



Beeyu Overseas Limited

BOARD OF DIRECTORS

Mr. Birendra Pratap Singh, *Chairman & Managing Director*
Ms. Rajinie Singh, *Dy. Managing Director*
Mrs. Usha Singh
Mr. Binoy Krishna Banerjee
Mr. Arabinda Bose
Mr. Ram Gopal Bhattacharjee

GM (FINANCE) & CO. SECRETARY
Mr. Mahendra Kumar Dutia

AUDITORS

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

REGISTRAR & SHARE TRANSFER AGENT

Maheshwari Datamatics Pvt. Ltd.
6, Mangoe Lane (Surendra Mohan Ghosh Sarani)
2nd Floor, Kolkata 700 001
Phone : (033) 2243-5029 / 5809, 2248-2248
Fax: (033) 2248-4787
E-mail: mdpl@cal.vsnl.net.in

REGISTERED OFFICE

Beeyu Overseas Limited
Fulhara (Bhimgachh)
P. O.: Ramganj
Block : Islampur
Dist. Uttar Dinajpur 733 207 (W.B.)
Phone: 99324 69364

CORPORATE OFFICE & COMMUNICATION ADDRESS

Beeyu Overseas Limited
"Beeyu House"
64A, Ballygunge Circular Road
Kolkata 700 019
Phone: (033) 2280-9267/68/69,
2290-7162, 2287-7770
Fax: (033) 2280-9270
E-mail: beeyu@beeyuoverseas.com

BANKERS

State Bank of India, AXIS Bank Limited

OFFICES IN INDIA

COCHIN

CHAKOLAS HABITAT

8C, Block - B
Thevra Ferry Road
Kochi 682 013, Kerala
Phone : 0484-4045331/2662267

TEA FACTORY-OOTY

Ooty Rural, Doddabetta Panchayat
Near Government
Chincona Plantations, Ooty - 643 002
Phone : (0423) 2507-058/577/578
Telefax: (0423) 2507-576
E-mail: beeyuooty@sancharnet.in

BOARD COMMITTEES	Directors
Audit Committee	1. Mr. Arabinda Bose - Chairman 2. Mr. R. G. Bhattacharjee 3. Mr. B. P. Singh
Investors Grievance Committee	1. Mr. R. G. Bhattacharjee - Chairman 2. Mr. B. P. Singh 3. Mrs. Usha Singh

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NOTICE

NOTICE is hereby given that the Sixteenth Annual General Meeting of the members of Beeyu Overseas Limited will be held at the Registered Office of the Company at Fulhara (Bhimgachh), P.O. Ramganj, Block: Islampur, Dist. Uttar Dinajpur - 733 207, West Bengal, on Wednesday, 23rd day of September, 2009 at 11.00 a.m. to transact the following business:

AS ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2009, the Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Birendra Pratap Singh, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mrs. Usha Singh, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint M/s. H. K. Agrawal & Co., Chartered Accountants, 125, Netaji Subhas Road, 5th Floor, Kolkata - 700 001, as the Statutory Auditors of the Company in place of M/s Price Waterhouse, current auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

Corporate Office:
"Beeyu House",
64A, Ballygunge Circular Road,
Kolkata - 700019
Date : 18th August, 2009.

By Order of the Board of Directors

MAHENDRA KUMAR DUTIA
GM (Finance) & Company Secretary

Notes:

1. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the Special Business to be transacted at the meeting is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
3. **THE PROXY FORMS TO BE EFFECTIVE SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
4. Shareholders are requested to bring their copy of Annual Report to the meeting.
5. Members / Proxies should fill the Attendance Slip for attending the meeting. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID number and those who hold shares in Physical Form are requested to write their Folio Number in the Attendance Slip for attending the meeting.
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. The Register of Members and the Share Transfer Books of the Company will remain closed from 18th September, 2009 to 23rd September, 2009 (both days inclusive).
8. Documents, if any, referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company on all working days, except Saturdays between 11.00 A.M. and 1.00 P.M. upto the date of the Annual General Meeting.
9. Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
10. Consequent upon the introduction of the Section 109A of the Companies Act, 1956 shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nomination, are requested to send their request in Form 2B (which will be made available on request) to the Registrar and Share Transfer Agent.

**DIRECTORS' REPORT**

Your Directors have pleasure in presenting the Sixteenth Annual Report to the members together with the Audited Accounts for the financial year ended 31st March, 2009.

SOCIO-ECONOMIC ENVIRONMENT

The global meltdown has had an impact on the Indian Economy which was on the growth path over the last 5 years with increase in foreign exchange reserves and GDP. India's GDP registered a growth of 6.7% during FY09 as against 9% during FY08. While agriculture sector registered a growth of 1.6% during FY09, industry & services sectors grew by 3.88% and 9.67% respectively. During the fourth quarter of FY09, India's GDP grew by 5.8% (y-o-y) as against 8.6% during Q4 FY08.

Your Company remains committed to all social and economic objectives and continue to enlarge its contribution wherever possible.

FINANCIAL RESULTS

	Year ended 31st March, 2009 Rs. in lacs	Year ended 31st March, 2008 Rs. in lacs
Profit/(Loss) Before Tax	(1759.12)	(225.61)
Less: Provision for taxation:	54.19	30.65
Profit/(Loss) After Tax	(1704.93)	(194.96)
Less: Balance Brought forward from last year	—	3.07
Amount available for Appropriation	(1704.93)	(191.89)

APPROPRIATIONS

Balance carried to Balance Sheet	(1704.93)	(191.89)
	<u>(1704.93)</u>	<u>(191.89)</u>

Disclosure relating to Discontinuing Operations

Loss Before Taxation from Continuing Operations	(678.96)	—
Less: Provision for Taxation	4.59	—
Loss After Tax from Continuing Operations	(674.37)	—
Loss Before Taxation from Discontinuing Operations	(1080.16)	—
Less: Provision for Taxation	49.60	—
Loss After Tax from Discontinuing Operations	<u>(1030.56)</u>	<u>—</u>

Due to the reasons stated at Point I & II under 'Review of Operations' below, the Profit & Loss Figures for the current year have been segregated into Continuing Operations & Discontinuing Operations as laid down under Accounting Standard – 24 issued by the Institute of Chartered Accountants of India. This being the first year, figures of the previous year have not been segregated.

DIVIDEND

Owing to the loss incurred during the year, your Company did not consider it prudent to recommend any dividend for the year under review.

REVIEW OF OPERATIONS

The operating results of the current year were negatively impacted owing to the following reasons:-

1. The Company is not carrying out any tea manufacturing activity at its unit located in Ooty, Tamilnadu, since August, 2008, due to the fact that the Tea Board of India has revoked the factory's registration under the provisions



- of Tea (Marketing) Control Order, 2003 issued under the provisions of the Tea Act, 1953.
- II. The Company, therefore, decided to change its business model from manufacturing to trading in tea. Moreover, in order to generate Working Capital as well as reduce Borrowings, the Board decided to sell, lease or otherwise dispose of – a) the residual land of 6.95 acres including the tea factory at Ooty along with all fixed assets such as plant, machinery, estate and development, etc. which are directly or indirectly required to run the factory, and b) the Corporate Office Building of the Company at Kolkata. The proposal had been duly approved by Shareholders under Section 293(1)(a) by means of Postal Ballot in December, 2008. The sale is yet to be finalized.
 - III. Loss of Turnover and under-recovery of expenses, including depreciation and interest, resulted in high operating losses.
 - IV. The Company's borrowing from State Bank of India was restructured twice. Once the working capital credit facilities and term loans were converted to Working Capital Term Loan. Next the interest on Working Capital Term Loan was also converted into Working Capital Term Loan. The total amount of Working Capital Term Loan as on date amounted to Rs. 11,27,00,000/-. Now the amount is required to be paid in 3 quarterly installments starting from September, 2009.
 - V. The major areas where the Company suffered losses were as follows:-
 1. Foreign Exchange Loss of Rs 3.85 crore owing to weakening of the Rupee against the US Dollar and particularly since Exports were discontinued after Closure of operations at the Ooty Factory in August 2008.
 2. Since the factory operations have remained closed since August 2008, tea stocks have deteriorated particularly since tea is a perishable commodity. Moreover, stock of firewood and packing materials have been subject to damage and obsolescence. Therefore, write off of Rs. 557.62 lac has been made against the above stocks.
 3. The normal operations of the Company's wholly owned subsidiary Neelkanth Tea Company Ltd. (NTCL), has become unviable due to continuous losses being incurred by the Company. Hence, the Board had to sell-off the Company's entire investments in NTCL. The total impact of the loss on account of the Sale amounted to Rs 4.30 crore.
 4. In addition to the above, finance cost of Rs 1.10 crore and depreciation of Rs 1.20 crore have contributed to increasing the losses.

ACTION PLAN

In 2009-10, action plan has been put in place to ensure that costs are reduced, turnover enhanced and over-all margin increased:-

- Your Company is required to give notice that it is coming under the purview of BIFR, owing to erosion of more than 50% of its net worth.
- As had been mentioned in the previous year, out of the 46.95 acres of land owned and occupied by the tea division of the Company at its Ooty factory, such portion of the vacant land measuring approximately 40 acres, with a little more or less, which was unutilized and unproductive is in the process of being sold for which shareholders approval has been obtained by the Company. Your Company has till June 2008, received an advance of about Rs. 778.67 lacs. Owing to the downturn in the Real Estate market the buyer is unable to finalize the Sale but it is expected that the transaction will be completed at the earliest. At the same time, your Company is endeavouring to finalize the sale of the Company's Head Office Building in Kolkata as well as the Factory at Ooty. Once these transactions are completed the liquidity position of the Company will improve substantially and the business model of trading can start in full swing.

SIGNIFICANT DEVELOPMENTS

The shareholders might recall that during the previous year it was reported that the sale of approximately 40 acres of unutilized and unproductive land at Ooty factory, for which shareholders approval had already been obtained earlier, was expected to be concluded within the year 2008-09. But due to the sudden economic downturn the sale could not be completed. Your directors' are hopeful of completing the deal during the current year.

Besides the above, shareholders approval was also obtained through postal ballot means to sell, lease or otherwise dispose of a) the factory including land of approximately 6.95 acres at Ooty, and b) the Corporate Office at Kolkata. Your directors' are hopeful of completing the deal during the current year.

Upon completion of the above transactions the liquidity position of the Company will improve substantially and the business model of trading can start in full swing.



In the earlier year's report, your Directors proposed the merger of Neelkanth Tea Company Limited, the then subsidiary of your company, with Beeyu Overseas Limited, subject to obtaining requisite approvals. Subsequently, the operations of Neelkanth Tea Company Limited became unviable and had adversely impacted the liquidity position of the Company and hence to ensure smooth operations of Beeyu Overseas Limited, it was decided to dispose of the investment held by the Company in Neelkanth Tea Company Limited. Your Directors are glad to inform that the same had since been completed and the effect of the same has been given in the books of account during the year under review.

DIRECTORS

During the period under review, Mr. Sharat Kumar Jain and Mr. Ravi Singh resigned as Directors from your Company. Your Directors would like to record their sincere appreciation for the valuable services rendered by them during their tenure as Directors.

In terms of Article 142/143 of the Articles of Association of the Company, Mr. Birendra Pratap Singh and Mrs. Usha Singh shall retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. Brief particulars and expertise of these Directors have been given in the Notice of the Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed with no material departures;
- (ii) 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 and of the profit or loss of the Company for that period;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the annual accounts have been prepared on a going concern basis.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement, a Report on Corporate Governance together with the Auditors' Compliance Certificate and Management Discussions and Analysis Report is annexed to this Annual Report.

SUBSIDIARY COMPANY

As reported elsewhere in this report that as of 31st March, 2009, Neelkanth Tea Company Limited no longer remained the subsidiary of the Company. However, in accordance with Accounting Standard 21, Consolidated Financial Statement, the Consolidated Financial Statement has been prepared incorporating the accounts of Neelkanth Tea Company Limited till the date of sale of investment i.e., 18th March, 2009 which forms part of this Report and Accounts. Since Section 212 of the Companies Act, 1956, is not applicable, statement as required under the said section is not annexed.

JOINT VENTURE WITH TATA COFFEE LIMITED

During the year under review, Beeyu Overseas Limited has divested its entire holding of 3,300 equity shares in Alliance Coffee Limited and therefore Beeyu Overseas Limited ceased to have any interest, whether directly or indirectly, in the joint venture. However, the extent of Company's interest in Joint Venture pursuant to Accounting Standard 27, till its divestment, is reported in Notes to the Accounts. It also forms part of the Consolidated Financial Statement.

DELISTING OF SECURITIES FROM SOME STOCK EXCHANGES

During the period under review, the Company's securities were delisted from the Calcutta Stock Exchanges and Inter-connected Stock Exchange of India Limited, Navi Mumbai respectively. The Company's securities shall however continue to remain listed on The Bombay Stock Exchange Limited and Coimbatore Stock Exchange Limited.

**INVESTORS EDUCATION & PROTECTION FUND**

There were no amount due for deposit to the Investors Education and Protection Fund Account set-up by the Central Government, pursuant to the provisions of Section 205C of the Companies Act, 1956.

However, unpaid / unclaimed dividend shown in the following table shall be deposited as and when they become due.

Financial Year to which the dividend relates	Date of Declaration of Dividend	Last date for claiming dividend	Due Date for transfer to IEPF Account of the Central Government
2001-02	27.09.2002	26.09.2009	26.10.2009
2002-03	20.09.2003	19.09.2010	19.10.2010
2003-04	06.09.2004	05.09.2011	05.10.2011
2004-05	14.06.2005	13.06.2012	13.07.2012

Members who have not so far encashed their dividend warrant(s) are requested to seek issue of duplicate warrant(s) / revalidation of the existing warrants by writing at the Company's Corporate Office at 'Beeyu House', 64A, Ballygunge Circular Road, Kolkata - 700 019 immediately. Members are requested to note that no claims shall lie against the Company or the said Fund in respect of any amounts which were unclaimed and unpaid for a period of seven years from the dates that they first became due for payment as set out in column 3 above and no payment shall be made in respect of any such claims.

POSTAL BALLOT

Postal ballot was conducted by the Company in December 2008, to obtain shareholders approval to sell, lease or otherwise dispose of a) the factory including land of approximately 6.95 acres at Ooty, and b) the Corporate Office at Kolkata. The result of the postal ballot is carried in the Corporate Governance Report. The Directors thank the shareholders for reposing faith in the Management and giving overwhelming majority for the resolutions passed through it.

AUDITORS

M/s Price Waterhouse, Chartered Accountants, the Statutory Auditors of the Company, retires as the Auditors on conclusion of the forthcoming Annual General Meeting. They have expressed their unwillingness to be re-appointed.

The Board has therefore decided to appoint H. K. Agrawal & Co., Chartered Accountants, 125, Netaji Subhas Road, 5th Floor, Kolkata - 700 001, as the Statutory Auditors of the Company, to replace M/s Price Waterhouse. The Company has received letter from them to the effect that their appointment, if made, would be within the prescribed limits under Section 224(1-B) of the Companies Act, 1956. Necessary resolution for appointment of H. K. Agrawal & Co., as Statutory Auditors of the Company is carried in the AGM Notice of the Company. Accordingly, their appointment is recommended by the Board of Directors.

AUDITORS' OBSERVATIONS

Clarifications to the auditors' qualification/other reservations in their Audit Report dated 7th July, 2009:-

- i) company's current liabilities exceeding its current assets;
- ii) the company has not repaid the principal amount within the stipulated period and has failed to pay interest on term loan to the Bank during the year ended 31st March, 2009;
- iii) provision not made towards the liability of Income Tax pursuant to the order passed by the Income Tax Appellate Tribunal;



- iv) Comparative information of prior period segregating assets, liabilities, revenue, expenses and cash flow of continuing and discontinuing operation have not been disclosed as per the disclosure requirement of AS-24.

Directors' comments on the auditors' qualification/ other reservations as above:-

- i) since the factory is closed, no operations are being carried out at present. Due to this abnormal situation, current liabilities have exceeded current assets. The situation will normalize once the factory assets at Ooty and Corporate Office Building are sold out and normal business operations get started.
- ii) the loan has since been restructured by the Bank and that the first installment relating to the principal amount shall become due for payment in September, 2009.
- iii) although the liability of income tax is certain as at year end to the extent of disallowance, the provision has not been made in the books considering the fact that impact of partly allowed appeal is unascertainable from the ITAT order. Further, no demand has been raised till date on the ground of such ITAT order.
- iv) This being the first year of discontinuing operations, figures of the previous period have not been disclosed.

PARTICULARS OF EMPLOYEES

None of the employees of the Company receives remuneration requiring any disclosure to be made under Section 217(2A) of the Companies Act, 1956 read with The Companies (Particulars of Employees) Rules, 1975 as amended, hence particulars are not annexed.

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

The particulars in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo are annexed hereto and form part of this report.

ACKNOWLEDGEMENT

Your Directors take this opportunity to thank individually each and every of its most valued customers for their continued confidence in the Company and request for their continued patronage and support to the Company.

Your Directors wish to place on record their appreciation of the services rendered by the executives, staff and workers at all levels and hope they shall continue to serve the Company with greater dedication and sincerity.

Your Directors also acknowledge the co-operation and support received from its Shareholders, the Company's Bankers and various departments and agencies of the Central and State Governments.

Place: Kolkata
Date: 18th August, 2009

For and on behalf of the Board
B.P.Singh
Chairman & Managing Director

**ANNEXURE TO THE DIRECTORS' REPORT**

Additional particulars pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2009.

Conservation of Energy :

Energy conservation and energy consumption was constantly monitored and maintenance systems were regularly improved to reduce energy losses.

Specific Energy Conservation Measures :

Adequate steps were taken that resulted in an improvement in electricity consumption.

Total energy consumption and energy conservation per unit of produce:

As per Form A hereunder.

FORM — A
FORM FOR DISCLOSURE OF PARTICULARS WITH REGARD TO
CONSERVATION OF ENERGY

A. Power and Fuel consumption :

		Current Year 1-4-2008 to 31-3-2009		Previous Year 1-4-2007 to 31-3-2008	
1.	Electricity				
(a)	Purchased				
	Unit	KWH	8,79,256	KWH	15,24,232
	Total Amount	Rs.	47,05,347	Rs.	85,75,316
	Rate/Unit	Rs.	5.35	Rs.	5.63
(b)	Own Generation				
(i)	Through Diesel Generator				
	Units	KWH	58,214	KWH	1,09,520
	Units/Litre of LDO	KWH/ltr	2.60	KWH/ltr	2.45
	Cost/Unit	Rs.	13.83	Rs.	13.85
(ii)	Through Steam Turbine	—	—	—	—
2.	Gas				
	Quantity	Kgs	—	Kgs	—
	Total amount	Rs.	—	Rs.	—
	Average rate	Rs/kgs	—	Rs/kgs	—
3.	Fire Wood				
	Quantity	Kgs	23,87,865	Kgs	38,04,140
	Total amount	Rs.	74,85,193	Rs.	96,30,273
	Average rate	Rs/kgs	3.13	Rs/kgs	2.53

**B. Consumption per unit of production :**

Standards	Current Year 1-4-2008 to 31-3-2009	Previous Year 1-4-2007 to 31-3-2008
Electricity There was no specific standard as the consumption per unit depended on the quality of leaf and the type of tea produced	0.77 units	0.83 units
Firewood	2.10 kgs	2.07 kgs

RESEARCH AND DEVELOPMENT (R&D)

The Company's manufacturing process ran for only part of the year, hence no research and development activities could be undertaken.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION**1. Efforts in brief made towards technology absorption, adaptation and innovation:**

Not much activity could be undertaken on this front as because the Company's manufacturing process ran for only part of the year.

2. Benefits derived as a result of the above efforts:

None.

3. Imported Technology:

None.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Earnings and outgo of Foreign Exchange as detailed in Notes and in Schedule 19 to the Accounts were as under:

	Current Year 1.4.2008 to 31.3.2009	Previous Year 1.4.2007 to 31.3.2008
Foreign Exchange Earnings:	3,88,97,062	14,28,94,077
Foreign Exchange Outgo:	NIL	1,59,672

Place: Kolkata
Date: 18th August, 2009

For and on behalf of the Board
B.P.Singh
Chairman & Managing Director

**REPORT ON CORPORATE GOVERNANCE****Company's Philosophy**

Your Company believes that any meaningful policy on Corporate Governance must provide executive freedom to the management to drive the enterprise forward without undue hindrance and simultaneously create a framework of effective accountability within which the freedom of management is to be exercised so that the decision making power vested in the executive management is used with care and responsibility to meet stakeholders' aspirations and expectations of Society. These core principles form the cornerstone of the corporate governance philosophy of your Company, namely trusteeship, transparency, empowerment and accountability, control and ethical corporate citizenship. Your Company believes that the practice of each of these leads to the creation of right corporate culture that enables the Company to be managed in a manner that fulfills the purpose of Corporate Governance.

Board of Directors**i) Composition**

Your Board comprises an optimal complement of independent professionals as well as Company Executives having in-depth knowledge of the business of the industry. It represents an optimum mix of professionalism, knowledge and experience. The size and composition of the Board conform to the requirements of the Corporate Governance Code under the Listing Agreement with the Stock Exchanges.

The Board of Directors of your Company as on 31st March, 2009 consisted of eight directors as under:

- Three Executive Directors out of which two are promoters including the Chairman
- One Non-Executive Promoter Director
- Four Non-Executive Independent Directors.

ii) Conduct of Board Proceedings, Attendance at the Board Meetings/last AGM etc.

In terms of the Company's Corporate Governance Policy, all statutory and other significant material information are placed before the Board to enable it to discharge its responsibilities of strategic supervision of the Company as trustees of the Shareholders.

During the Financial Year under review, six Board Meetings were held on the following dates:

30.06.2008

31.07.2008

30.10.2008

25.11.2008

06.02.2009

24.02.2009

None of the Directors on the Board holds the office of director in more than 15 companies or memberships in committees of the Board in more than 10 committees or Chairmanship of more than 5 committees. The attendance of the directors at the Board Meetings held during the year is given here under. It also shows details on the number of Directorships and Committee Chairmanships / Memberships held by them in other companies excluding directorships/ memberships held in private limited companies, foreign companies, membership of managing committees of various chambers/bodies and alternate directorships. Further, only two committees viz. the Audit Committee and the Shareholders' Grievance Committee have been considered for this purpose.

Composition and Category of Directors

Name of the Directors	Category	Attendance at		Directorships and Chairmanship/ Membership of Board Committees in other public limited companies		
		Board meetings out of 6 held	The last AGM held on 13.09.2008	Directors	Committee Membership including Chairmanship	Committee Chairmanship
Mr. B.P. Singh	Executive Chairman	2	Present	—	—	—
Mr. R. Singh (1)	Non-Executive & Non-Independent	5	Present	1	—	—



Composition and Category of Directors (Contd.)

Name of the Directors	Category	Attendance at		Directorships and Chairmanship/ Membership of Board Committees in other public limited companies		
		Board meetings out of 6 held	The last AGM held on 13.09.2008	Directors	Committee Membership including Chairmanship	Committee Chairmanship
Ms. R Singh	Wholetime Director	0	Absent	—	—	—
Mr. F J Kapadia	Wholetime Director	6	Absent	—	—	—
Mrs. U Singh	Non-Executive	0	Present	—	—	—
Mr. H Parekh	Non-Executive & Independent	5	Absent	7	3	1
Mr. A Bose	Non-Executive & Independent	6	Absent	—	—	—
Mr. S K Jain (2)	Non-Executive & Independent	6	Absent	—	—	—
Mr. B K Banerjee	Non-Executive & Independent	3	Absent	—	—	—
Mr. R G Bhattacharjee (3)	Non-Executive & Independent	5	Absent	—	—	—

1. Ceased to be a Director of the Company w.e.f. 25.03.2009.
2. Ceased to be a Director of the Company w.e.f. 16.03.2009.
3. Appointed as a Director of the Company w.e.f. 30.06.2008.

Board Committees

There are three committees of the Board viz., the Audit Committee, the Investors' Grievance Committee and the Share Transfer Committee. Setting-up of a Remuneration Committee being a non-mandatory requirement has been done away with. However, the same shall be set-up as and when the need arises. The terms of reference of the Board Committees are determined by the Board from time to time. Minutes of Board Committee meetings are placed for the information of the Board. Matters requiring the Board's attention/approval are placed before the Board by the respective Committees. The role and composition of these Committees, including the number of meetings held during the financial year and the related attendance of the Members, are provided below:

Audit Committee

As on 31st March, 2009, the Audit Committee of the Board consisted of three Directors namely Mr. Harish Parekh, Mr. Arabinda Bose and Mr. Ram Gopal Bhattacharjee. Mr. Harish Parekh, the Chairman of the Committee is a Non-Executive Independent Director having accounting and financial management expertise besides possessing vast experience in the field of manufacture and marketing of tea and is considered an expert in Tea all over India. Mr. Parekh is an Ex-Chairman of J. Thomas & Co. Ltd. and is currently on the Board of several Companies. All members of the Audit Committee are Non-Executive & Independent Directors. Mr. M.K. Dutia, GM (Finance) & Company Secretary acted as the Secretary of the Committee.

The Audit Committee met five times on 30.06.2008, 31.07.2008, 25.11.2008, 06.02.2009 and 24.02.2009 respectively. The attendance of each member at the Audit Committee Meetings is given hereinbelow. The Executive Chairman of the Company, the Director responsible for the finance function and representative of the Statutory Auditors and the Internal Auditors are Permanent Invitees to the Audit Committee.



Attendance of each member at the Audit Committee Meetings held during the year

Name of the Committee Member	No. of Meetings attended
Mr. Harish Parekh	
Mr. Arabinda Bose	4
Mr. Sharat Kumar Jain (1)	5
Mr. Ram Gopal Bhattacharjee (2)	5
	0

1. Ceased to be a Member of the Audit Committee w.e.f. 16.03.2009.
2. Appointed as Member of the Audit Committee w.e.f. 27.03.2009.

The role and terms of reference of the Audit Committee are in accordance with all the items listed in Clause 49(II) of the Listing Agreement with the Stock Exchanges and in Section 292A of the Companies Act, 1956. Brief description of the terms of reference of the Audit Committee are as follows:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of Clause (2AA) of Section 217 to the Companies Act, 1956.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
6. Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
8. Discussing with internal auditors any significant findings and follow up thereon.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
12. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
13. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Shareholders' Grievance Committee

There are two committees by the name of Investors' Grievance Committee and Share Transfer Committee.



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

To oversee redressal of shareholder and investor grievances and approval of transfer / transmission / sub-division / rematerialisation of shares, issue of duplicate share certificates etc.

Four meetings of the Investors' Grievance Committee were held during the financial year on 03.06.2008, 17.07.2008, 25.10.2008 and 17.02.2009 respectively.

Attendance of each member at the Investors' Grievance Committee Meetings held during the year

Name of the Committee Member	No. of Meetings attended
Mr. Arabinda Bose	4
Mr. B P Singh	4
Mrs. Usha Singh	4

Mr. M.K. Dutia, GM (Finance) & Company Secretary is the Compliance Officer.

Likewise, seven meetings of the Share Transfer Committee were held during the financial year on 30.04.2008, 16.06.2008, 15.07.2008, 06.08.2008, 25.09.2008, 30.01.2009 and 16.03.2009 respectively.

Attendance of each member at the Share Transfer Committee Meetings held during the year

Name of the Committee Member	No. of Meetings attended
Mr. B. P. Singh	1
Mr. Ravi Singh	7
Mr. F J. Kapadia	7

Mr. M.K. Dutia, GM (Finance) & Company Secretary is the Compliance Officer.

During the year under review, the Share Transfer Committee was re-constituted on 27th March, 2009 on the resignation of a director Mr. Ravi Singh, who was a member of this Committee. Mrs. Usha Singh was appointed as a member of this Committee in his place.

The details of complaints received and attended to during the year are given below:

a. No. of complaints received from shareholders	:	3
b. No. of complaints resolved / redressed	:	3
c. No. of complaints pending as on 31st March, 2009	:	Nil

No investors grievances remained unattended/pending for more than 30 days and no requests for share transfers and dematerialisation received during the financial year were pending for more than two weeks.

Remuneration Committee

No meeting of the Remuneration Committee was held during the year under review.

Attendance of each member at the Remuneration Committee Meetings held during the year

Since no meetings were held, there is no information relating to the attendance of the members.

Terms of reference

The Remuneration Committee of the Company, *inter alia*, recommends to the Board of Directors, the compensation terms of Executive Directors and senior-most level of management immediately below the Executive Directors.



The terms of reference are:

- i. To determine the Remuneration Policy for the Executive Directors and Senior Executives by way of salary and perquisites,
- ii. To periodically review the Remuneration Policy.

The objectives of the Remuneration Policy of the Company are to motivate employees to excel in their performance, recognize their contribution, retain talent in the organization and provide exposure for their upliftment.

The details of remuneration of the Directors during the year are as follows:

Executive Directors:

Name	Remuneration			Total
	Salary	Perquisites	Retirement Benefits	
Mr. B. P. Singh	11,10,000	1,50,553	1,33,200	13,93,753
Ms. Rajinie Singh	5,10,000	3,33,835	1,37,700	9,81,535
Mr.F.J.Kapadia	6,00,000	4,55,009	1,62,000	12,17,009
Total	22,20,000	9,39,397	4,32,900	35,92,297

Notes:

i. Service Contracts, Severance Fees and Notice Period.

The appointment of Executive Directors is governed by resolutions adopted by the Board of Directors and the shareholders of the Company, which covers the terms and conditions of such appointment read with the service rules of the Company. Separate Service Contracts have not been entered into by the Company with the Executive Directors.

There is no separate provision for payment of severance fee under the resolutions governing the appointment of the Managing Director and Whole-time Directors.

The resignation of Executive Directors becomes effective upon acceptance by the Board.

ii. Employees Stock Option Scheme:

The Company does not have any Stock Option Scheme.

iii. Performance Linked Incentives:

The Company has internal norms for assessing the performance of its senior executives including Whole-time Directors. The payments of such incentives require the approval of the Board.

Non-Executive Directors

Name	Sitting Fees
Mr. Ravi Singh	34,000
Mrs. Usha Singh	20,000
Mr. Harish Parekh	37,000
Mr. Arabinda Bose	67,000
Mr. S.K.Jain	47,000
Mr. B.K.Barnerjee	11,000
Mr. Ram Gopal Bhattacharjee	21,000
Total	2,37,000



General Body Meetings

Location and time of last three Annual General Meetings:

Sl. Annual General Meeting	Date, Time & Venue	Special Resolutions passed
1. 15th Annual General Meeting	13th September, 2008 at 6.00 p.m. Fulhara (Bhingachh), P.O. Ramganj, Block: Islampur, Dist: Uttar Dinajpur – 733 207, West Bengal	2
2. 14th Annual General Meeting	29th September, 2007 at 11.00 a.m. Fulhara (Bhingachh), P.O. Ramganj, Block: Islampur, Dist: Uttar Dinajpur – 733 207 West Bengal	2
3. 13th Annual General Meeting	26th September, 2006 at 10.00 a.m. 'Gyan Manch', 11, Pretoria Street, Kolkata – 700 071	None

The Special Resolutions were duly passed at the respective Annual General Meetings. Further, no special resolution requiring a postal ballot is being proposed for the ensuing AGM.

Postal Ballot was conducted during the year ended 31st March, 2009 for passing two resolutions, both under Section 293(1)(a). The procedures as prescribed in the Companies (Passing of Resolutions by Postal Ballot) Rules, 2001 were followed for passing the Resolutions by Postal Ballot. The results of postal ballot are given herein below:

RESULT OF THE VOTES CAST BY THE MEMBERS OF THE COMPANY BY WAY OF POSTAL BALLOT PURSUANT TO SECTION 192A OF THE COMPANIES ACT, 1956 (THE 'ACT') AS DECLARED ON THE 24TH DECEMBER, 2008 IN TERMS OF THE NOTICE DATED 29TH OCTOBER, 2008

Subject Matter		Result of Votes			Remarks
		No. of valid Postal Ballots Received	No. of Shares	% of Total Votes Cast	
Ordinary Resolution : Under Section 293(1)(a) of the Companies Act for obtaining consent of the shareholders to sell, lease or otherwise dispose of the factory including land of approximately 6.95 acres at Ooty.	In Favour	148	42,63,487	81.29	Passed with requisite majority
	Against	41	9,81,050	18.71	
Ordinary Resolution : Under Section 293(1)(a) of the Companies Act for obtaining consent of the shareholders to sell, lease or otherwise dispose of the Corporate Office at Kolkata.	In Favour	149	42,62,920	81.29	Passed with requisite majority
	Against	39	9,81,417	18.71	

Mr. Shyamal Bhattacharjee, a Practicing Company Secretary, was appointed as a Scrutinizer for conducting the Postal Ballot Voting Process.



Disclosures

(a) Related party transactions

The Company has not entered into transaction(s) of materially significant nature with its Promoters, Directors or the Management, their subsidiaries or relatives, etc. that have potential conflict with the interest of the Company at large.

Transactions with the related parties have been disclosed in Note 12 of Schedule 18 to the Accounts.

(b) Compliances by the Company

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed on the Company by Stock Exchanges, SEBI or any statutory authorities on matters related to capital markets, during the last three years.

(c) Whistle Blower Policy

Transparency forms an integral part of the Company's Corporate Philosophy and employees are encouraged to be guardians of the Code of Conduct and Ethics and to report any variance.

(d) Risk Minimization Policy

The Company has formulated risk minimization policy for the guidance of the Board Members to ensure that executive management controls risk through means of a properly defined framework. The same is being monitored from time to time to ensure that all identified risks are provided for adequately.

(e) Compliance with Mandatory requirements and adoption of Non-mandatory requirements

All mandatory requirements of the Corporate Governance Code have been complied with. Among the non-mandatory requirements, the same is reviewed by the Board periodically and the same is put in place when it is required. There is no formal whistle blower policy but no employee is denied access to the Audit Committee or to make any reference.

Particulars of appointment of new Directors and reappointment of Directors

This forms part of the Notice convening the Sixteenth Annual General Meeting.

Means of Communication

- a. The quarterly, half-yearly and annual results of the Company are generally published in prominent dailies such as 'Business Standard' in English and 'Dainik Statesman', in Bengali. Therefore, no separate communications are sent to the Shareholders. The results are also posted on the Company's website www.beeyuoverseas.com shortly after these are submitted to the Stock Exchanges.
- b. No presentations to the Shareholders, Institutional Investors or to Analysts have been made during the year under review.
- c. The "Management Discussion & Analysis Report" forms part of this Annual Report.

Code of Conduct

A Code of Conduct has been laid down by the Board. This code is derived from the fundamental principle on which Beeyu Overseas Limited's corporate philosophy is based, namely, trusteeship, accountability and ethical corporate citizenship and is applicable to all Directors, senior management and employees of the Company. This has been accepted by all Directors and Senior Executives and posted on the Company's website. Declaration of compliance thereof from the CEO and CFO has been attached to this Report.

Code of Conduct for Prevention of Insider Trading

Beeyu has a Code of Conduct for Prevention of Insider Trading in the shares of the Company. The Code, inter alia, prohibits purchase/sale of shares of the Company by employees while in possession of unpublished price sensitive information in relation to the Company. The code is available on the Company's website.



General Shareholder Information

16th Annual General Meeting

Date, Time & Venue : Wednesday, 23rd September, 2009 at 11.00 A.M.
Fulhara (Bhingachh), Post Office: Ramganj,
Block: Islampur, District: Uttar
Dinajpur – 733 207, West Bengal.

Financial Calendar (tentative) :

Unaudited Results for the First Quarter ended 30th June, 2009	On or before 31st July, 2009
Unaudited Results for the Second Quarter ended 30th September, 2009	On or before 31st October, 2009
Unaudited Results for the Third Quarter ended 31st December, 2009	On or before 31st January, 2010
Audited Results for the Financial Year ended 31st March, 2010	On or before 30th June, 2010

Date of Book Closure : 18th September, 2009 to 23rd September, 2009 (both days inclusive)

Dividend : The Board of Directors have not recommended any dividend for the year ended 31st March, 2009

Listing on Stock Exchanges : The Company's shares are listed on The Bombay Stock Exchange Limited (BSE).
Equity Shares of the Company have been delisted from the Calcutta Stock Exchanges w.e.f. 21st May, 2008 and from the Inter-connected Stock Exchange of India Limited (ISE) w.e.f. 15.05.2009.
Delisting of the Company's Equity Shares from the Coimbatore Stock Exchanges has been stayed pending order from the Madras High Court.
The annual listing fees for the year 2009-2010 have not been paid to the BSE.

Stock Code	Bombay Stock Exchange	532645 (Physical)
		INE 052B01011 (Demat)

Market Price Data :

	Month's High Price (Rs.)	Month's Low Price (Rs.)
April 2008	9.00	7.82
May 2008	9.70	7.60
June 2008	8.84	6.95
July 2008	7.99	6.50
August 2008	8.35	6.93
September 2008	8.00	5.20
October 2008	5.90	3.06
November 2008	4.49	3.54
December 2008	4.79	3.25
January 2009	4.68	3.10
February 2009	4.03	3.08
March 2009	3.42	2.40

**Registrar and Share Transfer Agent :**

Maheshwari Datamatics Pvt. Ltd.
6, Mangoe Lane (Surendra Mohan Ghosh Sarani),
2nd Floor, Kolkata - 700 001
Tel: (033) 2243 5809, 2248 2248
Fax: (033) 2247 4787
E-mail: mdpl@cal.vsnl.net.in; mdpl@vsnl.com.

Distribution of Shareholding as on 31st March, 2009

Shareholding	Number of Holders	Percentage	Number of Shares	Percentage
Upto 500	8433	77.14	1734459	12.27
501 to 1000	1286	11.76	1099273	7.77
1001 to 2000	564	5.16	918438	6.50
2001 to 3000	194	1.78	511527	3.62
3001 to 4000	97	0.89	353730	2.50
4001 to 5000	103	0.94	493884	3.49
5001 to 10000	152	1.39	1179958	8.34
10001 and above	103	0.94	7850184	55.51
Grand Total	10932	100.00	14141453	100.00

Statement showing Shareholding Pattern as on 31st March, 2009

Category	Number of Shares Held	Percentage of Shareholding
A. Shareholding of Promoter & Promoter Group		
a. Individuals/HUFs	4254220	30.08
B. Public Shareholding		
a. Bodies Corporate	813483	5.75
b. Indian Public	8341344	58.99
c. NRIs	732406	5.18
Grand Total	14141453	100.00

Share Transfer System :

The Share Transfer Committee approves the transfer and transmission of shares, issue of duplicate share certificates and allied matters. The share transfers received are processed within 15 days from the date of receipt, subject to the transfer instrument being valid and complete in all respects. Shares meant for the purpose of transfer/transmission in physical form, should be lodged at the office of the Company's Registrar & Share Transfer Agent at the address given above. An executive of the Company is authorized to approve the transfer/transmission of shares.

As required under Clause 47(c) of the Listing Agreement(s) entered into with the Stock Exchanges, a certificate is obtained every six months from a Company Secretary in Practice, inter-alia, confirming completion of transfer, transmission, sub-division, consolidation, renewal and exchange of equity shares within one month of their lodgment. The certificates are forwarded to the Stock Exchanges, where the equity shares are listed, within 24 hours of issuance.



Dematerialization of Shares:

The Company's scrips form part of the SEBI's Compulsory Demat segment for all investors. The Company has established connectivity with both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through the Registrar & Share Transfer Agent - Maheshwari Datamatics Pvt. Ltd.

Outstanding GDRs / ADRs / Warrants or any convertible instruments. etc.

The Company has not issued these types of securities.

Plant Location

Ooty Rural, Doddabetta Panchayat,
Near Government Cinchona Plantations,
Ooty - 643 002, Tamil nadu

Address for Correspondence :

Corporate Office

'Beeyu House'
64A, Ballygunge Circular Road,
Kolkata - 700 019
Tel: (033) 2280 9267/68/69
Fax: (033) 2280 9270
E-mail: co.sec@beeyuoverseas.com
beeyu@beeyuoverseas.com

Registrar and Share Transfer Agents

Maheshwari Datamatics Pvt. Ltd.
6, Mangoe Lane (Surendra Mohan Ghosh Sarani),
2nd Floor, Kolkata - 700 001
Tel: (033) 2243 5809, 2248 2248
Fax: (033) 2247 4787
E-mail: mdpl@cal.vsnl.net.in; mdpl@vsnl.com

Place: Kolkata
Date: 18th August, 2009

For and on behalf of the Board
B. P. Singh
Chairman & Managing Director



CEO AND CFO CERTIFICATION

We, B.P. Singh, Chairman and Managing Director (CEO) and F.J. Kapadia, Director Finance (CFO) certify that :-

- a) We have reviewed the financial statements and cash flow statement for the year ended 31st March 2009 and to the best of our knowledge and belief :
 - i) these statements do not contain any materially untrue statement or omit any material fact 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) To the best of our knowledge and belief, no transactions entered into by Company during the year ended 31st March, 2009 are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the Auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d)
 - i) There has not been any significant change in internal control over financial reporting during the year under reference;
 - ii) Significant changes in accounting policies during the year have been indicated to the Auditors and the Audit Committee and have been disclosed in the Notes to the Financial Statements;
 - iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place: Kolkata
Date: 18th August, 2009

B. P. Singh
Chairman & Managing Director (CEO)

F.J. Kapadia
Director - Finance (CFO)



Auditors' Certificate regarding compliance of conditions of Corporate Governance under Clause 49 of the Listing Agreement(s)

To the Members of Beeyu Overseas Limited

We have examined the compliance of conditions of Corporate Governance by Beeyu Overseas Limited, for the year ended March 31, 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges in India.

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

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

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

Place: Kolkata
Date: 18th August, 2009

PARTHA MITRA
Partner
Membership Number 50553
For and on behalf of
Price Waterhouse
Chartered Accountants



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Tea Market

2008 was the year in which production of tea in India increased by 36 mkg, viz. from 945 mkg in 2007 to 981 mkg in 2008. In both North and South India, average prices at the auction centers were higher compared to the previous year. Exports from India also increased from 179 mkg in 2007 to 196 mkg in 2008. Export price realization also increased from Rs 101.26 in 2007 to Rs 116.39 in 2008. Although globally production in Kenya fell by 24 mkg in 2008 compared to the previous year, the shortfall was made up by India and Sri Lanka.

Kenya, Sri Lanka and China remained the major exporters of tea in the world during 2008 with both quantity and price realization higher than those of India.

In the first quarter of 2009 the three major Producing countries, viz India, Kenya and Sri Lanka, have all been producing less than the previous year, which has had the impact of pushing up prices considerably, given the fact that there was inadequate carry forward stock available from the previous year.

Trend in auction prices in different Producing Countries of the World. (USD per Kg.)

Year	India	Kenya	Bangladesh	Sri Lanka	Indonesia
2005	1.32	1.47	1.21	1.84	1.04
2006	1.46	1.93	1.37	1.90	1.34
2007	1.62	1.66	1.17	2.51	1.33
2008	1.74	2.18	1.62	2.89	1.50

Projected figures of domestic consumption as well as per capita consumption projection for the years 2008, 2009 & 2010.

Year	Population (Million)	Domestic Consumption (M.Kgs.)	Per Capita Consumption (Gms. per head)
2008	1144.47	802	701
2009	1160.81	819	706
2010	1176.74	837	711

Indian Auction Centers Average Selling Price Comparison

Auction Centre	January to December							
	2008		2007		2006		2005	
	Qty. (Th.Kg.)	Avg. price (Rs./Kg.)	Qty. (Th.Kg.)	Avg. price (Rs./Kg.)	Qty. (Th.Kg.)	Avg. price (Rs./Kg.)	Qty. (Th.Kg.)	Avg. price (Rs./Kg.)
North India	381875	94.34	381744	73.55	364510	71.62	374808	63.61
South India	156069	66.27	132534	49.70	134562	50.79	135426	42.67
All India	537944	86.20	514278	67.40	499072	66.01	510234	58.05

As is evident from the above figures All India price realization in 2008 has shown an increase of 28% in 2008 compared to the previous year.

Discussion on financial performance with respect to operational performance

The year 2008-09 has been extremely difficult for your Company since operations at the Ooty Factory were suspended from 6th August 2008. Since there was no revenue from that date the Company incurred a loss. Moreover, the Company decided to change its business model from manufacturing to trading. Owing to inadequate Working Capital the business could not be started.



Outlook for 2009-10

For the period January to March 2009, prices of the Indian Auction Centers were as follows:

Auction Centre	January to March				Incr/(Decr) in 2009 over 2008 in quantity	Incr/(Decr) in 2009 over 2008 in price
	2009 (P)		2008			
	Qty. (Th.Kg.)	Avg. price (Rs./Kg.)	Qty. (Th.Kg.)	Avg. price (Rs./Kg.)		
Kolkata	32521	89.13	23296	74.55	9225	14.58
Guwahati	23076	82.33	20874	68.09	2202	14.24
Siliguri	16733	79.24	15286	64.52	1447	14.72
North India	72330	84.67	59456	69.70	12874	14.97
Cochin	12678	83.19	13409	59.44	(-) 731	23.75
Coonoor	9381	69.61	9691	53.56	(-) 310	16.05
Coimbatore	5815	71.32	5703	54.14	112	17.18
Tea Serve	2920	67.94	2947	51.46	(-) 27	16.48
South India	30794	75.37	31750	55.95	(-) 956	19.42
All India	103124	81.89	91206	64.91	11918	16.98

It will be noted from the above details that supply has increased by 12874 Th.kgs. in North India and the average price realization increased by Rs.14.97 per kg. In South India, dispatches decreased by about 956 Th.kgs. but the average price realization has increased by Rs.19.42 per kg. Overall in India the supply has increased by 11918 Th.Kgs. and the average price realization has increased by Rs.16.98 per kg. It is anticipated that this trend will continue for the next few months of 2009. The Incentive Schemes of the Tea Board for replanting/rejuvenation through the Special Purpose Tea Fund as well as for quality upgradation are also having favourable impact on the industry by reducing cost.

Internal Control Systems and their Adequacy

Your Company continues to stress on higher quality of internal control systems ensuring appropriate checks and balances at all operational levels. The environment has ensured control for assurance on the efficiency of operations and security of assets. The Company also has a well established internal audit procedure which conducts audits on operational as well as statutory requirements on quarterly basis which ensures that all policies and regulatory requirements are met under strict control. Systems and procedures are reviewed regularly to ensure effectiveness.

Material developments in Human Resources/Industrial Relations front

The Company continues to enjoy extremely harmonious relationship at all its locations and continues to stress on special beneficial projects and welfare schemes.

Your Company remains a responsible corporate social citizen. Stress to environment safety and health form part of the procedures established by the Company. However, owing to the closure of operations at the Ooty Factory, most of the employees and workers have resigned and left the services of the company.

Cautionary statement

Any statement made in the Management Discussion and Analysis Report relating to Company's objectives, projections, outlook, expectations, estimates etc. may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections etc., whether express or implied. Several factors could make a significant difference to the Company's operations. These include climatic conditions, economic conditions affecting demand/supply, Government regulations and taxation, natural calamity etc. over which the Company does not have any direct control. Data on industry production and consumption contained in this Report have been based on information gathered from various published and unpublished reports, and their accuracy, reliability and completeness cannot be assured.

Place: Kolkata
Date: 18th August, 2009

For and on behalf of the Board
B. P. Singh
Chairman & Managing Director

**AUDITORS' REPORT**

To
The Members of
BEEYU OVERSEAS LIMITED

1. We have audited the attached Balance Sheet of Beeyu Overseas Limited, as at March 31, 2009, and the related Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us during the course of our audit, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. We report that
 - a) *The company has incurred a loss of Rs 170,492,719 for the year ended as on 31st March 2009. As at 31st March 2009, the company's current liabilities exceeded the current assets by Rs 75,192,005 and it has not repaid principal amount within the stipulated period and failed to pay the interest on Term Loans to a bank during the year ended 31st March 2009. Also as stated in note 5 of the Schedule 19, the Tea Board of India has revoked the Company's factory's registration under the provisions of Tea (Marketing) Control Order, 2003 issued under the provisions of the Tea Act, 1953, against which the company has not appealed to Central Government. In view of what has been stated above, we are unable to comment whether the company will be able to continue as a going concern.*
 - b) *As indicated to in note 4 of Schedule 19, no provision has been made towards the liability of Income Tax pursuant to the order passed by Income Tax Appellate Tribunal, the amount of which has not been ascertained.*
 - c) *Comparative information of prior period segregating assets, liabilities, revenue, expenses and cash flow of continuing and discontinuing operation have not been disclosed as per the disclosure requirement of Accounting Standard - 24 on "Discontinuing Operation" of the Institute of Chartered Accountant of India.*
5. We further report that:
 - (a) *Subject to our remark in 4(c) above, we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;*
 - (b) *In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;*
 - (c) *The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;*
 - (d) *Subject to our remark in 4(c) above, in our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act;*
 - (e) *On the basis of written representations received from the directors, as on March 31, 2009 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;*



(f) In our opinion and to the best of our information and according to the explanations given to us *subject to our remark in paragraph 4 above*, the said financial statements together with the notes thereon and attached thereto give in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Balance Sheet, of the state of affairs of the company as at March 31, 2009;
- (ii) in the case of the Profit and Loss Account, of the loss for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

PARTHA MITRA

Partner

Membership Number 50553

For and on behalf of

Price Waterhouse

Chartered Accountants

Place: Kolkata
Date: 7th July, 2009



ANNEXURE TO AUDITORS' REPORT

[Referred to in paragraph 3 of the Auditors' Report of even date to the members of Beeyu Overseas Limited on the financial statements for the year ended March 31, 2009]

1. a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets..
b) The fixed assets of the company have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the company during the year.
2. a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
c) On the basis of our examination of the inventory records, in our opinion, the company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
3. a) The company has granted unsecured loans, to wholly owned subsidiary company covered in the register maintained under Section 301 of the Act. The maximum amount involved during the year and the year-end balance of such loans aggregates to Rs. 36,763,975/- and Rs Nil respectively.
b) In our opinion, the rate of interest and other terms and conditions of such loans are not prima facie prejudicial to the interest of the company.
c) The company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Act.
4. In our opinion and according to the information and explanations given to us, having regard to the explanation that certain items purchased are of special nature for which suitable alternative sources do not exist for obtaining comparative quotations, there is an adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
5. a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section.
b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees Five Lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
7. In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
8. We have broadly reviewed the books of account maintained by the company in respect of products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of Section 209 of the 'Act' and are of the opinion that *prima facie*, the prescribed accounts and records have been made and maintained. We have not, however made a detailed examination of the records with a view to determine whether they are accurate and complete.



- 9 a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is generally regular in depositing undisputed statutory dues including, investor education and protection fund, employees' state insurance, income tax, wealth tax, service tax, customs duty, excise duty and other material statutory dues as applicable with the appropriate authorities except dues in respect of provident fund, sales tax & cess. The extent of arrears of such statutory dues outstanding as at 31st March, 2009 for a period of more than six months from the date they became payable are as follows :-

Nature of Dues	Amount (Rs)
Provident Fund	49,080
Cess on Made Tea	32,634
Sales Tax	67,653

- b) According to the information and explanations given to us and the records of the company examined by us, the particulars of dues of income-tax as at 31.03.2009 which have not been deposited on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Amount (Rs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act 1961	Income tax on export benefit	6,098,081	2003-2004 2004-2005 2005-2006	Commissioner of Income Tax Appeals IV- kolkata
Income Tax Act 1961	Income tax on export benefit	277,248	2006-2007	Assessing Officer

10. In our opinion, the company's accumulated losses as at 31st March 2009 is more than 50% of its net worth. The company has incurred cash loss during the current year and also in the immediately preceding financial year.
11. According to the records of the company examined by us and the information and explanation given to us, the company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date. Other than dues of principle amount to a bank for the period of 18 days amounting Rs. 264.00 lacs and overdues interest of Rs. 36.29 lacs as at Balance Sheet date.
12. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the company.
14. In our opinion, the company is not a dealer or trader in shares, securities, debentures and other investments.
15. In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the company, for loans taken by others from banks or financial institutions during the year, are not prejudicial to the interest of the company.
16. In our opinion, and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained.
17. On the basis of an overall examination of the balance sheet of the company, in our opinion and according to the information and explanations given to us, fund raised on a short-term basis have, to the extent of Rs. 1857.30 lacs been utilised for long term investment (mainly fixed assets).
18. The company has not made preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.



19. The Company has not issued any debenture during the year and accordingly the question of security or charge does not arise.
20. The company has not raised any money by public issues during the year.
21. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.
22. The other clauses, (iii)(c), (iii)(d), of paragraph 4 of the Companies (Auditor's Report) Order 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, are not applicable in the case of the company for the current year, since in our opinion there is no matter which arises to be reported in the aforesaid order.

Place: Kolkata
Date: 7th July, 2009

PARTHA MITRA
Partner
Membership Number 50553
For and on behalf of
Price Waterhouse
Chartered Accountants



Balance Sheet as at 31st March, 2009

	Schedule	As at 31st March, 2009 Rs.	As at 31st March, 2008 Rs.
I. SOURCES OF FUNDS			
1. Shareholders' Fund			
Share Capital	1	141,517,285	141,517,285
Reserves & Surplus	2	43,201,874	57,212,572
2. Loan Funds			
Secured Loans		184,719,159	198,729,857
Unsecured Loans	3	106,821,501	112,062,878
3. Deferred Taxation			
(Refer Note 11 in Schedule 19)	4	3,716,035	5,583,800
		<u>295,256,695</u>	<u>316,376,535</u>
II. APPLICATION OF FUNDS			
1. Fixed Assets			
Gross Block	5	291,715,156	291,822,866
Less: Depreciation		81,049,222	70,807,240
Net Block		210,665,934	221,015,626
Capital Work in Progress		—	1,290,665
2. Investments			
	6	210,665,934	222,306,291
3. Current Assets Loans & Advances			
Inventories	7	—	35,084,812
Sundry Debtors	8	—	64,736,209
Cash and Bank Balances	9	1,764,323	3,222,777
Loans & Advances	10	13,777,196	2,324,073
		15,541,519	48,460,020
Less: Current Liabilities & Provisions			
Liabilities	11	90,559,239	118,743,079
Provisions		174,285	64,881,466
		90,733,524	229,000
Net Current Assets		<u>(75,192,005)</u>	<u>65,110,466</u>
4. Miscellaneous Expenditure			
(to the extent not written off or adjusted)	12	—	53,632,613
Preliminary Expenditure		2,921,571	5,352,819
5. Profit & Loss Account			
Balance brought down from Profit & Loss		170,492,719	—
Less: General Reserve		(13,646,398)	—
		156,846,321	—
Notes to Accounts	19	<u>295,256,695</u>	<u>316,376,535</u>

The schedules referred to above form an integral part of the Balance Sheet.
This is the Balance Sheet referred to in our report of even date.

Place : Kolkata
Date: 7th July 2009

PARTHA MITRA
Partner
For and on behalf of
Price Waterhouse
Chartered Accountants

For and on behalf of the Board of Directors:
B P Singh — Chairman & Managing Director
F J Kapadia — Director Finance
M. K. Dutia — GM (Finance) & Company Secretary



Profit & Loss Account for the year ended 31 st March 2009

	Schedule	For the year ended 31st March, 2009 Rs.	For the year ended 31st March 2008 Rs.
I. INCOME			
Sales & Services	13	70,525,786	200,760,598
Other Income	14	5,654,718	30,527,687
		<u>76,180,504</u>	<u>231,288,285</u>
II. EXPENDITURE			
Material Consumed	15	98,734,697	160,852,151
Expenses	16	131,680,161	73,791,702
Interest and Finance Charges	17	10,470,342	14,512,957
Depreciation	5	11,571,123	12,616,272
Less: Depreciation on addition on Revaluation (Refer Schedule 2)		<u>364,300</u>	<u>393,840</u>
		<u>252,092,023</u>	<u>261,379,242</u>
Exceptional Item		—	(7,530,370)
Loss Before Taxation		<u>(175,911,519)</u>	<u>(22,560,587)</u>
Less: Provision for Taxation	18	<u>(5,418,800)</u>	<u>(3,065,058)</u>
Loss After Tax		<u>(170,492,719)</u>	<u>(19,495,529)</u>
Disclosure relating to Discontinuing Operation (Refer Note 5 of Schedule 19)			
Loss Before Taxation from continuing Operation		<u>(67,895,722)</u>	<u>(459,380)</u>
Less: Provision for Taxation		<u>(67,436,342)</u>	<u>(108,015,797)</u>
Loss After Tax from continuing Operation		<u>(4,959,420)</u>	<u>(103,056,377)</u>
Loss Before Taxation from discontinuing Operation		<u>(108,015,797)</u>	<u>(4,959,420)</u>
Less: Provision for Taxation		<u>(4,959,420)</u>	<u>(103,056,377)</u>
Loss After Tax from discontinuing Operation		<u>(103,056,377)</u>	<u>(103,056,377)</u>
Loss after Taxation as above		—	307,190
Add: Balance brought forward from previous year (Refer Schedule 2)		—	307,190
Balance carried to Balance Sheet		<u>(170,492,719)</u>	<u>(19,188,339)</u>
Earning Per Share (Basic and Diluted) (Refer Note 12 in Schedule 19)		<u>(12.09)</u>	<u>(1.38)</u>
Notes to Accounts	19		

The schedules referred to above form an integral part of the Profit & Loss Account.
This is the Profit and Loss Account referred to in our report of even date.

Place : Kolkata
Date: 7th July 2009

PARTHA MITRA
Partner
For and on behalf of
Price Waterhouse
Chartered Accountants

For and on behalf of the Board of Directors
B P Singh — Chairman & Managing Director
F J Kapadia — Director Finance
M. K. Dutia — GM (Finance) & Company Secretary



Schedules forming of Balance Sheet

	As a 31st March, 2009 Rs.	As at 31st March, 2008 Rs.
SCHEDULE 1 - SHARE CAPITAL		
Authorised :		
16,000,000 (2008: 16,000,000) Equity Shares of Rs 10 each	160,000,000	160,000,000
Issued, Subscribed & Paid-up :		
14,141,453 of Rs 10/- each fully paid	141,414,530	141,414,530
Share Forfeiture A/c	102,755	102,755
	<u>141,517,285</u>	<u>141,517,285</u>
Of the above		
(i) 3,360,000 shares were allotted as fully paid bonus shares by capitalization of Share Premium Account, Fixed Assets, Reserve & General Reserve during the year ended 31st March, 2000.		
(ii) 531,970 shares were allotted as fully paid bonus shares by capitalization of General Reserve during the year ended 31st March, 2003.		
(iii) 1,170,334 shares were allotted as fully paid bonus shares by capitalization of General Reserve during the year ended 31st March, 2004.		
(iv) 20,551 Equity shares have been forfeited during the year ended 31st March 2007.		

	As a 31st March, 2009 Rs.	As at 31st March, 2008 Rs.
SCHEDULE 2 - RESERVES & SURPLUS		
Capital Reserve		
Revaluation Reserve	27,250	27,250
As per last Balance Sheet		
Less: Withdrawal on account of depreciation on revalued assets	15,020,026	15,413,866
	<u>364,300</u>	<u>393,840</u>
Share Premium	14,655,726	15,020,026
As per last Balance Sheet		
Add: Addition during the year	28,518,898	28,518,898
	<u>28,518,898</u>	<u>28,518,898</u>
General Reserve		
As per last Balance Sheet	13,646,398	32,761,811
Add: Adjustment*	—	72,926
Less: Debit balance of Profit & Loss Account	(13,646,398)	(19,188,339)
	<u>43,201,874</u>	<u>13,646,398</u>
		<u>57,212,572</u>

* On account of reduction in obligations relating to employee benefits added to the General Reserve, in terms of the transitional provision of Accounting Standard 15(Revised 2005) on Employee Benefits in previous year.



Schedules forming of Balance Sheet (Contd.)

	As a 31st March, 2009 Rs.	As at 31st March, 2008 Rs.
SCHEDULE 3 - SECURED LOANS		
Loans and Advances from Banks		
Working Capital Facilities (Secured by way of first charge on the hypothecated current assets viz. raw materials, finished goods, consumable spares, stocks, book debts and other current assets, both present and future, including Plant & Machinery situated at Dodabetta Panchayat, Ooty Rural, Tamilnadu, to secure the maximum amount under the said charge fixed at Rs 10,54,00,000/- together with interest, cost and charges thereon. Collaterally secured by way of an equitable mortgage by deposit of title deeds in respect of factory buildings, freehold land of 46.95 acres with plantations about 40 acres situated at Doddabetta Panchayat, Ooty Rural, Tamil Nadu and additional title deeds of Land measuring 2002 sq ft situated at Corporate office).	106,596,211	84,793,670
Term Loan (Secured by way of first charge on new plant and machinery acquired from the above loan & Company's immovable property to be constructed from the above loan. Part of the loan was also secured by way of first charge on the fixed assets of Neelkanth Tea Co, which was satisfied subsequently)	—	26,606,875
Vehicle Loan (Secured in favour of the lender by obtaining endorsement to that effect on the Registration certificate from the Motor Vehicle Registration Authority)	225,290	662,333
	<u>106,821,501</u>	<u>112,062,878</u>

SCHEDULE 4 - UNSECURED LOANS

Short Term Loans and Advances
From Directors

3,716,035	—
<u>3,716,035</u>	<u>—</u>

SCHEDULE 5 - FIXED ASSETS

DESCRIPTION	GROSS BLOCK AT COST OR REVALUATION			DEPRECIATION				NET BLOCK		
	As at 1.4.2008	Additions	Deletions	As at 31.3.2009	As at 1.4.2008	Additions	Deletions/ Adjustment (Refer Note IV)	As at 31.3.2009	As at 31.3.2009	As at 31.3.2008
Land (Freehold) [Note i]	39,900,000	—	—	39,900,000	—	—	—	—	39,900,000	39,900,000
Leasehold Land [Note iii]	9,730,000	—	—	9,730,000	726,120	145,224	—	871,344	8,858,656	9,003,880
Factory Building [Note iii]	96,435,697	—	—	96,435,697	24,570,182	4,342,967	—	28,913,149	67,522,548	71,865,515
Other Building [Note iii]	15,514,726	—	—	15,514,726	3,805,879	585,442	—	4,391,321	11,123,405	11,708,847
Estates & Developments [Note iii]	6,059,272	—	—	6,059,272	—	—	—	—	6,059,272	6,059,272
Plant & Machinery [Note iii]	111,152,344	1,718,482	—	112,870,826	31,981,234	5,806,294	—	37,787,528	75,083,298	79,171,110
Furniture & Fixture	6,702,562	40,000	—	6,742,562	4,894,313	333,918	—	5,228,231	1,514,331	1,808,249
Vehicles	3,711,582	—	(1,866,193)	1,845,389	2,394,338	284,674	(1,329,141)	1,349,871	495,518	1,317,244
Computers	2,616,683	—	—	2,616,683	2,435,174	72,604	—	2,507,778	108,905	181,509
	<u>291,822,866</u>	<u>1,758,482</u>	<u>(1,866,193)</u>	<u>291,715,155</u>	<u>70,807,240</u>	<u>11,571,123</u>	<u>(1,329,141)</u>	<u>81,049,222</u>	<u>210,665,933</u>	<u>221,015,626</u>
Previous Year	292,557,156	346,362	(1,080,652)	291,822,866	66,201,768	12,616,272	(8,010,800)	70,807,240	221,015,626	



Schedules forming of Balance Sheet (Contd.)

Notes

- (i) Title in respect of the land at Ooty vested in the Company by virtue of amalgamation of erstwhile Singapore Amusement Park Limited is in the process of being transferred in the name of the Company. During the previous year 2007-08 company had executed an agreement for sale of 40 acres of land at Ooty. The Company has received advance payment amounting Rs 77,866,671 as on 31.03.09, which is included under other liabilities.
- (ii) Revaluation of Land (freehold and leasehold), Building (factory and others), Estate & Development and Plant & Machinery was carried out as at 31st March, 2003 by a professional valuer under current cost basis. The resultant increase in net book value on revaluation amounting to Rs 1,73,63,681 was transferred to revaluation reserve.
- (iii) During the year company has passed a Board Resolution in its meeting held on 30th October 2008 to approve the plan of selling off the Ooty operation alongwith all fixed assets including factory building, plant and machineries, estate development etc. and the Corporate Office building at Kolkata. The total gross book value and net book value of these assets included above are Rs 280,510,521 and Rs 208,547,179 respectively. All these assets are held for disposal as on 31st March 2009 [Refer note 5 in Schedule 19].

	As a 31st March, 2009 Rs.	As at 31st March, 2008 Rs.
SCHEDULE 6 - INVESTMENTS		
Long Term - Unquoted		
A) Trade		
Subsidiary Company		
Neelkanth Tea Company Limited	—	34,990,944
34,97,600 (Previous year 34,97,600)		
Equity shares of Rs.10/- each		
Others		
Alliance Coffee Limited	—	33,000
3,300 (Previous year 13,300) Equity shares of Rs. 10/- each		
B) Other than trade		
In Government Securities		
6th Years National Savings Certificate	—	45,994
Kishan Vikash Patra	14,874	14,874
(Deposited with Excise and other Authorities)	14,874	35,084,812
SCHEDULE 7 - INVENTORIES		
Stores & Spares	4,171,951	5,187,132
Finished Goods	—	59,549,077
	4,171,951	64,736,209
Less: Provision for stock obsolescence	4,171,951	—
	—	64,736,209
SCHEDULE 8 - SUNDRY DEBTORS		
Unsecured		
Debts Outstanding for a period of exceeding six months		
Considered Good	—	1,164,523
Considered Doubtful	2,780,217	—
Other Debts	—	1,164,523
	2,780,217	2,058,254
	2,780,217	3,222,777
Less: Provision for Doubtful debts	2,780,217	—
	—	3,222,777



Schedules forming of Balance Sheet (Contd.)

Notes

- (i) Title in respect of the land at Ooty vested in the Company by virtue of amalgamation of erstwhile Singapore Amusement Park Limited is in the process of being transferred in the name of the Company. During the previous year 2007-08 company had executed an agreement for sale of 40 acres of land at Ooty. The Company has received advance payment amounting Rs 77,866,671, as on 31.03.09, which is included under other liabilities.
- (ii) Revaluation of Land (freehold and leasehold), Building (factory and others), Estate & Development and Plant & Machinery was carried out as at 31st March, 2003 by a professional valuer under current cost basis. The resultant increase in net book value on revaluation amounting to Rs 1,73,63,681 was transferred to revaluation reserve.
- (iii) During the year company has passed a Board Resolution in its meeting held on 30th October 2008 to approve the plan of selling off the Ooty operation alongwith all fixed assets including factory building, plant and machineries, estate development etc. and the Corporate Office building at Kolkata. The total gross book value and net book value of these assets included above are Rs 280,510,521 and Rs 208,547,179 respectively. All these assets are held for disposal as on 31st March 2009 [Refer note 5 in Schedule 19].

	As a 31st March, 2009 Rs.	As at 31st March, 2008 Rs.
SCHEDULE 6 - INVESTMENTS		
Long Term - Unquoted		
A) Trade		
Subsidiary Company		
Neelkanth Tea Company Limited	—	34,990,944
34,97,600 (Previous year 34,97,600)		
Equity shares of Rs.10/- each		
Others		
Alliance Coffee Limited	—	33,000
3,300 (Previous year 13,300) Equity shares of Rs. 10/- each		
B) Other than trade		
In Government Securities		
6th Years National Savings Certificate	—	45,994
Kishan Vikash Patra	14,874	14,874
(Deposited with Excise and other Authorities)	14,874	35,084,812
SCHEDULE 7 - INVENTORIES		
Stores & Spares	4,171,951	5,187,132
Finished Goods	—	59,549,077
	4,171,951	64,736,209
Less: Provision for stock obsolescence	4,171,951	—
	—	64,736,209
SCHEDULE 8 - SUNDRY DEBTORS		
Unsecured		
Debts Outstanding for a period of exceeding six months		
Considered Good	—	1,164,523
Considered Doubtful	2,780,217	—
Other Debts	—	1,164,523
	2,780,217	2,058,254
Less: Provision for Doubtful debts	2,780,217	3,222,777
	—	—
	—	3,222,777



Schedules forming of Balance Sheet (Contd.)

	As a 31st March, 2009 Rs.	As at 31st March, 2008 Rs.
SCHEDULE 9 - CASH & BANK BALANCES		
Cash in hand	380	48,692
Balance with Scheduled Banks		
In Current Accounts	1,465,972	223,873
In Dividend account	242,572	242,814
In Share Application Money Refund account	50,400	58,800
In Fixed Deposit Accounts	5,000	1,749,894
	<u>1,764,323</u>	<u>2,324,073</u>
SCHEDULE 10 - LOANS & ADVANCES		
Unsecured - Considered Good		
Loan to Subsidiaries *	—	29,068,739
Advances recoverable in cash or in kind or for value to be received	6,465,699	7,190,079
Security Deposit	2,333,103	3,453,648
Advance Income Tax	11,596,918	11,576,847
(Net of Provision Rs. 30,242,838, Previous Year Rs 30,242,838)		
	<u>20,395,720</u>	<u>51,289,313</u>
Less: Provision for Doubtful Advances	6,618,524	2,829,293
	<u>13,777,196</u>	<u>48,460,020</u>
*Loan to Subsidiary Neelkanth Tea Company Ltd. Rs Nil (2008: Rs. 29,068,739/-) The maximum outstanding during the year Rs 36,763,975 (2008: Rs. 31,082,580/-)		
SCHEDULE 11 - CURRENT LIABILITIES & PROVISIONS		
Current Liabilities		
Sundry Creditors (refer Note 18 in Schedule 19)	2,982,255	7,619,930
Advance Received against sale of land	77,866,671	47,600,000
Other Liabilities	9,417,341	9,359,922
Unclaimed Dividend **	242,572	242,814
Unpaid application money due for refund**	50,400	58,800
	<u>90,559,239</u>	<u>64,881,466</u>
Provisions		
Leave Encashment	174,285	229,000
	<u>174,285</u>	<u>229,000</u>

**There is no amount due and outstanding to be credited to Investor Education and Protection Fund as at 31st March, 2009.

	As a 31st March, 2009 Rs.	Addition	Amortisation	As at 31st March, 2008 Rs.
SCHEDULE 12- MISCELLANEOUS EXPENDITURE				
(to the extent not written off or adjusted)				
Preliminary Expenses	5,922	—	3,920	2,002
Pre-operative Expenses	953,068	—	474,512	478,556
Public Issue Expenses	4,393,829	—	1,952,816	2,441,013
	<u>5,352,819</u>	—	<u>2,431,248</u>	<u>2,921,571</u>



Schedules forming of Profit and Loss Account

	For the year ended 31st March, 2009 Rs.	For the year ended 31st March, 2008 Rs.
SCHEDULE 13 - SALES & SERVICES		
Export Sales	40,336,334	162,133,232
Domestic Sales	30,189,452	38,627,366
	<u>70,525,786</u>	<u>200,760,598</u>
SCHEDULE 14 - OTHER INCOME		
Bank Interest (Gross) [Tax Deducted at Source Rs. 15,087 ; 2008 - Rs. 29,799]	60,754	132,439
Exchange Gain (Net)	—	17,241,258
Income from Investment (Dividend & Others)		
— Trade	858,000	2,394,000
— Other	6,329	—
Sale of DEPB License	1,059,341	7,026,502
Profit on sale of Fixed Asset	193,949	—
Miscellaneous Income	3,316,334	1,548,297
Liabilities no longer required written back	31,952	1,635,531
Subsidy from tea board	128,058	549,660
	<u>5,654,718</u>	<u>30,527,687</u>
SCHEDULE 15 - MATERIALS CONSUMED		
a) Raw Materials Consumed		
Opening Stock	—	—
Add: Purchases	36,481,842	48,430,309
	<u>36,481,842</u>	<u>48,430,309</u>
Less: Closing Stock	—	48,430,309
	36,481,842	—
b) Purchase of finished goods	2,703,778	105,037,888
c) Accretion/ (Decretion) of finished goods		
Opening Stock	59,549,077	66,933,031
Less: Closing Stock	—	59,549,077
	<u>59,549,077</u>	<u>7,383,954</u>
	<u>98,734,697</u>	<u>160,852,151</u>



Schedules forming of Profit and Loss Account

	For the year ended 31st March, 2009		For the year ended 31st March, 2008	
	Rs.		Rs.	
SCHEDULE 16 - EXPENSES				
Salary, Wages and Bonus	6,725,269		10,391,564	
Contribution to Provident and Other Funds	654,579		928,181	
Workmen and Staff Welfare	853,965	8,233,813	1,520,625	12,840,370
Power and Fuel		13,379,120		20,414,120
Consumption of Stores and Spares		2,845,458		6,405,040
Repairs to Machinery		2,059,211		1,802,540
Repairs to Building		468,247		1,320,940
Rent		258,729		390,050
Rates and Taxes		666,711		984,780
Freight and Transport		3,592,769		14,196,070
Insurance		642,580		818,510
Commission		222,941		412,990
Travelling and Conveyance		274,014		797,630
Clearing, Forwarding and Inspection		318,508		1,287,580
Legal and Consultancy		927,252		707,260
Sitting Fees paid to directors		237,000		326,000
Auditors' Fees				
- As Audit Fees	200,000		200,000	
- As Tax Audit Fees	50,000		50,000	
- In Other Capacity	177,717	427,717	155,000	405,000
Miscellaneous Expenses		2,510,733		5,327,300
Miscellaneous Expenditure written off		2,431,248		2,431,240
Loss on Sale of Fixed Assets		-		94,920
Loss on Sale of Subsidiary Company		31,493,394		-
Loans to Subsidiary Written off		11,444,708		-
Exchange loss		38,504,610		-
Provision for Bad Debts		2,780,217		-
Provision for Doubtful Advances		3,789,231		2,829,230
Provision for stock obsolescence		4,171,951		-
		<u>131,680,161</u>		<u>73,791,700</u>
SCHEDULE 17 - INTEREST & FINANCE CHARGES				
Interest on Loans - others		9,365,568		11,476,050
Bank Charges		1,104,774		3,036,900
		<u>10,470,342</u>		<u>14,512,950</u>
SCHEDULE 18 - PROVISION FOR TAXATION				
Current Tax		-		-
Deferred Tax		(5,583,800)		(3,277,058)
Fringe Benefit Tax		165,000		212,000
		<u>(5,418,800)</u>		<u>(3,065,058)</u>

**Schedules forming part of the Accounts****SCHEDULE - 19****Notes to Accounts****1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES****A. Convention**

The financial statements have been prepared to comply in all material aspects with all the applicable accounting principles in India, the applicable accounting standards u/s 211(3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956. A summary of important accounting policies which have been applied consistently are set out below. Financial Statements have also been prepared in accordance with relevant presentational requirements of the Companies Act, 1956 of India.

B. Basis of Accounting

The financial statements have been prepared under the historical cost convention as modified by revaluation of certain fixed assets.

C. Fixed Assets and Depreciation

Land, Building, Estate & Development and Plant & Machinery as at 31st March 2003 are stated at valuation made by an approved valuer at the then current cost. Subsequent acquisition of these assets and other fixed assets are stated at their purchase cost together with any incidental expenses of acquisition/installation including borrowing cost, wherever applicable, directly attributable to the acquisition, construction and production of qualifying assets.

Leasehold land is being amortized over the lease period. Depreciation on fixed assets other than Leasehold land is provided on written down value and from 1st April 2006 new factory building and plant & machinery at Ooty is provided on Straight Line Method, in accordance with Schedule XIV of the Companies Act 1956, of India.

Profit or Loss on disposal of fixed assets is recognized in the Profit and Loss Account.

An Impairment loss is recognized wherever the carrying value of the Fixed Assets of a cash generating unit exceeds its net selling price or value in use whichever is higher.

D. Investments

Long term investments are stated at cost. Provision is made for diminution, other than temporary, in the value of investments, wherever applicable.

E. Inventories

Inventories are stated at cost or net realizable value, whichever is lower. Cost is determined on FIFO basis, except for manufactured tea, which is valued at weighted average method and comprises of expenditure incurred in the normal course of business in bringing such inventories to their location and condition including appropriate overheads, wherever applicable.

F. Foreign Currency Transactions

Transactions in foreign currency are recorded in rupee at the exchange rate prevailing at the date of transactions. Gains/Losses arising out of fluctuations in the exchange rates are recognised in Profit & Loss Account in the period in which they arise. Premium or discounts on forward contracts are amortized over the life of the contract. Foreign exchange forward contracts are revalued at the Balance Sheet date and the exchange difference between the spot rate at the date of the contract and the spot rate on the balance sheet date is recognized as gain/loss in the Profit & Loss Account.

G. Sales and Services

Sales and services represent the invoiced value of goods sold or services rendered in accordance with the terms of the contract, net of taxes and duties.

H. Grants and Subsidy

Grants/Subsidy, for acquiring specific fixed assets are deducted from the cost of the asset concerned otherwise it is recognized as income in Profit & Loss A/c.

I. Employee Benefits

- i) Post Retirement Benefits



Schedules forming part of the Accounts (Schedule 19 contd.)

- a) **Provident Fund**
The Company makes regular contributions to Provident Fund maintained with the Regional Provident Fund Commissioner. Such contributions are recognized in the Profit & Loss Account on accrual basis.
- b) **Superannuation Fund**
The company operates a non-contributory Superannuation Scheme with Life Insurance Corporation of India, towards future payments of pensions for its eligible employees. The company contributes 15% of the employees' current salary to the above fund which is recognised in the profit and loss.
- c) **Gratuity**
The Company has Gratuity Fund administered by trustees which is independent of the Company's Finance. The Gratuity Fund has taken a Group Gratuity Policy which is maintained with Life Insurance Corporation of India (LIC) for future payment of gratuity liability to its employees. Consequent to the adoption of Accounting Standard 15 (Revised) on "Employee Benefits", gratuity liability as on 31st March 2009 has been determined on the basis of actuarial valuation in accordance with the method stated in the said standard and such liability has been provided for in the accounts. Annual premium determined by LIC has been contributed.
- d) **Leave Encashment**
Leave encashment benefit has been determined on the basis of actuarial valuation as at 31st March of each year and such liability is provided for in the accounts. In the current year, consequent to the adoption of AS-15 (Revised), such actuarial valuation has been done based on the method prescribed in the said standard. Actuarial gains and losses, wherever applicable, are recognized in the Income & Expenditure Account.
- ii) Other employee benefits are accounted for on accrual basis.
- J. Deferred Taxation**
Deferred Tax is recognised using the liability method, at the current rate of taxation, on all timing differences to the extent it is probable that a liability or asset will crystallize. Deferred Tax Assets are recognised subject to consideration of prudence and to the extent of deferred tax liability. These are periodically reviewed to reassess realisation thereof.
- K. Miscellaneous Expenditure**
Preliminary and preoperative expenses are being amortized over a period of ten years. Public issue and amalgamation expenses are being amortized over a period of five years.
- L. Borrowing Cost**
Borrowing costs attributable to acquisition and/or construction of qualifying assets are capitalized as a part of the cost of such assets upto the date when such assets are ready for its intended use. Other borrowing costs are charged to Profit & loss Account.
- M. Financial Instruments**
In respect of Forward Contracts, premium paid provision for losses on restatement and gains/ losses on settlement are recognised along with the underlying transactions and charged to Profit and Loss Account. The company follows the principles of prudence and assesses the losses, if any, by marking to market all its forward contracts taken to cover their foreign exchange risk in respect of future receivables by way of firm commitments and highly probable forecast transactions outstanding at the balance sheet date and provide for such losses.

	For the year ended 31st March 2009	For the year ended 31st March 2008
2. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	—	400,000
3. Contingent Liabilities not provided for		
i) Income Tax Matters	7,570,059	8,337,729
ii) Corporate Guarantee	—	10,360,449
iii) Bank Guarantee	—	605,364



Schedules forming part of the Accounts (Schedule 19 contd.)

4. During the year Income Tax Appellate Tribunal (ITAT) has passed an order while disposing off and partly allowing the appeal filed by Revenue (DCIT) against the earlier order of CIT (Appeal) relating to assessment year 2001-02, which was passed in favor of company against a demand of Rs 21,26,722 under section 143(3) of Income Tax Act, 1961 and reversed the order of CIT(Appeal) partly on certain issue of computation of indirect cost for the purpose of deduction u/s 80 HHC. Pursuant to such ITAT order although the liability of income tax is certain as at year end to the extent of disallowance, no provision has been made in books, considering the fact that impact of such partly allowed appeal is unascertainable from the ITAT order. No demand has been raised till date on the ground of such ITAT order.

5. The Company is not carrying out any tea manufacturing activity at its unit located in Ooty, Tamilnadu, since August, 2008, due to the fact that the Tea Board of India has revoked the factory's registration under the provisions of Tea (Marketing) Control Order, 2003 issued under the provisions of the Tea Act, 1953. Due to loss of Turnover and under-recovery of expenses, including depreciation and interest, there was high operating losses.

The Board on its meeting held on 30th October 2008 decided to change the business model from manufacturing to trading in tea. Moreover, in order to generate Working Capital as well as reduce Borrowings, it has decided to sell, lease or otherwise dispose off – a) the residual land of 6.95 acres including the tea factory at Ooty along with all fixed assets such as plant, machinery, estate and development, etc. which are directly or indirectly required to run the factory, and b) the Corporate Office Building of the Company at Kolkata. The proposal had been duly approved by Shareholders under Section 293(1)(a) by means of Postal Ballot in December, 2008. The disposal is consistent with the Company's long-term strategy to focus its activities in the area of trading, and to divest from unrelated areas. The sale is yet to be finalized.

Further disclosures required under Accounting Standard -24 Discontinuing Operations, relating to the manufacturing operations, are as under:

	31st March 2009 Amount (Rs)
Sales and other income	68,706,555
Operating Expenses	166,329,876
Interest Expenses	10,392,476
Loss Before Tax	108,015,797
Tax	(4,959,420)
Loss After Tax	103,056,377
Total Assets to be disposed off	192,246,130
Total Liabilities to be settled	191,769,334
Cash inflows / (outflows) from :	
(i) Operating Activities	(18,056,694)
(ii) Investing Activities	29,847,953
(iii) Financing Activities	(11,917,819)

6. Since the factory operations have remained closed since August 2008, quality of tea stocks has deteriorated, as tea is a perishable commodity. Moreover, stock of firewood and packing materials has been subject to damage and obsolescence. Therefore, entire tea stock has been written off and stores and spares have been provided for in accounts.

7. The normal operations of the Company's wholly owned subsidiary Neelkanth Tea Company Ltd. (NTCL), had become unviable due to continuous losses being incurred by the Company. Besides, realization from the Sale of the subsidiary would help reduce Borrowings. Hence, the Board at its meeting held on 6th February 2009 decided to sell-off the Company's entire investments in NTCL to a third party, subject to obtaining regulatory clearances. The sale of the subsidiary was completed and the total impact of the loss amounted to Rs 4.3 crore.

8. Since 50% of the net-worth of the Company has been eroded, suitable intimation will be given to the BIFR.



Schedules forming part of the Accounts (Schedule 19 contd.)

9. Additional Information pursuant to the provisions of paragraphs 3, 4C & 4D of part II of Schedule-VI of the Act.

(A) Licensed and installed capacity, actual production

The Company manufactures tea and trades in tea, coffee and other products the relevant particulars thereof are as under :

	*Installed Capacity (Kgs)		Actual Production (Kgs)	
	2008-09	2007-08	2008-2009	2007-08
Tea	Not Ascertainable	9,000,000	1,137,183	1,837,817

Licensed Capacity is not applicable
* As Certified by the Management.

(B) Sales by class of goods (including trading goods)

	2008-09		2007-08	
	Quantity (Kg)	Rs	Quantity (Kg)	Rs
(i) Tea	1,340,322	70,525,786	4,522,979	200,760,598
Total	1,340,322	70,525,786	4,522,979	200,760,598

(C) Purchases (trading goods)

	2008-09		2007-08	
	Quantity (Kg)	Rs	Quantity (Kg)	Rs
(i) Tea	49,950	2,703,778.0	2,527,249	105,037,888
Total	49,950	2,703,778	2,527,249	105,037,888

(D) Opening Stock of Finished Goods

	As on 1.4.08		As on 1.4.07	
	Quantity (Kg)	Rs	Quantity (Kg)	Rs
(i) Tea - Trading	234,442	12,144,182	392,625	20,634,422
(ii) Tea - manufacturing	905,796	47,565,901	905,472	46,298,609
Total	1,140,238	59,710,083	1,298,097	66,933,031

(E) Closing Stock of Finished Goods (including trading goods)

	As on 31.3.09		As on 31.3.08	
	Quantity (Kg)	Rs	Quantity (Kg)	Rs
(i) Tea - Trading (*)	—	—	234,442	12,144,182
(ii) Tea - manufacturing (*)	—	—	905,796	47,565,901
Total	—	—	1,140,238	59,710,083

(*) Company has written-off the entire stock of 9,87,049 kgs of tea amounting Rs 51,605,588 during the year due to the restrictions imposed by Tea Board in consequence of the cancellation of factory licence under Tea Act, 1953.

(F) Value of Raw Materials consumed (indigenous)*

	2008-09		2007-08	
	Quantity (Kg)	Rs	Quantity (Kg)	Rs
Green Leaf Consumed (including plucking of 67,765 kgs: 2008 - 117,572 kgs)	4,542,803	36,481,842	7,012,383	48,430,309
Total	4,542,803	36,481,842	7,012,383	48,430,309



Schedules forming part of the Accounts. (Schedule 19 contd.)

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

(G) Value of Stores and Spares consumed	2008-09		2007-08	
	Rs.	%	Rs.	%
(i) Imported	—	0.00	159,672	0.88
(ii) Indigenous	11,202,071	100.00	18,040,388	99.12
Total	11,202,071	100.00	18,200,060	100.00

(H) Value of Imports calculated on C.I.F. Basis	2008-09	2007-08
	Rs.	Rs.
Packing Material	—	159,672
Total	—	159,672

(I) Expenditure in Foreign Currencies	2008-09	2007-08
	Rs.	Rs.
Interest	602,279	1,540,369
Total	602,279	1,540,369

(J) Earnings in Foreign Exchange	2008-09	2007-08
	Rs.	Rs.
FOB value of Exports	38,897,062	142,894,077
Total	38,897,062	142,894,077

10. Managerial Remuneration	2008-09	2007-08
	Rs.	Rs.
Salary	2,220,000	2,220,000
Contribution to Provident and Other Fund	432,900	436,815
Perquisites/Benefits	939,397	790,261
Total	3,592,297	3,447,076

11. Deferred Taxation

Major Components of Deferred tax liabilities / assets based on the tax effect of the timing differences, as on March 31, 2009 are as under:

	31.03.09	31.03.08
Deferred Tax Liability:		
Depreciation	13,475,446	11,974,868
Deferred Revenue Expenditure	329,282	491,900
	13,804,728	12,466,768
Deferred Tax Assets:		
Employee Benefit	(11,426)	29,390
Brought forward business loss	13,816,154	6,853,578
Deferred Tax Liability as at year end	13,804,728	6,882,968
	—	5,583,800



Schedules forming part of the Accounts (Schedule 19 contd.)

12. Earnings Per Share (EPS)

Loss after tax as per Profit & Loss Account (Rs)	31.03.09	31.3.08
Weighted Average Number of Shares	(170,492,719)	(19,495,528)
Earnings per Share (Basic & Diluted) (Rs)	14141453	14141453
Nominal Value per Share (Rs)	(12.09)	(1.36)
	10	10

13. Post Employment Benefit

Defined Contribution Plans

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution retirement benefit plans for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the Payroll costs to fund the benefits.

The Company recognised Rs 676,670 for Provident Fund contributions and Rs 242,985 for Superannuation fund contributions in the Profit & Loss Account. The contributions payable to these plans by the company are at rates specified in the rules of the schemes.

Defined benefit plans

The Company makes annual contributions to the Employees' Group Gratuity Scheme of the Life Insurance Corporation of India, a funded defined benefit plan for qualifying employees. The present value of obligation is determined at the year end based on actuarial valuation using the Projected Unit Credit Method. The obligation for leave encashment is recognised in the same manner as gratuity, for which annual actuarial valuation is carried out by an independent actuary in compliance with Accounting Standard 15 (revised 2005) on Employee Benefits.

(i) Amounts recognised in the Balance Sheet are as follows:

	Gratuity (Funded)		Leave Encashment (Unfunded)	
	2009	2008	2009	2008
Present value of funded obligation	382,300	506085		
Fair value of Plan Assets	550,307	648617		
Present value of Unfunded obligation	—	—	174285	229000
Unrecognised Past Service Cos	—	—	—	—
Net Liability / (Asset)	(168,007)	(142,532)	174,285	229,000

(ii) Expenses recognised during the year (under the head 'Contribution to Provident, Gratuity and other "Fund", "Salaries, Wages & Bonus", and "Workmen and Staff Welfare Expenses")

	Gratuity (Funded)		Leave Encashment (Unfunded)	
	2009	2008	2009	2008
Current Service Cost	58,489	99137	1112	60000
Interest Cost	33,940	38636	16131	18000
Expected Return on Plan Assets	47,957	57398	—	—
Net Actuarial Loss/(Gain) recognised during the year	(69,947)	(45,300)	81198	(65,000)
Total	(25,475)	35,075	98,441	13,000



Schedules forming part of the Accounts (Schedule 19 contd.)

(iii) Reconciliation of the opening and closing balances of the present value of the obligations:

	Gratuity (Funded)		Leave Encashment (Unfunded)	
	2009	2008	2009	2008
Defined benefit obligation at beginning of the year	506,085	515,150	229,000	216,000
Current Service Cost	58,489	99,137	1,112	60,000
Interest Cost	33,940	38,636	16,131	18,000
Actuarial (gain)/loss	(61,945)	(45,300)	81199	(65,000)
Benefits paid	(154,269)	(101,538)	(153,156)	—
Defined Benefit obligation at year end	382,300	506,085	174,285	229,000

(iv) Reconciliation of opening and closing balances of fair value of plan assets

	Gratuity (Funded)		Leave Encashment (Unfunded)	
	2009	2008	2009	2008
Fair value of plan assets at beginning of the year	648,617	642,423		
Expected return on plan assets	47,957	57,398		
Actuarial gain/(loss)	8,002	—		
Employer contribution	—	50,334	Not Funded	
Benefits Paid	(154,269)	101,538		
Fair value of plan assets at year end	550,307	648,617		
Actual return on plan assets	55,959	57,398		

(v) Investment Details

L.I.C. Group Gratuity (Cash Accumulation) Policy

	Gratuity (Funded)		Leave Encashment (Unfunded)	
	2009	2008	2009	2008
% invested	100	100	% invested	
			Not Funded	

(vi) Actuarial assumptions

Mortality rate

Discount rate (per annum)
Expected rate of return on plan assets (per annum)

Rate of escalation in salary (per annum)

	Gratuity (Funded)		Leave Encashment (Unfunded)	
	2009	2008	2009	2008
Table (L.I.C.)				
1994-96(Ultimate)	8%	8%	8.00%	7.50%
	8.00%	9.15%	—	—
	5%	9%	5%	5%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.



Schedules forming part of the Accounts (Schedule 19 contd.)

14 Financial and Derivative Instruments

a) The Company uses foreign currency hedges to manage its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The Company does not use hedges for speculative purposes.

The outstanding forward exchange contracts for receivables in foreign currency as at year end are:

	No. of Contracts	US\$ in Lacs	Rupee equivalent in Lacs
As at 31st March 2009	1	6	254.70
As at 31st March 2008	20	49	1,984.23

b) All financial and derivative contracts entered into by the Company are for hedging purposes only.

c) In respect of outstanding derivative contracts which are stated in para 'a' above, there is a net unrealized loss of Rs 4,830,000 as on 31st March 2009 which has been recognised in the books, considering the principles of prudence as enunciated in Accounting Standard 1 "Disclosure of Accounting Policies" notified in the Companies (Accounting Standards) Rules 2006.

d) There are no Foreign currency exposure that are not hedged by forward contracts as on 31st March 2009.

15 Related Party Disclosure

1) Person having substantial interest in the Company

Mr. B P Singh — Chairman & Managing Director

2) Key Managerial Personnel

Mr. B P Singh — Chairman & Managing Director

Ms Rajinie Singh — Dy. Managing Director

Mr. F. J. Kapadia — Wholetime Director

3) Relatives of Key Managerial Personnel

Mrs. Usha Singh

Mr. Ravi Singh

Mrs Aprajita Singh

Singhson's HUF

4) Subsidiary Company

Neelkanth Tea Company Limited
(sold on 18th March 2009)

5) Joint Venture

Alliance Coffee Ltd.

(sold on 31st March 2009)



Schedules forming part of the Accounts (Schedule 19 contd.)

Following transactions were carried out with the related parties in course of business during the year:

Nature of Transactions	Key Managerial Persons	Relatives of Key Managerial Persons	Subsidiary Company	Joint Venture	Total
Rent Paid	130,000	120,000	—	—	250,000
Rent Received	(128,400)	(120,000)	—	—	(248,400)
Services Rendered	—	—	—	120,000	120,000
Remuneration	3,592,297	(10,000)	—	(120,000)	(10,000)
Sitting Fees	(3,447,076)	—	—	—	(3,447,076)
Insurance Paid	—	54,000	—	—	54,000
Reimbursement of Expenses	209,837	(81,000)	—	—	(81,000)
Sale of Investment	—	72,554	—	—	72,554
Loans & Advance Received	2,452,060	(50,309)	—	—	(50,309)
Outstanding Balance (Credit)	1,994,635	517,342	—	—	727,179
Loan Given	—	—	—	—	—
Outstanding Balance (Debit)	—	33,000	16,367,971	—	16,367,971
Guarantee Given	—	(100,000)	(20,802,864)	—	(20,802,864)
	—	2,556,800	3,708	3,708	—
	—	—	(29,068,739)	(3,708)	(29,072,447)
	—	—	(10,360,449)	—	(10,360,449)

Figures in brackets represent figures of previous year

16. Investment in Joint Venture

Joint Venture	Country of Incorporation	Percentage Ownership Interest as at 31st March 2009	Percentage Ownership Interest as at 31st March 2008
Alliance Coffee Limited	India	Nil	6.60%

The Company's interests in the joint venture is reported as Long Term Investment (Schedule 5) and stated at cost. However, the company's share of each of the assets, liabilities, income and expenses, etc. (each without elimination of the effect of transactions between the Company and the joint venture) related to its interest in the Joint Venture are:



Schedules forming part of the Accounts (Schedule 19 contd.)

	For the year ended 31st March 2009	For the year ended 31st March 2008
(Rs)		
Amounts in respect of joint venture - Balance Sheet		
Assets		
1. Fixed Assets (net)		28,359
2. Investments		686,096
3. Current Assets		
- Sundry Debtors		1,108,787
- Cash & Bank Balances		53,980
- Loans & Advances		1,201,319
- Other Current Assets		13,968
4. Miscellaneous Expenditure		2,369
Liabilities		
1. Secured Loans		1,018
2. Deferred Tax Liability		—
3. Liabilities & Provisions		1,548,160
Amounts in respect of joint venture - Profit & Loss		
Income		
Sales and Operating Earnings	3,246,851	2,861,002
Other Income	52,452	32,113
Expenses		
General Expenditure		842,411
Interest	770,010	1,742
Depreciation	1,066	12,571
Provision For Tax		
Current	8,533	712,800
Fringe Benefit	871,332	10,890
Deferred	12,540	(842)
	517	

17 Segment Reporting

Business Segment

The company has only one reportable primary segment i.e. tea. It has identified Geographical segment as the secondary segment.



Geographical (Secondary) Segments

The geographical segments have been identified by geographical location of customers for segment revenue and of assets for segment asset as follows:

	As at 31st March 2009	As at 31st March 2008
Segment Revenue		
Within India	30,317,510	39,177,026
Outside India	41,395,675	169,159,734
Total Segment Revenue	71,713,185	208,336,760
Segment Assets		
Within India	229,143,897	380,322,478
Outside India	—	1,164,523
Total Segment Assets	229,143,897	381,487,001
Capital Expenditure		
Within India	1,758,482	1,637,027
Outside India	—	—
Total Capital Expenditure	1,758,482	1,637,027

18. There are no Micro, Small and Medium enterprises to which the company owes dues, which are outstanding for more than 45 days and interest paid/payable as at 31st March 2009. The information as required to be disclosed under "The Micro, Small and Medium Enterprises Development Act, 2006" has been identified by the company on the basis of information available with the company.

19. Previous year's figures have been regrouped and /or rearranged wherever necessary.

Place : Kolkata
Date: 7th July 2009

For and on behalf of the Board
 B P Singh — Chairman & Managing Director
 F J Kapadia — Director Finance
 M. K. Dutia — GM (Finance) & Company Secretary



Balance Sheet abstract and Company's General Business profile

I. Registration Details :			
Registration No.	L51109WB1993PLC057984	State Code	21
Balance Sheet Date :	31.03.2009		
II. Capital raised during the year (Amount in Rs. Thousands)			
Public Issue	Nil	Right Issue	Nil
Bonus Issue	Nil	Private Placement	Nil
III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)			
Total Liabilities	295257	Total Assets	295257
Source of Funds			
Paid-up Capital	141517	Reserve & Surplus	43202
Secured Loans	106822	Unsecured Loans	3716
Deferred Taxation	Nil		
Application of Funds			
Net Fixed Assets	210666	Investments	15
Net Current Assets	(75192)	Miscellaneous Expenditure	2922
Accumulated Losses	156846		
IV. Performance of the Company (Amount in Rs. Thousands)			
Total Income/Turnover	76181	Total Expenditure	252092
Profit/(Loss) before Tax	(175192)	Profit/(Loss) after Tax	(170493)
Earning per Share (in Rs.)	(12.09)	Dividend rate %	0%
V. Generic Names of Principal Products/Services of the Company (as per monetary terms)			
Item Code No. (ITC Code)	9		
Product Description	Tea		

Place : Kolkata
Date : 7th July 2009

For and on behalf of the Board of Directors
 B P Singh — Chairman & Managing Director
 F J Kapadia — Director Finance
 M. K. Dutia — GM (Finance) & Company Secretary



Cash Flow Statement for the year ended 31st March, 2009

Particulars	For the year ended	For the year ended
	31st March, 2009	31st March, 2008
	Rs.	Rs.
A. Cash flow from operating activities:		
Loss before taxation	175,911,519	22,560,587
Adjustments for:		
Exceptional items	—	7,530,370
Depreciation	(11,206,823)	(12,222,432)
Unrealised Exchange Gain/(Loss)	(4,103,513)	6,597,069
Misc. Exp not represented by assets/written off	(2,431,248)	(2,431,248)
Loss on sale of Investment	(31,493,394)	—
Loans to subsidiary written off	(11,444,708)	—
Provision for Doubtful Debtors	(2,780,217)	—
Provision for Stock Obsolescence	(4,171,951)	—
Provision for Doubtful Advances	(3,789,231)	(2,829,293)
Income from Investment (Dividend & Others)	6,329	—
Interest Income	60,754	132,439
Interest Expenses	(10,470,342)	(14,512,957)
Dividend Income	858,000	2,394,000
Profit/(Loss) on Fixed Assets sold (Net)	193,949	(94,927)
Liability no longer required written back	31,952	1,635,531
Operating Loss/(profit) before working capital changes	95,171,076	8,759,139
Adjustments for changes in working capital :		
(Increase)/Decrease in Sundry Debtors	583,239	25,536,629
(Increase)/Decrease in Other Receivables	1,844,925	10,841,134
(Increase)/Decrease in Inventories	60,564,258	8,496,210
Increase/(Decrease) in Trade and Other Payables	(8,116,210)	(4,405,816)
Cash generated from operations	(40,294,864)	31,709,018
- Direct Tax paid	(39,069)	(63,323)
- Fringe Benefit Tax paid	(146,002)	(238,965)
Net cash from operating activities	(40,479,935)	31,406,730
B. Cash flow from Investing activities:		
Purchase of fixed assets	(467,817)	(1,637,718)
Proceeds from Sale of fixed assets	—	58,000
Advance received towards sale of fixed Asset	30,266,671	47,600,000
Sale of Investment	3,576,544	100,000
Refund of Excise Duty	—	447,984
Loan to Subsidiaries	(578,369)	(6,060,468)
Loan realised from Subsidiaries	18,202,400	—
Bank Interest Received	60,754	132,439
Income from Investment (Dividend & Others) -Trade	858,000	2,394,000
Income from Investment (Dividend & Others) -Others	6,329	—
Net cash used in investing activities	51,924,512	43,034,237



Cash Flow Statement for the year ended 31st March, 2009

Particulars	For the year ended	For the year ended
	31st March, 2009	31st March, 2008
	Rs.	Rs.
C. Cash flow from financing activities:		
Short term borrowings (repaid) / taken from bank (Net)	21,802,541	(45,986,396)
Long term borrowings repaid to Bank	(27,043,918)	(16,019,136)
Interest Paid	(10,470,342)	(14,512,957)
Unpaid Application money refunded	(8,400)	(212,875)
Unpaid Dividend paid (including tax on dividend)	(242)	(334,066)
Loans received from directors	3,716,034	—
Net cash used in financing activities	(12,004,327)	(77,065,430)
Net Increase in Cash & Cash Equivalents (A+B+C)	(559,750)	(2,624,463)
Cash and cash equivalents (Opening balance)	2,324,073	4,948,536
Cash and cash equivalents (Closing balance)	1,764,323	2,324,073

Notes:

- Cash and Cash Equivalents**
Cash in hand 380 48,692
Balance with Bank 1,763,944 2,275,381
1,764,323 2,324,073
- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard on 'Cash Flow Statements (AS-3)' issued by the Institute of Chartered Accountants of India.
- Previous period figures have been regrouped and recast wherever necessary to conform to the current period classification.

Place : Kolkata
Date: 7th July 2009

PARTHA MITRA
Partner
For and on behalf of
Price Waterhouse
Chartered Accountants

For and on behalf of the Board of Directors
B P Singh — Chairman & Managing Director
F J Kapadia — Director Finance
M. K. Dutia — GM (Finance) & Company Secretary



AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF BEEYU OVERSEAS LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS OF BEEYU OVERSEAS LIMITED AND ITS SUBSIDIARY

1. We have audited the attached Consolidated Balance sheet of Beeyu Overseas Limited (the company), its subsidiary and its joint venture (the Group) as at March 31, 2009, the consolidated profit and loss account for the year ended on that date annexed thereto, and the consolidated cash flow statement for the year then ended on that date, which we have signed under reference to this report. These consolidated financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of the subsidiary, whose financial statements reflect total assets of Rs 779.63 Lakhs as at March 31, 2009, total revenues of Rs. 730.60 lakhs, total net cash inflows amounting to Rs. 1.28 Lakhs for the year ended on that date and joint venture entity whose financial statements reflect the group's share of total assets of Rs. 44.39 lakhs as at March 31, 2009, the share of profit of Rs 16.35 lakhs and net cash outflow of Rs 0.17 lacs for the year ended on that date as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of the subsidiary and joint venture is based solely on the report of the other auditor.
4. We report that
 - a) *The holding company has incurred a loss of Rs 170,492,719 for the year ended as on 31st March 2009. As at 31st March 2009, the company's current liabilities exceeded the current assets by Rs 75,192,005 and it has not repaid principal amount within the stipulated period and failed to pay the interest on Term Loans to a bank during the year ended 31st March 2009. Also as stated in note 5 of the Schedule 19, the Tea Board of India has revoked the holding Company's factory's registration under the provisions of Tea (Marketing) Control Order, 2003 issued under the provisions of the Tea Act, 1953, against which the company has not appealed to Central Government. In view of what has been stated above, we are unable to comment whether the company will be able to continue as a going concern.*
 - b) *As indicated to in note 4 of Schedule 19, no provision has been made towards the liability of Income Tax pursuant to the order passed by Income Tax Appellate Tribunal, the amount of which has not been ascertained.*
5. We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21, Consolidated Financial Statements, Accounting standard 27, Financial Reporting of Interest in Joint Ventures issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of Beeyu Overseas Limited and its subsidiary and joint venture included in the consolidated financial statements.
6. On the basis of the information and explanations given to us and on consideration of the separate audit reports on individual audited financial statements of Beeyu Overseas Limited and its aforesaid subsidiary and joint venture entity, *Subject to our remark in 4 above* in our opinion 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 31 March 2009;
 - (b) in the case of the Consolidated Profit and Loss account, of the results of operations 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.

Place: Kolkata
Date: 7th July, 2009

PARTHA MITRA
Partner
Membership Number 50553
For and on behalf of
Price Waterhouse
Chartered Accountants



Consolidated Balance Sheet as at 31st March, 2009

Schedule	As at 31st March, 2009		As at 31st March, 2008	
	Rs.	Rs.	Rs.	Rs.
I. SOURCES OF FUNDS				
1. Shareholders' Fund				
Share Capital	1	141,517,285	141,517,285	
Reserves & Surplus	2	76,036,611	77,913,609	219,430,894
2. Loan Funds				
Secured Loans	3	106,821,501		
Unsecured Loan	4	3,716,034		122,423,326
Deferred Taxation				1,292,154
(Refer Note 9 in Schedule 19)				
		<u>328,091,431</u>		<u>343,146,374</u>
II. APPLICATION OF FUNDS				
1. Fixed Assets				
Gross Block	5	291,715,157	369,685,282	
Less - Depreciation		81,049,223	85,319,930	
Net Block		210,665,934	284,365,352	
Capital Work in Progress			1,738,524	286,103,876
2. Investments				
	6	14,874		746,964
3. Current Assets Loans & Advances				
Inventories	7		74,642,560	
Sundry Debtors	8		4,973,762	
Cash and Bank Balances	9	1,764,324	2,413,180	
Loans & Advances	10	13,777,196	21,139,710	
		15,541,520	103,169,212	
Less: Current Liabilities & Provisions				
Current Liabilities	11	90,559,244	72,147,991	
Provisions		174,285	247,117	
		90,733,529	72,395,108	
Net Current Assets		(75,192,009)		30,774,104
4. Miscellaneous Expenditure				
(to the extent not written off or adjusted)	12	2,921,571		5,457,188
Preliminary Expenditure				20,064,242
5. Profit & Loss Account				
		189,681,061		
		<u>328,091,431</u>		<u>343,146,374</u>
Notes to Accounts	19			

The schedules referred to above form an integral part of the Balance Sheet. This is the Balance Sheet referred to in our report of even date.

Place: Kolkata
Date: 7th July 2009

PARTHA MITRA
Partner
For and on behalf of
Price Waterhouse
Chartered Accountants

For and on behalf of the Board of Directors
B P Singh — Chairman & Managing Director
F J Kapadia — Director Finance
M. K. Dutia — GM (Finance) & Company Secretary



Consolidated Profit & Loss Account for the year ended 31st March, 2009

	Schedule	For the year ended 31st March, 2009 Rs.	For the year ended 31st March 2008 Rs.
I. INCOME			
Sales & Services	13	146,832,337	258,957,171
Other Income	14	6,614,321	28,453,466
		<u>153,446,658</u>	<u>287,410,637</u>
II. EXPENDITURE			
Material Consumed	15	152,661,187	192,357,440
Expenses	16	146,647,190	92,595,528
Interest and Finance Charges	17	14,665,047	16,832,152
Depreciation	5	14,819,666	16,389,298
Less: Depreciation on addition on Revaluation (Refer Schedule 2)		364,300	393,840
		<u>328,428,790</u>	<u>317,780,578</u>
Exceptional Items		—	(8,042,044)
Loss Before Taxation		(174,982,132)	(22,327,897)
Less: Provision for Tax	18	(4,489,411)	(2,100,308)
Loss After Tax		(170,492,721)	(20,227,589)
Add: Balance brought forward from previous year (Refer Schedule 2)		(18,551,544)	2,279,542
Less Adjustment towards sale of investment		636,796	603,497
		<u>(189,681,061)</u>	<u>(18,551,544)</u>
APPROPRIATION			
Tax on Dividend		—	—
Share of Joint Venture		—	1,512,698
Balance carried to Balance Sheet		<u>(189,681,061)</u>	<u>(20,064,242)</u>
Earning Per Share (Basic and Diluted) (Refer Note 11 in Schedule 19)		(12.06)	(1.43)
Notes to Accounts	19		

The schedules referred to above form an integral part of the Profit & Loss Account.
This is the Profit and Loss Account referred to in our report of even date.

Place : Kolkata
Date: 7th July 2009

PARTHA MITRA
Partner
For and on behalf of
Price Waterhouse
Chartered Accountants

For and on behalf of the Board of Directors
B P Singh — Chairman & Managing Director
F J Kapadia — Director Finance
M. K. Dutia — GM (Finance) & Company Secretary



Schedules forming part of the Consolidated Balance Sheet

	As a 31st March, 2009 Rs.	As at 31st March, 2008 Rs.
SCHEDULE 1 - SHARE CAPITAL		
Authorised		
16,000,000 (2008: 16,000,000) Equity Shares of Rs 10 each	160,000,000	160,000,000
Issued, Subscribed & Paid-up		
14,141,453 (2008 - 14,141,453) of Rs 10/- each fully paid	141,414,530	141,414,530
Forfeited Shares	102,755	102,755
	<u>141,517,285</u>	<u>141,517,285</u>

Of the above

- (i) 3,360,000 shares were allotted as fully paid bonus shares by capitalization of Share Premium Account, Fixed Asset Reserve & General Reserve during the year ended 31st March, 2000.
- (ii) 531,970 shares were allotted as fully paid bonus shares by capitalization of General Reserve during the year ended 31st March, 2003.
- (iii) 1,170,334 shares were allotted as fully paid bonus shares by capitalization of General Reserve during the year ended 31st March, 2004.
- (iv) 20,551 Equity Shares have been forfeited during the year ended 31st March, 2007.

SCHEDULE 2 - RESERVES & SURPLUS

Capital Reserve			
Revaluation Reserve	27,250		27,250
As per last Balance Sheet			
Less: Withdrawal on account of depreciation on revalued assets	15,020,026	15,413,866	
Share Premium	364,300	14,655,726	15,020,026
As per last Balance Sheet		393,840	
Addition during the year	28,518,898	28,518,898	
General Reserve			28,518,898
As per last Balance Sheet			
Add: Adjustment*	32,834,737	32,761,811	
Total	32,834,737	72,926	32,834,737
Share of Joint Venture- Schedule 19 Note 1C	76,036,611		76,400,911
Grand Total	76,036,611		1,512,698
			<u>77,913,609</u>

*On account of reduction in obligations relating to employee benefits added to the General Reserve, in terms of the transitional provision of Accounting Standard 15(Revised 2005) on Employee Benefits in previous year.



Schedules forming part of the Consolidated Balance Sheet

	As a 31st March, 2009 Rs.	As at 31st March, 2008 Rs.
SCHEDULE 3 - SECURED LOANS		
From Banks		
Working Capital Facilities	106,596,211	95,154,118
<p>(Secured by way of first charge on the hypothecated current assets viz. raw materials, finished goods, consumable spares, stocks, book debts and other current assets, both present and future, including Plant & Machinery situated at Dodabetta Panchayat, Ooty Rural, Tamilnadu, to secure the maximum amount under the said charge fixed at Rs 10,54,00,000/- together with interest, cost and charges thereon. Collaterally secured by way of an equitable mortgage by deposit of title deeds in respect of factory buildings, freehold land of 46.95 acres with plantations about 40 acres situated at Doddabetta Panchayat, Ooty Rural, Tamil Nadu and additional title deeds of Land measuring 2002 sq ft situated at Corporate office).</p>		
Term Loan	—	26,606,875
<p>(Secured by way of first charge on new plant and machinery acquired from the above loan & Company's immovable property to be constructed from the above loan. Part of the loan was also secured by way of first charge on the fixed assets of Neelkanth Tea Co, which was satisfied subsequently).</p>		
Vehicle Loan	225,290	662,333
<p>(Secured in favour of the lender by obtaining endorsement to that effect on the Registration certificate from the Motor Vehicle Registration Authority)</p>		
Total	106,821,501	122,423,326
Share of Joint Venture- Schedule 19 Note 1C	—	—
Grand Total	106,821,501	122,423,326

SCHEDULE 4 - UNSECURED LOAN

Long Term - Unquoted
From Directors

Total

3,716,034	—
3,716,034	—



Schedules forming part of the Consolidated Balance Sheet

SCHEDULE 5 - FIXED ASSETS

DESCRIPTION	GROSS BLOCK AT COST OR REVALUATION			DEPRECIATION				NET BLOCK	
	As at 1.4.2008	Additions	Deletions	As at 31.3.2009	As at 1.4.2008	Additions	Deletions/ Adjustment (Refer Note IV)	As at 31.3.2009	As at 31.3.2008
Goodwill on Consolidation	7,720,204	-	7,720,204	-	-	-	-	-	7,720,204
Land (Freehold)	40,657,760	757,760	39,900,000	-	-	-	-	-	40,657,760
Leasehold Land	9,730,000	-	-	9,730,000	-	-	-	-	9,730,000
Factory Building	117,418,661	348,945	21,331,909	96,435,697	726,120	145,224	-	39,900,000	40,657,760
Other Building	15,649,726	1,040,001	1,175,001	15,514,726	29,491,551	5,112,470	5,690,872	871,344	8,858,656
Estates & Developments	6,059,273	-	-	6,059,273	3,860,465	603,058	72,202	28,913,149	67,522,548
Plant & Machinery	157,919,938	6,534,277	51,583,388	112,870,827	-	-	-	4,391,321	11,123,405
Furniture & Fixture	7,202,341	43,400	503,179	6,742,562	40,715,069	8,109,043	11,036,583	37,787,529	6,059,273
Vehicles	4,520,016	-	2,674,627	1,845,389	5,069,385	383,466	224,620	5,228,231	75,083,298
Computers	2,765,207	31,846	180,370	2,616,683	2,910,073	357,746	1,917,948	1,349,871	1,514,331
Total	369,643,126	7,998,469	85,926,438	291,715,157	85,306,132	14,811,133	19,068,042	81,049,223	210,665,934
Share of Joint Venture - Schedule 19 Note 1C	42,156	57,816	99,972	-	13,798	8,533	22,331	-	-
Grand Total	369,685,282	8,056,285	86,026,410	291,715,157	85,319,931	14,819,666	19,090,373	81,049,223	210,665,934
Previous Year	362,941,975	7,959,707	1,216,400	369,685,282	77,453,119	16,389,298	8,526,247	85,319,930	284,365,352

Notes

- (i) Title in respect of the land at Ooty vested in the Holding Company by virtue of amalgamation of erstwhile Singapore Amusement Park Limited is in the process of being transferred in the name of the Company. During the year company has executed an agreement for sale of a part of the above land at Ooty and has received advance payment amounting Rs 778.66 lacs as on 31.03.09, which is included under other liabilities.
- (ii) Revaluation of Land (freehold and leasehold), Building (factory and others), Estate & Development and Plant & Machinery was carried out as at 31st March, 2003 by a professional valuer under the then current cost basis. The resultant increase in net book value on revaluation amounting to Rs 1,73,63,681 was transferred to revaluation reserve.
- (iii) During the year company has passed a Board Resolution in its meeting held on 30th October 2008 to approve the plan of selling off the Ooty operation alongwith all fixed assets including factory building, plant and machineries, estate development etc. and the Corporate Office building at Kolkata. The total gross book value and net book value of these assets included above are Rs 280,510,521 and Rs 208,547,179 respectively. All these assets are held for disposal as on 31st March 2009 [Refer note 6 in Schedule 19].

SCHEDULE 6 - INVESTMENTS

	As a 31st March, 2009 Rs.	As at 31st March, 2008 Rs.
Long Term - Unquoted Other than trade		
In Government Securities	-	45,994
6th Years National Savings Certificate	-	-
Kishan Vikash Patra	-	-
(Deposited with Excise and other Authorities)	-	-
Total	14,874	14,874
Share of Joint Venture - Schedule 19 Note 1C	14,874	60,868
Grand Total	14,874	746,964



Schedules forming part of the Consolidated Balance Sheet

	As at 31st March, 2009 Rs.	As at 31st March, 2008 Rs.
SCHEDULE 7 - INVENTORIES		
Stores & Spares	4,171,951	5,240,255
Raw Material	—	—
Finished Goods	—	69,402,305
Less: Provision for stock obsolescence	4,171,951	74,642,560
Total	4,171,951	—
Share of Joint Venture- Schedule 19 Note 1C	—	74,642,560
Grand Total	4,171,951	74,642,560
SCHEDULE 8 - SUNDRY DEBTORS		
Unsecured - Considered Good		
Debts Outstanding for a period exceeding six months	—	1,806,721
Considered Good	2,780,217	—
Considered Doubtful	—	2,058,254
Other Debts	—	3,864,975
Less: Provision for Doubtful debts	2,780,217	—
Total	2,780,217	3,864,975
Share of Joint Venture- Schedule 19 Note 1C	—	1,108,787
Grand Total	2,780,217	4,973,762
SCHEDULE 9 - CASH & BANK BALANCES		
Cash in hand	380	54,308
Balance with Scheduled Banks		
In Current Accounts	1,465,972	253,384
In Dividend account	242,572	242,814
In Share Application Money Refund account	50,400	58,800
In Fixed Deposit Accounts	5,000	1,749,894
Total	1,764,324	2,359,200
Share of Joint Venture- Schedule 19 Note 1C	—	53,980
Grand Total	1,764,324	2,413,180



Schedules forming part of the Consolidated Balance Sheet

	As a 31st March, 2009 Rs.	As at 31st March, 2008 Rs.
SCHEDULE 10 - LOANS & ADVANCES		
Unsecured - Considered Good		
Advances recoverable in cash or in kind or for value to be received	6,465,699	7,514,441
Balance with Customs, Port trust, Central excise etc.	—	519,085
Security Deposit	2,333,103	4,344,185
Advance Income Tax (Net of Provision)	<u>11,596,918</u>	<u>11,576,248</u>
Less: Provision for Doubtful Advances	20,395,720	23,953,959
Total	<u>6,618,524</u>	<u>2,829,293</u>
Share of Joint Venture- Schedule 19 Note 1C	<u>13,777,196</u>	<u>21,124,666</u>
Grand Total	<u>—</u>	<u>15,044</u>
	<u>13,777,196</u>	<u>21,139,710</u>
SCHEDULE 11 - CURRENT LIABILITIES & PROVISIONS		
Current Liabilities		
Sundry Creditors	2,982,260	12,261,115
Advance Received against sale of land	77,866,671	47,600,000
Other Liabilities	9,417,341	11,178,597
Unclaimed Dividend	242,572	242,814
Unpaid application money due for refund	50,400	58,800
Temporary Book Overdra	—	476,865
Total	<u>90,559,244</u>	<u>71,818,191</u>
Share of Joint Venture- Schedule 19 Note 1C	—	329,800
Grand Total	<u>90,559,244</u>	<u>72,147,991</u>
Provisions		
Leave Encashment	174,285	229,000
Share of Joint Venture- Schedule 19 Note 1C	174,285	229,000
Grand Total	—	18,117
	<u>174,285</u>	<u>247,117</u>
SCHEDULE 12- MISCELLANEOUS EXPENDITURE		
(to the extent not written off or adjusted)		
Preliminary Expenses	2,002	107,922
Pre-operative Expenses	478,556	953,068
Public Issue Expenses	<u>2,441,013</u>	<u>4,393,829</u>
Total	<u>2,921,571</u>	<u>5,454,819</u>
Share of Joint Venture- Schedule 19 Note 1C	—	2,369
Grand Total	<u>2,921,571</u>	<u>5,457,188</u>



Schedules forming part of the Consolidated Profit & Loss A/c

	For the year ended 31st March, 2009 Rs.	For the year ended 31st March, 2008 Rs.
SCHEDULE 13 - SALES & SERVICES		
Export Sales	113,396,034	162,353,987
Domestic Sales	30,189,452	93,742,182
Total	143,585,486	256,096,169
Share of Joint Venture- Schedule 19 Note 1C	3,246,851	2,861,002
Grand Total	146,832,337	258,957,171
SCHEDULE 14 - OTHER INCOME		
Bank Interest (Gross)	60,754	420,105
[Tax Deducted at Source Rs.15,087 : 2008 - Rs. 29,799]		
Exchange Gain (Net)	—	17,241,258
Income from Investment (Dividend & Others) - Current	—	—
Income from Investment (Dividend & Others) - Other	6,329	—
Sale of DEPB License	1,059,341	7,026,502
Profit on sale of Fixed Asset (Net)	193,948	—
Miscellaneous Income	5,081,487	1,548,297
Liabilities no longer required written back	31,952	1,635,531
Subsidy from tea board	128,058	549,660
Total	6,561,869	28,421,353
Share of Joint Venture- Schedule 19 Note 1C	52,452	32,113
Grand Total	6,614,321	28,453,466
SCHEDULE 15 - MATERIAL CONSUMED		
a) Raw Material Consumed		
Opening Stock	—	93,839
Add: Purchases	85,804,122	84,303,394
Less: Closing Stock	85,804,122	84,397,233
	85,804,122	84,397,233
b) Purchase of finished goods	2,703,778	105,037,888
c) (Accretion)/ Decretion of finished goods		
Opening Stock	69,402,305	72,324,624
Less: Closing Stock	5,249,018	69,402,305
Total	64,153,287	2,922,319
Share of Joint Venture- Schedule 19 Note 1C	152,661,187	192,357,440
Grand Total	152,661,187	192,357,440



Schedules forming part of the Consolidated Profit & Loss A/c

	For the year ended 31st March, 2009 Rs.		For the year ended 31st March, 2008 Rs.
SCHEDULE 16 - EXPENSES			
Salary, Wages and Bonus	10,196,409		11,730,561
Contribution to Provident and Other Funds	1,300,271	12,299,454	1,640,981
Power and Fuel			14,390,030
(including consumption of stores and spares)			
Consumption of Stores and Spares		26,120,582	30,205,795
Repairs and Maintenance		3,585,760	7,601,870
Rent		4,264,089	4,260,384
Rates and Taxes		310,090	399,554
Freight and Transport		1,085,611	1,342,576
Insurance		4,416,978	14,829,469
Brokerage & Commission		954,078	898,105
Travelling and Conveyance		797,003	895,272
Clearing, Forwarding and Inspection		555,423	946,341
Legal and Consultancy		864,694	1,804,088
Sitting Fees paid to directors		1,101,636	945,901
Auditors' Fees		237,000	326,000
— As Audit Fees	210,000		219,000
— As Tax Audit Fees	50,000		50,000
— In Other Capacity	177,717	437,717	191,000
Miscellaneous Expenditure written off		2,459,582	460,000
Provision for Bad Debts		2,780,216	2,465,248
Loss on Sale of Fixed Assets		—	—
Provision for Doubtful Advances		3,789,231	94,927
Sundry Balance Written off		—	2,829,293
Miscellaneous Expenses		5,038,014	8,486
Loss on Sale of Subsidiary Company		32,111,381	7,049,778
Loss on Exchange		38,504,610	—
Provision for stock obsolescence		4,171,951	—
Total		145,885,100	91,753,117
Share of Joint Venture- Schedule 19 Note 1C		762,090	842,411
Grand Total		146,647,190	92,595,528
SCHEDULE 17 - INTEREST & FINANCE CHARGES			
Interest on Loans - Others		13,438,158	13,579,542
Bank Charges		1,225,823	3,250,868
Total		14,663,981	16,830,410
Share of Joint Venture- Schedule 19 Note 1C		1,066	1,742
Grand Total		14,665,043	16,832,152
SCHEDULE 18 - PROVISION FOR TAXATION			
Current Tax		—	—
Deferred Tax		(5,583,800)	(3,076,416)
Fringe Benefit Tax		210,000	253,260
Total		(5,373,800)	(2,823,156)
Share of Joint Venture- Schedule 19 Note 1C		884,389	722,848
Grand Total		(4,489,411)	(2,100,308)



Notes forming part of the Consolidated Accounts

SCHEDULE 19

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Consolidation

The Consolidated financial statements comprises of the financial statements of Beeyu Overseas Limited (the Holding Company), its subsidiary upto the date of sale i.e., 18th March, 2009 and its interest in joint venture upto the date of sale i.e., 31st March, 2009.

The Consolidated financial statements have been prepared in accordance with Accounting Standard 21 on "Consolidated Financial Statements" and Accounting Standard 27 on "Financial Reporting of Interests in Joint Ventures" issued by the Institute of Chartered Accountants of India.

The Consolidated financial statements are prepared on the following basis

- i) The company has sold its entire shareholding in Neelkanth Tea Company Limited during the year ended 31st March 2009. The results of operation of subsidiary till the date of cessation of holding-subsidary relationship are included in the consolidated statement of profit & loss Account. The difference between the proceeds from disposal of investment and the carrying amount of its assets less liabilities as on the day of disposal is recognized in the statement of consolidated Profit & loss as the loss on disposal of the investment in subsidiary. The financial statements of the Holding Company and its subsidiary company have been combined on a line by line basis by adding together like items of assets, liabilities, income and expenses. The intra-group balances, intra-group transactions and unrealised profit or losses thereon have been fully eliminated.
- ii) The interest in joint venture has been accounted for using proportionate consolidation method till the date of cessation of joint control, whereby a venturer's share of each of the assets, liabilities, income and expenses of the jointly controlled entity is accounted for on a prorata basis with respect to the period of control. In case of transaction between venturer and JV, the venturer's share of gain or loss is eliminated.
- iii) The financial statements of the subsidiary and joint venture entity used in the consolidation are drawn up to the same reporting date as that of the Holding Company/ Venturer.
- iv) The excess value of the consideration given over the net value of the identifiable assets acquired in the subsidiary company is recognised as "Goodwill" and is not being amortised.

B. The Subsidiary Company considered in the financial statement is as follows:

Name of the Company	Country of Incorporation	Proportion(%) of Shareholding as on 31st March 2009	Proportion(%) of Shareholding as on 31st March 2008
Neelkanth Tea Company Limited	India	Nil	100

C. Interest in Joint Venture

Name of the Company	Country of Incorporation	Proportion(%) of Shareholding as on 31st March 2009	Proportion(%) of Shareholding as on 31st March 2008
Alliance Coffee Limited	India	Nil	6.6%

D. Convention and basis of Accounting

The consolidated financial statements have been prepared under the historical cost convention as modified by revaluation of certain fixed assets of the holding company and in accordance with the applicable Accounting Standards in India. A summary of important accounting policies, which have been applied consistently are set out below.

E. Fixed Assets and Depreciation

Land, Building, Estate & Development and Plant & Machinery of holding company as at 31st March 2003 are stated at valuation made by an approved valuer at the then current cost. Subsequent acquisition of these assets and other fixed assets are stated at their purchase cost together with any incidental expenses of acquisition/installation including borrowing cost, wherever applicable, directly attributable to the acquisition, construction and production of qualifying assets.



Notes forming part of the Consolidated Accounts (Schedule 19 contd.)

Leasehold land is being amortized over the lease period. Depreciation on fixed assets other than Leasehold land is provided on written down value in accordance with Schedule XIV of the Companies Act 1956, of India. Additional charge of depreciation on amount added on revaluation is adjusted against revaluation reserve.

Profit or Loss on disposal of fixed assets is recognized in the Profit and Loss Account.

An impairment loss is recognized wherever the carrying value of the Fixed Assets of a cash generating unit exceeds its net selling price or value in use, whichever is higher.

F. Investments

Long term investments are stated at cost. Provision is made for diminution, other than temporary, in the value of investments, wherever applicable.

G. Inventories

Inventories are stated at cost or net realizable value, whichever is lower. Cost is determined on FIFO basis, except for manufactured tea, which is valued at weighted average method and comprises of expenditure incurred in the normal course of business in bringing such inventories to their location and condition including appropriate overheads, wherever applicable.

H. Foreign Currency Transactions

Transactions in foreign currency are recorded in rupee at the exchange rate prevailing at the date of transactions. Gains/Losses arising out of fluctuations in the exchange rates are recognised in Profit & Loss Account in the period in which they arise. Premium or discount on forward contracts are amortised over the life of the contract. Foreign exchange forward contracts are revalued at the Balance Sheet date and the exchange difference between the spot rate at the date of the contract and the spot rate on the balance sheet date is recognized as gain/loss in the Profit & Loss Account.

I. Sales and Services

Sales and services represent the invoiced value of goods sold or services rendered in accordance with the terms of the contract, net of taxes and duties.

J. Grants and Subsidy

Grants/Subsidy, for acquiring specific fixed assets are deducted from the cost of the asset concerned otherwise it is recognized as income in Profit & Loss A/c.

K. Retirement Benefit

i) Post Retirement Benefits

a) Provident Fund

The group makes regular contributions to Provident Fund maintained by Regional Provident Fund Commissioner. Such contributions are recognized in Profit & Loss Account on accrual basis.

b) Superannuation Fund

The group operates a non-contributory Superannuation Scheme with Life Insurance Corporation of India, towards future payments of pensions for its eligible employees. The company contributes 15% of the employees' current salary to the above fund which is recognised in the profit and loss.

c) Gratuity

The group has Gratuity Fund administered by trustees which is independent of the Company's Finance. The Gratuity Fund has taken a Group Gratuity Policy which is maintained with Life Insurance Corporation of India (LIC) for future payment of gratuity liability to its employees. Till last year, the annual premium determined by LIC was provided in the accounts. In the current year, consequent to the adoption of Accounting Standard 15 (Revised 2005) on "Employee Benefits", gratuity liability as on 31st March 2009 has been determined on the basis of actuarial valuation in accordance with the method stated in the said standard and such liability has been provided for in the accounts. Annual premium determined by LIC has been contributed.

d) Leave Encashment

Leave encashment benefit has been determined on the basis of actuarial valuation as at 31st March of each year and such liability is provided for in the accounts. In the current year, consequent to the adoption of AS-15 (Revised), such actuarial valuation has been done based on the method prescribed in the said standard.

Actuarial gains and losses, where applicable, are recognized in the Income & Expenditure Account.



Notes forming part of the Consolidated Accounts (Schedule 19 contd.)

ii) Other employee benefits are accounted for on accrual basis.

L. Deferred Taxation

Deferred Tax is recognised using the liability method, at the current rate of taxation, on all timing differences to the extent it is probable that a liability or asset will crystallize. Deferred Tax assets are recognised subject to consideration of prudence and are periodically reviewed to reassess realisation thereof.

M. Miscellaneous Expenditure

Preliminary and preoperative expenses are being amortized over a period of ten years.
Public issue and amalgamation expenses are being amortized over a period of five years.

N. Borrowing Cost

Borrowing costs attributable to acquisition and/or construction of qualifying assets are capitalized as a part of the cost of such assets upto the date when such assets are ready for its intended use. Other borrowing costs are charged to Profit & loss Account.

O. Financial Instruments

In respect of Forward Contracts, premium paid, provision for losses on restatement and gains/ losses on settlement are recognised alongwith the underlying transactions and charged to Profit and Loss Account. Following the principles of prudence the losses, if any are assessed, by marking to market all its forward contracts taken to cover their foreign exchange risk in respect of future receivables by way of firm commitments and highly probable forecast transactions outstanding at the balance sheet date and such losses are provided.

	For the year ended 31st March 2009	For the year ended 31st March 2008
2. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	Nil	30,37,500
3. Contingent Liabilities not provided for:		
i) Income Tax Matters	7,570,059	8,337,729
ii) Bill Discounting	—	—
iii) Corporate Guarantee	—	220,560,449
iv) Bank Guarantee	—	605,364

4. During the year Income Tax Appellate Tribunal (ITAT) has passed an order while disposing off and partly allowing the appeal filed by Revenue (DCIT) against the earlier order of CIT (Appeal) relating to assessment year 2001-02, which was passed in favor of holding company against a demand of Rs 21,26,722 under section 143(3) of Income Tax Act, 1961 and reversed the order of CIT(Appeal) partly on certain issue of computation of indirect cost for the purpose of deduction u/s 80 HHC. Pursuant to such ITAT order although the liability of income tax is certain as at year end to the extent of disallowance, no provision has been made in books, considering the fact that impact of such partly allowed appeal is unascertainable from the ITAT order. No demand has been raised till date on the ground of such ITAT order.

5. The holding Company is not carrying out any tea manufacturing activity at its unit located in Ooty, Tamilnadu, since August, 2008, due to the fact that the Tea Board of India has revoked the factory's registration under the provisions of Tea (Marketing) Control Order, 2003 issued under the provisions of the Tea Act, 1953. Due to loss of Turnover and under-recovery of expenses, including depreciation and interest, there was high operating losses.

6. The Board at its meeting held on 30th October 2008 decided to change the business model from manufacturing to trading in tea. Moreover, in order to generate Working Capital as well as reduce Borrowings, it has decided to sell, lease or otherwise dispose off – a) the residual land of 6.95 acres including the tea factory at Ooty along with all fixed assets such as plant, machinery, estate and development, etc. which are directly or indirectly required to run the factory, and b) the Corporate Office Building of the Company at Kolkata. The proposal had been duly approved by Shareholders under Section 293(1)(a) by means of Postal Ballot in December, 2008. The disposal is consistent with the Company's long-term strategy to focus its activities in the area of trading, and to divest from unrelated areas. The sale is yet to be finalized.

**Notes forming part of the Consolidated Accounts (Schedule 19 contd.)**

7. The normal operations of the Company's wholly owned subsidiary Neelkanth Tea Company Ltd. (NTCL), had become unviable due to continuous losses being incurred by the Company. Besides, realization from the Sale of the subsidiary would help reduce Borrowings. Hence, the Board of holding company at its meeting held on 6th February 2009 decided to sell-off the Company's entire investments in NTCL to a third party, subject to obtaining regulatory clearances. The sale of the subsidiary was completed and the total impact of the loss amounted to Rs 4.3 crore.

8. Managerial Remuneration:

(Relating to Holding Company Only)

Salaries & Bonus	2,220,000	2,220,000
Contribution to Provident and Other Fund	432,900	436,815
Perquisites	939,397	790,261
	<u>3,592,297</u>	<u>3,447,076</u>

9. Deferred Taxation

The major components of the deferred tax (Assets)/liabilities based on the tax effect of timing differences as on 31st March 2009 are as under:

	For the year ended 31st March 2009	For the year ended 31st March 2008
Deferred Tax Liability		
- Depreciation	13,475,446	12,789,587
- Deferred Revenue Expenditure	329,282	491,900
- Tax Rate	Nil	1,91,091
	<u>13,804,728</u>	<u>13,472,578</u>
Deferred Tax Assets		
- Employee Benefit	(11,426)	29,390
- Unabsorbed Depreciation	Nil	52,97,456
- Brought forward business loss	13,816,154	6,853,578
	<u>13,804,728</u>	<u>13,472,578</u>
Deferred Tax Liability as at year end	<u>Nil</u>	<u>1,292,154</u>

10 Related Party Disclosure

- 1) **Person having substantial interest in the Group**
Mr. B P Singh – Chairman & Managing Director
- 2) **Key Managerial Personnel**
Mr. B P Singh – Executive Chairman
Ms Rajinie Singh – Dy. Managing Director
Mr. F. J. Kapadia – Wholetime Director
- 3) **Relatives of Key Managerial Personnel**
Mrs. Usha Singh
Mr. Ravi Singh
- 5) **Joint Venture**
Alliance Coffee Ltd.



Notes forming part of the Consolidated Accounts (Schedule 19 contd.)

Following transactions were carried out with the related parties in course of business during the year:

Nature of Transactions	Key Managerial Persons	Relatives of Key Managerial Persons	Joint Venture	Total
Rent Paid	130,000	120,000	—	250,000
Rent Received	(128,400)	(120,000)	—	(248,400)
Services Rendered	—	—	120,000	120,000
Remuneration	3,592,297	2,197,118	(120,000)	(10,000)
Sitting Fees	(3,447,076)	(1,976,316)	—	5,789,415
Insurance Paid	—	54,000	—	(5,423,392)
Reimbursement of Expenses	209,837	(81,000)	—	54,000
Sale of Investment	—	72,554	—	(81,000)
Loans & Advance Received	2,452,060	(50,309)	—	72,554
Outstanding Balance (Credit)	1,994,634	517,342	—	(50,309)
Outstanding Balance (Debit)	—	—	—	727,179
	—	33,000	—	—
	—	(100,000)	—	33,000
	—	2,556,800	—	(100,000)
	—	—	—	5,008,860
	—	1,721,400	—	—
	—	—	—	3,716,034
	—	—	3,708	—
	—	—	(3,708)	3,708
	—	—	—	(3,708)

Figures in brackets represent figures of previous year

11. Calculation of Basic and Diluted Earning Per Share

	For the year ended 31st March 2009	For the year ended 31st March 2008
A Loss After Tax (Rs)	170,492,721	20,227,588
B Weighted number of shares outstanding	14,141,453	14,141,453
C Earning Per Share (Basic & Diluted) (Face Value of Rs. 10/- per share)(Rs)	(12.06)	(1.43)
D Nominal Value per Share (Rs)	10	10

12. Segment Reporting

The Company has only one reportable primary segment i.e tea. It has identified geographical as secondary segment. Geographical (Secondary) Segment

The Geographical segments have been identified by geographical location of customer for segment.



Notes forming part of the Consolidated Accounts (Schedule 19 contd.)

	As at 31st March 2009	As at 31st March 2008
Segment Revenue		
Within India		
Outside India	33,564,361	97,152,844
Total segment revenue	114,455,375	169,380,489
Segment Asset	148,019,736	266,533,333
Within India		
Outside India	231,375,613	394,312,718
Total segment Assets	Nil	1,164,523
Capital Expenditure	231,375,613	395,477,241
Within India		
Outside India	8,056,285	9,698,230
Total Capital Expenditure	Nil	—
	8,056,285	9,698,230

13. There is no Micro, Small and Medium enterprise to which the company owes dues which are out standing for more than 45 days as at 31st March 2009. The information as required to be disclosed under "The Micro Small and Medium Enterprise Development Act.

14. Previous year figures have been regrouped and/or rearranged where necessary.

Place : Kolkata
Date: 7th July 2009

For and on behalf of the Board of Directors
 B P Singh — Chairman & Managing Director
 F J Kapadia — Director Finance
 M. K. Dutia — GM (Finance) & Company Secretary



Consolidated Cash Flow Statement
for the year ended 31st March, 2009

Particulars	For the year ended	For the year ended
	31st March, 2009	31st March, 2008
	Rs.	Rs.
A. Cash flow from operating activities:		
Loss before taxation	174,982,132	22,327,896
Adjustments for:		
Exceptional items	—	8,042,044
Depreciation	(14,455,366)	(15,995,459)
Unrealised Exchange Gain (Net)	(4,103,492)	6,597,066
Misc. Exp not represented by assets/written off	(2,459,879)	(2,465,545)
Provision for Stock Obsolescence	(4,171,951)	—
Provision for Doubtful Debtors	(2,780,216)	—
Provision for Doubtful Advances	(3,789,231)	(2,829,293)
Loss on sale of Subsidiary	(32,111,381)	—
Income from Investment (Dividend & Others)	58,781	32,114
Interest Income	60,754	420,105
Interest Expenses	(14,665,047)	(16,832,152)
Profit/(Loss) on Fixed Assets sold (Net)	193,948	(97,169)
Liability no longer required written back	31,952	1,635,531
Operating Loss/(profit) before working capital changes	96,791,004	835,138
Adjustments for changes in working capital :		
— (Increase)/Decrease in Sundry Debtors	1,031,300	26,299,672
— (Increase)/Decrease in Other Receivables	3,497,803	10,363,126
— (Increase)/Decrease in Inventories	65,195,117	4,225,632
— Increase/(Decrease) in Trade and Other Payables	(4,611,492)	(4,722,464)
Cash generated from operations	(31,678,276)	35,330,828
— Direct Tax paid	(38,787)	(408,947)
— Fringe Benefit Tax paid	(219,062)	(474,626)
Net cash from operating activities	(31,936,125)	34,447,255
B. Cash flow from Investing activities:		
Purchase of fixed assets	(6,317,761)	(6,768,676)
Proceeds from Sale of fixed assets	—	58,086
Advance recd from sale of Fixed Assets	30,266,671	47,600,000
Sale of Investment	45,994	—
Sale of Share in Joint Venture	33,000	100,000
Sale of Subsidiary	21,700,000	—
Purchase of Investment	(864,254)	(342,313)
Refund of Excise Duty	—	447,984
Interest Received	60,754	420,105
Income from Investment (Dividend & Others) - Others	58,781	—
Income from Investment (Dividend & Others) - Trade	—	1,832,113
Net cash from investing activities	44,983,185	43,347,299



C. Cash flow from financing activities:		
Short term borrowings (repaid to) / taken from bank (Net)	24,651,572	(46,785,595)
Long term loan (repaid to)/ taken from Bank(Net)	(27,043,918)	(16,145,722)
Unsecured loan from Directors	3,716,034	—
Interest Paid	(14,665,047)	(16,832,152)
Unpaid Application money refunded	(8,400)	(212,875)
Unpaid Dividend Paid	(242)	(334,066)
Dividend Tax Paid	(145,794)	(100,950)
Net cash used in financing activities	(13,495,795)	(80,411,360)
Net Increase in Cash & Cash Equivalents (A+B+C)	(448,735)	(2,616,806)
Cash and cash equivalents (Opening balance)	2,413,180	5,271,604
Cash and cash equivalents on sale of subsidiary(Note 4)	(163,140)	—
Cash and cash equivalent on sale of Investment In JV (Note 5)	(36,981)	(241,618)
Cash and cash equivalents (Closing balance)	1,764,324	2,413,180

Notes:

1. Cash and Cash Equivalents

Cash in hand	380	56,235
Balance with Bank	1,763,944	2,356,945
	<u>1,764,324</u>	<u>2,413,180</u>

2. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard on 'Cash Flow Statements (AS-3)' issued by the Institute of Chartered Accountants of India.
3. Previous period figures have been regrouped and recast wherever necessary to conform to the current period classification.
4. Opening Cash and cash equivalents have been adjusted by Rs 163,140 on account of sale of wholly owned subsidiary company Neelkanth Tea Co. Limited.
5. Opening Cash and cash equivalents have been adjusted by Rs 36,981 (previous year Rs 241,618) on account of sale of 6.6% (Previous year : 20%) stake in joint venture Alliance Coffee Limited.

Place : Kolkata
Date: 7th July 2009

PARTHA MITRA
Partner
For and on behalf of
Price Waterhouse
Chartered Accountants

For and on behalf of the Board of Directors
B P Singh — Chairman & Managing Director
F J Kapadia — Director Finance
M. K. Dutia — GM (Finance) & Company Secretary

ATTENDANCE SLIP

BEEYU OVERSEAS LIMITED

Registered Office : Fulhara (Bhimgachh), P. O.: Ramganj, Block : Islampur, Dist. Uttar Dinajpur 733 207 (W.B.)

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

Joint shareholders may obtain additional Slip on request

DP. Id*

Master Folio No.

Client Id*

NAME AND ADDRESS OF THE SHAREHOLDER

No. of Share(s) held :

I hereby record my presence at the 16th Annual General Meeting of the Company held on Wednesday, 23rd day of September, 2009 at 11.00 a.m. at Fulhara (Bhimgachh), P.O. Ramganj, Block: Islampur, Dist. Uttar Dinajpur – 733 207, West Bengal.

Signature of the shareholder or proxy

*Applicable for investors holding shares in electronic form.

TEAR HERE

BEEYU OVERSEAS LIMITED

PROXY FORM

Registered Office : Fulhara (Bhimgachh), P. O.: Ramganj, Block : Islampur, Dist. Uttar Dinajpur 733 207 (W.B.)

DP. Id*

Master Folio No.

Client Id*

I/We of
..... being a member / members of Beye Limited
hereby appoint of
..... or falling him
..... of
as my/our proxy to vote for me/us and on my/our behalf at the 16th Annual General Meeting to be held on Wednesday, 23rd day of September, 2009 at 11.00 a.m. at any adjournment thereof.

Signed this day of 2009

Affix Re
1.00
Revenue
Stamp

*Applicable for investors holding shares in electronic form.

Note : The Proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The Proxy need not be a member of the Company.