 2,000 kgs per hectare (approximate Assam average of 1,700 kgs per hectare).

Rossell is a responsible tea grower. The Company's estates are HACCP-compliant, except Namsang and Kharikatia, which were recently acquired. The Company is a member of the Ethical Tea Partnership alliance and one estate is certified by the Rainforest Alliance. The acquisition of the stringent FSSC certification is also underway. The Company is committed to moderate pesticide use and graduate towards an integrated pest management regime using a balance of natural materials and bio-pesticides.

The Company is a member of the Tea Research Association, the premier and oldest research station of its kind in the world. The Company is actively associated with the TRA. Mr. C.S. Bedi, Managing Director, is a past Chairman of the TRA.

Performance (in lakh kgs)

	2011-12	2012-13	2013-14
CTC tea production	9.60	15.17	21.75
Orthodox tea production	30.33	28.37	33.84
Sales (₹ in lakh)	7,037.51	9,057.89	12,175.74
Average realisation (per kilogram)	171.52	210.22	220.70

Tea industry

India is the largest producer and consumer of black tea in the world, a synergy lacking in Sri Lanka and Kenya which have low consumption and are hence export-driven.

The prospects of the Indian tea industry are bright for some pertinent reasons: a growing national population, established tea drinking tradition, low per capita consumption that is expected to rise in line with enhanced incomes, increased preference for better tea varieties and finally the fact that tea continues to be the cheapest beverage on offer.

Whilst tea is a cyclical industry, in the medium-term the industry will remain demand-driven for the aforementioned reasons.

Tea production (million kilograms)

	2003	2008	2013
India	878	981	1,200 (after capturing the production of small growers)
Sri Lanka	303	319	340
Vietnam	83	166	170
Indonesia	168	137	134
Kenya	294	346	432

A snapshot of the Indian tea segment (million kilograms)

	1998	1999	2003	2011	2012	2013
Production	874	826	878	1,116	1,126	1,200
Imports	9	10	10	21	21	20
Exports	210	192	174	215	208	212
Retention	650	640	715	881	903	926
Prices (₹/kilogram)	76.43	72.79	56.28	106.07	125.25	128.27

Initiatives, 2013-14

The Company increased the production of tea by 27.67% in 2013-14 to highest ever 5.56 million kgs vis-à-vis 4.36 million kgs in 2012-13. Some of the increase in output was derived from the recently-acquired estates of Namsang and Kharikatia following streamlining with the Company's operating practices.

Over the last decade, Rossell maximised production of its top quality orthodox teas, enjoying realisations considerably higher than CTC varieties; the volume of orthodox teas increased from 2.84 million kgs to 3.38 million kgs in 2013-14. The Company's average realisation for orthodox tea increased by 5% to ₹247.07 per kg; this average was at least ₹46 per kg higher than the Assam industry average. On the other hand, the Company's average realisation for CTC tea increased by 8.59% to ₹186.17 per kg, which was ₹42 per kg higher than the Assam industry average. Correspondingly, the Company witnessed a rising preference for quality and buyers' willingness to pay a

- Whilst majorly an orthodox tea producer, the Company is known for its superior quality, be it CTC or orthodox teas, out of Assam.

- The Company's teas fetched an average ₹220.70 per kg in 2013-14, more than 47% higher than the Assam average

- The Company's exports increased 22% by volume and 35% by value

- The Company exported teas to marquee brands (Starbucks, Taylors of Harrogate, Twinings, Harrods, Fortnum & Mason, among others)

premium as the proportion of auctioned teas fetching over ₹195 per kg increased from 7% in 2012-13 to 11% in 2013-14. With its consistent quality

tea reflected in CTC and orthodox categories, Rossell has set a benchmark in the Indian tea industry.

The Company's exports increased 22% by volume and 35% by value, indicating value-addition. The Company addressed quality-conscious buyers across the US, the UK, continental Europe, Iran and the UAE, comprising marquee brands like Starbucks, Taylors of Harrogate, Twinings, Harrods, Fortnum & Mason, among others. Going ahead, the Company is targeting exports of 1.70 million kgs by volume in 2014-15, accounting for 35% in value terms.

Outlook

Going ahead, the Company intends to counter climatic changes, rising fertiliser costs and wage increases through sustainable agricultural practices leading to enhanced quality, productivity, revenues and profits. Since consistent growth has been its driving force, the Company is on the lookout for acquisitions.



Aerospace and Defense



₹ **1,215** lakh

Revenues, 2013-14

101 members

Team size as on March 31, 2014

8.31 per cent

Contribution to the Company's revenue, 2013-14

Overview

Rossell Techsys (Division of Rossell India Limited) is an attractive proxy of the rich potential in India's aerospace and defense sectors including the potential offset business.

Rossell Techsys works with large clients like the DRDO, Boeing, Hindustan Aeronautics and BEL, among others. The Company enters into MoUs with leading global OEMs in the aerospace and defense domains.

Over the years, Rossell Techsys strengthened its competencies in the areas of wire harnesses, looms, custom embedded systems, design and development of test solutions. The business strengthened its credentials with AS9100 Rev C and ISO 9001-2008 certifications. Its Quality Management System comprises engineering, operations and business; the business is also a CEMILAC-accredited design and development house complying with all stringent norms for airborne systems.

The Company's state-of-the-art, 34,000 sq ft facility comprises various labs (wire harnessing and looming lab), systems lab, verification and validation lab. In the wire harness engineering looming area, the Company's technical staff is trained and benchmarked with IPC / WHMA-620A standards and proceeding towards acquiring an ISO 27001 certification.

The Company is strengthening its business through a growing focus on management, processes, infrastructure, certifications, training and execution.

Big leap

India has emerged as a major importer of defense equipment. The Government of India opened up the defense sector for private participation as a part of the first Defense Procurement Policy in 2005. As per the policy, a foreign supplier will need

to fulfill offset obligations worth 30% for any contract above ₹300 crore, translating into a corresponding value of goods and services to be procured from Indian companies.

Since 2005, multi-billion dollar contracts have been awarded by the Indian Government to global companies who need to fulfill their offset obligations within a deadline. Owing to a dearth of private players in the country's defense sector, these global companies encountered difficulties in fulfilling their offset obligations, incurring penalties. The result is that these large global companies are now seeking competent Indian partners who possess comprehensive manufacturing capabilities conforming with demanding global standards. These standards comprise on-time delivery, quality deliverables, automated work environment and systems capable of protecting intellectual property.

The Company is attractively placed to address the sectoral inflection point through relationships with leading aerospace and defense OEMs, reinforcing its credentials as a dependable partner.

The growing offset opportunity

- US sales of military equipment to India have grown from a negligible value in 2008 to around US\$ 9 billion by 2013.
- The overall US\$ 10 billion offset obligations of leading global OEMs will need to be liquidated over the next five years.
- A *Financial Times* study projects 15,000 defense contracts in the decade ending 2022 to generate offset obligations worth US\$ 100 billion.

Initiatives, 2013-14

The Company invested in state-of-the-art infrastructure, resources and best-in-class IT competencies. The Company reported its first overseas aerospace order from Boeing, the world's largest aerospace OEM, to be delivered across 42 months. Deliveries have commenced establishing the Company's credentials as a dependable supplier on the verge of being awarded a Boeing gold rating for its deliveries. The Company is in advanced stages of discussions with Boeing for a second order. The Company was recognised as a key industry partner by a major European avionics company following a demanding evaluation process, which could lead to prospective orders. The

Company continued to work with local customers on projects involving technological value-addition.

Outlook

India's US\$ 12 billion defense market is expected to sustain robust growth over the foreseeable decade, by which time capital-equipment spending is expected to cross US\$ 18 billion, the second highest growth rate among the world's 15 largest defense spenders (*Source: Mckinsey*). India's import intensity of defense equipment could continue to be one of the highest among countries on account of geopolitical scenarios along India's border areas, obsolete equipment replacement, internal requirements

and economic growth. Rossell Techsys is on the verge of an expansion to a larger facility and investing in equipment and infrastructure to fortify customer relationships and enhance competencies.

- The Company reported its first major overseas export order for the aerospace sector.
- India is expected to report the second highest growth among the world's 15 largest defense spenders.

Product support and services

Aerotech Services comprises the aerospace product support and services division of Rossell India Limited. Formed in 2006 to offer critical post-sales support services, Aerotech entered into long-term agreements with OEMs in the avionics, communications and ground support equipment businesses. Aerotech provides product support at various locations for premier Indian defense services including Defense Public Sector Undertakings (DPSUs) and the Defense Research and Development Organisation (DRDO).

Aerotech Services (offices in New Delhi, Bangalore, Pune and Lucknow) provides in-country support on equipment and systems supplied by foreign OEMs in the domains of avionics, navigation, communication systems and other on-board electronic systems.

Industry overview

The industry witnessed a significant change following the Central Government's implementation of the 30% offset requirement, providing

a window to global manufacturers to provide product support services through Indian partners. This moderated turnaround times and enhanced customer satisfaction while helping foreign OEMs reduce their costs through local support.

In 2014-15, the country's defense budget allocation is 10% higher than in the previous year at ₹224,000 crore (US\$ 37.5 billion). India is the second largest global importer of military weapon systems; imports account for over 70% of the equipment used. However, as the domestic private sector builds its manufacturing presence and provides product support services, the scenario could change.

Initiatives, 2013-14

During the year under review, the Company built upon the following competencies:

Knowledge: Aerotech Services invested in trained technical manpower with an average experience of more than 25 years across the Indian military

platforms (Army, Navy and Air Force). Aerotech Services' employees were certified as per various on-board military platforms and trained by global OEMs for any intervention required for their systems and sub-systems.

Experience: Aerotech Services has been providing product support services to global military suppliers since 2006. The Company provides product support on aircraft, helicopter, ship and army weapon platform systems to the Army, Navy and Air Force.

Relationship: Aerotech Services has been engaged in providing technical product support, successfully building relationships with customers (Army, Navy, Air Force) and global OEMs. Based on its superior performance, the Company was approached by global OEMs to provide technical product support services.

Outlook

Going ahead, an enhanced focus on quality and timely service delivery will catalyse business growth.



Hospitality



₹ **422** lakh

Revenues, 2013-14

7 outlets

As on March 31, 2014

2.95 per cent

Contribution to the Company's revenue, 2013-14

Overview

Kebab Xpress is a brand owned by Rossell Hospitality, a division of Rossell India. The brand operates in the fast growing Quick Service Restaurant category and is one of the first to offer delectable North Indian cuisine and beverages, across-the-counter in a contemporary friendly ambience. This format enables the brand to differentiate itself from the other players in its category with a first-mover's advantage.

Industry scenario

The entry of a number of QSR players widened the market to an estimated ₹5,500 crore in 2013 and projected to grow at a CAGR of 25% to ₹16,785 crore by 2018. The QSR format is the fastest growing segment in India's eating-out market for some valid reasons: by 2020, India is set to become the world's youngest country with 64% of its population in the working age group; in about seven years, the median Indian individual will be 29 years old, making India the youngest country globally; by 2030, India is likely to surpass the US and China with an aggregate consumer spend of nearly US\$ 13 trillion; in 2010-15, the country's urban population is expected to grow 2.5% above the 1.3% growth in total population; Indian food and beverage preferences are becoming more sophisticated following exposure and travel.

The Indian food service sector has reported attractive growth

over the last decade. The size of India's food service sectors is pegged at ₹247,680 crore (US\$ 48 billion) and projected to grow to ₹408,040 crore (US\$ 78 billion) by 2018 at a CAGR of 11%. Compared to the other service sectors of the Indian economy, the food services industry contributes approximately 2.3% of the country's GDP (bigger than telecom, TV, hospitality or film industries).

The unorganised market of India's food services industry (cafés, quick service restaurants, frozen dessert/ice cream, casual dining, fine dining and pubs, bars, clubs and lounges) accounts for a 70% share even as the organised industry is projected to grow at a faster CAGR of 16% over the next five years to reach ₹145,770 crore (₹67,995 crore currently). The licensed standalone segment is expected to grow at around 15% over the next five years from ₹55,210 crore (US\$ 10.5 billion) to ₹112,520 crore (US\$ 21.5 billion).

Dine-ins contribute the highest (67%) to QSR sales followed by takeaway orders (19%). The incidence of home delivery is rising with most chains offering this service. Demand for on-the-go meals appear to have increased with about 34% of consumers seeking them during office hours.

Even as this churn is increasing the preference for North Indian cuisine, the marked absence of an organised chain was plugged by Rossell India's Kebab Xpress chain.

The QSR share of the informal eating out market

Australia	54%
China	24%
Hong Kong	21%
Singapore	14%
India	19%

Business strengths

Kebab Xpress seamlessly blends local cuisine in a modern QSR format.

The Kebab Xpress outlets are strategically located in prominent malls and in the central business district of

the National Capital Region (NCR).

The Company has proven its ability to roll out restaurants from signing to opening within 75-90 days.

The brand's focus on limited products in popular categories, kebabs, kathis (rolls), biryanis and curries suits the quick service format well.

The expansion strategy of the Company is to build critical mass within the Delhi NCR by ensuring an efficient control and logistics management.

Kebab Express targets the young and discerning audience seeking hygienic, tasty and affordable food in a comfortable environment.

During the year under review, the chain has strengthened employee training across all levels, SOP compliance, supply chain management and audit responsibilities, thereby ensuring operational consistency.

As a result, same-store sales have registered significant growth during the year under review.

Outlook

Going forward, the chain plans to expand its footprint in Delhi NCR to 20 outlets during FY15 and further to 100 outlets across India over the next five years.



The Kebab Xpress outlets are strategically located in prominent malls and central business districts of the National Capital Region (NCR).





Notice to the Members

Notice is hereby given that the Twentieth Annual General Meeting of the Members of Rossell India Limited, will be held on Wednesday, 6th August, 2014 at 3.00 P.M. at Kala Kunj, 48, Shakespeare Sarani, Kolkata 700 017, to transact the following business:

1. To consider and adopt (a) the Audited Financial Statement for the financial year ended 31st March 2014 and Reports of the Directors and Auditors thereon and (b) the Audited Consolidated Financial Statement of the Company for the financial year ended 31st March, 2014.
2. To declare Dividend on the Equity Shares for the year ended 31st March, 2014.
3. To re-appoint M/s S. S. Kothari & Co., Chartered Accountants, Kolkata (Registration No. 302034E), the retiring Auditors, as Auditors to hold office from the conclusion of the Twentieth Annual General Meeting to the conclusion of the Twenty First Annual General Meeting of the Company as per the recommendation of the Audit committee, as accepted by the Board of Directors and to fix their remuneration.

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass with or without modification(s), the following Resolutions:

4.1 As Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 149 read with Schedule IV, Section 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, Dr. S. S. Baijal (DIN: 00027961), the existing Non Executive Director on the Board of the Company with Independent status as per Clause 49 of the Listing Agreement with the Stock Exchanges, who holds office till the conclusion of this Annual General Meeting and who has given the required notice in writing under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years till the conclusion of the Annual General Meeting of the Company to be held in the year 2019."

4.2 As Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 149 read with Schedule IV, Section 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. V. P. Agarwal (DIN: 00083912), the existing Non Executive Director on the Board of the Company with Independent status as per Clause 49 of the Listing Agreement with the Stock Exchanges, who would have held office till the conclusion of the Annual General Meeting of the Company to be held in the year 2015 and who has given the required notice in writing under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years till the conclusion of the Annual General Meeting of the Company to be held in the year 2019."

4.3 As Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 149 read with Schedule IV, Section 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. H. M. Parekh (DIN: 00026530), the existing Non Executive Director on the Board of the Company with Independent status as per Clause 49 of the Listing Agreement with the Stock Exchanges, who would have held office till the conclusion of the Annual General Meeting of the Company to be held in the year 2016 and who has given the required notice in writing under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years till the conclusion of the Annual General Meeting of the Company to be held in the year 2019."

4.4 As Ordinary Resolutions:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s Shome and Banerjee, Cost Accountants,

(Registration No. 000001) the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company in respect of Tea and Tea Products and Engineering Machinery (including Electrical and Electronic Products) for the financial year ending March 31, 2015, be paid the remuneration as set out in the Statement pursuant to Section 102 of the Companies Act, 2013 annexed to the Notice convening this Meeting”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds and things and to take such steps as may be necessary, proper or expedient to give effect to this resolution.”

4.5 As Special Resolutions:’

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 the draft regulations for management of the Company contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution of and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds and things and take such steps as may be necessary, proper or expedient to give effect to this resolution.”

4.6 As Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 180 (1)(a) and all other applicable provisions of the Companies Act, 2013, the Board of Directors of the Company be and is hereby authorised to mortgage and / or charge and / or otherwise dispose of the immovable and moveable properties, both present and future or whole or substantially the whole of the undertaking or the undertakings of the Company for the purpose of securing i) any loan whether by way of Term Loan, overdraft or in any other manner obtained or as may be obtained from any Bank, Company, Body Corporate, Financial Institution, other Lending Institution, Firm or Person and / or ii) any

issue of Debentures whether convertible or non-convertible to any of the aforesaid or to any member(s) of the Company or to any person(s) together with interest, cost, charges, expenses and any other money payable by the Company.”

4.7 As Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and all other applicable provisions of the Companies Act, 2013, consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow from time to time any sum or sums of money from Banks, Companies, Bodies Corporate, Financial Institutions, other Lending Institutions, Firms or Persons on such terms and conditions as may be considered appropriate by them in the interest of the Company, notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company, apart from the temporary loan obtained from the Company’s Bankers in the ordinary course of business, will exceed aggregate of its Paid up Share Capital and Free Reserves, so however that the total amount already borrowed or to be borrowed by the Board of Directors and outstanding at any one time shall not exceed ₹250 (Rupees Two Hundred Fifty) Crores exclusive of interest.

By Order of the Board

N K Khurana

Chief Financial Officer-cum-

Company Secretary

Date: 23rd June, 2014

Registered Office:

Jindal Towers,

Block ‘B’, 4th Floor,

21/1A/3, Darga Road,

Kolkata 700 017

CIN: L01132WB1994PLC063513

Website: www.rossellindia.com

Email: corporate@rosselltea.com



NOTES:

1. A Member entitled to attend and vote at the Meeting is entitled to appoint another person as a Proxy to attend and vote on a Poll on his/her behalf. A Proxy need not be a Member of the Company. However, proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the Annual General Meeting.
2. The Instrument of Proxy in Form MGT 11 (Proxy Form) prescribed under Companies (Management and Administration) Rules, 2014 pursuant to Section 105(6) of the Companies Act, 2013 is given separately in the Annual Report.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 1st August, 2014 to 6th August, 2014 (both days inclusive) for the purpose of this Annual General Meeting.
5. The dividend on Equity Shares, if declared at the Meeting shall be paid to those Members whose names shall appear on the Company's Register of Members on 6th August, 2014 for Equity Shares held in physical form. In respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners for the purpose as on that date.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Members who are holding shares in identical order of names in more than one Folio in physical form are requested to write to the Company / the Registrars to consolidate their holdings in one Folio.
8. Members are requested to bring the Attendance Slip duly filled in along with their copy of Annual Report to the Meeting.
9. Members are requested to
 - (i) quote their Registered Folio Numbers / Client ID Nos. in all correspondences with the Company / with the Registrars; and
 - (ii) promptly notify any change in their address to the Company / the Registrars, CB Management Services Private Limited, P-22, Bondel Road, Kolkata – 700 019, in case they still hold the Equity Shares in physical form.
10. Unpaid Dividend

Those members, who have not so far encashed their Dividend Warrants from the year ended 31st March, 2008 onwards may immediately approach the Company for revalidation of such Dividend Warrants. Please note that pursuant to Section 124 of the Companies Act, 2013, the Company is obliged to transfer any money lying in the Unpaid Dividend Accounts, which remain unpaid or unclaimed for a period of seven years from the date of transfer in such Unpaid Dividend Accounts to the credit of Investor Education and Protection Fund established by the Central Government in accordance with Section 125 of the Act.
11. Unclaimed Equity Shares

In terms of Clause 5A of the Listing Agreement, the Company has opened an account under the name and style "Unclaimed Suspense Account", with IL&FS Securities Services Limited, Mumbai and the unclaimed 1,18,490 Equity Shares of the Company belonging to 486 Members are lying therein since the date of opening of the Account as on 31st March, 2014. No claim was received by the Company from any of those Members till date. The Members concerned are requested to lodge their Claim with the Company's Registrars and Share Transfer Agents, CB Management Services Private Limited in case no Equity Shares have been received by them after sub-division of the Equity Shares of the Company.
12. The Members are requested to contact the Company's Registrars and Share Transfer Agents, CB Management Services Private Limited for all their queries, transfer requests, or any other matter relating to their shareholding

in the Company as per their following contact details:

P-22, Bondel Road

Kolkata – 700 019

Tel. : 033 - 40116700, 40116711, 40116718, 40116723

Fax: 033 - 22870263

Email ID: rta@cbmsl.com

13. Dematerialisation of the Equity Shares of the Company

The Equity Shares of the Company are compulsorily required to be held under DEMAT mode for Trading on the floor of the Stock Exchanges, where such Equity Shares are listed. These can be held in electronic form with any Depository Participant (DP) with whom the Members have their Depository Account. All the Members, holding Equity Shares of the Company in the physical form, are advised to get the same dematerialized. The Members may contact the Registrars and Share Transfer Agents of the Company at their address mentioned above in case of any query / difficulty in the matter or at the Registered Office of the Company.

14. Members, who have not registered their e-mail addresses so far, are requested to register their e-mail id for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically, with the Company's Registrar and Share Transfer Agent at www.cbmsl.com/green.php or with the Company at corporate@rosselltea.com.

15. Payments to Shareholders by Electronic Payment Mode

In terms of Circular No.CIR/MRD/DP/10/2013 dated 21st March, 2013 issued by SEBI, all listed Companies are required to make payment of dividend to investors through electronic fund transfer.

Accordingly, if you are holding shares in physical form, you are requested to send your complete Bank Account details along with a cancelled cheque to the Company's Registrar and Share Transfer Agent as in 9 above to enable us to credit the dividend amount directly to your Bank Account.

In case of non-availability of MICR / IFSC etc. for making electronic payment or in cases where such payment have been rejected by the Bank, physical warrants will be issued with the Bank Account details of the shareholders' mandatorily printed on the warrants.

16. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the company is pleased to provide the Members facility to exercise their right to vote at the 20th Annual General meeting (AGM) by electronic means and the business may be transacted through e-Voting as per separate communication in this regard being sent with this Notice.

By Order of the Board

N K Khurana

Chief Financial Officer-cum-

Company Secretary

Date: 23rd June, 2014

Registered Office:

Jindal Towers,

Block 'B', 4th Floor,

21/1A/3, Darga Road,

Kolkata 700 017

CIN: L01132WB1994PLC063513

Website: www.rossellindia.com

Email: corporate@rosselltea.com



Explanatory Statement

[Pursuant to Section 102(1) of the Companies Act, 2013 (the Act)]

Attached to the Notice convening the Twentieth Annual General Meeting to be held on Wednesday, 6th August, 2014

ITEM NOS. 4.1, 4.2 AND 4.3

Dr. S. S. Bajjal, Mr. V. P. Agarwal and Mr. H. M. Parekh (the Appointees) are the existing Non-Executive Directors on the Board of the Company as independent status as per Clause 49 of the Listing Agreement with the Stock Exchanges. In accordance with the relevant provisions of the Companies Act, 1956 they were appointed in the Annual General Meetings held in 2011, 2012 and 2013 respectively and liable to retire by rotation. The Appointees would have held office accordingly till the date of Annual General Meetings to be held in the year 2014, 2015 and 2016.

As per General Circular No. 14/2014 dated 9th June, 2014 issued by the Government of India, Ministry of Corporate Affairs, it has been clarified that Independent Directors must be appointed under Section 149(10) and 149(11) read with Schedule IV of the Act within 1 year from 1st April, 2014, subject to compliance with the eligibility and other prescribed conditions.

Section 149(4) of the Act requires at least one-third of the total number of Directors for every Listed Public Company to be Independent Directors satisfying the criteria of independence as per Section 149(6) of the Act. As per Section 149(10) of the Act, an Independent Director shall hold office for a term up to five consecutive years on the Board of the Company. Further, as per Section 152(6) of the Act, he shall not be included in the total number of Directors for ascertaining the number of directors subject to retirement by rotation.

In the first Meeting of the Board of Directors held in the current financial year 2014-2015 on 1st April, 2014, each of the Appointees has given the declarations that he meets the criteria of independence as provided in Section 149(6) of the Act. The required consent to continue to act as a Director pursuant to Section 152(5) of the Act has also been received by the Company from each of the Appointees.

In the opinion of the Board, Dr. S. S. Bajjal, Mr. V. P. Agarwal and Mr. H. M. Parekh meet the criteria of independence as provided in Section 149 read with Schedule IV of the Act for such appointment.

Dr. S. S. Bajjal has been associated with the Company as a Director since its formative stages. He did his doctorate in Organic Chemistry. A distinguished and accredited professional, he served as the Chairman & Managing Director of ICI India Ltd. and Chairman of ICI PLC, London. He was Chairman of Fertiliser Association of India. He is a Companion (highest honour) of Chartered Management Institute of London. He is well - versed in corporate affairs and management.

Mr. V. P. Agarwal has extensive experience of more than four decades in various industries in different capacities, senior executive as well as member of the Board. He has been at the helm of companies with more than ₹6,000 crore turnover. He is at present also a management consultant. He did his master's in commerce from Agra University in 1962 and topped the batch. He studied his Master's in Business Administration and Graduation in law in Delhi University. He also did an advanced management program in Harvard Business School, Boston (U.S.A.) in 1986. He has been a fellow member of the Institute of Company Secretaries of India for over four decades.

Mr. H. M. Parekh has extensive experience, spanning more than five decades, in tea industry. With a scholastic background in commerce, he served at the helm of distinguished companies in the tea industry. He retired as the Chairman of J. Thomas & Company Private Limited, the world's largest tea Broking Company. He also served as the Chief Executive Officer of Project India Blend Limited.

Keeping in view the expertise in the relevant field, expert knowledge and vast experience of the Appointees, it may be in the interest of the Company to appoint each of the Appointees as an Independent Director on the Board of the Company.

A copy of the draft letter of appointment to be issued to each of the Appointees for appointment as an Independent Director setting out the terms and conditions shall be kept open for inspection by the Members at the Registered Office of the Company during usual business hours viz. 10.00 AM to 5.00 PM on any working day till the date of the Annual General Meeting.

The required information under Clause 49 of the Listing Agreement has been appended below.

The Directors recommend the proposed Ordinary Resolutions for approval by the Members.

None of the Directors or other Key Managerial Personnel of the Company or any of their relatives is in any way concerned or interested, financially or otherwise, in the aforesaid resolutions, except the Appointees themselves.

ITEM NO. 4.4

The Board upon recommendation of the Audit Committee has approved the appointment of M/s. Shome & Banerjee, Cost Accountants as Cost Auditors to conduct the audit of the Cost Records maintained in respect of Tea and Tea Products and Engineering Machinery (including Electrical and Electronic Products) for the year ending 31st March, 2015 at a remuneration of ₹1,00,000 (Rupees one lakh) plus applicable Service Tax thereon and reimbursement of actual out of pocket expenses.

In terms of provision of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the aforesaid remuneration payable to the Cost Auditors is subject to ratification by the shareholders of the Company.

Accordingly, the consent of the Members is sought by way of Ordinary Resolutions in this regard.

The Directors recommend the proposed Ordinary Resolutions for approval by the Members.

None of the Directors or other Key Managerial Personnel of the Company or any of their relatives is in any way concerned or interested, financially or otherwise in the aforesaid Resolution.

ITEM NO. 4.5

The existing Articles of Association (existing AoA) of the Company are based on the Companies Act, 1956 and several Articles therein contain references to specific sections of the Companies Act, 1956. With most of the provisions of the Act having been made applicable with effect from 1st April, 2014 or even earlier, certain Articles contained in the existing AoA are no longer in conformity with the new provisions of the Act and therefore required to be deleted. Similarly, certain new provisions of the Act are required to be inserted in the existing AoA.

In view of this, it is considered expedient to wholly replace the existing AoA by a new set of Articles (new AoA), based on Table F of Schedule I to the Act, providing for a model Articles of

Association for a company limited by shares as well as various other provisions of the Act. Some of the new provisions in the new AoA regulations included in the draft new AoA, inter alia, are as follows:

- a. Service of documents to the Company by Electronic or other mode as may be prescribed apart from sending the same by registered post or speed post or courier.
- b. Notices for the General Meeting, Annual Report, Circular etc. may be sent through Electronic Mode.
- c. Voting through Electronic Means as well as by Postal Ballot.
- d. Maintenance of Books and Records as well as various Registers required to be maintained under the Act in the Electronic Forms and Inspection thereof in the manner permitted by the Act.
- e. Provision for Appointment of Key Managerial Personnel viz. Chief Executive officer (CEO) and Chief Financial Officer (CFO) apart from appointment of Managing Director and Company Secretary.

The existing AoA and the draft new AoA shall be kept open for inspection by any Member of the Company during the usual business hours viz. 10.00 AM to 5.00 PM on any working day till the date of the Annual General Meeting.

The Directors recommend the Special Resolutions set out in this regard in the Notice for approval by the Members.

None of the Directors or other Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed Special Resolutions.

ITEM NO. 4.6

As per provision of Section 180(1)(a) of the Act, the Board of Directors of a Company cannot, without the consent of the Company by a Special Resolution, sell, lease or otherwise dispose of the whole or substantially the whole of any of the undertakings of the Company. The Board of Directors of the Company while borrowing money for the business needs of the Company for meeting its working capital requirement as well as for financing various projects is required to create mortgage / charge on the moveable as well immoveable properties of the Company in favour of the concerned lender.

Since the relevant Clauses of the security documents empower



the lender to take over the properties and assets provided as security and the lenders have the power to sell the said properties and assets to the exclusion of any third party or without the intervention of any Court of law, it may be construed that the creation of mortgage/ a charge on the properties or undertakings of the Company in favour of the lender would attract the provisions of Section 180(1)(a) of the Act. Thus, the consent of the Members is being sought by a Special Resolution to enable the Board of Directors to create such mortgage/ charge.

The Directors recommend the proposed Special Resolution for approval by the Members.

None of the Directors or other Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed Special Resolution.

Item No. 4.7

As per provision of Section 180(1)(c) of the Act, the Board of Directors of a Company cannot, without the consent of the Company by a Special Resolution, borrow money where the money to be borrowed together with the money already borrowed by the Company will exceed the aggregate of its Paid Up Share Capital and Free Reserves apart from temporary loans obtained from the Company's Bankers in the ordinary course of business.

The aggregate of the present Paid Up Share Capital and Free Reserves of the Company as on 31st March, 2014 is ₹133.69 Crores. However, keeping in view the Company's growth strategy for its various business segments and future plans, the Company may have to resort to further borrowings as and when considered appropriate, which in the aggregate may exceed the aggregate amount of the Paid Up Share Capital and Free Reserves.

In view of this, it is considered prudent to seek the consent of the Members by way of a Special Resolution in accordance with Section 180(1)(c) of the Act to enable the Board of Directors of the Company to borrow up to a maximum of ₹2,50,00,00,000 (Rupees Two Hundred Fifty Crores) exclusive of interest.

The Directors recommend the proposed Special Resolution for approval by the Members.

None of the Directors or other Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed Special Resolution.

By Order of the Board

N K Khurana

Chief Financial Officer-cum-Company Secretary

Date: 23rd June, 2014

Registered Office:

Jindal Towers,
Block 'B', 4th Floor,
21/1A/3, Darga Road,
Kolkata 700 017
CIN: L01132WB1994PLC063513
Website: www.rossellindia.com
Email: corporate@rosselltea.com

Details of Directors seeking appointment at the forthcoming Twentieth Annual General Meeting

Name of the Director	Dr. S. S. Bajjal	Mr. V. P. Agarwal	Mr. H. M. Parekh
Date of Birth	September 06, 1929	July 01, 1943	March 23, 1937
Date of Appointment	July 14, 1994	May 12, 2009	October 19, 2001
Qualifications	B.Sc. M.Sc. D.Phil. – Organic Chemistry	M. Com., AMP (Harvard Business School)	B. Com. (Hons.)
Expertise in specific functional areas	Corporate Affairs and Management	Corporate Affairs & Management	Tea Marketing and Corporate Affairs
List of Public Companies in which Directorship is held	Atul Limited DCM Shriram Limited DCM Shriram Credit & Investments Limited Rossell India Limited BMG Enterprises Limited Delhi Guest Houses Pvt. Ltd. CAE Rossell India Limited	Rossell India Limited BMG Enterprises Limited	The Methoni Tea Co. Limited Quality Tea Plantations Pvt. Limited Diana Tea Co. Limited The Grob Tea Co. Limited Williamson Magor & Co. Limited Gillanders Arbuthnot & Co. Limited Peria Karamalai Tea & Produce Co. Limited Rasoi Limited BMG Enterprises Limited Rossell India Limited
Chairman / Member of the Committees of the Board of the Companies on which he is a Director	DCM Shriram Limited Audit Committee – Chairman Nomination and Remuneration Committee – Chairman Stakeholders' Relationship Committee – Member Rossell India Limited Audit Committee – Chairman Nomination and Remuneration Committee – Member Corporate Social Responsibility Committee – Chairman Atul Limited Audit Committee – Chairman Nomination and Remuneration Committee – Member BMG Enterprises Limited Remuneration Committee – Member	Rossell India Limited Audit Committee – Member Stakeholders' Relationship Committee – Member Nomination and Remuneration Committee – Member Corporate Social Responsibility Committee – Member	Williamson Magor & Co. Limited Audit Committee - Member Gillanders Arbuthnot & Co. Limited Audit Committee – Chairman Nomination and Remuneration Committee – Member Stakeholders' Relationship Committee – Chairman Diana Tea Co. Limited Audit Committee – Chairman Nomination and Remuneration Committee – Member Peria Karamalai Tea & Produce Co. Limited Audit Committee – Member Nomination and Remuneration Committee – Chairman Rasoi Limited Audit Committee – Chairman Nomination and Remuneration Committee – Member Stakeholders' Relationship Committee - Member Rossell India Limited Audit Committee – Member Stakeholders' Relationship Committee - Chairman Nomination and Remuneration Committee – Chairman
Shareholding in the Company	7,500 Equity Shares of ₹2 each	Nil	Nil



Report of the Board of Directors

For the year ended 31st March, 2014

Dear Shareholders,

Your Directors have pleasure in presenting their Twentieth Annual Report together with the Audited Accounts for the year ended 31st March, 2014.

FINANCIAL RESULTS

Particulars	₹ in Lakhs	
	Year ended 31 March, 2014	Year ended 31 March, 2013
Profit before Finance Cost and Depreciation	4,173.74	3,067.31
Less: Finance Cost	884.55	217.69
Profit before Depreciation	3,289.19	2,849.62
Less : Depreciation	416.00	306.86
Profit before Exceptional Items	2,873.19	2,542.76
Exceptional Item	-	1,358.45
Profit before Taxation	2,873.19	3,901.21
Less: Provision for Current Taxation	650.00	820.00
Deferred Taxation adjustment	183.00	53.00
Profit after Taxation	2,040.19	3,028.21
Add: Balance Brought Forward	344.53	329.57
Profit available for Appropriation	2,384.72	3,357.78
Appropriated as under:		
General Reserve	1,800.00	2,800.00
Dividend on Equity Shares		
Proposed @ 25% (2013-25%)	183.48	183.48
Tax on Dividend	31.18	29.77
Balance Carried Forward	370.06	344.53
	2,384.72	3,357.78

DIVIDEND

Your Directors are pleased to recommend to the Members, for their approval, a dividend of ₹0.50 per Equity Share of ₹2 each in the Company for the year ended 31st March, 2014.

REVENUE

The gross revenue from operation of your Company including sale of tea, receipts for technical and support services and those of Rossell Hospitality division was ₹14,142.72 lakhs for the current year as against ₹10,596.64 lakhs in the previous year. This represents an increase of ₹3,546.08 lakhs i.e. 33.46%

PERFORMANCE

Rossell Tea

The Directors view with great satisfaction your Company's performance for the year under review. The Tea Division achieved averages which were among the highest in the industry. More importantly Rossell Tea's position as a producer of top quality teas was further reinforced. Our teas continue to be a benchmark for top quality teas, out of Assam, both Orthodox and CTC.

The Division's average for its tea in 2013-14 was ₹220.70 per

kg. against ₹210.22 per kg. in 2012-13 and ₹171.52 per kg. in 2011-12. This reflects an increase of ₹10.48 per kg. i.e. 5.0% over 2012-13. Significantly the all in average for Assam teas in 2013-14 was ₹149.67 per kg. It was another year of consistent quality at Rossell.

After a slow start in March 2013, the tea harvest settled down quickly to good intakes generally across Assam. Whilst CTC demand was a little sluggish the orthodox market was buoyant, due to good demand from Iran as also a more efficient LC trade. This in turn led to a higher production in Assam by 28.02 million kgs. over the previous year. Unlike 2012-13, orthodox market was strong and the additional quality produced was easily absorbed. On the cue of a buoyant orthodox market your Company's product was readily accepted at attractive prices, averaging ₹247.07 per kg. against ₹234.85 per kg. last year and the Assam average which was at a record high of ₹200.61 per kg.

The CTC averages for Assam in 2013-14 were ₹143.99. Your Company's averages were ₹186.17 per kg. In a defining performance, yet again Rossell Tea outperformed the market.

The Division's exports were robust and grew to 1.24 million kgs. as against 1.02 million kgs in 2012-13. In volume terms Rossell registered a 21.70% increase. Per kg. realization was higher by 35.02%. This is on the back of an outstanding performance in the previous year 2012-13.

As reported last year climatic aberrations are a part and parcel of agricultural activity in North East India. Whilst 2012-13 can be considered as overall one of the best years climatically, the year ended with a very dry March 2014, impacting negatively an otherwise excellent crop performance for the year.

In keeping with the increasing threat perception of erratic weather, your Company has continued cultural and other operations to mitigate the effects of late rains. Whilst irrigation at Nagrijuli, Bokakhat and Romai T.Es. was augmented, facilities at Dikom and Namsang were added to cover 110 hectares of plantation on the both latter estates.

The Division in keeping with its long-term plan for asset strengthening continued to upgrade and modernize its assets, especially at Namsang and Dikom T.Es. The Division's uprooting and replanting development plans are on course. At Rossell long-term goals are central to its policy direction and this remains unchanged.

The Divisions product-mix has been an amalgam of orthodox and CTC, at all times tied to individual estate's core competence. This has continued to pay dividends. Our policy of prudent product-mix, cost management and productivity enhancement has helped us negate inflationary pressures to an extent.

ACQUISITION

As reported in the previous year, Namsang T.E. and Kharikatia T.E. were acquired in June, 2012 and November 2012 respectively. Both the Estates have overall performed well during the year under review, despite suffering from a severe drought earlier in 2013. Both estates added significantly to the Company's top and bottom-line growth.

Our crop during the year under review was 54.82 lac kgs. as against 43.54 lac kgs. in the previous year. This crop included the production of 5.73 lac kgs. from Namsang T.E. and 7.66 lac kgs. from Kharikatia T.E. Including bought leaf, the total production was 55.59 lac kgs. in 2013-14.

AVIATION PRODUCTS AND SERVICES

Aerotech Services continues to provide product support services for OEMs for the fifth year on their equipments fitted on aircraft, helicopters, ships and other platforms in India. Aerotech Services has been able to achieve very high customer and OEM satisfaction levels.

Rossell Techsys (RT) main thrust areas are manufacture of looms and harnesses, design and development of automatic test benches, system integration and embedded software solutions. The Division has achieved certifications, which conform to international standard.



ROSSELL HOSPITALITY

Based on the encouraging response from the first two outlets of 'Kebab Xpress' (KX), Rossell Hospitality (RH) expanded the number of outlets during the year from two to seven in the NCR Region. Consistency in quality of our products, excellent service and high level of hygiene are well appreciated by our customers in all the outlets.

PROSPECTS

Rossell Tea

World black tea production in season 2013 was higher by 7.94% as compared to season 2012. Production from Kenya in particular showed a record surplus of 62.90 million kgs. increasing the overall supply of CTC teas to the global market. Sri Lanka was higher by 11.90 million kgs. adding to the increased orthodox production in India and thereby increasing orthodox supply to the global market as well.

In India there was a record increase of 73.70 million kgs. over the previous year resulting in the crop being 1,200 million kgs. as against 1,126.30 million kgs. in 2012 i.e. 6.54% higher, with the major increase coming from North India, which was 7.94% higher than 2012. Overall the Indian production has been well absorbed by the markets. The supply demand balance currently is equitable.

It appears from the product mix availability particularly at the auctions that the major part of this increase came from the small growers. The demand for quality tea was very strong which is reflective with 10.92% of teas selling over ₹195 per kg. as against only 6.98% in the previous year. The bottom of the market showed an increase of 30.56% of teas selling below ₹120 per kg. as against only 20.18% in the previous year clearly indicating a preference for quality and buyers' willingness to pay premiums. Plainer varieties being discounted in prices. This trend is being reinforced year after year.

Needless to mention that changing weather patterns are creating new challenges every year whether they be in the form of drought, pest infestation, high temperatures or excess rainfall. These factors are preventing the entire tea industry from following traditional norms and practices. Rising cost of all inputs, especially fertilizers and pesticides, fluctuating power supply, hence more self-generation are resulting in substantial increase in the cost. These challenges are real and action to combat such a situation in an organized manner has already been put in place. The start of season 2014 has been sluggish, owing to late and inadequate rains in March and April. This has affected the plantations with the late drought ensuring a poor cropping April. Urgent precipitation is required for the bushes to recover.

AVIATION PRODUCTS AND SERVICES

The Government of India has issued new Defence Procurement Policy 2013. The Govt. has made a major change whereby 'Make and Buy Indian' has been given the highest priority. Buy Global has been made the last choice. The Govt. expects for greater

participation by the private sector in aerospace manufacture with the objective of reducing imports.

Major OEMs are assessing Indian companies for JVs / partners for growing their business by transferring technologies and enhancing Indian manufacturing capabilities.

Another OEM has issued Request for Proposal (RFP) for providing support for their equipment. We are in the process of finalizing these agreements on long term basis. With the addition of these two agreements, Aerotech Services revenue will grow up substantially.

In RT, all the hard work, investment and commitment to the offset business in the aerospace and defence domain have begun reaping benefits. We have also seen traction in 2 of the three main competencies that we have invested in – wire harness and looms and test solutions. In the wire harness and looming competency, the Division has obtained its very first export order from the world's largest aircraft manufacturer, The Boeing Company. This breakthrough has paved the way for more such orders in the future. Apart from the order that we have received, we had received two more RFPs, one on a single source basis and the other on a competition basis. We are in final stages of discussions for the bid submitted on a single source basis and expected the order to be placed by June, 2014. Deliveries against both these orders are spread over 3 to 4 years. It is also to be noted that the Division has started executing the first order and has established strong credentials and a robust reputation for quality and on time performance.

Thus, RT Division is well poised for growth in the next 3 to 5 years. Prospects of rapid growth are now real. The coming year looks exciting for growth. It also means that the Division will need to also invest in land and other infrastructure to create the facilities to meet the challenges of growth.

ROSSELL HOSPITALITY

The QSR Industry in India has undergone significant changes. The eating habits and preferences of people in India have seen a significant shift. The industry is experiencing a new era because of changes in the attitude of the consumers, who wishes to try a new variety of dishes and food items.

In spite of this current economic scenario, RH is expecting its sales to be higher in coming months. RH has put forward a strong foothold in Quick food sector and the prospects are promising. We are delighted to report that the Division fared reasonably well in the financial year 2013-14 even in the midst of rough macroeconomic headwinds and intensifying competition, thanks to a visionary foundation and strong business model, both of which kept us poised to seize the attractive growth opportunities that came your way.

SUBSIDIARY COMPANY

The fully owned Subsidiary, CAE Rossell India Ltd. did not carry out any activity during the year under review.

STAFF WELFARE AND SOCIAL ACTIVITIES

The Company continues to espouse the principles of welfare safety and health of its working force in a clean and congenial environment. Workers' health and well-being continues to be a priority with your Company. The infrastructure in the areas of welfare schemes, health, hygiene, education and a clean potable water supply continues to be strengthened. The sanitation initiative of the UNICEF has been taken forward very strongly in the last few years. Sanitation for all is a focus area with your Company.

Your Company is fully aware of its corporate social responsibilities and our emphasis in respect thereof is briefly enumerated below:

a. Environment

To further enhance this perspective the Company has decided to go in for Rainforest Alliance for its estates. Sustainable Agriculture, environmental protection and societal development are its main thrust areas. At Rossell we would further reinforce these imperatives.

b. Education

Well equipped schools for workers children at all estates.

c. Health

- i. Clean potable water for the entire population where our estates are located.
- ii. Well equipped hospital with trained and dedicated staff.
- iii. Regular monitoring of pre and post natal care for mother and child.
- iv. A sanitation scheme in partnership with UNICEF.
- v. Organizing camps for eye care, pulse polio and regular sterilization camps.
- vi. AIDS awareness
- vii. At the grass root level mother's clubs to disseminate information on health, hygiene and alcoholism.
- viii. Vocational centers for knitting and tailoring
- ix. Malaria prevention scheme.

d. Other Areas

The Company is putting in place plans for skill development programmes, and women empowerment projects.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956 (the Act), your Directors state and confirm the following:

- (i) That in preparation of the Company's Annual Accounts for the year ended 31st March, 2014 the applicable accounting standards have been followed and proper explanations have been provided for material departures, where applicable.

- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March, 2014 and of the Profit of the Company for that financial year.
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularity.
- (iv) That the Directors have prepared the Annual accounts for the year ended 31st March, 2014 on a going concern basis.

CORPORATE GOVERNANCE

Your Company is complying with the Corporate Governance Code as prescribed in Clause 49 (Revised) of the Listing Agreement with the Stock Exchanges. A separate report on Corporate Governance along with the Auditors' Certificate on its compliance is annexed to this report.

DIRECTORS

Mr. P.L. Agarwal, an Independent Director on the Board of the Company tendered his resignation and ceased to be a Director on and from 28th March, 2014. Your Directors put on record their gratitude for the valuable advices given by Mr. Agarwal from time to time during his tenure as Director.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 as well as under Clause 49 of the Listing Agreement

Dr. S. S. Bajjal, an Independent Director on the Board of the Company, re-appointed in the Annual General Meeting held on 11th August, 2011 retires by rotation as per the provisions of Section 256 of the Companies Act, 1956. Dr. Bajjal, being eligible to be an Independent Director of the Company is proposed to be re-appointed for the period from the date of the Annual General Meeting to 31st March, 2019, pursuant to Section 149 (10) of the Companies Act, 2013.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

a. Industry Structure and Developments

Rossell Tea

The year 2013 saw a record production of 1,200 million kgs. i.e. 73.70 million kgs, ahead of 2012. This was possible on the back of good growing conditions. After a slow start, improved crops were seen after three years of unimpressive showing. We expect crops from the organized sector to move up slowly in 5 – 6 years when younger teas



planted under the Tea Board's SPTF scheme begin to yield. However, the gain will not be too significant as uprooting under SPTF scheme will continue. In our opinion the market in the medium-term will be demand led as robust 3 – 5% increase in domestic consumption is indicated.

The market for CTC teas was largely steady after an indifferent start. Thereafter the market segmented itself clearly into the top quality and the medium and plainer sorts. The former category met with good enquiry and fetched handsome prices. The medium and plainer sorts were differentiated into lower price band. The majority of the bought leaf teas faced price and movement constraints. Overall 2013 CTC averages were lower by ₹3.26 per kg. when compared to 2012.

The orthodox category on the other hand was strong through to November sales. The average for orthodox teas by the end of the year was higher than CTC by ₹56.60 per kg. This strong orthodox market resulted in a production which was 47% higher than in 2012. Iran was a major market for this produce.

Your Company with its focus on quality tea produced an excellent product mix of CTC and orthodox teas, which were much in demand. Overall our averages for 2013 were ₹220.70 per kg. against the Assam average of ₹149.67 for the year. In 2012, Rossell's averages were ₹210.22 per kg.

The Company's exports stand at 12.41 lac kgs. with a revenue of ₹3,627.41 lacs. This shows an increase of 21.19% in volume terms and 37.08% in value terms over last year. This is on the back of outstanding performance on exports front by Rossell Tea in 2012. Exports continue to be a focus area and coupled with quality production, this makes a great recipe for continued success in the future.

Aviation Products and Services

In the aerospace and defence sector we have seen a significant change in business outlook in the financial year 2013-2014. We have made significant progress with other customers or foreign OEMs. A substantial part of the turnover in Rossell Techsys has been achieved via export orders. The Division have signed multiple MoU's with foreign OEMs and have also been approved by Thales to be a key industry partner (KIP) paving the way for participation in not only offset business opportunities but also for their global needs.

Rossell Hospitality

The overview of the food service industry is positive. Among other reasons, higher level of disposable income is propelling growth. The QSR industry is outpacing the standard full service format. International brands are enhancing their product offerings & widening their market base. Fast food is the fastest growing format. Many domestic players are playing crucial role in propelling growth. Indian QSR business format offers change to

India's growing population who are eager to experiment with their dining choices. The interest shown in the QSR business is evident with the increasing numbers of PE investments in this industry.

b. Opportunities and Threats

Rossell Tea

World crop in 2013 was +7.94% over 2012, on the back of good growing conditions in the tea growing world. Kenya +62.90 million kgs. and India +73.70 million kgs. were the flag bearers. It is still our belief that on a three year moving average world crops are largely stationery. With 2013 being an exception, on account of very good growing conditions worldwide, world black tea crops will not see untrammelled growth in the medium term as additional land in major teas growing countries is not available in large acreages. The tea market too in the medium term is likely to be stable.

In India clearly consumption is rising for black tea, while a similar trend is observed in China's green tea consumption. In India, consumption is growing at 3 – 5% annually and this indicates a stable market which at best will be demand led. A robust uprooting and replanting programme will in the medium term slow down increase in Indian production, and this reinforces our belief that the market could be strong. Further we are convinced that distinct market segmentation into best, good, medium and plain categories is here. The consumer is willing to pay for quality and this we see as a great opportunity. Rossell's creed is quality albeit consistent quality and we receive just reward. The price concertina between good quality and other categories continues to widen.

What must not happen is that the industry must avoid producing large volume of poor teas, as this can easily upset the market and pull prices down through large crops and inferior teas.

Your Company's stated policy and practice is to produce the best possible quality teas, CTCs or orthodox. In this area our record is very good and consistent. With this has come continuing international recognition for Rossell Tea and continuous enhancement of brand equity for the Company.

Costs

Whilst there is reason to be optimistic in the medium term, it would be wrong to ignore or discount the impact of climate change, which is distinctly manifesting itself as a major factor requiring a great thrust towards sustainable agriculture. There is also the issue of inflation and rising costs due to phased withdrawal of fertilizer subsidies, wage increases, migration of a section of the work force etc. There is, therefore, a greater need to upgrade productivity and quality. Innovative thinking and action has become the need of the hour and your Company is at the forefront of such action.

Whilst uncertain conditions in the Middle East continue as before, Iran has been moving ahead to procure much larger quantities of Indian teas. This augurs well for the industry.

With consumption of tea increasing worldwide, there is need to position tea as a youthful and healthy beverage. With the Indian economy growing robustly, there is an opportunity for value addition and thereby offer sophisticated choices to the consumer. Initial efforts in the US and other markets indicate a favourable response from consumers. In India too a start has been made but much needs to be done.

Aviation Products and Services

With the change in DPP for greater thrust on indigenization and foreign OEMs yet to fulfill their offset obligations of contract signed in the previous years, foreign OEMs are approaching us for technical support. Although currently the services part has been held in abeyance, industry has taken up strongly and is likely to be cleared. Once cleared, it will provide additional opportunities.

Rossell Hospitality

RH is on a strong growth trajectory. The Division has stayed focused on building on its brand even while facing down challenging conditions in the market and economic environment. Fortunately, we have not had to scout for new growth paths; enormous opportunities have beckoned. Our proven and powerful format, backed by a capable high-performance organization determined to rapidly expand its presence, have been like magnets.

c. Segment-wise Business Performance

Rossell Tea

The market for CTC teas was generally steady whilst orthodox teas were very buoyant, leading to a record production of around 45 million kgs. orthodox out of Assam. The market clearly segmented itself with good and best categories selling much better than medium and plain types. The market overall commenced strongly and demand was good into the year end, when orthodox demand for poor categories petered out.

Your Company saw excellent prices both for orthodox and CTC teas as reflected in our combined average of ₹220.70 per kg. The final price this year was +₹10.48 more than 2012 which stood at ₹210.22 per kg. These averages are clearly among the highest achieved in Assam.

Exports too saw robust growth and were 12.41 lac kgs. @ ₹292.26 per kg. vis-à-vis 10.24 lac kgs. @ ₹257.90 per kg. reflecting a growth in volume terms of 21.19% and a value increase of 37.08%; a remarkable performance for the year on the back of an outstanding performance in 2012.

Overall this was an exceptional year for Rossell Tea.

Aviation Products and Services

On the quality front, RT Division continues to progress on the path of certifications and has achieved another milestone, the ISO 14001 certification. It is a matter of pride that in a short span of time, your company is now an accredited, AS9100, Rev C, ISO9001, ISO27001 and ISO14001.

Rossell Hospitality

Your company ended the year with a total of 7 operational outlets and looking to open 20 outlets in this coming financial year. Your company continues to focus on NCR for all new developments. The focused research for finding newer stronger areas of growth is on the radar for next phase. Rossell Hospitality has already signed 6 outlets, which will open shortly.

d. Outlook

Rossell Tea

Season 2014-15 started on an uncertain note in terms of climatic conditions. First a very severe drought, which has not been witnessed in the last few decades during April, followed by incessant rainfall so far in May reduced the crop by about 40% behind last year. We hope that the weather conditions shall improve shortly

The market started on a sluggish note except for the very best quality, owing to excess stock in Iran as well as in the domestic market. However, owing to crop shortfall and with the onset of the 2nd Flush, export enquiry is likely to increase and the market conditions are likely to improve. We hope to see at last year's levels soon, particularly for our category of teas.

Aviation Products and Services

Aerotech Services has continued to fulfill its commitments to the highest level of satisfaction of both the OEM and the customer. In the annual reviews with the OEM, we have always been adjudged as exceptional i.e., achieving technical support performance above 95%.

On the execution front, RT continues to focus on quality and time. From the time we first started our execution for Boeing, we have been well ahead of schedule. Implementation of people productivity and organizational operating efficiency enhancement tools such as the Enterprise Resource Planning (ERP) and the Manufacturing Resource Planning (MRP) are in progress and expected to be operational by end July 2014.

Rossell Hospitality

KX continues to receive our wholehearted attention as we look towards expansion in NCR. The process is meticulous and requires careful groundwork. Results should not be expected overnight or in the short term, but there is the certainty that when they do come, they will be durable and significant.

The same store sales record from our outlets have been



encouraging and inclusion/introduction of various combo options has driven the sales in the upwards trend. The average spend per person is also positive. KX is looking to introduce certain attractive entry level products in combination with beverages to drive higher footfalls.

We remain confident in our future, given your Company's overall strategies, its strong leadership and talented employees, who are delivering high quality to hundreds of guests every day.

KX is also coming up with a centralized number for home delivery. This will facilitate the efficient delivery.

e. Risk and Concerns

Rossell Tea

In 2014, climate change has become a very topical issue, given the year has started with a major drought in North East India, coupled with this is the prediction of El Nino in 2014. Mercifully this may not hurt the monsoons in the North East. Till then this is only conjecture. Tea has been an agro-horticultural pursuit so it is only natural the weather is always a risk and therefore a concern.

Stability of our exports as well as stability in our importing nations is also a concern. The Middle East has not settled down from the Arab Spring of a few years. Russian economy could be hit by sanctions from the EU; overall the situation continues to be in a state of flux. For India, Iran is an important market and hopefully this trade will become larger and more stable. As we see if the produce is good and consistent quality, there will not be dearth of buyers on attractive terms.

Aviation Products and Services

Aerotech Services has long term contract and has additional opportunities for new contracts. As long as Aerotech continues to perform well then the risk is negligible.

Rossell Hospitality

RH business is directly linked to the economic sentiments and satisfaction of the consumer. In the hospitality business, each and every customer arriving at our outlets needs to be attended to with utmost care for the growth of our format.

RH has a long term vision and strategy to minimize the risk to its growth.

f. Internal Control Systems and their adequacy

Your Company has adequate Internal Control Systems at all levels of management and they are reviewed from time to time. The Internal Audit is carried out in house as well as by a firm of Chartered Accountants. The Audit Committee of the Board looks into Auditors' Review, which is deliberated upon and corrective action taken, wherever required.

g. Financial and Operational Performance

Along with the continual emphasis on quality upgradation, prudent management of costs has been the stated objective of your Company. In the year under review, your

Company has sustained its performance. The operating profit before depreciation in respect of Rossell Tea for the year was ₹3,358.04 lakhs against ₹2,744.13 lakhs in the previous year.

The Aviation Products and Services business segment of the Company made a loss of ₹17.75 lakhs before depreciation, as against profit before depreciation of ₹24.85 lakhs in the previous year.

Rossell Hospitality Division posted a loss before depreciation of ₹472.76 lakhs as against ₹245.98 lakhs in the previous year.

The overall operating profit before depreciation of the Company is ₹3,289.19 lakhs as against ₹2,849.62 lakhs in the previous year. The financial base of your Company remains strong and we expect further strengthening thereof with better financial and operational performance in the future.

h. Human Resources Development

Human resources are a valuable asset at the Corporate Office as also at the various units of your Company and adequate attention is paid to their development and well being. Your Company has continuous focus on human resources, who are trained from time to time to attain the required standards. The correct recruitment practices are in place to attract the best technical manpower to ensure that the Company maintains its competitive position with respect to execution.

Industrial relations at all the units remain satisfactory, where your Company employs about 6,200 personnel on its roll.

PERSONNEL

Your Directors record their appreciation for contribution and co-operation of all the employees.

Particulars required to be furnished as per Section 217(2A) of the Act, read with the Companies (Particulars of Employees) Rules, 1975 (as amended) in respect of employees of the Company, who were in receipt of remuneration exceeding ₹60.00 lakhs per annum where employed for full year or ₹5.00 lakhs per month where employed for a part of the year, are given in Annexure II to this Report.

AUDITORS

M/s. S. S. Kothari & Co., Chartered Accountants, Auditors, retire at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment. The Audit Committee has recommended their appointment as Auditors of the Company.

For and on behalf of the Board

Place : Delhi

Date : 16th May, 2014

H. M. Gupta

Executive Chairman

Annexure I to Directors' Report

Information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2014.

- | | |
|---|---|
| 1. Energy conservation measures taken | Replacement of old and outdated equipments, wherever required with energy efficient equipment giving higher output with less energy consumption. |
| 2. Additional Investment and Proposals, if any, being implemented for reduction of consumption of energy | Installation of energy saving equipment and modernisation of Factories at the Estates and being reduction of consumption of other units is being done in a phased manner. |
| 3. Impact of measures at (1) and (2) above for reduction of energy consumption and consequent impact on the cost of production of goods | Improvement of energy utilisation resulting in economy in cost. |

Form A

Particulars with respect to Conservation of Energy in respect of Rossell Tea Division of the Company

Particulars	Year ended 31 March, 2014	Year ended 31 March, 2013
A. Power & Fuel Consumption :		
1. Electricity		
a) Purchased		
Units (Kwh in Lakhs)	27.52	17.37
Total Amount (₹ in Lakhs)	202.84	137.99
Rate/Unit (₹)	7.37	7.94
b) Own Generation		
i) Through Diesel Generator		
Units (Kwh in Lakhs)	9.82	7.53
Unit/Ltr of Diesel Oil	2.60	2.47
Fuel Cost/Unit (₹)	21.08	20.31
ii) Through Natural Gas Generator		
Units (Kwh in Lakhs)	9.48	10.68
Total Cost of Gas Consumed (₹ in Lakhs)	20.32	17.14
Fuel Cost/ Unit (₹)	2.14	1.60
2. Natural Gas		
Quantity (Scm in Lakhs)	21.54	20.75
Total Cost (₹ in lakhs)	147.99	131.28
Coal (Coke/Rom) for Tea Processing		
3. Coal (Coke/Rom) for Tea Processing		
Quantity (MT)	3,083.02	2,563.15
Total Cost (₹ in Lakhs)	231.79	176.98
Average Rate/Unit (₹)	7,518	6,905
B. Consumption per Unit of Production :		
Production - Tea (Gross) Lakh Kgs.	57.22	44.88
Electricity (Kwh)	0.82	0.79
Natural Gas (Scm)	0.79	0.85
Coal (Coke/Rom) (Kgs)	0.83	1.24



Form B

Research and Development (R & D)

1. Specific areas in which R&D is carried out by the Company
2. Benefits derived as a result of 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 percentage of total turnover

The Company is a member of the Tea Research Association, Kolkata which is registered under Section 35(1)(ii) of the Income Tax Act, 1961. A contribution of ₹8.96 lakhs (2013 - ₹7.75 lakhs) was made towards subscription for the year.

Technology Absorption, Adaptation and Innovation

1. Efforts, in brief, made towards technology absorption, adaptation and innovation
2. Benefit derived as a result of the above efforts e.g. product improvement, cost reduction, production 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 therefore, and future plans of action

In-house seminars, discussions with experts and training programme were held for innovative ideas of production and to update the staff. The concerned staff members are also sponsored to attend various seminars and workshops for updating themselves in various aspect of the functioning of the Company.

There has been an overall improvement in productivity and economy in cost is being achieved.

Not Applicable

Technology Absorption, Adaptation and Innovation

During the year under review, your Company exported a sizeable quantity of teas to various overseas markets. Besides, Receipts for Technical and Support Services were also received in Foreign Currency in Aerotech Services Division. The earnings in Foreign Exchange are given in Note No. 10(d) (Additional Information) to the Accounts.

The foreign exchange outgo is given in Note No. 10(e) (Additional Information) to the Accounts.

For and on behalf of the Board

Place : Delhi

Date : 16th May, 2014

H. M. Gupta
Executive Chairman

Annexure II to Directors' Report

Information under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 (as amended) and forming part of the Directors' Report for the year ended 31st March, 2014.

EMPLOYED FOR THE FULL YEAR

Name	Age (in years)	Date of commencement of Employment	Designation / Nature of Duties	Gross Remuneration (₹ in lakhs)	Qualification	Last Employment held / Designation	Experience (in years)
H. M. Gupta	59	1st May, 1996	Executive Chairman	135.88	B. A. (Hons)	BMG Enterprises Limited – Chairman & Managing Director (still continuing)	39

Notes:

1. The Gross Remuneration comprises Salary, Commission, Monetary value or Income Tax valuation of Perquisites and the Company's contribution to Provident Fund.
2. The nature of employment is contractual and is subject to the rules and regulations of the Company in force from time to time.
3. Mr. H. M. Gupta is not a relative of any of the Directors of the Company.

For and on behalf of the Board

Place : Delhi

Date : 16th May, 2014

H. M. Gupta

Executive Chairman



Annexure III to Directors' Report

Corporate Governance Report

The Listing Agreement of the Stock Exchange in Clause 49 (Revised) has laid down a Code of Corporate Governance which the Company has complied with as follows:

1. Company's Philosophy on Code of Governance:

Your Board of Directors unequivocally supports the principles of Corporate Governance. Your Company espouses the cause of long term success in all areas of its business and commits itself to achieving this by outstanding standards of productivity, quality and performance. It continues to evolve, learn and adapt for the common good of its stakeholders. Your Company is further committed to the well being of its employees and of the society that we live in, in general.

2. Board of Directors – Composition:

The Board is headed by Executive Chairman, Mr. H.M. Gupta and comprises of persons who are expert in their respective fields. At present, majority of the Directors on the Board are Non-Executive Independent Directors. Particulars as on 31st March, 2014 are given below:-

Director	Category	No. of Companies		
		Member of Board	Board Committees #	
			Chairman	Member
Mr. H.M. Gupta	Executive Chairman	5	-	-
Dr. S.S. Bajjal	Non-Executive-Independent	7	5	9
Mr. H.M. Parekh	Non-Executive-Independent	10	6	14
Mr. V. P. Agarwal	Non-Executive-Independent	2	-	4
Mr. C.S. Bedi	Managing Director	1	-	3

Audit, Shareholders' Grievance, Remuneration and Corporate Social Responsibility Committees.

Note: Mr. P. L. Agarwal, Non-Executive Independent Director resigned from the Board on and from 28th March, 2014

Board Meetings and Annual General Meeting (AGM):

During the year under review, 6 Board Meetings were held on 05.04.2013, 15.05.2013, 02.08.2013, 07.11.2013, 13.02.2014 and 22.03.2014.

The last AGM was held on 02.08.2013.

Details of attendance:

Director	No. of Board Meetings Attended	Whether attended Last AGM
Mr. H.M. Gupta	6	Yes
Dr. S.S. Bajjal	5	Yes
Mr. H.M. Parekh	5	Yes
Mr. P.L. Agarwal	2	Yes
Mr. V. P. Agarwal	6	Yes
Mr. C.S. Bedi	5	Yes

3. Audit Committee:

The Audit Committee consists of 3 Non-Executive Independent Directors. The Chairman of the Committee has in-depth knowledge in the areas of Finance and Accounts. The Committee has been meeting as and when required and at least once in every quarter of the Financial Year.

The terms of reference of the Audit Committee broadly covers the areas specified in Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956 and briefly described below:

1. To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. To recommend the appointment and removal of Statutory Auditors, Cost Auditors as well as Internal Auditors, fixation of audit fees and also approval for payment for any other services.
3. To review with management the annual financial statements before submission to the Board for approval, with particular reference, inter alia, to disclosure of related party transactions, qualifications in the draft audit report etc.
4. To review with management the quarterly financial statements before submission to the Board for taking the same on record.
5. To review with the management, statutory and internal auditors, the adequacy of internal control systems.
6. To review the adequacy of internal audit function at present being conducted in house as well as by a firm of Chartered Accountants and to discuss with them any significant findings and follow up thereon.
7. To review the Company's financial and risk management policies.
8. Discussion with statutory auditors before the audit commences about nature and scope of audit as well as post audit discussion to ascertain any area of concern.
9. To review the mandatory information with the Management
10. To administer the Whistle Blower Policy and oversee the functioning of the Ombudsperson appointed under the policy.

During the year under review, 5 Meetings of the Audit Committee were held on 05.04.2013, 15.05.2013, 02.08.2013, 07.11.2013 and 13.02.2014.

The composition and attendance of the members at the Audit Committee Meetings are as follows:

Director	No. of Board Meetings Attended
Dr. S.S. Bajjal, Chairman	4
Mr. H.M. Parekh	5
Mr. V. P. Agarwal	5

The Chief Financial Officer-cum-Company Secretary acts as the Ex-Officio Secretary to the Committee. Statutory Auditors, Cost Auditors and Internal Auditors attend the Meeting whenever required. The Executive Chairman, Managing Director and other Senior Executives are also invited to attend and deliberate in the Meetings.

4. Remuneration Committee:

Based on the recommendation of the Remuneration Committee, the remuneration package of Managing Directors is decided by the Board within the statutory framework, subject to approval by the Members of the Company. The Remuneration Committee consisted of Non-Executive Independent Directors, namely Mr. H. M. Parekh, Chairman, Dr. S.S. Bajjal and Mr. P.L. Agarwal till 28th March, 2014. On and from 1st April, 2014 the Committee has been rechristened as Nomination and Remuneration Committee with induction of Mr. V. P. Agarwal, Non-Executive Independent Director as a Member thereof.

The broad terms of reference of the Remuneration Committee are to determine on behalf of the Board of Directors of the Company, the Company's policy on specific remuneration packages for Managing Director / Wholetime Director of the Company.

During the year under review, a Meeting of the Remuneration Committee was held on 15.05.2013.



Remuneration as per Terms of Service paid to Directors during the year 2013-2014:

₹ in Lakhs

Name of Directors	Salary and Allowance	Commission	Contribution to P.F. and other Funds	Value of Perquisites	Total
Mr. H.M. Gupta, Executive Chairman	47.00	64.95	5.64	18.29	135.88
Mr. C.S. Bedi, Managing Director	32.70	----	8.23	16.56	57.49

1) Mr. H.M. Gupta :

Service contract : 01.05.2012 to 30.04.2015

Notice period : Three months

Severance Fee : Not Applicable

2) Mr. C. S. Bedi :

Service contract : 01.10.2013 to 30.09.2016

Notice period : Three months

Severance Fee : Not Applicable

Sitting Fees and Commission paid/payable to the Non-Executive Directors during the year 2013-2014 and their shareholding in the Company are as under:

₹ in Lakhs

Non-Executive Directors	Board Fees	Committee Fees	Total	Commission	No. of Shares held
Dr. S.S. Bajjal	0.50	0.25	0.75	5.00	7,500
Mr. H.M. Parekh	0.50	0.50	1.00	3.00	-
Mr. P.L. Agarwal	0.20	0.05	0.25	-	-
Mr. V. P. Agarwal	0.60	0.35	0.95	3.00	-

Note: The above Fees and Commission excludes Service Tax.

There are no stock option plans of the Company.

5. Shareholders' Grievance and Share Transfer Committee:

The Committee consists of 2 Non-Executive Independent Directors and the Managing Director, namely-

Mr. H.M. Parekh Chairman (Non-Executive)

Mr. V. P. Agarwal Member (Non-Executive)

Mr. C.S. Bedi Member (Managing Director)

The Committee, which meets as and when required, met 5 times during the year.

a) No. of complaints received from Stock Exchange / SEBI	Nil
b) No. of complaints not resolved / no action taken	Nil
c) No. of pending Share transfers as on 16th May, 2014	Nil

Name and designation of Compliance Officer:

Mr. N.K. Khurana, Chief Financial Officer-cum-Company Secretary

Shareholders' grievances are resolved expeditiously. There is no grievance pending as on date.

The Committee has been rechristened as Stakeholders'

Relationship Committee on and from 1st April, 2014.

6. Corporate Social Responsibility (CSR) Committee:

In terms of Section 135 of the Companies Act, 2013, the CSR Committee was constituted by the Board on 22nd March, 2014 consisting of the following Directors.

Dr. S. S. Bajjal, Non-Executive Independent Director

Mr. V. P. Agarwal, Non-Executive Independent Director

Mr. C. S. Bedi, Managing Director

This Committee has the following objectives:

1. formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII read with Section 135 of the Companies Act, 2013;
2. recommend the amount of expenditure to be incurred on the activities referred above and
3. monitor the Corporate Social Responsibility Policy of the Company from time to time.

The Committee did not meet since its formation till 31st March, 2014,

7. General Body Meetings:

Location and time where last three AGMs were held:

Date	Location	Time
11.08.2011	Kala Kunj, 48, Shakespeare Sarani, Kolkata-700 017	2.30 p.m.
10.08.2012	Kala Kunj, 48, Shakespeare Sarani, Kolkata-700 017	10.30 a.m.
02.08.2013	Rotary Sadan, 94/2, Chowringhee Road, Kolkata-700 020	2.00 p.m.

No resolution was passed by the Members through Postal Ballots during the year under review:

The following Special Resolutions were passed in the Annual General Meetings held since the last three years:

- a) In the Annual General Meeting held on 11th August, 2011:- Consent of the Members obtained under Sections 198, 309 and other applicable provisions of the Companies Act, 1956 for payment of Commission made or to be made from time to time to Non-Executive Directors not in the whole time employment of the Company within the limit of 1% (one percent) of the net profits of the Company for a period of five financial years up to 31st March, 2012.
- b) In the Annual General Meeting held on 10th August, 2012:- Approval of the Members obtained i) under Sections 198, 269, 309 and 310 of the Companies Act, 1956 for appointment of Mr. H. M. Gupta, as Executive Chairman for a period of three years from 1st May, 2012 to 30th April, 2015 and ii) under Section 314 and other application provisions of the Companies Act, 1956 for increase in remuneration payable to Mr. Rishab Mohan Gupta as Vice President with effect from 1st August, 2012, subject to approval of the Central Government.
- c) In the Annual General Meeting held on 2nd August, 2013:- i) Approval of the Members obtained under Sections 198, 269, 309 and 310 of the Companies Act, 1956 for re-appointment of Mr. C. S. Bedi, as Managing Director for a period of three years from 1st October, 2013 to 30th September, 2016 and ii) consent of the Members obtained under Sections 198, 309 and other applicable provisions of the Companies Act, 1956 for payment of Commission made or to be made from time to time to Non-Executive Directors not in the whole time employment of the Company within the limit of 1% (one percent) of the net profits of the Company for a period of five financial years from the financial year 2012-2013.

8. Other Disclosures:

A. Related party transactions:

Disclosures on materially significant related party transactions: The Company has not entered into any transactions of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company. The transactions undertaken during the year have been disclosed as Clause 4 in Notes T to the Financial Statements for the year ended 31st March, 2014.

B. No penalties / strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority for non-compliance of any laws on any matter related to capital markets, during the last three years.

C. Non-Mandatory requirements:

- i) Whistle Blower Policy: The Board of Directors of the Company has adopted the Whistle Blower Policy in their Meeting held on 15th May, 2013. In terms of this Policy, Mr. V. P. Agarwal, an independent non-executive director has been appointed as Ombudsperson, who in turn is responsible to the Audit Committee of the Board of Directors. Any employee may make any protected disclosure to the Ombudsperson.
- ii) Remuneration Committee: The Remuneration Committee was formed on 3rd May, 2002 and has been functional since then as stated in Clause 4 above.
- iii) Auditors Report: There has been no qualification/ adverse remark by the Auditors in their Audit Report for the year.
- iv) Other non-mandatory requirements are yet to be adopted.

D. Mandatory requirements:

The CEO and CFO placed the required certificate before the Board certifying, inter alia, the authenticity of the Financial Statements and Cash Flow Statement for the year ended 31st March, 2014. All other mandatory requirements have been duly complied with, to the extent applicable.

E. Declaration of compliance with the Code of Conduct

The Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company on 25th April, 2005. All the Directors and Senior Management personnel affirm compliance with the said Code of Conduct on an annual basis. The Code of Conduct has been posted on the website of the Company, www.rossellindia.com.



F. Code for Prevention of Insider Trading

In accordance with Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (as amended), the Company has formulated a Code of Conduct, termed as "Rossell India Ltd. Code of Conduct for prohibition of Insider Trading" in terms of the above regulations, with effect from 24th October, 2002. The Board has appointed Mr. N. K. Khurana, Chief Financial Officer-cum- Company Secretary, as the Compliance Officer under the Code responsible for its implementation under the supervision of Shareholders' Grievance and Share Transfer Committee.

9. Means of Communication:

- Quarterly results and the half-yearly results are published in leading newspapers such as Business Standard (English) (all editions) and Aajkal (Bengali) (Kolkata) and posted in the Website of the Company, www.rossellindia.com. The Shareholding Pattern at the end of each quarter is also posted on the said Website. The Financial Results as well as the Shareholding Pattern are sent to the Stock Exchanges for display on their Websites.
- Company's E-mail address: rossell@rossellindia.com; corporate@rosselltea.com
- Management discussion and Analysis Report are covered by the Directors' Report.
- No presentation was made to any Institutional Investor or Analyst during the year.

10. General Shareholders' Information:

(a) AGM date, time and venue:

6th August, 2014 at 3.00 P.M.
Kala Kunj, 48, Shakespeare Sarani, Kolkata-700 017

(b) Financial calendar & Publication of Results:

The Financial Year of the Company is April to March.

Publications of Results were as follows:

Period	Approval by the Board of Directors
1st quarter ended 30th June, 2013	On 02.08.2013
2nd quarter ended 30th September, 2013	On 07.11.2013
1st Half: April – September	On 07.11.2013
3rd quarter ended 31st December, 2013	On 13.02.2014
Final Audited Results for the Year including for the 4th quarter ended 31st March, 2014	On 16.05.2014

(c) Book Closure period:

1st August, 2014 to 6th August, 2014
(both days inclusive)

(d) Listing on Stock Exchanges:

The Company's securities are listed at:

- National Stock Exchange of India Ltd.**
Exchange Plaza, Bandra-Kurla Complex,
Bandra (E), Mumbai - 400051
- BSE Ltd.,**
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001
- The Calcutta Stock Exchange Ltd.,**
7, Lyons Range, Kolkata-700 001
- The Gauhati Stock Exchange Ltd.,**
2nd Floor, Shine Towers,
S. J. Road, Arya Chowk, Rehabari, Guwahati-781 008

Listing Fees as prescribed, have been paid to all the aforesaid Stock Exchanges up to the Financial Year 2014-2015, except Gauhati Stock Exchange, who has not accepted the same.

Scrip Code:

Stock Exchange	Scrip Code
National Stock Exchange of India Ltd.	ROSSELLIND
BSE Ltd.,	533168
The Calcutta Stock Exchange Ltd.	10028199
The Gauhati Stock Exchange Ltd.	GGL

(e) Stock Price Data:

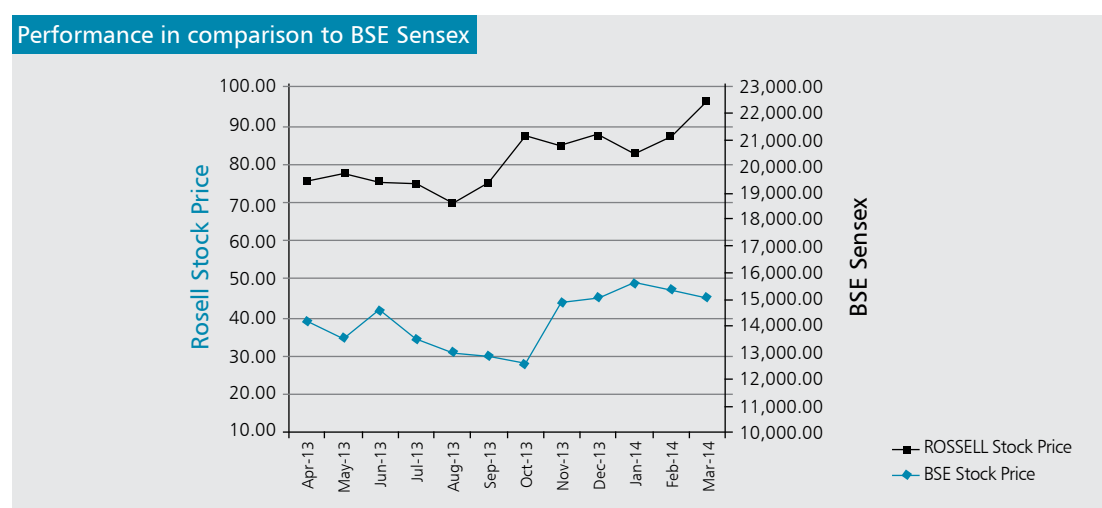
There was no transaction of the Equity Shares of the Company at The Calcutta Stock Exchange Limited and The Gauhati Stock Exchange Limited during the year ended 31st March, 2014. The Monthly High and Low Prices for trading of the Equity Share at BSE are as under:

Month	High	Low
April, 2013	43.90	35.00
May, 2013	41.00	33.00
June, 2013	44.20	31.50
July, 2013	44.90	32.00
August, 2013	37.75	26.10
September, 2013	32.80	28.25
October, 2013	34.75	27.45
November, 2013	47.05	27.75
December, 2013	44.75	33.70
January, 2014	55.50	45.70
February, 2014	50.85	45.00
March, 2014	48.70	42.55

The last traded price at the Bombay Stock Exchange on 16th May, 2014 was ₹51.60.

(f) Stock Performance:

Company's Share Price vis-à-vis BSE Sensex: (April, 2013 to March, 2014)

**(g) Share Transfer System:**

The Company's shares are compulsorily traded in the demat form with effect from 29th January, 2001 for all categories of shareholders. All transfers are routed through the respective Accounts maintained with the Depository Participants (DPs) of the Investor.

Code No. allotted by NSDL/CDSL: (ISIN) INE 847C01020

Existing holders in physical mode are advised to open a Depository Account prior to any transaction.

**(h) Registrars and Share Transfer Agents:**

CB Management Services Private Limited, Kolkata are acting as the Registrars and Share Transfer Agents, including Depository Registrars for the Equity Shares of the Company.

(i) Dematerialization of Shares:

As on 31st March, 2014, 3,59,17,525 Nos. of Equity Shares, representing 97.8773% of the Equity Capital have been dematerialised.

(j) (i) Distribution of shareholding as on 31st March, 2014

Range (No. of shares)	No. of Shareholders	%	No. of Shares held	%
1 to 500	5975	88.70	8,62,541	2.35
501 to 1000	431	6.40	3,13,791	0.86
1001 to 2000	138	2.05	2,05,442	0.56
2001 to 3000	64	0.95	1,63,264	0.44
3001 to 4000	18	0.27	63,063	0.17
4001 to 5000	18	0.27	85,118	0.23
5001 to 10000	33	0.49	2,42,686	0.66
10001 & higher	59	0.87	3,47,60,570	94.72
TOTAL	6736	100.00	3,66,96,475	100.00

(ii) Shareholding pattern as at 31st March, 2014

Category	No. of Shareholders	No. of Shares held	% to Equity Share Capital
Non-Resident Individuals	47	50,970	0.14
Foreign Institutional Investors	1	35,00,000	9.54
Financial Institutions *	1	150	0.00
Mutual Funds & UTI	2	1,50,010	0.41
Directors & their relatives	5	33,00,054	8.99
Resident Individuals	6499	39,52,086	10.77
Nationalised Banks	2	90,150	0.25
Other Bodies Corporate	178	2,55,34,565	69.58
Unclaimed Suspense Account	1	1,18,490	0.32
Total	6736	3,66,96,475	100.00

* FI includes Insurance Company and other Banks.

(iii) Total Number of Equity Shares	3,66,96,475	100.00%
Number of Shares held by Promoter Group*	2,74,75,663	74.87%
Number of Shares held by Public	92,20,812	25.13%

*Not pledged or encumbered in any manner

(k) Plant Locations:

After acquisition of two new Tea Estates during the year, the Company owns seven Tea Estates in Assam, as given below as on date. Each estate has its own well-equipped Factory for processing of Black Tea:

ASSAM**Dist. Dibrugarh**

Dikom, Romai, Namsang

Dist. Tinsukia

Nokhroy

Dist. Baksa

Nagrijiuli

Dist. Golaghat

Bokakhat

Dist. Jorhat

Kharikatia

Note: Particulars of Area under Tea, Crop & Yield are given later in the Report.

The Design and Development unit of Rossell Techsys Division is located at Bangalore at the following address:

No. 74, 3rd Cross, Export Promotional Industrial Park
Whitefield, Bangalore – 560 066

Rossell Hospitality Division of the Company has seven Indian Fast Food Outlets - "Kebab Xpress" at the following places as on 31st March, 2014:

- | | |
|--|---|
| <p>1. M-43, Ground Floor
Outer Circle, (Opp Shankar Market)
Connaught Place, New Delhi – 110 001</p> <p>3. Shop No – G2 & G8,
Ground Floor, V3S Mall,
Laxmi Nagar, New Delhi – 110 092</p> <p>5. Shop No – 301A, 2nd Floor
TGIP Mall, Sector – 38A,
Noida (U.P) – 201301</p> <p>7. Shop No – K9 & K10,
Pacific Mall, Subhash Nagar,
Khayala, New Delhi – 110 027</p> | <p>2. N-5, Outer Circle
Connaught Place
New Delhi – 110 001</p> <p>4. Shop No – 11, 2nd Floor,
Moments Mall, Kirti Nagar,
New Delhi – 110 015</p> <p>6. Shop No – 112, 1st Floor,
DLF HUB, Cyber City,
Gurgaon (Haryana) – 122 002</p> |
|--|---|

(I) **Address for correspondence:**

Registrars & Share Transfer Agents including Depository Registrar

CB Management Services Private Limited,
P-22, Bondel Road,
Kolkata-700 019
Tel: (033) 40116700 / 40116711 / 40116718 / 40116720
Fax: (033) 2287-0263
E-Mail: rta@cbmsl.com

Compliance Officer

Mr. N. K. Khurana
Chief Financial Officer-cum-Company Secretary,
Rossell India Limited,
Jindal Towers, Block 'B', 4th Floor, 21/1A/3, Darga Road,
Kolkata- 700 017
Tel: (033) 2287-4794/2290-3035
Fax: (033) 2287-5269 E-mail: nirmal.khurana@rossellindia.com / nk.khurana@rosselltea.com

For and on behalf of the Board

Place : Delhi

Date : 16th May, 2014

H. M. Gupta
Executive Chairman



Auditors' Certificate on Compliance with the conditions of **Corporate Governance**

To the Members of **Rosell India Limited**

We have examined the compliance of conditions of Corporate Governance by Rosell India Limited for the year ended 31st March, 2014 as stipulated in Clause 49 (Revised) of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the 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 the Corporate Governance as stipulated in the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Shareholders' Grievance and Share Transfer Committee.

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

For **S.S. Kothari & Co.**
Chartered Accountants
(Registration No.302034E)

P K Bhattacharya
Partner

Place : Delhi
Date : 16th May, 2014

Membership No.15899

Declaration

It is hereby declared that the Company has obtained affirmation from all members of the Board and Senior Management that they have complied with the Code of Conduct for Directors and Senior Management of the Company for the year 2013-2014 and shall comply with such Code during the year 2014-2015.

Place : Delhi
Date : 16th May, 2014

H. M. GUPTA
Chief Executive Officer

CEO and CFO Certification

The Board of Directors
Rossell India Ltd.
Jindal Towers,
Block 'B', 4th Floor,
21/1A/3, Darga Road,
Kolkata – 700 017

Dear Sirs,

We hereby certify to the Board that:

- a) We have reviewed Financial Statements and Cash Flow Statement for the year ended March 31, 2014 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material factor or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- b) There are to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee significant changes in internal control, if any during the year.

Yours faithfully,

H. M. Gupta
Chief Executive Officer

Place : Delhi
Date : 16th May, 2014

N. K. Khurana
Chief Financial Officer



Financial **Section**

Auditor's Report

To the Members of Rossell India Limited

We have examined the accompanying financial statements of Rossell India Limited (the Company) which comprises the Balance Sheet as at 31st March, 2014 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended and summary of significant accounting policy and other explanatory information.

Management Responsibility for the Financial Statement

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 (the Act) read with the General Circular No. 15 / 2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation, and maintenance of internal controls relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

Our Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of the material misstatement of the financial statements, whether due to error or fraud. In making those risk assessments, we considered the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the

information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- ii) In the case of Statement of Profit and Loss, of the Profit of the Company for the year ended on that date;
- iii) In case of Cash Flow Statement, of the Cash Flows for the year ended on that date;

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 (the Order) issued by the Central Government of India in terms of section 227 of the Act, we give in the annexure a statement on the matters specified in paragraphs 4 and 5 of the Order, to the extent applicable to the Company;
2. As required by section 227(3) of the Act, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our examination;
 - 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 and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act read with the General Circular No. 15 / 2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.;
 - e. On the basis of the written representations received from the directors and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.

For S.S. Kothari & Co.,
Chartered Accountants
(Registration No.302034E)

P K Bhattacharya
Partner

Place : Camp Delhi
Date : 16th May, 2014

Membership No. 15899



Annexture

As referred to in paragraph I of our Report on “Other Legal and Regulatory Requirements”, we state that:

- i. (a) The Company has maintained proper records to show full particulars, including quantitative details and situation of its fixed assets.
(b) As explained to us, these fixed assets have been physically verified by the management during the year which in our opinion is reasonable having regard to size of the Company and nature of its business. No material discrepancies were noticed on such verification as compared to book records.
(c) Substantial part of the Fixed Assets have not been disposed off during the year.
- ii. (a) The inventory excluding those lying with third parties have been physically verified by the management during the year, at reasonable intervals.
(b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
(c) The Company is maintaining proper record of inventory. The discrepancies noticed on verification of stocks as compared to book records were not material and these have been properly dealt with in the books of account.
- iii. (a) The Company has granted unsecured loan of ₹4.50 lakhs to its fully owned Subsidiary Company and the year end balance of such loan is ₹4.50 lakhs. The Company has not granted any loan to any firm or other parties covered in the Register maintained under Section 301 of the Act.

The Company also maintains a Current Account with the Subsidiary Company and the year end balance of the said Current Account is 'nil'.

The maximum amount due at any time during the year in respect of Loan Account amounts to ₹4.50 lakhs and in respect of Current Account amounts to ₹13.32 lakhs.

(b) The outstanding in the Loan Account with the Subsidiary Company is interest free, which, in our opinion, is not prima facie pre-judicial to the Interest of the Company.
(c) There is no stipulation with regard to repayment of the balance in the Loan Account, which is payable on demand.
(d) Therefore, no overdue amount has arisen as no demand for repayment of the balance in the Loan Account has been made by the Company.
- (e) The Company has not taken any loan, secured or unsecured, from any Company, firm or other parties covered in the Register maintained under Section 301 of the Act.
- iv. In our opinion and according to the explanations given, internal control procedures for the purchase of inventory and fixed assets and for the sale of goods and services are commensurate with the size of the Company and nature of its business. During the course of audit, we have not noticed any continuing failure to correct the major weaknesses in internal control system.
- v. (a) According to the information and explanations given to us, the particulars of contract or arrangement referred to in Section 301 of the Act have been so entered in the Register maintained under that section.
(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Act 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 prevailing market prices at the relevant time.
- vi. In our opinion and according to the information and explanations given to us, the Company has not accepted Deposits from the Public within the meaning of Section 58A and Section 58AA of the Act and the Rules framed thereunder.
- vii. The Internal Audit system in existence is commensurate with the size of the Company and nature of its business.
- viii. The Central Government has prescribed for the maintenance of cost records under Clause (d) of sub-sec. (1) of Section.209 of the Act. We have broadly reviewed the records and Accounts maintained by the Company. We are of the opinion that prima facie the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of such records.
- ix. (a) According to the information and explanation given to us and on the basis of records of the Company examined by us, we are of the opinion that the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it.

There is no arrears outstanding statutory dues as at the last day of the financial year for a period of more than 6 months from the date they became payable.

- (b) According to the information and explanation given and records examined by us, there are no dues of customs duty, wealth tax, service tax, excise duty and cess, which have not been deposited on account of any dispute except for Income Tax. The details are as follows:

Amount (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
21.80	2010-2011	Commissioner of Income Tax (Appeals)
28.42	2011-2012	Commissioner of Income Tax (Appeals)

- x. The Company has no accumulated losses as at the end of the Financial Year. The Company has not incurred cash losses during the financial year covered by our report or in the immediately preceding financial year.
- xi. According to the information and explanations given and on the basis of records examined by us, we are of the opinion that the Company has not defaulted in repayment of dues to any bank. The Company has not taken loan from any financial institution or raised any money through issue of Debentures.
- xii. The Company has not granted loans and advances on the basis of Security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, provisions of special statute applicable to chit fund or a nidhi or mutual benefit fund / society are not applicable to the Company.
- xiv. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments.
- xv. The Company has not given guarantee for loan taken by other from Bank / Financial Institution.
- xvi. According to information and explanations given to us and on overall basis, in our opinion the term loans taken have been applied for the purpose for which they were obtained.
- xvii. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- xviii. During the year no allotment of shares has been made by the Company.
- xix. During the period covered by our audit, the Company has not issued any debentures.
- xx. The Company has not raised money by Public Issue during the year.
- xxi. During the course of examination of the books and records of the Company, carried out in accordance with the generally accepted practices and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the Company noticed or reported during the year nor we have been informed of any such case by the management.

For S.S. Kothari & Co.,
Chartered Accountants
(Registration No.302034E)

P K Bhattacharya
Partner

Place : Camp Delhi
Date : 16th May, 2014

Membership No. 15899

**Balance Sheet** as at 31st March, 2014

₹ in Lakhs

Particulars	Note No	As at 31st March, 2014	As at 31st March, 2013
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	A	733.93	733.93
(b) Reserves and Surplus	B	20,495.49	18,726.83
		21,229.42	19,460.76
(2) Non-Current Liabilities			
(a) Long-term borrowings	C	3,187.50	4,177.50
(b) Deferred tax liability (net)	D	223.00	40.00
(c) Long term provisions	E	299.03	22.45
		3,709.53	4,239.95
(3) Current Liabilities			
(a) Short-term borrowings	F	1,592.76	1,197.48
(b) Trade payables	G	385.97	252.49
(c) Other current liabilities	H	2,216.59	1,725.64
(d) Short-term provisions	I	300.72	264.54
		4,496.04	3,440.15
Total		29,434.99	27,140.86
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	J	19,541.25	18,004.15
(ii) Intangible assets	J	144.69	117.04
(iii) Capital work-in-progress		149.78	39.02
(b) Non-current investments	K	6,842.63	6,085.39
(c) Long term loans and advances	L	776.96	768.63
		27,455.31	25,014.23
(2) Current assets			
(a) Inventories	M	793.75	555.30
(b) Trade receivables	N	339.24	701.67
(c) Cash and cash equivalents	O	127.87	389.04
(d) Short-term loans and advances	P	326.09	239.07
(e) Other current assets	Q	392.73	241.55
		1,979.68	2,126.63
Total		29,434.99	27,140.86
Contingent Liabilities and Commitments	R		
Dividend Proposed	S		
Significant Accounting Policies and Other Notes on Financial Statements	T		

Notes A to T referred to above form an integral part of the Balance Sheet.
In terms of our Report of even date.

For S.S.Kothari & Co.
Chartered Accountants
(Registration No. 302034E)

H. M. Gupta
Executive Chairman

Dr. S. S. Baijal
Director

P. K. Bhattacharya
Partner
Membership No.15899

C. S. Bedi
Managing Director

H. M. Parekh
Director

Place: Camp Delhi
Date: 16th May, 2014

N. K. Khurana
Chief Financial Officer -cum- Company Secretary

V. P. Agarwal
Director

Profit and Loss Statement for the year ended 31st March, 2014

₹ in Lakhs

Particulars	Note No	Year ended 31st March, 2014	Year ended 31st March, 2013
I. Revenue from operations	1	14,140.13	10,593.90
II. Other Income	2	450.70	148.80
III. Total Revenue (I + II)		14,590.83	10,742.70
IV. Expenses:			
Cost of materials consumed	3	347.58	92.07
Changes in inventories of finished goods, work-in- progress and Stock-in-Trade	4	(67.40)	(69.71)
Employee benefit expense	5	5,494.13	4,437.45
Finance costs	6	884.55	217.69
Depreciation and amortization expense	7	416.00	306.86
Other expenses	8	4,642.78	3,215.58
Total Expenses		11,717.64	8,199.94
V. Profit before exceptional items and tax (III - IV)		2,873.19	2,542.76
VI. Exceptional Items	9	-	1,358.45
VII. Profit before tax (V- VI)		2,873.19	3,901.21
VIII. Tax expense:			
(1) Current tax		650.00	820.00
(2) Deferred tax adjustment		183.00	53.00
		833.00	873.00
IX. Profit for the period (VII - VIII)		2,040.19	3,028.21
X. Earning per equity share:			
(1) Basic	10	5.56	8.25
(2) Diluted		5.56	8.25
Additional Information	11		

Notes 1 to 11 referred to above form an integral part of the Profit and Loss Account.
In terms of our Report of even date.

For S.S.Kothari & Co.
Chartered Accountants
(Registration No. 302034E)

P. K. Bhattacharya
Partner
Membership No.15899

Place: Camp Delhi
Date: 16th May, 2014

H. M. Gupta
Executive Chairman

C. S. Bedi
Managing Director

N. K. Khurana
Chief Financial Officer -cum- Company Secretary

Dr. S. S. Baijal
Director

H. M. Parekh
Director

V. P. Agarwal
Director

**Cash Flow Statement** for the year ended 31st March, 2014

₹ in Lakhs

Particulars	Year ended 31st March, 2014	Year ended 31st March, 2013
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax	2,873.19	3,901.21
- Adjustment for :		
Depreciation	416.00	306.86
Finance Cost (Net of Provision)	521.47	217.69
Provision for Forex Loss on Swap Transactions	363.08	-
Profit / Loss on Disposal of Fixed Assets (Net)	20.13	(145.17)
Liabilities no more required written back (net)	(2.95)	(4.59)
Net Gain on sale of Investments (including Exceptional Income)	(402.97)	(1,442.81)
	914.76	(1,068.02)
	3,787.95	2,833.19
Items Considered in Investing Activity :		
Interest on Deposits etc.	(34.88)	(52.70)
Rent Received	(2.20)	-
Dividend	(0.60)	(11.74)
	(37.68)	(64.44)
Operating Profit before Working Capital Changes	3,750.27	2,768.75
- Adjustment for :		
Current Assets including Long Term Loans and Advances	(141.57)	(376.16)
Current Liabilities	109.44	714.77
	(32.13)	338.61
Cash Generated from Operations	3,718.14	3,107.36
Finance Cost (Net)	(521.47)	(217.69)
Direct Taxes (Net of refund)	(770.20)	(802.74)
	(1,291.67)	(1,020.43)
Cash Flow before Extraordinary Items	2,426.47	2,086.93
Extraordinary Items	-	-
Net Cash Flow from Operating Activities	2,426.47	2,086.93
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Acquisition of Namsang T.E.	-	(2,852.36)
Acquisition of Kharikatia T.E.	-	(3,104.93)
Purchase of other Fixed Assets including Advances for Capital Assets	(2,100.94)	(714.56)
Sale of Fixed Assets (Including Subsidy received from Tea Board)	7.28	173.15
Purchase of Investments	(7,110.17)	(10,066.63)
Sale / Redemption of Investments	6,755.91	9,095.73
Compensation received for acquisition of Land	17.57	-
Interest Received	34.88	52.70
Rent Received	2.20	-
Dividend Received	0.60	11.74
Net Cash Flow from Investing Activities	(2,392.67)	(7,405.16)

Cash Flow Statement for the year ended 31st March, 2014

₹ in Lakhs

Particulars	Year ended 31st March, 2014	Year ended 31st March, 2013
C. CASH FLOW FROM FINANCING ACTIVITIES		
Intercompany Deposits Paid / Refunded (Net)	(4.50)	94.60
Proceeds of Term Loans from Banks	-	4,650.00
Proceeds of Working Capital Loan from Bank (Net)	395.28	254.06
Repayment of Term Loan From Bank	(472.50)	-
Dividend Paid and Tax thereon - Dividend 2011-2012	-	(170.60)
- Dividend 2012-2013	(213.25)	-
Net Cash Flow from Financing Activities	(294.97)	4,828.06
Net Increase in Cash and Cash Equivalents (A+B+C)	(261.17)	(490.17)
Cash and Cash Equivalents as at 31.03.2013 (Opening Balance)	389.04	879.21
Cash and Cash Equivalents as at 31.03.2014 (Closing Balance)	127.87	389.04

Note:

The above Statement has been prepared under the Indirect Method as given in Accounting Standard on Cash Flow Statement (AS - 3) issued by the Institute of Chartered Accountants of India.

In terms of our Report of even date.

For S.S.Kothari & Co.
Chartered Accountants
(Registration No. 302034E)

H. M. Gupta
Executive Chairman

Dr. S. S. Baijal
Director

P. K. Bhattacharya
Partner
Membership No.15899

C. S. Bedi
Managing Director

H. M. Parekh
Director

Place: Camp Delhi
Date: 16th May, 2014

N. K. Khurana
Chief Financial Officer -cum- Company Secretary

V. P. Agarwal
Director



Notes to the Balance Sheet

₹ in Lakhs

Particulars	As at 31st March, 2014	As at 31st March, 2013
NOTE A SHARE CAPITAL		
Authorized		
4,50,00,000 Equity Shares of ₹2 each	900.00	900.00
Issued, Subscribed and Paid Up		
3,66,96,475 Equity Shares of ₹2 each fully paid up	733.93	733.93
Remarks:		
a. All the above Equity Shares rank pari passu in all respect for voting rights and distribution of dividend as well as to receive the remaining assets of the Company in the event of liquidation after distribution of all preferential amounts.		
	No. of Equity Shares	
b. Equity Shares held by the Holding Company, BMG Enterprises Ltd.	2,31,63,795	2,31,63,795
c. Equity Shares held by the Associate of Holding Company, Harvin Estates Pvt. Ltd.	4,71,045	4,71,045
BMG Investments Pvt. Ltd.	5,49,769	4,17,960
d. Details of Shareholders holding more than 5% Shares		
Name of the Shareholder	No. of Equity Shares and % of Holding	
BMG Enterprises Ltd.	2,31,63,795	2,31,63,795
	63.12	63.12
Elara India Opportunities Fund Ltd.	35,00,000	35,00,000
	9.54	9.54
Harsh Mohan Gupta	18,53,785	18,53,785
	5.05	5.05
NOTE B RESERVES AND SURPLUS		
Capital Reserve		
Balance as per last Account	230.33	230.33
Add: Compensation received on Sale of Land	17.57	-
	247.90	230.33
Securities Premium Account		
Balance as per last Account	2,609.55	2,609.55
Revaluation Reserve		
Balance as per last account	5,077.40	5,152.49
Less: Withdrawal on account of depreciation on incremental amounts upon revaluation	74.44	75.09
	5,002.96	5,077.40
General Reserve		
Balance as per last Account	10,465.02	7,665.02
Add: Transfer from Profit and Loss Account	1,800.00	2,800.00
	12,265.02	10,465.02
Surplus in Profit and Loss Account		
Balance as per last Account	344.53	329.57
Add: Balance as per Profit and Loss Account	2,040.19	3,028.21
	2,384.72	3,357.78
Less: Transfer to General Reserve	1,800.00	2,800.00
	584.72	557.78
Less: Dividend on Equity Shares	183.48	183.48
Tax on Dividend	31.18	29.77
	370.06	344.53
	20,495.49	18,726.83

Notes to the Balance Sheet

₹ in Lakhs

Particulars	As at 31st March, 2014	As at 31st March, 2013
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NOTE C LONG-TERM BORROWINGS

Secured Loans		
Term Loans from Banks	3,187.50	4,177.50

Notes:

1. Current Maturities of these loans - ₹990 Lakhs (Note H)
2. These loans are secured on pari passu basis by hypothecation of Moveable Assets and Deposit of Title Deeds in respect of Namsang and Kharikatia Tea Estates of the Company pending creation of Equitable Mortgage, which would be formalized upon receipt of statutory approvals. The loan from one of the Banks is additionally secured by hypothecation of tea crops and book debts in respect of Kharikatia T.E.
3. These loans are repayable in equated quarterly installments up to a 6 year period from the date of respective disbursement and will be fully liquidated by the Financial Year 2018-2019.
4. The Company has entered into Cross Currency Swap Transactions and opted to swap these loans from Indian Rupees in to US Dollars. The Contracts for such transactions outstanding as on 31st March, 2014 are as under:

Currency	Cross Currency	Buy (USD in lakhs)	Sell (₹ in lakhs)
Indian Rupee	US Dollar	34.50	1,912.50
Indian Rupee	US Dollar	20.39	1,125.00
Indian Rupee	US Dollar	20.66	1,140.00
		75.55	4,177.50

NOTE D DEFERRED TAX LIABILITY (NET)

As per the Accounting Standard AS-22 – Accounting for taxes on Income, an amount of ₹40.00 lakhs was recognised as Deferred Tax Liability as on 31st March, 2013. During the year, a review with respect to the carrying amount of Deferred Tax Liability was done and the same was revised upward to ₹223.00 lakhs as on 31st March, 2014. Thus, an amount of ₹183.00 lakhs has been shown as Deferred Tax Adjustment in the Profit and Loss Statement for the year ended 31st March, 2014. The components of Deferred Tax Liability are as under:

Deferred Tax Liability		
Depreciation as per Books and Tax Laws	223.00	40.00
	223.00	40.00

NOTE E LONG TERM PROVISIONS

Provision for Forex Loss on Currency Swap Transactions	277.02	-
Provision for employee benefits	22.01	22.45
	299.03	22.45

NOTE F SHORT TERM BORROWINGS

Secured Loans		
Loans repayable on demand from Banks	1,592.76	1,197.48
	1,592.76	1,197.48

Remark :

The above loans are secured on pari passu basis by hypothecation of tea crops and moveable assets of all the Tea Estates of the Company, save and except that of Namsang Tea Estate. These are also collaterally secured by Equitable Mortgage by way of second charge on Kharikatia Tea Estate for one of the Banks and Equitable Mortgage by way of first charge on pari passu basis on Dikom, Nokhroy, Bokakhat and Romai Tea Estates for other Banks.

NOTE G TRADE PAYABLES

Sundry Creditors (Other than Small, Medium and Micro Enterprises)	385.97	252.49
	385.97	252.49



Notes to the Balance Sheet

₹ in Lakhs

Particulars	As at 31st March, 2014	As at 31st March, 2013
NOTE H OTHER CURRENT LIABILITIES		
Current Maturities of Long Term Borrowings	990.00	472.50
Interest accrued but not due on borrowings	38.40	38.08
Unpaid Dividends*	8.89	7.16
Other Payables		
For Expenses etc.	1,047.45	954.26
Statutory Dues	82.49	78.57
Due to Gratuity Fund	49.36	175.07
	2,216.59	1,725.64

*Investor Education and Protection Fund shall be credited with the amount of Unpaid Dividends, when due.

NOTE I SHORT-TERM PROVISIONS		
Provision for Forex Loss on Currency Swap Transactions	86.06	-
Provision for Taxation (Net)	-	51.29
Proposed Dividend	183.48	183.48
Tax on Dividend	31.18	29.77
	300.72	264.54

Notes to the Balance Sheet

₹ in Lakhs

Particulars	GROSS BLOCK AT COST OR VALUATION				DEPRECIATION / AMORTIZATION			NET BLOCK	
	Gross Carrying Amount as at the beginning of the year	Additions during the Year	Disposal/ Adjustments during the Year	Gross Carrying Amount at the end of the year	At the beginning of the year	For the year	On disposal during the Year	At the end of the year	Net Carrying Amount at the end of the year
NOTE J FIXED ASSETS									
TANGIBLE ASSETS									
Land and Planted Teas	11,343.85	3.16	-	11,347.01	-	-	-	-	11,347.01
Leasehold Improvement	64.58	73.24	-	137.82	7.18	10.84	-	18.02	119.80
Buildings	3,778.27	432.81	-	4,211.08	474.79	80.29	-	555.08	3,656.00
Plant and Equipment	3,391.57	1,008.76	1.96	4,398.37	1,163.71	228.94	0.43	1,392.22	3,006.15
Furniture and Fixtures	484.23	279.63	3.38	760.48	106.67	41.95	1.45	147.17	613.31
Vehicles	756.72	83.76	22.58	817.90	253.28	69.79	2.90	320.17	497.73
Office Equipments	162.71	70.23	9.02	223.92	34.37	10.46	5.13	39.70	184.22
Computers	127.62	75.73	4.36	198.99	65.40	20.72	4.16	81.96	117.03
31st March, 2014	20,109.55	2,027.32	41.30	22,095.57	2,105.40	462.99	14.07	2,554.32	19,541.25
31st March, 2013	13,416.84	6,739.07	46.36	20,109.55	1,759.91	363.87	18.38	2,105.40	

Note: Disposal during the year under Vehicles includes ₹4.33 lakhs towards subsidy received from Tea Board against a Vehicle acquired during earlier years.

INTANGIBLE ASSETS									
Computer Software	133.47	55.28	0.71	188.04	25.10	25.28	0.53	49.85	138.19
Branding and Trade mark	10.84	-	-	10.84	2.17	2.17	-	4.34	6.50
31st March, 2014	144.31	55.28	0.71	198.88	27.27	27.45	0.53	54.19	144.69
31st March, 2013	81.07	63.24	-	144.31	9.19	18.08	-	27.27	



Notes to the Balance Sheet

₹ in Lakhs

Particulars	As at 31st March, 2014	As at 31st March, 2013
NOTE K NON-CURRENT INVESTMENT		
At Cost		
Trade Investments: Unquoted		
In Equity Instruments		
CAE Rosell India Limited (Subsidiary Company)		
50,000 (2013-50,000) Equity Shares of ₹10 each fully paid up	5.00	5.00
50,000 (2013-50,000) Equity Shares of ₹10 each fully paid up of Assam Hospitals Limited	5.00	5.00
3,61,007 (2013-361,007) Equity Shares of Singapore\$ 1 each fully paid up of RV Enterprizes Pte. Ltd. (Joint Venture- Extent of Shareholding - 26%)	120.05	120.05
In Preference Shares		
19,96,875 (2013-19,96,875) Non-Cumulative Redeemable Preference Shares of US Dollar 1 each fully paid up of RV Enterprizes Pte. Ltd. (Joint Venture - extent of shareholding - 26%)	988.75	988.75
Other Investments: Unquoted		
In Mutual Funds		
In Units and Bonds		
Face value ₹10 each		
15,14,038.926 (2013- 43,45,899) Units of ICICI Prudential Regular Savings Fund - Regular Plan- Growth	200.00	500.00
10,00,000 (2013-Nil) Units ICICI Prudential FMP Series 73-391 Days Plan G Regular	100.00	-
52,58,139.069 (2013-Nil) Units IDBI Debt Opportunities Fund Regular Plan - Growth	525.81	-
4,96,568.710 (2013-33,96,928) Units DSP Black Rock Income Opportunities Fund - Regular Plan	100.00	600.00
10,00,000 (2013-Nil) Units SBI Debt Fund Series - A10-400 Days - Regular-Growth	100.00	-
10,00,000 (2013-Nil) Units SBI Debt Fund Series - A11-385 Days -Regular-Growth	100.00	-
18,35,211.828 (2013-19,14,982) Units IDFC - Super Saver Income Fund - Investment Plan A-Growth	530.00	500.00
33,26,553.408 (2013-50,14,859) Units Templeton India Income Opportunities Fund - Growth	466.00	621.00
48,46,967.861 (2013-Nil) Units Birla Sun Life Short Term Opportunities Fund - Growth	950.00	-
10,00,000 (2013-Nil) Units Birla Sun Life Fixed Term Plan - Series KP (405 days)	100.00	-
10,00,000 (2013-Nil) Units Birla Sun Life Fixed Term Plan - Series KP (385 days)	100.00	-
14,38,107.851 (2013-Nil) Units Birla Sun Life Medium Term Plan - Growth-Regular Plan	215.00	-
10,00,000 (2013-Nil) Units Axis Fixed Term Plan - Series 59 Growth	100.00	-
10,00,000 (2013-Nil) Units Axis Fixed Term Plan - Series 60 Growth	100.00	-
20,00,000 (2013-Nil) Units HDFC Corporate Debt Opportunities Fund - Regular-Growth	200.00	-
10,00,000 (2013-Nil) units HDFC FMP 400D March 2014(1) Series 29 - Regular - Growth	100.00	-
21,54,847.329 (2013-Nil) Units Morgan Stanley Short Term Bond Fund - Regular - Growth	300.00	-
11,351.253 (2013-Nil) Units Birla Sun Life Cash Manager - Growth	35.00	-
Nil (2013-1,50,000) Sundaram BNP Paribas Energy Opportunities Fund- Dividend	-	15.00
Nil (2013- 47,75,048) Units of IDBI Dynamic Bond Fund - Growth	-	500.00
Nil (2013- 36,60,804) Units of SBI Dynamic Bond Fund - Regular Plan -Growth	-	500.00
Nil (2013- 59,65,571) Units of SBI Magnum Income Fund - Regular Plan - Growth	-	1,700.00
Face value ₹1000 each		
16,550.359 (2013-Nil) Units Principal Bank CD Fund - Regular Plan Growth	270.00	-
21,248.594 (2013-Nil) Units Templeton India Short Term Income Retail Plan - Growth	539.00	-

Notes to the Balance Sheet

₹ in Lakhs

Particulars	As at 31st March, 2014	As at 31st March, 2013
NOTE K NON-CURRENT INVESTMENT (Contd.)		
In Bonds and Debentures		
2,175 (2013- 2,175) Tax Free, Secured, Redeemable Non-Convertible Bonds in the nature of Debentures of ₹1,000 each in Railway Finance Corporation Ltd.	21.75	21.75
20,000 (2013-Nil) Tax Free, Secured, Redeemable Non-Convertible Bonds of ₹1,000 each in Rural Electrification Corporation Ltd	200.00	-
6,333 (2013-Nil) Tax free, Secured, Redeemable, Non Convertible Bonds of ₹1,000 each in NTPC Ltd.	63.33	-
30,000 (2013-Nil) Tax free, Secured, Redeemable, Non-convertible Bonds of ₹1,000 each in National Highways Authority of India.	300.00	-
Other Investments: Quoted		
In Equity Instruments		
Fully Paid Equity Shares of ₹10 each		
552 (2013-552) Gujarat Narmada Fertilizer Ltd.	0.83	0.83
50 (2013- 50) Future Market Networks Ltd.	-	-
Fully Paid Equity Shares of ₹5 each		
2,138 (2013-2,138) Network 18 Media & Investments Ltd.	7.11	7.11
Fully Paid Equity Shares of ₹2 each		
1,000 (2013-1,000) GMR Infrastructure Ltd	-	0.90
	6,842.63	6,085.39
Aggregate Amount of Quoted Investments	7.94	8.84
Aggregate Amount of Unquoted Investments	6,834.69	6,076.55
	6,842.63	6,085.39
Market Value of Quoted Investments	1.16	1.26
NOTE L LONG TERM LOANS AND ADVANCES		
Unsecured, Considered Good		
Capital Advances	23.03	115.45
Advance due by an Officer	5.62	9.37
Security Deposits	308.17	189.24
Other Deposits	17.32	12.67
Deposit with NABARD	166.96	166.96
Deposit with Assam Financial Corporation	255.86	274.94
	776.96	768.63
NOTE M INVENTORIES		
Stock of Finished Goods / Stock-in-Trade at lower of cost and net realizable value*	168.13	109.87
Stock of Stores and Spares at or under cost	382.35	402.08
Stock of Raw Materials at cost	218.53	27.75
Work-in-progress at works cost	24.74	15.60
	793.75	555.30
* Includes Stock-in-transit valued at ₹5.13 lakhs (2013 - 3.08 Lakhs)		
NOTE N TRADE RECEIVABLES		
Unsecured, Considered Good		
Debts outstanding for a period exceeding six months	25.15	61.71
Other Debts	314.09	639.96
	339.24	701.67



Notes to the Balance Sheet

₹ in Lakhs

Particulars	As at 31st March, 2014	As at 31st March, 2013
NOTE O CASH AND CASH EQUIVALENTS		
Balances with Banks	97.28	365.95
Margin Money Account	0.30	0.30
Bank Deposits for less than 12 months maturity		
- Under Lien with Central Excise Authority for Clean Energy Cess on Coal Purchases.	7.14	-
- Under Lien with Delhi VAT authorities as Security Deposit	3.25	1.00
Unpaid Dividend Accounts	8.89	7.16
Cash on Hand	11.01	14.63
	127.87	389.04
NOTE P SHORT TERM LOANS AND ADVANCES		
Unsecured, Considered Good		
Loans and Advances to Related Parties		
Subsidiary Company	4.50	13.32
Advance due by an Officer	3.75	3.75
Other Loans and Advances		
Advances recoverable in Cash or in Kind or for value to be received	248.93	222.00
Advance Income Tax (Net)	68.91	-
	326.09	239.07
NOTE Q OTHER CURRENT ASSETS		
Interest Accrued on Deposits	9.11	23.19
Other Receivables	383.62	218.36
	392.73	241.55
NOTE R CONTINGENT LIABILITIES AND COMMITMENTS		
(i) Estimated amount of Contingent Liabilities not provided for:		
(a) Claims against the Company not acknowledged as Debt		
Income Tax	76.46	210.63
Clean Energy Cess	7.19	-
(b) Guarantees		
Bank Guarantees outstanding	10.49	3.25
(ii) Commitments		
Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (net of advance)	42.58	170.31
NOTE S DIVIDEND PROPOSED		
Amount of Dividend proposed to be distributed to Equity Shareholders for the Financial Year 2013-2014	183.48	183.48
Dividend per Equity Share of ₹2 each	₹0.50	₹0.50
% of Dividend proposed	25.00	25.00

H. M. Gupta
Executive Chairman

Dr. S. S. Bajjal
Director

H. M. Parekh
Director

Place: Camp Delhi
Date: 16th May, 2014

C. S. Bedi
Managing Director

N. K. Khurana
Chief Financial Officer -cum- Company Secretary

V. P. Agarwal
Director

Notes to the Profit and Loss Account

₹ in Lakhs

Particulars	2013-2014	2012-2013
NOTE 1 REVENUE FROM OPERATIONS		
(a) Sale of Products		
Black Tea	12,175.74	9,057.89
Avionics, Aviation and Electronic Equipments	92.79	30.48
Food and Beverage	430.03	53.28
	12,698.56	9,141.65
(b) Sale of Services		
Receipts for Technical and Support Services	1,082.07	1,019.63
(c) Other Operating Revenues		
Subsidy - Replanting	28.93	19.54
Tea Board Orthodox Subsidy Scheme	101.50	95.13
Sale of Duty Credit Entitlements License	182.57	122.55
Duty Drawback	35.81	26.05
Sundry Receipts	10.33	22.33
Profit on Sale of Fixed Assets	-	145.17
Liabilities no more required written back (net)	2.95	4.59
	362.09	435.36
Total	14,142.72	10,596.64
Less: Excise Duty	2.59	2.74
	14,140.13	10,593.90

NOTE 2 OTHER INCOME		
Interest Income	34.88	52.70
Dividend Income	0.60	11.74
Rent Received	2.20	-
Net gain on Sale of Investments	402.97	84.36
Net gain on Foreign Currency transactions / translation	10.05	-
	450.70	148.80

NOTE 3 COST OF MATERIALS CONSUMED		
Purchase of Green Leaf	65.90	34.58
Consumption of Raw Materials	281.68	57.49
	347.58	92.07

NOTE 4 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Opening Stock Of Finished Goods / Stock-in-Trade	109.87	41.76
Less: Closing Stock Of Finished Goods / Stock-in-Trade	168.13	109.87
	(58.26)	(68.11)
Opening Stock Of Work-in-Progress	15.60	14.00
Less: Closing Stock Of Work-in-Progress	24.74	15.60
	(9.14)	(1.60)
	(67.40)	(69.71)

NOTE 5 EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages and Bonus	4,478.86	3,625.36
Contribution to Provident and other Funds	569.19	472.08
Workmen and Staff Welfare	446.08	340.01
	5,494.13	4,437.45



Notes to the Profit and Loss Account

₹ in Lakhs

Particulars	2013-2014	2012-2013
NOTE 6 FINANCE COST		
(a) Interest		
Banks	472.62	224.50
Intercompany Deposits	-	11.08
Unsecured Loan from Managing Director (Executive Chairman)	-	8.64
	472.62	244.22
Less: Interest Subsidy	-	27.65
	472.62	216.57
(b) Other Borrowing Costs	1.85	1.12
(c) Applicable Net Loss on Foreign Currency Transactions		
- Forex Loss on Currency SWAP Transactions (net)*	410.08	-
	884.55	217.69

*Forex Loss on Currency SWAP Transactions includes provision made as at 31st March, 2014 - ₹363.08 Lakhs.

NOTE 7 DEPRECIATION AND AMORTIZATION EXPENSE		
Depreciation / Amortization	490.44	381.95
Less: Depreciation on amounts added on revaluation	74.44	75.09
	416.00	306.86

NOTE 8 OTHER EXPENSES		
Consumption of Stores and Spare Parts	894.05	623.02
Power and Fuel	977.05	733.02
Cess on Green Leaf	95.38	74.76
Tea Cess	28.98	23.15
Rent	318.61	179.61
Rates and Taxes	30.19	26.39
Repairs to Building	150.03	127.13
Repairs to Machinery	188.88	159.67
Other Repairs and Maintenance	136.64	43.91
Vehicles Maintenance	128.19	109.59
Transportation	210.49	151.43
Shipment Charges	124.76	61.19
Warehousing and Selling Expenses	232.74	159.40
Post Sales Warranty Expenses	6.70	4.88
Brokerage	76.05	59.46
Commission on Sales	77.21	59.77
Insurance	35.75	27.42
Directors' Fee & Commission (Including Service Tax)	15.80	15.35
Auditors' Remuneration	7.20	5.80
Traveling and Conveyance	222.77	161.30
Miscellaneous Expenses (Note Below)	665.18	401.46
Net loss on Foreign Currency transactions / translation	-	0.30
Loss on Disposal of Fixed Asset (Net)	20.13	-
Excise Duty for earlier years	-	7.57
	4,642.78	3,215.58

Note: Includes Contribution to Indian National Congress, a Political Party within the meaning of Section 293A of the Companies Act, 1956 - ₹40.00 lakhs (2012-2013 - Nil)

NOTE 9 EXCEPTIONAL ITEMS		
Net Gain on Sale of Investments	-	1,358.45

Note: The Company has divested on 29th April, 2012 its entire shareholding in Companies owning Hotels. The Profit on such divestment, as above, has been considered as Exceptional Item and shown accordingly.

Notes to the Profit and Loss Account

₹ in Lakhs

Particulars	2013-2014	2012-2013
NOTE 10 EARNINGS PER EQUITY SHARE		
Basic and Diluted as computed as per Accounting Standard AS-20		
PROFIT AFTER TAXATION	2,040.19	3,028.21
Weighted average number of Equity Shares outstanding	366.96	366.96
Earnings per Equity Share of ₹2 each (₹)	5.56	8.25
NOTE 11 ADDITIONAL INFORMATION		
(a) Auditors' Remuneration		
As Auditor	4.49	3.37
For Other Services		
Tax Audit Fee	0.45	0.39
Certification Job	2.16	1.91
Re-imbursement of Expenses	0.09	0.13
	7.19	5.80
(b) Audit Fee paid / payable to M/s Shome & Banerjee, Cost Accountants included in Miscellaneous Expenses	1.12	1.07
Due date of filing of Cost Audit Report	27/09/2013	28/02/2013
Date of Uploading of Cost Audit Report with MCA	24/09/2013	08/01/2013
(c) Stores and Spares Consumed and debited to various heads of Account in the Profit and Loss Account (Indigenous)	1,623.01	1,197.38
(d) Earnings in Foreign Currency		
F.O.B. Value of Export Sales	3,555.88	2,615.82
Receipts for Technical and Support Services	1,057.38	1,000.53
(e) Expenditure in Foreign Currency		
Foreign Travel	69.30	15.56
Commission on Sales	72.60	59.77
Re-imbursement of expenses to Commission Agent	13.10	-
Subscription	1.12	0.39
Tea Samples Analysis Fee	3.93	0.33
Consultancy Fee (Net of TDS and Service Tax)	16.80	11.67
Fee for participation in Tea Conference	0.49	0.48
(f) Value of Imports calculated on C.I.F. Basis :		
Raw Materials	208.11	4.24
Capital Goods	348.49	-
(g) Consumption of Raw Materials		
Imported		
Value	21.86	4.33
% of total consumption	7.76	7.53
Indigenous		
Value	259.82	53.16
% of total consumption	92.24	92.47

H. M. Gupta
Executive Chairman

Dr. S. S. Baijal
Director

H. M. Parekh
Director

Place: Delhi
Date: 16th May, 2014

C. S. Bedi
Managing Director

N. K. Khurana
Chief Financial Officer -cum- Company Secretary

V. P. Agarwal
Director



Notes to the Balance Sheet

NOTE	T	SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014
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1. Significant Accounting Policies

1.1 Accounting Convention

The financial statements have been prepared to comply in all material aspects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, as amended and the relevant provisions of the Companies Act, 1956.

1.2 Basis of Accounting

The financial statements have been prepared in accordance with historical cost concept.

All assets and liabilities have been classified as current and non-current as per Company's normal operating cycle and other criteria set out in the Schedule VI to the Companies Act, 1956.

1.3 Fixed Assets

Fixed Assets, both tangible and intangible, are stated at cost of acquisition, net of subsidy received, where applicable together with resultant write up due to revaluation and depreciated on straight line method at the rates specified in Schedule XIV of the Companies Act, 1956. Items of Fixed Assets costing up to ₹5,000 each are fully depreciated in the year of purchase.

The cost of Extension Planting on cultivable land including cost of development is capitalised. However, cost of upkeep and maintenance of the areas still not matured for plucking and cost of replanting in existing areas are charged to revenue.

Leasehold Improvement for the premises taken on rent is amortized over the period of the lease.

Expenses incurred for development of Brand and Trademark are capitalized to be amortized over a period of 5 years.

Computer Software is capitalized where it is expected to provide future enduring economic benefit. The capitalization costs include license fee and cost of implementation and system integration services.

Profit or Loss on disposal of Fixed Assets is recognized in the Profit and Loss Statement.

Any Impairment Loss is recognized, if and when the carrying value of Fixed Assets of a cash generating unit exceeds its market value or value in use, whichever is higher as per Accounting Standard, AS-28, Impairment of Assets.

Compensation received from the authorities concerned for acquisition of small pieces and parcels of Land in the Tea Estates for Oil exploration and transportation is recognized in the year of receipt. Such Compensation is directly credited to Capital Reserve, as the cost attributable to such Land can not be ascertained.

1.4 Foreign Currency Transaction

Foreign Currency Transactions are converted and accounted for at the rates prevailing on the dates of transaction. Year-end current assets (Monetary Items) and liabilities are restated at the year-end exchange rate and resultant net gain or loss is adjusted in the Profit and Loss Statement as prescribed by Accounting Standard-11, Accounting for the Effect of Changes in Foreign Exchange Rates.

The loss attributable to adverse Foreign Exchange fluctuation on the outstanding portfolio of Currency Swap at year end is being provided for based on year-end exchange rate and recognized in the Profit and Loss Statement.

1.5 Investments

Investments are stated at cost of acquisition and treated as long term investments. Provision is made in case of permanent diminution in value of Investments.

Incomes from Investments and Gain / Loss on sale of investments are recognized in the Profit and Loss Statement for the year on accrual basis inclusive of related tax deduction at source.

1.6 Inventories

Stock of Tea and other Finished Goods is valued at lower of cost and net realisable value and that of stores and spares is valued at or under cost.

Stock of Raw Materials and Work-in-progress have been valued at respective cost.

Notes to the Balance Sheet

NOTE T SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.)

1.7 Staff Benefits

- a) The Company is contributing regularly to the Provident Funds, administered by the Governments and independent of Company's finances, in respect of all its eligible employees. The Company also operates Defined Contribution Scheme for payment of Pension to certain classes of employees. Monthly contribution at 15% of the employees' current salary is made to recognized Superannuation Fund, which is fully funded. This Fund is administered by Trustees and is independent of Company's finance. Contributions are recognized in Profit and Loss Statement on an accrual basis.
- b) Defined Benefit Gratuity Plan is also maintained by the Company. The Company contributes to the recognized Gratuity Fund, which is administered by the Trustees and is independent of Company's finance. The Annual Contribution is determined by the actuary at the end of the year. Actuarial gains and losses are recognized in the Profit and Loss Statement. The Company also recognizes in the Profit and Loss Statement gains or losses on curtailment or settlement of the defined benefit plan as and when the curtailment or settlement occurs.
- c) Leave encashment liability for certain eligible employees, as determined on the basis of an actuarial valuation, is provided for at the end of each year, except where the same is actually ascertained and paid / provided for and charge is recognized in the Profit and Loss Statement. Such liability is not funded and being paid by the Company as and when required.

1.8 Borrowing Cost

Borrowing cost is recognized as an expense to the extent, the same has been incurred for the year, unless such cost is directly attributable to the acquisition, construction or production of a qualifying asset and capitalised as part of the cost of that asset as prescribed by Accounting Standard-16, Borrowing Costs. Subsidy receivable on this account is adjusted with expense for the year, in which the claim of the Company for such subsidy gets admitted.

The loss attributable to adverse Foreign Exchange fluctuation paid at the time of repayment of principal as well as provision made for such loss on the outstanding portfolio of Currency Swap at year end (Note 1.4 above) are also being considered as borrowing cost and shown accordingly in the Profit and Loss Statement.

1.9 Revenue Recognition

Items of income and expenditure are recognized on accrual and prudent basis.

1.10 Sales

Sale of Products represents the invoice / account sales value of finished goods supplied, inclusive of Central Excise Duty, wherever applicable, net of Sales Tax / Value Added Tax. Proceeds of insurance claims received for damage / shortage of finished goods are treated as part of Sale of Products. Net revenue is stated after deducting such Central Excise Duty. Sale of Services represents the invoice value of services rendered as per the agreed terms, net of Service Tax.

1.11 Replanting and Other Subsidies

Replanting Subsidy is recognized as income in the Profit and Loss Statement in the year of receipt on prudent basis.

Other Subsidies are recognized as income on accrual basis or on receipt of related sanction, when the certainty of receipt of such subsidy gets established.

1.12 Dividend Income

Dividend Income is recognized when the right to receive such dividend is established.

1.13 Taxes on Income

Current Tax is determined as the amount of tax payable in respect of taxable income for the period based on applicable tax rates and laws.

Provisions for Deferred Taxation is made at the current rate of taxation, on all timing difference, being the difference between taxable income and accounting income that originate in one period and is capable of reversal in one or more subsequent periods. Deferred Tax Asset / Deferred Tax Liability are reviewed at each Balance Sheet date to reassess liability or realization, as the case may be.



Notes to the Balance Sheet

NOTE T SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.)

2. The Conveyance Deeds in respect of Namsang T.E., District Dibrugarh, Assam and Kharikatia T.E., District Jorhat, Assam are in the process of execution in the name of the Company.

3. Segment Information for the year ended 31st March, 2014

1. **Business Segments:** In terms of AS-17- Segment Reporting , the Company has following Business Segments as Primary Segment for disclosure.

- A. Cultivation, Manufacture and Sale of Tea
- B. Aviation, Products and Services
- C. Hospitality

₹ in Lakhs

Particulars	2013-2014	2012-2013
2. Revenue		
A. Cultivation, Manufacture and Sale of Tea	12,555.94	9,397.03
B. Aviation, Products and Services	1,215.13	1,062.71
C. Hospitality	430.62	53.28
D. Unallocated	421.66	246.48
	14,623.35	10,759.50
3. Results		
A. Cultivation, Manufacture and Sale of Tea	3,960.50	2,735.10
B. Aviation, Products and Services	(114.69)	24.85
C. Hospitality	(509.73)	(245.98)
	3,336.08	2,513.97
Less: i) Interest Net of subsidy	474.48	217.69
ii) Exchange Loss on Currency Swap Transactions	410.07	-
iii) Un-allocated expenses, net of un-allocated Income	(421.66)	(1,604.93)
	2,873.19	3,901.21
4. Segment Assets		
A. Cultivation, Manufacture and Sale of Tea	19,588.72	19,023.30
B. Aviation, Products and Services	1,840.43	1,527.90
C. Hospitality	982.44	375.67
D. Unallocated	7,023.40	6,213.99
	29,434.99	27,140.86
5. Segment Liabilities		
A. Cultivation, Manufacture and Sale of Tea	7,422.12	6,968.20
B. Aviation, Products and Services	57.94	32.64
C. Hospitality	139.50	38.59
D. Unallocated	586.01	640.67
	8,205.57	7,680.10
6. Capital Expenditure		
A. Cultivation, Manufacture and Sale of Tea	1,156.80	6,363.08
B. Aviation, Products and Services	579.67	126.04
C. Hospitality	346.95	301.13
D. Unallocated	-	12.06
	2,083.42	6,802.31
7. Depreciation (Net of Adjustment with Revaluation Reserve)		
A. Cultivation, Manufacture and Sale of Tea	282.08	226.73
B. Aviation, Products and Services	96.95	61.52
C. Hospitality	36.97	18.61
	416.00	306.86

Notes to the Balance Sheet

NOTE T SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.)

4. Related Party Transactions for the year ended 31st March, 2014

The following are the Related Party transaction undertaken by the Company during the year ended 31st March 2014, in terms of AS-18 - Related Party Disclosures issued by the Institute of Chartered Accountants of India:

Name of the Related Party and nature of relationship:

Enterprises where Control Exists	CAE Rossell India Ltd. Subsidiary Company (Fully Owned)
Key Management Personnel	Mr.H.M.Gupta, Executive Chairman Mr.C.S.Bedi, Managing Director
Holding Company	BMG Enterprises Ltd
Enterprises over which the Key Management Personnel or their relatives have significant influence	BMG Investments Private Ltd Harvin Estates Private Ltd BMG Foundation

Particulars of transactions for the Year ended 31st March 2014

		₹ in Lakhs
Nature of transactions	2013-2014	2012-2013
With Enterprises where Control Exists		
1. Inter Corporate Deposit		
- Given	4.50	-
- Refunded	-	1.60
2. Share Application Money		
- Refunded	-	13.04
3. Investment made in 40,000 Equity shares of ₹10 each	-	4.00
4. Advance		
- Given	-	13.32
- Refunded	13.32	-
Key Management Personnel and relatives		
1. Dividend Paid	16.40	10.62
2. Unsecured Loan taken and repaid (Net)		
- Received	-	680.00
- Refunded	-	680.00
3. Interest paid on Unsecured Loans taken	-	8.64
4. Rent for Residential Accommodation	8.40	7.20
5. Remuneration Paid	193.37	235.85
6. Remuneration Paid to Relative	30.83	25.91
Holding Company		
1. Dividend Paid	115.82	92.66
2. Inter Corporate Deposit		
- Received	-	423.00
- Refunded	-	423.00
3. Inter Corporate Deposit		
- Refunded	-	93.00
4. Interest paid on Inter Corporate Deposit (net)	-	6.76
Enterprises where significant influence is exercisable		
1. Dividend Paid	5.07	1.88
2. Rent paid for Office Space	6.00	6.00
3. Rent for Residential Accommodation	6.00	6.00
4. Inter Corporate Deposit		
- Received	-	65.00
- Refunded	-	65.00
5. Interest paid / payable on Inter Corporate Deposit	-	3.05
6. Contribution made for charitable purpose	9.50	6.00



Notes to the Balance Sheet

NOTE T SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.)

5. The Company has only one subsidiary company as on 31st March, 2014, namely, CAE Rossell India Limited (Extent of interest – 100%). Accordingly, the Consolidated Financial Statement for the year ended 31st March, 2014 has been prepared separately in accordance with Accounting Standard AS-21 containing the required information for the aforesaid subsidiary in terms of General Circular No. 2 / 2011 issued by the Government of India, Ministry of Corporate Affairs under ref no. 5/12/2007-CL-III . As required in the said General Circular, the Board of Directors of the Company has by a resolution adopted on 16th May, 2014 (a) given their consent for not attaching the annual accounts of the aforesaid subsidiary in respect of their Financial Year 2013-2014 with these financial statements and (b) have undertaken on behalf of the Company that the annual accounts of the subsidiary company and the related detailed information shall be made available to the shareholders of the Company and that of subsidiary company seeking such information at any point of time. The annual accounts of this subsidiary company shall be kept for inspection by any shareholders at the registered office of the Company at Kolkata.

6. Defined Benefits Plans

In compliance with AS-15 (Revised) - Employee Benefits , an Actuarial Valuations were carried out in respect of Defined Benefit Schemes namely Gratuity and Leave Encashment as on 31st March, 2014. Thus, the amount recognised in the financial statements in respect of these Schemes as per Actuarial Valuation as on March 31, 2014 are as under:

₹ in Lakhs

Particulars	Gratuity - Funded		Leave Encashment - Non Funded	
	2013-2014	2012-2013	2013-2014	2012-2013
I Components of Employer Expense				
1. Current Service Cost	70.01	46.45	7.13	4.89
2. Interest Cost	91.50	59.05	1.50	1.55
3. Expected Return on Plan Assets	(77.67)	(56.29)	-	-
4. Curtailment Cost / (Credit)	-	-	-	-
5. Settlement Cost / (Credit)	-	-	-	-
6. Past Service Cost	-	-	-	-
7. Actuarial Losses / (Gains)	51.41	93.13	(0.68)	1.96
8. Total expense to be recognised in the Statement of Profit and Loss Account	135.25	142.34	7.95	8.40
9. Total expense actually recognised in the Statement of Profit and Loss Account	135.00	142.34	7.95	8.40
The Gratuity Expenses have been recognised in "Contribution to Provident and Other Funds" and Leave Encashment in "Salaries, Wages and Bonus" in Note 5 to the Profit and Loss Statement.				
II Net Asset / (Liability) recognised in Balance Sheet				
1. Present Value of Defined Benefit Obligation	1,253.72	1,163.67	22.49	22.45
2. Fair Value on Plan Assets	1,147.11	987.90	-	-
3. Status [Surplus / (Deficit)]	(106.61)	(175.77)	(22.49)	(22.45)
4. Unrecognised Past Service Cost	-	-	-	-
5. Net Asset / (Liability) to be recognized in Balance Sheet	(106.61)	(175.77)	(22.49)	(22.45)
6. Net Asset / (Liability) actually recognized in Balance Sheet	(105.66)	(175.07)	(22.49)	(22.45)
III Change in Defined Benefit Obligations (DBO)				
1 Present Value of DBO at the Beginning of the Year	1,163.67	726.12	22.45	22.04
2 Current Service Cost	70.01	46.45	7.13	4.89
3 Interest Cost	91.50	59.05	1.50	1.55
4 Curtailment Cost / (Credit)	-	-	-	-
5 Settlement Cost / (Credit)	-	-	-	-
6 Plan Amendments	-	-	-	-
7 Acquisitions	-	303.76	-	-
8 Actuarial (Gains) / Losses	37.65	107.17	(0.68)	1.96
9 Benefits Paid	(109.11)	(78.88)	(7.91)	(7.99)
10 Present Value of DBO at the End of the Year	1,253.72	1,163.67	22.49	22.45

Notes to the Balance Sheet

NOTE T SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.)

6. Defined Benefits Plans (Contd.)

₹ in Lakhs

Particulars	Gratuity - Funded		Leave Encashment - Non Funded	
	2013-2014	2012-2013	2013-2014	2012-2013
IV Change in Fair Value of Assets				
1. Plan Assets at the Beginning of the Year	987.90	727.15	-	-
2. Acquisition Adjustment	-	143.53	-	-
3. Expected Return on Plan Assets	77.67	56.29	-	-
4. Actuarial Gains / (Losses)	(13.76)	14.04	-	-
5. Actual Company Contribution Received / Receivable	204.41	125.77	7.91	7.99
6. Benefits Paid	(109.11)	(78.88)	(7.91)	(7.99)
7. Plan Assets at the End of the Year	1,147.11	987.90	-	-
V Principal Actuarial Assumptions used (common for all valuations)				
1. Discount Rate (%)	8.50	8.25	8.50	8.10
2. Expected Return on Plan Assets (%)	7.50	7.50	-	-
3. Expected Salary increase rates	5.00	5.00	5.00	5.00
4. Mortality rates	Indian Assured Lives Mortality (2006-08) (modified) Ult	Indian Assured Lives Mortality (2006-08) (modified) Ult	Indian Assured Lives Mortality (2006-08) (modified) Ult	Indian Assured Lives Mortality (2006-08) (modified) Ult
VI Major Category of Plan Assets as a % of the Total Plan Assets				
1. Government Securities (Central & State Govt.)	53.25	44.93		
2. PSU Bonds	30.11	26.35		
3. Insurance Companies / Banks / Mutual Funds	12.68	9.18		
4. Cash and Cash Equivalents	3.96	19.54		

VII Basis used to determine the Expected Rate of Return on Plan Assets

The expected rate of return on plan assets is based on the actuarial expectation of the average long term rate of return expected on investment of the fund with the Trustees, assuming that these are generally held to maturity, along with the estimated incremental investments to be made during the year.

7. The figures in respect of the current year are not comparable with that for the previous year on account of the following:

- Acquisition of Namsang T. E. as a going concern on and from 18th June, 2012.
- Acquisition of Kharikatia T.E. as a going concern on and from 1st November, 2012.

8. Previous year's figures have been rearranged wherever necessary.

H. M. Gupta
Executive Chairman

Dr. S. S. Bajjal
Director

H. M. Parekh
Director

Place: Delhi
Date: 16th May, 2014

C. S. Bedi
Managing Director

N. K. Khurana
Chief Financial Officer -cum- Company Secretary

V. P. Agarwal
Director



Statement Regarding **Subsidiary Company**

Pursuant to Section 212 of the Companies Act, 1956

CAE Rosell India Limited

(A) The Financial Year of the Subsidiary Company ended on	31st March, 2014
(B) Holding Company's Interest	
(a) Number and face value	50,000 Equity Shares of ₹10 each fully paid.
(b) Extent of holding	100%
(C) Net aggregate amount of Subsidiary's Profit (Loss), so far as it concerns Members of the Holding Company and not dealt with in the Holding Company's Accounts:	
i) for the Subsidiary's financial year ended 31st March, 2014	(₹0.44 lakhs)
ii) for its previous financial years	(₹7.65 lakhs)
(D) Net aggregate amount of Subsidiary's Profit (Loss), so far as it concerns Members of the Holding Company and dealt with in the Holding Company's Accounts:	
i) for the Subsidiary's financial year ended 31st March, 2014	Nil
ii) for its previous financial years	Nil

H. M. Gupta
Executive Chairman

Dr. S. S. Baijal
Director

H. M. Parekh
Director

Place: Delhi
Date: 16th May, 2014

C. S. Bedi
Managing Director

N. K. Khurana
Chief Financial Officer -cum- Company Secretary

V. P. Agarwal
Director

Auditor's Report

To the Board of Directors of **Rossell India Limited**

Report on the Consolidated Financial Statements

1. We have audited the attached Consolidated Financial Statements of Rossell India Limited (the "Company") and its Subsidiary, CAE Rossell India Limited (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. Management is responsible for the preparation of these Consolidated Financial Statements that give a true and fair view of the Consolidated Financial position, Consolidated Financial performance and Consolidated Cash Flow of the Group in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 (the Act) read with the General Circular No. 15 / 2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation, and maintenance of internal controls relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. We conducted our examination in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the examination to obtain reasonable assurance about whether the Consolidated Financial Statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements. The procedures selected depend on the Auditors' judgment, including the assessment of the risks of the material misstatement of the Consolidated Financial Statements, whether due to error or fraud. In making those risk assessments, we considered the internal control relevant to the Group's preparation and presentation of the Consolidated Financial Statements in order to design audit procedures that are appropriate in

the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the Consolidated Financial Statements.

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

Opinion

5. In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of the reports of the other auditors on the Financial Statements of the Subsidiary as noted below, the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014.
 - b) In the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date and
 - c) In the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Other Matters

6. Financial Statement of Subsidiary, CAE Rossell India Limited, which reflect total assets (net) of ₹1.47 lakhs as at March 31, 2014, total revenue of ₹0.01 lakhs, total expenditure of ₹0.44 lakhs and net cash flows amounting to (₹9.24) lakhs for the year then ended, have been audited by other auditors whose report has been furnished to us and our opinion is based solely on the report of the other auditors.

Our opinion is not qualified in respect of other matter.

For **S.S. Kothari & Co.,**
Chartered Accountants
(Registration No.302034E)

P K Bhattacharya
Partner

Place : Camp Delhi
Date : 16th May, 2014

Membership No. 15899

**Consolidated Balance Sheet** as at 31st March, 2014

₹ in Lakhs

Particulars	Note No	As at 31st March, 2014	As at 31st March, 2013
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	A	733.93	733.93
(b) Reserves and Surplus	B	20,487.40	18,719.18
		21,221.33	19,453.11
(2) Non-Current Liabilities			
(a) Long-term borrowings	C	3,187.50	4,177.50
(b) Deferred tax liability (net)	D	223.00	40.00
(c) Long term provisions	E	299.03	22.45
		3,709.53	4,239.95
(3) Current Liabilities			
(a) Short-term borrowings	F	1,592.76	1,197.48
(b) Trade payables	G	385.97	252.49
(c) Other current liabilities	H	2,216.65	1,725.69
(d) Short-term provisions	I	300.72	264.54
		4,496.10	3,440.20
Total		29,426.96	27,133.26
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	J	19,541.25	18,004.15
(ii) Intangible assets	J	144.69	117.04
(iii) Capital work-in-progress		149.78	39.02
(b) Non-current investments	K	6,837.63	6,080.39
(c) Long term loans and advances	L	776.96	768.63
		27,450.31	25,009.23
(2) Current assets			
(a) Inventories	M	793.75	555.30
(b) Trade receivables	N	339.24	701.67
(c) Cash and cash equivalents	O	129.28	399.70
(d) Short-term loans and advances	P	321.59	225.81
(e) Other current assets	Q	392.79	241.55
		1,976.65	2,124.03
Total		29,426.96	27,133.26
Contingent Liabilities and Commitments	R		
Dividend Proposed	S		
Significant Accounting Policies and Other Notes on Financial Statements	T		

Notes A to T referred to above form an integral part of the Balance Sheet.
In terms of our Report of even date.

For S.S.Kothari & Co.
Chartered Accountants
(Registration No. 302034E)

H. M. Gupta
Executive Chairman

Dr. S. S. Baijal
Director

P. K. Bhattacharya
Partner
Membership No.15899

C. S. Bedi
Managing Director

H. M. Parekh
Director

Place: Camp Delhi
Date: 16th May, 2014

N. K. Khurana
Chief Financial Officer -cum- Company Secretary

V. P. Agarwal
Director

Consolidated Profit and Loss Statement for the year ended 31st March, 2014 ₹ in Lakhs

Particulars	Note No	Year ended 31st March, 2014	Year ended 31st March, 2013
I. Revenue from operations	1	14,140.13	10,593.90
II. Other Income	2	450.71	149.24
III. Total Revenue (I + II)		14,590.84	10,743.14
IV. Expenses:			
Cost of materials consumed	3	347.58	92.07
Changes in inventories of finished goods, work-in- progress and Stock-in-Trade	4	(67.40)	(69.71)
Employee benefit expense	5	5,494.13	4,437.45
Finance costs	6	884.55	217.69
Depreciation and amortization expense	7	416.00	306.86
Other expenses	8	4,643.23	3,216.78
Total Expenses		11,718.09	8,201.14
V. Profit before exceptional items and tax (III - IV)		2,872.75	2,542.00
VI. Exceptional Items	9	-	1,358.45
VII. Profit before tax (V- VI)		2,872.75	3,900.45
VIII. Tax expense:			
(1) Current tax		650.00	820.00
(2) Deferred tax adjustment		183.00	53.00
		833.00	873.00
IX. Profit for the period (VII - VIII)		2,039.75	3,027.45
X. Earning per equity share:			
(1) Basic	10	5.56	8.25
(2) Diluted		5.56	8.25

Notes 1 to 10 referred to above form an integral part of the Profit and Loss Account.
In terms of our Report of even date.

For S.S.Kothari & Co.
Chartered Accountants
(Registration No. 302034E)

P. K. Bhattacharya
Partner
Membership No.15899

Place: Camp Delhi
Date: 16th May, 2014

H. M. Gupta
Executive Chairman

C. S. Bedi
Managing Director

N. K. Khurana
Chief Financial Officer -cum- Company Secretary

Dr. S. S. Baijal
Director

H. M. Parekh
Director

V. P. Agarwal
Director

**Consolidated Cash Flow Statement** for the year ended 31st March, 2014

₹ in Lakhs

Particulars	Year ended 31st March, 2014	Year ended 31st March, 2013
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax	2,872.75	3,900.45
- Adjustment for :		
Depreciation	416.00	306.86
Finance Cost (Net of Provision)	521.47	217.69
Provision for Forex Loss on Swap Transactions	363.08	-
Profit / Loss on Disposal of Fixed Assets (Net)	20.13	(145.17)
Liabilities no more required written back (net)	(2.95)	(4.59)
Net Gain on sale of Investments (including Exceptional Income)	(402.97)	(1,442.81)
	914.76	(1,068.02)
	3,787.51	2,832.43
Items Considered in Investing Activity :		
Interest on Deposits etc.	(34.89)	(53.14)
Rent Received	(2.20)	-
Dividend	(0.60)	(11.74)
	(37.69)	(64.88)
Operating Profit before Working Capital Changes	3,749.82	2,767.55
- Adjustment for :		
Current Assets including Long Term Loans and Advances	(154.88)	(362.71)
Current Liabilities	109.45	713.25
	(45.43)	350.54
Cash Generated from Operations	3,704.39	3,118.09
Finance Cost (Net)	(521.47)	(217.69)
Direct Taxes (Net of refund)	(770.20)	(802.74)
	(1,291.67)	(1,020.43)
Cash Flow before Extraordinary Items	2,412.72	2,097.66
Extraordinary Items	-	-
Net Cash Flow from Operating Activities	2,412.72	2,097.66
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Acquisition of Namsang T.E.	-	(2,852.36)
Acquisition of Kharikatia T.E.	-	(3,104.93)
Purchase of other Fixed Assets including Advances for Capital Assets	(2,100.95)	(714.56)
Sale of Fixed Assets (Including Subsidy received from Tea Board)	7.28	173.15
Purchase of Investments	(7,110.17)	(10,063.03)
Sale / Redemption of Investments	6,755.91	9,082.69
Compensation received for acquisition of Land	17.57	-
Interest Received	34.89	53.14
Rent Received	2.20	-
Dividend Received	0.60	11.74
Net Cash Flow from Investing Activities	(2,392.67)	(7,414.16)

Consolidated Cash Flow Statement for the year ended 31st March, 2014

₹ in Lakhs

Particulars	Year ended 31st March, 2014	Year ended 31st March, 2013
C. CASH FLOW FROM FINANCING ACTIVITIES		
Intercompany Deposits Paid / Refunded (Net)	-	93.00
Proceeds of Term Loans from Banks	-	4,650.00
Proceeds of Working Capital Loan from Bank (Net)	395.28	254.06
Repayment of Term Loan From Bank	(472.50)	-
Dividend Paid and Tax thereon - Dividend 2011-2012	-	(170.60)
- Dividend 2012-2013	(213.25)	-
Net Cash Flow from Financing Activities	(290.47)	4,826.46
Net Increase in Cash and Cash Equivalents (A+B+C)	(270.42)	(490.04)
Cash and Cash Equivalents as at 31.03.2013 (Opening Balance)	399.70	889.74
Cash and Cash Equivalents as at 31.03.2014 (Closing Balance)	129.28	399.70

Note:

The above Statement has been prepared under the Indirect Method as given in Accounting Standard on Cash Flow Statement (AS - 3) issued by the Institute of Chartered Accountants of India.

In terms of our Report of even date.

For S.S.Kothari & Co.
Chartered Accountants
(Registration No. 302034E)

H. M. Gupta
Executive Chairman

Dr. S. S. Baijal
Director

P. K. Bhattacharya
Partner
Membership No.15899

C. S. Bedi
Managing Director

H. M. Parekh
Director

Place: Camp Delhi
Date: 16th May, 2014

N. K. Khurana
Chief Financial Officer -cum- Company Secretary

V. P. Agarwal
Director



Notes to the Consolidated Balance Sheet

₹ in Lakhs

Particulars	As at 31st March, 2014	As at 31st March, 2013
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NOTE A SHARE CAPITAL**Authorized**

4,50,00,000 Equity Shares of ₹2 each	900.00	900.00
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Issued, Subscribed and Paid Up

3,66,96,475 Equity Shares of ₹2 each fully paid up	733.93	733.93
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NOTE B RESERVES AND SURPLUS**Capital Reserve**

Balance as per last Account	230.33	230.33
Add: Compensation received on Sale of Land	17.57	-
	247.90	230.33

Securities Premium Account

Balance as per last Account	2,609.55	2,609.55
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Revaluation Reserve

Balance as per last account	5,077.40	5,152.49
Less: Withdrawal on account of depreciation on incremental amounts upon revaluation	74.44	75.09
	5,002.96	5,077.40

General Reserve

Balance as per last Account	10,465.02	7,665.02
Add: Transfer from Profit and Loss Account	1,800.00	2,800.00
	12,265.02	10,465.02

Surplus in Profit and Loss Account

Balance as per last Account	336.88	322.68
Add: Balance as per Profit and Loss Account	2,039.75	3,027.45
	2,376.63	3,350.13
Less: Transfer to General Reserve	1,800.00	2,800.00
	576.63	550.13
Less: Dividend on Equity Shares	183.48	183.48
Tax on Dividend	31.18	29.77
	361.97	336.88
	20,487.40	18,719.18

NOTE C LONG-TERM BORROWINGS**Secured Loans**

Term Loans from Banks	3,187.50	4,177.50
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Notes:

1. Current Maturities of these loans - ₹990 Lakhs (Note H)
2. These loans are secured on pari passu basis by hypothecation of Moveable Assets and Deposit of Title Deeds in respect of Namsang and Kharikatia Tea Estates of the Company pending creation of Equitable Mortgage, which would be formalized upon receipt of statutory approvals. The loan from one of the Banks is additionally secured by hypothecation of tea crops and book debts in respect of Kharikatia T.E.
3. These loans are repayable in equated quarterly installments up to a 6 year period from the date of respective disbursement and will be fully liquidated by the Financial Year 2018-2019.
4. The Company has entered into Cross Currency Swap Transactions and opted to swap these loans from Indian Rupees in to US Dollars. The Contracts for such transactions outstanding as on 31st March, 2014 are as under:

Currency	Cross Currency	Buy (USD in lakhs)	Sell (₹ in lakhs)
Indian Rupee	US Dollar	34.50	1,912.50
Indian Rupee	US Dollar	20.39	1,125.00
Indian Rupee	US Dollar	20.66	1,140.00
		75.55	4,177.50

Notes to the Consolidated Balance Sheet

₹ in Lakhs

Particulars	As at 31st March, 2014	As at 31st March, 2013
NOTE D DEFERRED TAX LIABILITY (NET)		
As per the Accounting Standard AS-22 – Accounting for taxes on Income, an amount of ₹40.00 lakhs was recognized as Deferred Tax Liability as on 31st March, 2013. During the year, a review with respect to the carrying amount of Deferred Tax Liability was done and the same was revised upward to ₹223.00 lakhs as on 31st March, 2014. Thus, an amount of ₹ 183.00 lakhs has been shown as Deferred Tax Adjustment in the Profit and Loss Statement for the year ended 31st March, 2014. The components of Deferred Tax Liability are as under:		
Deferred Tax Liability		
Depreciation as per Books and Tax Laws	223.00	40.00
	223.00	40.00
NOTE E LONG TERM PROVISIONS		
Provision for Forex Loss on Currency Swap Transactions	277.02	-
Provision for employee benefits	22.01	22.45
	299.03	22.45
NOTE F SHORT TERM BORROWINGS		
Secured Loans		
Loans repayable on demand from Banks	1,592.76	1,197.48
	1,592.76	1,197.48
Remark : The above loans are secured on pari passu basis by hypothecation of tea crops and moveable assets of all the Tea Estates of the Company, save and except that of Namsang Tea Estate. These are also collaterally secured by Equitable Mortgage by way of second charge on Kharikatia Tea Estate for one of the Banks and Equitable Mortgage by way of first charge on pari passu basis on Dikom, Nokhroy, Bokakhat and Romai Tea Estates for other Banks.		
NOTE G TRADE PAYABLES		
Sundry Creditors (Other than Small, Medium and Micro Enterprises)	385.97	252.49
	385.97	252.49
NOTE H OTHER CURRENT LIABILITIES		
Current Maturities of Long Term Borrowings	990.00	472.50
Interest accrued but not due on borrowings	38.40	38.08
Unpaid Dividends	8.89	7.16
Other Payables		
For Expenses etc.	1,047.51	954.31
Statutory Dues	82.49	78.57
Due to Gratuity Fund	49.36	175.07
	2,216.65	1,725.69
NOTE I SHORT-TERM PROVISIONS		
Provision for Forex Loss on Currency Swap Transactions	86.06	-
Provision for Taxation (Net)	-	51.29
Proposed Dividend	183.48	183.48
Tax on Dividend	31.18	29.77
	300.72	264.54



Notes to the Consolidated Balance Sheet

₹ in Lakhs

		GROSS BLOCK AT COST OR VALUATION			DEPRECIATION / AMORTIZATION			NET BLOCK			
Particulars		Gross Carrying Amount as at the beginning of the year	Additions during the Year	Disposal/ Adjustments during the Year	Gross Carrying Amount as at the end of the year	At the beginning of the year	For the year	On disposal during the Year	At the end of the year	Net Carrying Amount as at the end of the year	Net Carrying Amount as at the beginning of the year
NOTE	J	FIXED ASSETS									
TANGIBLE ASSETS											
Land and Planted Teas		11,343.85	3.16	-	11,347.01	-	-	-	-	11,347.01	11,343.85
Leasehold Improvement		64.58	73.24	-	137.82	7.18	10.84	-	18.02	119.80	57.40
Buildings		3,778.27	432.81	-	4,211.08	474.79	80.29	-	555.08	3,656.00	3,303.48
Plant and Equipment		3,391.57	1,008.76	1.96	4,398.37	1,163.71	228.94	0.43	1,392.22	3,006.15	2,227.86
Furniture and Fixtures		484.23	279.63	3.38	760.48	106.67	41.95	1.45	147.17	613.31	377.56
Vehicles		756.72	83.76	22.58	817.90	253.28	69.79	2.90	320.17	497.73	503.44
Office Equipments		162.71	70.23	9.02	223.92	34.37	10.46	5.13	39.70	184.22	128.34
Computers		127.62	75.73	4.36	198.99	65.40	20.72	4.16	81.96	117.03	62.22
31st March, 2014		20,109.55	2,027.32	41.30	22,095.57	2,105.40	462.99	14.07	2,554.32	19,541.25	18,004.15
31st March, 2013		13,416.84	6,739.07	46.36	20,109.55	1,759.91	363.87	18.38	2,105.40		

Note: Disposal during the year under Vehicles includes ₹4.33 lakhs towards subsidy received from Tea Board against a Vehicle acquired during earlier years.

INTANGIBLE ASSETS										
Computer Software	133.47	55.28	0.71	188.04	25.10	25.28	0.53	49.85	138.19	108.37
Branding and Trade mark	10.84	-	-	10.84	2.17	2.17	-	4.34	6.50	8.67
31st March, 2014	144.31	55.28	0.71	198.88	27.27	27.45	0.53	54.19	144.69	117.04
31st March, 2013	81.07	63.24	-	144.31	9.19	18.08	-	27.27		

Notes to the Consolidated Balance Sheet

₹ in Lakhs

Particulars	As at 31st March, 2014	As at 31st March, 2013
NOTE K NON-CURRENT INVESTMENT		
At Cost		
Trade Investments: Unquoted		
In Equity Instruments	125.05	125.05
In Preference Shares	988.75	988.75
Other Investments: Unquoted		
In Units & Bonds	5,715.89	4,957.75
Other Investments: Quoted		
In Equity Instruments	7.94	8.84
	6,837.63	6,080.39
Aggregate amount of Quoted Investments	7.94	8.84
Aggregate amount of Unquoted Investments	6,829.69	6,071.55
	6,837.63	6,080.39
Market Value of Quoted Investments	1.16	1.26
NOTE L LONG TERM LOANS AND ADVANCES		
Unsecured, Considered Good		
Capital Advances	23.03	115.45
Advance due by an Officer	5.62	9.37
Security Deposits	308.17	189.24
Other Deposits	17.32	12.67
Deposit with NABARD	166.96	166.96
Deposit with Assam Financial Corporation	255.86	274.94
	776.96	768.63
NOTE M INVENTORIES		
Stock of Finished Goods at lower of cost and net realizable value	168.13	109.87
Stock of Stores and Spares at or under cost	382.35	402.08
Stock of Raw Materials at cost	218.53	27.75
Work-in-progress at works cost	24.74	15.60
	793.75	555.30
NOTE N TRADE RECEIVABLES		
Unsecured, Considered Good		
Debts outstanding for a period exceeding six months	25.15	61.71
Other Debts	314.09	639.96
	339.24	701.67
NOTE O CASH AND CASH EQUIVALENTS		
Balances with Banks	98.40	376.30
Margin Money Account	0.30	0.30
Bank Deposits for less than 12 months maturity		
- Under Lien with Central Excise Authority for Clean Energy Cess on Coal Purchases.	7.14	-
- Under Lien with Delhi VAT authorities as Security Deposit	3.25	1.00
Unpaid Dividend Accounts	8.89	7.16
Cash on Hand	11.30	14.94
	129.28	399.70



Notes to the Consolidated Balance Sheet

₹ in Lakhs

Particulars	As at 31st March, 2014	As at 31st March, 2013
NOTE P SHORT TERM LOANS AND ADVANCES		
Unsecured, Considered Good		
Advance due by an Officer	3.75	3.75
Other Loans and Advances		
Advances recoverable in Cash or in Kind or for value to be received	248.93	222.06
Advance Income Tax (Net)	68.91	-
	321.59	225.81
NOTE Q OTHER CURRENT ASSETS		
Interest Accrued on Deposits	9.11	23.19
Other Receivables	383.68	218.36
	392.79	241.55
NOTE R CONTINGENT LIABILITIES AND COMMITMENTS		
(i) Estimated amount of Contingent Liabilities not provided for:		
(a) Claims against the Company not acknowledged as Debt		
Income Tax	76.46	210.63
Clean Energy Cess	7.19	-
(b) Guarantees		
Bank Guarantees outstanding	10.49	3.25
(ii) Commitments		
Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (net of advance)	42.58	170.31
NOTE S DIVIDEND PROPOSED		
Amount of Dividend proposed to be distributed to Equity Shareholders for the Financial Year 2013-2014	183.48	183.48
Dividend per Equity Share of ₹2 each	₹0.50	₹0.50
% of Dividend proposed	25.00	25.00

H. M. Gupta
Executive Chairman

Dr. S. S. Baijal
Director

H. M. Parekh
Director

Place : Delhi
Date : 16th May, 2014

C. S. Bedi
Managing Director

N. K. Khurana
Chief Financial Officer -cum- Company Secretary

V. P. Agarwal
Director

Notes to the Consolidated Profit and Loss Account

₹ in Lakhs

Particulars	2013-2014	2012-2013
NOTE 1 REVENUE FROM OPERATIONS		
(a) Sale of Products		
Black Tea	12,175.74	9,057.89
Avionics, Aviation and Electronic Equipments	92.79	30.48
Food and Beverage	430.03	53.28
	12,698.56	9,141.65
(b) Sale of Services		
Receipts for Technical and Support Services	1,082.07	1,019.63
(c) Other Operating Revenues		
Subsidy - Replanting	28.93	19.54
Tea Board Orthodox Subsidy Scheme	101.50	95.13
Sale of Duty Credit Entitlements License	182.57	122.55
Duty Drawback	35.81	26.05
Sundry Receipts	10.33	22.33
Profit on Sale of Fixed Assets	-	145.17
Liabilities no more required written back (net)	2.95	4.59
	362.09	435.36
Total	14,142.72	10,596.64
Less: Excise Duty	2.59	2.74
	14,140.13	10,593.90

NOTE 2 OTHER INCOME		
Interest Income	34.89	53.14
Dividend Income	0.60	11.74
Rent Received	2.20	-
Net gain on Sale of Investments	402.97	84.36
Provision for diminution in the value for Investments written back	10.05	-
	450.71	149.24

NOTE 3 COST OF MATERIALS CONSUMED		
Purchase of Green Leaf	65.90	34.58
Consumption of Raw Materials	281.68	57.49
	347.58	92.07

NOTE 4 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Opening Stock Of Finished Goods / Stock-in-Trade	109.87	41.76
Less: Closing Stock Of Finished Goods / Stock-in-Trade	168.13	109.87
	(58.26)	(68.11)
Opening Stock Of Work-in-Progress	15.60	14.00
Less: Closing Stock Of Work-in-Progress	24.74	15.60
	(9.14)	(1.60)
	(67.40)	(69.71)

NOTE 5 EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages and Bonus	4,478.86	3,625.36
Contribution to Provident and other Funds	569.19	472.08
Workmen and Staff Welfare	446.08	340.01
	5,494.13	4,437.45



Notes to the Consolidated Profit and Loss Account

₹ in Lakhs

Particulars	2013-2014	2012-2013
NOTE 6 FINANCE COST		
(a) Interest		
Banks	472.62	224.50
Intercompany Deposits	-	11.08
Unsecured Loan from Managing Director (Executive Chairman)	-	8.64
	472.62	244.22
Less: Interest Subsidy	-	27.65
	472.62	216.57
(b) Other Borrowing Costs	1.85	1.12
(c) Applicable Net Loss on Foreign Currency Transactions		
- Forex Loss on Currency SWAP Transactions (net)*	410.08	-
	884.55	217.69

*Forex Loss on Currency SWAP Transactions includes provision made as at 31st March, 2014 - ₹363.08 Lakhs.

NOTE 7 DEPRECIATION AND AMORTIZATION EXPENSE		
Depreciation	490.44	381.95
Less: Depreciation on amounts added on revaluation	74.44	75.09
	416.00	306.86

NOTE 8 OTHER EXPENSES		
Consumption of Stores and Spare Parts	894.05	623.02
Power and Fuel	977.05	733.02
Cess on Green Leaf	95.38	74.76
Tea Cess	28.98	23.15
Rent	318.61	179.61
Rates and Taxes	30.45	26.67
Repairs to Building	150.03	127.13
Repairs to Machinery	188.88	159.67
Other Repairs and Maintenance	136.64	43.91
Vehicles Maintenance	128.19	109.59
Transportation	210.49	151.43
Shipment Charges	124.76	61.19
Warehousing and Selling Expenses	232.74	159.40
Post Sales Warranty Expenses	6.70	4.88
Brokerage	76.05	59.46
Commission on Sales	77.21	59.77
Insurance	35.75	27.42
Directors' Fee & Commission	15.80	15.35
Auditors' Remuneration	7.26	5.86
Travelling and Conveyance	222.77	161.30
Miscellaneous Expenses (Note below)	665.31	402.32
Net loss on Foreign Currency transactions / translation	-	0.30
Loss on Disposal of Fixed Asset (Net)	20.13	-
Excise Duty for earlier years	-	7.57
	4,643.23	3,216.78

Notes to the Consolidated Profit and Loss Account

₹ in Lakhs

Particulars	2013-2014	2012-2013
-------------	-----------	-----------

NOTE 9 EXCEPTIONAL ITEMS

Net Gain on Sale of Investments	-	1,358.45
---------------------------------	---	----------

Note:

The Company has divested on 29th April, 2012 its entire shareholding in Companies owning Hotels. The Profit on such divestment, as above, has been considered as Exceptional Item and shown accordingly.

NOTE 10 EARNINGS PER EQUITY SHARE

Basic and Diluted as computed as per Accounting Standard AS-20		
Profit after Taxation	2,039.75	3,027.45
Weighted average number of Equity Shares outstanding	366.96	366.96
Earnings per Equity Share of ₹2 each (₹)	5.56	8.25

H. M. Gupta
Executive Chairman

Dr. S. S. Baijal
Director

H. M. Parekh
Director

Place : Delhi

C. S. Bedi
Managing Director

N. K. Khurana
Chief Financial Officer -cum- Company Secretary

V. P. Agarwal
Director

Date : 16th May, 2014



Notes to the Consolidated Balance Sheet

NOTE T SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

1. Basis of Preparation of Accounts

The accompanying financial statements have been prepared to comply, in all material aspects, with applicable statutory / regulatory provisions, accounting standards and generally accepted accounting principles and practices prevailing in India.

2. Consolidation Procedure

2.1 Consolidated financial statements of the Group, comprising Rossell India Limited (Parent) and its Subsidiary, CAE Rossell India Limited (Fully Owned Subsidiary) have been prepared on the basis of

- Audited Accounts of the Parent for the year ended 31st March, 2014
- Audited Accounts of the Subsidiary for the year ended 31st March, 2014
- Line by Line aggregation of each item of asset / liability / income / expenses of the Subsidiary with the respective item of the Parent, and after eliminating all intra group transactions and unrealized profit / loss, if any, as per Accounting Standard -21, Consolidated Financial Statements.

2.2 The excess of cost to the Parent of its investment in the Subsidiaries over its Share of the Equity of the Subsidiaries, at the date on which such investment was made, has been recognized as goodwill and shown as an asset in the consolidated financial statements.

3. List of Subsidiaries considered for preparation of Consolidated financial statements Rossell India Limited (The Parent Company) is having only one Subsidiary, namely, CAE Rossell India Limited, a Company incorporated in India under the Companies Act, 1956 as on the reporting date. The proportion of ownership interest of the Parent in the Subsidiary is 100% (Fully Owned Subsidiary). Hence, there is no Minority Interest in the consolidated financial statements.

4. Changes in Consolidation Process as compared to 2012-2013

The Consolidated Financial Statements have been prepared on the same basis as that adopted in respect of the accounting year 2012-2013 with no change in the Consolidation Process. As per Paragraph 30 of Accounting Standard-21, Consolidated Financial Statements, comparative figures for the previous year have been presented.

5. Significant Accounting Policies

The following Accounting Policies have been adopted by both Parent and Subsidiary and accordingly for preparing these Consolidated financial statements:

5.1 Accounting Convention

The financial statements have been prepared to comply in all material aspects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, as amended and the relevant provisions of the Companies Act, 1956.

5.2 Basis of Accounting

The financial statements have been prepared in accordance with historical cost concept.

All assets and liabilities have been classified as current and non-current as per Company's normal operating cycle and other criteria set out in the revised Schedule VI to the Companies Act, 1956.

5.3 Fixed Assets

Fixed Assets, both tangible and intangible, are stated at cost of acquisition, net of subsidy received, where applicable together with resultant write up due to revaluation and depreciated on straight line method at the rates specified in Schedule XIV of the Companies Act, 1956. Items costing ₹5,000 each are fully depreciated in the year of purchase.

The cost of Extension Planting on cultivable land including cost of development is capitalized. However, cost of upkeep and maintenance of the areas still not matured for plucking and cost of replanting in existing areas are charged to revenue.

Leasehold Improvement for the premises taken on rent is amortized over the period of the lease.

Expenses incurred for development of Brand and Trademark is capitalized to be amortized over a period of 5 years.

Computer Software is capitalized where it is expected to provide future enduring economic benefit. The capitalization costs include license fee and cost of implementation and system integration services.

Profit or Loss on disposal of Fixed Assets is recognized in the Profit and Loss Statement.

Any Impairment Loss is recognized, if and when the carrying value of Fixed Assets of a cash generating unit exceeds its market

Notes to the Consolidated Balance Sheet

NOTE T SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.)

value or value in use, whichever is higher as per Accounting Standard, AS-28, Impairment of Assets.

Compensation received from the authorities concerned for acquisition of small pieces and parcels of Land in the Tea Estates for Oil exploration and transportation is recognized in the year of receipt. Such Compensation is directly credited to Capital Reserve, as the cost attributable to such Land can not be ascertained.

5.4 Foreign Currency Transaction

Foreign Currency Transactions are converted and accounted for at the rates prevailing on the dates of transaction. Year-end current assets (Monetary Items) and liabilities are restated at the year-end exchange rate and resultant net gain or loss is adjusted in the Profit and Loss Statement as prescribed by Accounting Standard-11, Accounting for the Effect of Changes in Foreign Exchange Rates.

The loss attributable to adverse Foreign Exchange fluctuation on the outstanding portfolio of Currency Swap at year end is being provided for based on year-end exchange rate and recognized in the Profit and Loss Statement.

5.5 Investments

Investments are stated at cost of acquisition and treated as long term investments. Provision is made in case of permanent diminution in value of Investments.

Incomes from Investments and Gain / Loss on sale of investments are recognized in the Profit and Loss Statement for the year on accrual basis inclusive of related tax deduction at source.

5.6 Inventories

Stock of Tea is valued at lower of cost and net realisable value and that of stores and spares is valued at or under cost.

Stocks of Raw Materials and Work-in-progress have been valued at respective cost.

5.7 Staff Benefits

- a) The Parent Company has made regular contribution to the Provident Funds, administered by the Governments and independent of Company's finances, in respect of all its eligible employees. Monthly contribution at 15% of the employees' current salary is made to recognize Superannuation Fund, which is fully funded and administered by Trustees and is independent of Parent Company's finance. Contributions are recognized in Profit and Loss Statement on an accrual basis.
- b) Defined Benefit Gratuity Plan is also maintained by the Parent Company. The Company contributes to the recognized Gratuity Fund, which is administered by the Trustees and is independent of Company's finance. The Annual Contribution is determined by the actuary at the end of the year. Actuarial gains and losses are recognized in the Profit and Loss Statement. The Company also recognizes in the Profit and Loss Statement gains or losses on curtailment or settlement of the defined benefit plan as and when the curtailment or settlement occurs.
- c) Leave encashment liability for certain eligible employees, as determined on the basis of an actuarial valuation, is provided for at the end of each year, except where the same is actually ascertained and paid / provided for and charge is recognized in the Profit and Loss Statement. Such liability is not funded and being paid by the Company as and when required.

5.8 Borrowing Cost

Borrowing cost is recognized as an expense to the extent, the same has been incurred for the year, unless such cost is directly attributable to the acquisition, construction or production of a qualifying asset and capitalized as part of the cost of that asset as prescribed by Accounting Standard-16, Borrowing Costs. Subsidy receivable on this account is adjusted with expense for the year, in which the claim of the Company for such subsidy gets admitted.

The loss attributable to adverse Foreign Exchange fluctuation paid at the time of repayment of principal as well as provision made for such loss on the outstanding portfolio of Currency Swap at year end (Note 5.4 above) are also being considered as borrowing cost and shown accordingly in the Profit and Loss Statement

5.9 Revenue Recognition

Items of income and expenditure are recognized on accrual and prudent basis.



Notes to the Consolidated Balance Sheet

NOTE T SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.)

5.10 Sales

Sale of Product represents the invoice / account sales value of finished goods supplied, inclusive of Central Excise Duty, wherever applicable, net of Sales Tax / Value Added Tax. Proceeds of insurance claims received for damage / shortage of finished goods are treated as part of Sale of Products. Net revenue is stated after deducting such Central Excise Duty.

Sale of Services represents the invoice value of services rendered as per the agreed terms, net of Service Tax.

5.11 Replanting and Other Subsidies

Replanting Subsidy is recognized as income in the Profit and Loss Statement in the year of receipt on prudent basis.

Other Subsidies are recognized as income on accrual basis or on receipt of related sanction, when the certainty of receipt of such subsidy gets established.

5.12 Dividend Income

Dividend Income is recognized when the right to receive such dividend is established.

5.13 Taxes on Income

Current Tax is determined as the amount of tax payable in respect of taxable income for the period based on applicable tax rates and laws.

Provisions for Deferred Taxation is made at the current rate of taxation, on all timing difference, being the difference between taxable income and accounting income that originate in one period and is capable of reversal in one or more subsequent periods. Deferred Tax Asset / Deferred Tax Liability are reviewed at each Balance Sheet date to reassess liability or realization, as the case may be.

6. Segment Information for the year ended 31st March, 2014 :

1. **Business Segments:** In terms of AS-17- Segment Reporting , the Company has following Business Segments as Primary Segment for disclosure.

A. Cultivation, Manufacture and Sale of Tea

B. Aviation, Products and Services

C. Hospitality

₹ in Lakhs

Particulars	2013-2014	2012-2013
2. Revenue		
A. Cultivation, Manufacture and Sale of Tea	12,555.94	9,397.03
B. Aviation, Products and Services	1,215.14	1,063.15
C. Hospitality	430.62	53.28
D. Unalloctaed	421.66	246.48
	14,623.36	10,759.94
3. Results		
A. Cultivation, Manufacture and Sale of Tea	3,960.50	2,735.10
B. Aviation, Products and Services	(115.13)	24.09
C. Hospitality	(509.73)	(245.98)
	3,335.64	2,513.21
Less: i) Interest Net of subsidy	474.48	(1,604.93)
ii) Exchange Loss on currency Swap Transactions	410.07	217.69
iii) Un-allocated expenses, net of un-allocated Income	(421.66)	-
	2,872.75	3,900.45
4. Segment Assets		
A. Cultivation, Manufacture and Sale of Tea	19,588.72	19,023.30
B. Aviation, Products and Services	1,837.40	1,525.30
C. Hospitality	982.44	375.67
D. Unallocated	7,018.40	6,208.99

Notes to the Consolidated Balance Sheet

NOTE T SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.)

₹ in Lakhs		
Particulars	2013-2014	2012-2013
	29,426.96	27,133.26
5. Segment Liabilities		
A. Cultivation, Manufacture and Sale of Tea	7,422.12	6,968.20
B. Aviation, Products and Services	58.00	32.64
C. Hospitality	139.50	38.59
D. Unallocated	586.01	640.67
	8,205.63	7,680.10
6. Capital Expenditure		
A. Cultivation, Manufacture and Sale of Tea	1,156.80	6,363.08
B. Aviation, Products and Services	579.67	126.04
C. Hospitality	346.95	301.13
D. Unallocated	-	12.06
	2,083.42	6,802.31
7. Depreciation (Net of Adjustment with Revaluation Reserve)		
A. Cultivation, Manufacture and Sale of Tea	282.08	226.73
B. Aviation, Products and Services	96.95	61.52
C. Hospitality	36.97	18.61
	416.00	306.86

7. The following are the Related Party transactions undertaken by the Group during the year ended 31st March 2014, in terms of AS-18 - Related Party Disclosures issued by the Institute of Chartered Accountants of India:

Name of the Related Party and nature of relationship:

Key Management Personnel	Mr.H.M.Gupta,Executive Chairman Mr.C.S.Bedi, Managing Director
Holding Company	BMG Enterprises Ltd
Enterprises over which the Key Management Personnel or their relatives have significant influence	BMG Investments Private Ltd Harvin Estates Private Ltd BMG Foundation

PARTICULARS OF TRANSACTIONS FOR THE YEAR ENDED 31ST MARCH 2014

₹ in Lakhs		
Nature of transactions	2013-2014	2012-2013
Key Management Personnel and relatives		
1. Dividend Paid	16.40	10.62
2. Unsecured Loan taken and repaid (Net)		
- Received	-	680.00
- Refunded	-	680.00
3. Interest paid on Unsecured Loans taken	-	8.64
4. Rent for Residential Accommodation	8.40	7.20
5. Remuneration Paid	193.37	235.85
6. Remuneration Paid to Relative	30.83	25.91
Holding Company		
1. Dividend Paid	115.82	92.66
2. Inter Corporate Deposit		
- Received	-	423.00
- Refunded	-	423.00
3. Inter Corporate Deposit		
- Refunded	-	93.00
4. Interest paid on Inter Corporate Deposit (net)	-	6.76



Notes to the Consolidated Balance Sheet

NOTE T SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.) ₹ in Lakhs

Nature of transactions	2013-2014	2012-2013
Enterprises where significant influence is exercisable		
1. Dividend Paid	5.07	1.88
2. Rent paid for Office Space	6.00	6.00
3. Rent for Residential Accommodation	6.00	6.00
4. Inter Corporate Deposit		
- Received	-	65.00
- Refunded	-	65.00
5. Interest paid / payable on Inter Corporate Deposit	-	3.05
6. Contribution made for charitable purpose	9.50	6.00

8. Additional statutory information disclosed in separate financial statements of the Parent and the Subsidiaries having no bearing on the true and fair view of the Consolidated financial statements and also the information pertaining to the items which are not material have not been disclosed in the Consolidated financial statements in view of the general clarification issued by the Institute of Chartered Accountants of India.
9. In terms of General Circular No. 2 / 2011, the required disclosure in respect of the Subsidiary Company in respect of the Financial Year ended 31st March, 2014 is given below:

₹ in Lakhs

CAE Rossell India Limited	
Capital	5.00
Reserves	(8.08)
Total Assets	1.47
Total liabilities	4.55
Investment	-
Other Income	0.01
Profit before Taxation	(0.44)
Provision for Taxation	-
Profit after Taxation	(0.44)
Proposed Dividend	-

10. Previous year's figures have been rearranged wherever necessary.

H. M. Gupta
Executive Chairman

Dr. S. S. Baijal
Director

H. M. Parekh
Director

Place : Delhi
Date : 16th May, 2014

C. S. Bedi
Managing Director

N. K. Khurana
Chief Financial Officer -cum- Company Secretary

V. P. Agarwal
Director

ROSSELL INDIA LIMITED

STATEMENT OF APPROXIMATE AREA, CROP AND YEILD

TEA ESTATES	Tea Bearing Area in Hectares	Crop (Kgs) 2013-2014	Yield per Bearing Hectare
DIKOM	565	13,45,571	2,382
NOKHROY	303	6,64,248	2,192
NAGRIJULI	535	10,30,675	1,926
BOKAKHAT	282	4,82,437	1,711
ROMAI	298	7,29,582	2,448
NAMSANG	292	6,03,568	2,067
KHARIKATIA	418	7,89,641	1,889
TOTAL	2,693	56,45,722	2,096



ROSSELL INDIA LIMITED

At a glance

FINANCIAL YEAR	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
Quantitative Information								Lakh Kgs
Black Tea								
Saleable production	50.97	44.39	41.67	42.89	40.03	39.93	43.54	55.59
Sales	52.27	45.14	41.85	42.63	39.65	41.02	43.09	55.16
Financial Performance								₹ in Lakhs
Turnover - Black Tea	5,166.11	4,699.51	5,363.52	6,807.17	6,757.36	7,037.51	9,057.89	12,175.74
- Others	371.87	620.67	388.26	839.24	835.89	945.92	1,103.39	1,604.89
Total Turnover	5,537.98	5,320.18	5,751.78	7,646.41	7,593.25	7,983.43	10,161.28	13,780.63
Other Income	106.60	282.25	209.54	220.65	285.72	398.82	584.16	812.79
Total Revenue	5,644.58	5,602.43	5,961.32	7,867.06	7,878.97	8,382.25	10,745.44	14,593.42
Expenses	4,144.03	4,077.39	4,608.50	4,976.69	5,143.82	5,777.82	7,678.13	10,419.68
Profit before Depreciation and Interest	1,500.55	1,525.04	1,352.82	2,890.37	2,735.15	2,604.43	3,067.31	4,173.74
Interest	266.03	111.54	209.54	227.11	138.34	56.17	217.69	884.55
Profit before Depreciation	1,234.52	1,413.50	1,143.28	2,663.26	2,596.81	2,548.26	2,849.62	3,289.19
Depreciation	126.81	136.50	136.61	164.17	180.10	195.74	306.86	416.00
Profit before Exceptional Item	1,107.71	1,277.00	1,006.67	2,499.09	2,416.71	2,352.52	2,542.76	2,873.19
Exceptional Item	(251.10)	1,198.01	-	-	-	(72.00)	1,358.45	-
Profit Before Tax	856.61	2,475.01	1,006.67	2,499.09	2,416.71	2,280.52	3,901.21	2,873.19
Current Tax	23.00	214.00	197.50	500.00	485.00	475.00	820.00	650.00
Deferred Tax Adjustment	335.00	163.00	113.00	68.00	5.00	(65.00)	53.00	183.00
Profit After Tax	498.61	2,098.01	696.17	1,931.09	1,926.71	1,870.52	3,028.21	2,040.19
Earning per Share of ₹2 each	10.94	33.23	10.48	26.31	5.25	5.10	8.25	5.56
(₹)*								
Dividend per Share of ₹2 each	-	1.25	1.50	2.00	0.40	0.40	0.50	0.50
(₹)*								

* Face Value ₹10 per Share upto the FY 2009-2010

ROSSELL INDIA LIMITED

CIN: L01132WB1994PLC063513

Registered Office : Jindal Towers, Block 'B', 4th Floor
21/1A/3, Darga Road, Kolkata - 700 017, Website: www.rossellindia.com

ATTENDANCE SLIP

I hereby record my presence at the TWENTIETH ANNUAL GENERAL MEETING of the Company at Kala Kunj, 48, Shakespeare Sarani, Kolkata 700 017 at 3.00 p.m. on Wednesday, the 6th August, 2014.

.....
Full name of the Member (in block capitals) No. of Shares held Signature

Folio No...../ DP ID No.* & Client ID No.*

* Applicable for members holding shares in electronic form.

.....
Full name of Shareholder/Proxy Signature
(in block capitals)

NOTE : Member/Proxy wishing to attend the Meeting must bring the Admission Slip to the Meeting and hand over duly signed at the registration counter.



ROSSELL INDIA LIMITED

CIN: L01132WB1994PLC063513

Registered Office : Jindal Towers, Block 'B', 4th Floor
21/1A/3, Darga Road, Kolkata - 700 017, Website: www.rossellindia.com

PROXY FORM

.....
Full name of the Member (in block capitals) No. of Shares held Signature

Name of the member (s) :

Registered address:

E-mail ID:

Folio No / Client ID:

DP ID:

I/We, being the member (s) holding..... shares of the above named company, hereby appoint

1. Name :

Address :

E-mail ID :

Signature :, or failing him

2. Name :

Address :

E-mail ID :

Signature :, or failing him

3. Name :

Address :

E-mail ID :

Signature :

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twentieth Annual General Meeting of the Company, to be held on the 6th day of August, 2014 at 3.00 p.m. at Kala Kunj, 48, Shakespeare Sarani, Kolkata 700 017 and at any adjournment thereof in respect of such resolutions as are indicated below:





Resolution No.		For *	Against*
1.	Consider and adopt:		
	a) Audited Financial Statement, Reports of the Board of Directors and Auditors		
	b) Audited Consolidated Financial Statement		
2.	Declaration of Dividend on Equity Shares		
3.	Re-appointment of Auditors		
4.1.	Appointment of Dr. S. S. Bajjal as Independent Director		
4.2.	Appointment of Mr. V. P. Agarwal as Independent Director		
4.3.	Appointment of Mr. H. M. Parekh as Independent Director		
4.4.	Fixation of Remuneration of Cost Auditors		
4.5.	Adoption of New Articles of Association		
4.6.	Resolution under Section 180 (1)(a)		
4.7.	Resolution under Section 180 (1)(c)		

Signed this 6th day of August, 2014

Signature of the Shareholder

Signature of the Proxy holder (s)

Please Affix
Revenue
Stamp

Notes :

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. *This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.



Corporate information

Board of Directors

H. M. Gupta, Executive Chairman

Dr. S. S. Baijal, Director

H. M. Parekh, Director

V. P. Agarwal, Director

C. S. Bedi, Managing Director

Chief Financial Officer- cum-Company Secretary

N. K. Khurana

Auditors

S. S. Kothari & Co.

Chartered Accountants

Bankers

Axis Bank Ltd.

Commonwealth Bank of Australia

DCB Bank Ltd.

HDFC Bank Ltd.

The Federal Bank Ltd.

Registered office

Jindal Towers, Block 'B' , 4th Floor

21/1A/3. Darga Road, Kolkata 700017

If undelivered, please return to:



Rossell India Limited

Registered Office :

Jindal Towers, Block 'B' , 4th Floor

21/1A/3, Darga Road, Kolkata 700017



FORM A

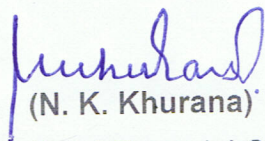
Covering Letter of the Annual Audit Report

1. Name of the Company : **Rossell India Limited**
2. Annual financial statements for the year : 31st March, 2014
ended
3. Type of Audit observation : Unqualified
4. Frequency of observation : None



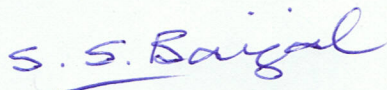
(H. M. Gupta)

Chief Executive Officer



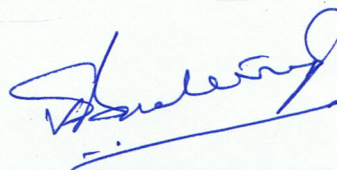
(N. K. Khurana)

Chief Financial Officer-cum-Company Secretary



(Dr. S. S. Baijal)

Chairman, Audit Committee of the
Board of Directors



(P K Bhattacharya)

Partner

Membership No. 15899

For S. S. Kothari & Co.

Chartered Accountants

(Registration No. 302034E)

