

**63rd  
Annual Report  
2009-2010**

**BENGAL & ASSAM COMPANY LIMITED**

# Remembering A Visionary

The Company is celebrating the birth centenary of its Founder, Lala Lakshmi Pat Singhania, one of the key architects of JK Organization. As a true visionary, he laid the foundation for taking the Organization to new heights in the journey of building a self-reliant India. He was a dynamic leader who championed the cause of domestic industry with Indian ownership and management.

The JK Organization became one of the top four private sector Groups in the country during his lifetime. He pioneered the manufacturing of many products, for the first time in India. Through a plant set up in West Bengal in 1944, he started the production of aluminium metal in India from Indian Bauxite for the first time. This metal was further converted into a complete range of aluminium products including aluminium foils. The company, Aluminium Corporation of India Limited, was one of the few integrated Aluminium plants in the world. Lala Lakshmi Pat Singhania set up many successful companies in different parts of the country, which provided thousands of job opportunities, particularly in the backward areas of rural India. These include, Straw Products Ltd. in Bhopal in 1938 which commenced production of straw boards and later on paper boards. Production of high quality writing and printing paper was started in 1962 in Orissa and the company is now operating under the name of JK Paper Limited, known for its high value added products. He was also instrumental in setting up various other plants for the manufacture of Automobile Tyres (JK Tyre & Industries Ltd.) and Cement (JK Lakshmi Cement Ltd.), amongst many other initiatives of the group.

He was the Chairman of National Insurance Company for several years. The Company covered both life and general insurance activities. He made it grow as the 3rd largest insurance company of the country with the largest overseas network. Unfortunately Insurance – Life and General, as well as Aluminium were nationalized in India as a matter of the then policy of the government.

He was the guiding spirit for the JK Group to set up several medical and educational institutions across the country including scores of primary schools in the rural areas.

Lala Lakshmi Pat Singhania embodied the rare qualities that transcend time through their single-minded purpose, simplicity, vision and the constant working of an enquiring mind that rejects the status quo. Apart from being a philanthropist entrepreneur he believed in upliftment of the society at large. He has left behind a value system based on Trust, Nationalism and Care which serves as a beacon for the Group Companies to chart their course into the future. The core values are:

- Caring for people
- Integrity including intellectual honesty, openness, fairness and trust
- Commitment to Excellence

# *Centenary Year*



**LALA LAKSHMIPAT SINGHANIA**  
**1910 - 1976**

**KEY ARCHITECT OF JK ORGANISATION**

*"We seek a society which is proud of its past,  
conscious of the present and full of hope for the future."*

# BENGAL & ASSAM COMPANY LIMITED

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

# BENGAL & ASSAM COMPANY LIMITED

## DIRECTORS' REPORT

### TO THE MEMBERS

The Directors have pleasure in presenting the 63<sup>rd</sup> Annual Report together with the Audited Accounts of the Company for the year ended 31<sup>st</sup> March 2010.

The Company is observing this year as the **Birth Centenary Year** to pay humble respects, to Late Lala Lakshmi Pat Singhania (1910-1976), who had been a great Visionary and a Key Architect of JK Organisation. He believed in the philosophy of inclusive growth encompassing all sections of the Society. The Company's best all round performance in the current year is a befitting tribute to the great Founder.

### FINANCIAL RESULTS

	<u>Rs. in Lacs</u>	
	<u>31.03.2010</u>	<u>31.03.2009</u>
Profit before Depreciation and Tax	<u>2,661.00</u>	1,391.87
Profit after Tax	<u>2,403.75</u>	1,288.37
Surplus brought forward	<u>1,332.16</u>	1,932.26
Amount available for appropriation	<u>3,735.91</u>	3,220.63
Appropriations:		
Transfer to Reserve	<u>480.75</u>	257.67
Transfer to General Reserve	<u>1,500.00</u>	1,500.00
Dividend including Dividend Tax	<u>217.09</u>	130.80
Surplus carried to Balance Sheet	<u>1,538.07</u>	1,332.16
	<u>3,735.91</u>	3,220.63

There has been a significant improvement in the performance of the Company on account of higher dividends received and profit on sale of investments.

### DIVIDEND

The Directors are pleased to recommend a dividend of Rs.2.50 per Share (25%) on the Equity Share Capital of Rs. 8.68 Crores (86,83,553 Equity Shares of Rs. 10 each) for the year ended 31<sup>st</sup> March 2010. The dividend outgo would amount to Rs.217.09 lacs.

### PROSPECTS

The capital market recovered steadily in 2009-10. With the Indian economy poised to achieve 9% growth in GDP, the capital market is expected to remain buoyant in the coming year. This augurs well for the Company.

### DIRECTORS

Shri Hari Shankar Singhania, Shri Bharat Hari Singhania and Dr. Raghupati Singhania, retire by rotation at the forthcoming Annual General meeting of the Company and being eligible, offer themselves for re-appointment.

### CONSOLIDATED ACCOUNTS

Pursuant to Accounting Standard (AS-21), consolidated financial statements are being presented by the Company for the period under report. In terms of approval granted by the Central Government under Section 212(8) of the Companies Act 1956, copies of the Balance Sheets, Profit & Loss Accounts, Reports of the Board of Directors and the Auditors, etc. of the subsidiary companies, namely, Fenner (India) Ltd., Southern Spinners & Processors Ltd., Modern Cotton Yarn Spinners Ltd., Acorn Engineering Ltd., BMF Investments Ltd. (w.e.f 19<sup>th</sup> September 2009), Panchmahal Properties Ltd., LVP Foods Pvt. Ltd. and Dwarkesh Energy Ltd. have not been attached to the Balance

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Sheet of the Company. These documents/details have been posted on the website of the Company and will be made available upon request by the members.

## **AUDITORS**

M/s. J.S. Lodha & Co., Chartered Accountants, Auditors of the Company, retire at the present Annual General Meeting (AGM). The said Auditors have expressed their unwillingness for re-appointment at the said AGM.

The Board of Directors of the Company recommends appointment of M/s. Lodha & Co., Chartered Accountants, New Delhi, as Auditors of the Company from the conclusion of this AGM till the next AGM.

The observations of the Auditors in their Report on Accounts have been suitably explained in the relevant notes to the Accounts.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

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

- in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- the accounting policies selected and applied are consistent and judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the financial year ended 31st March 2010;
- proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the said Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- the annual accounts have been prepared on a going concern basis.

## **CORPORATE GOVERNANCE**

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

## **PARTICULARS OF EMPLOYEES**

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

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

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

## **FIXED DEPOSITS**

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

## **ACKNOWLEDGEMENTS**

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

New Delhi  
26<sup>th</sup> July, 2010

On behalf of the Board  
HARI SHANKAR SINGHANIA  
Chairman

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **OVERVIEW**

The Company is engaged in the Investment and finance business and is thus dependent upon economic growth in general and the state of capital markets in particular. After global financial turmoil, the world economy witnessed contraction in 2009-10. In tandem with other economies globally, India too had stepped up fiscal efforts to support growth. The Indian economy responded well to Government measures and was able to maintain a sustained growth during the current year. This tempo of growth is expected to be better during the year with the higher growth in the GDP of the country.

### **PERFORMANCE DURING THE YEAR**

The performance of the Company is directly related to the performance of its investments. During the year, income from investments increased to Rs.2,508.11 lacs including profit on sale of investments of Rs.926.30 lacs, as against Rs.1,514.68 lacs during the previous year.

### **OUTLOOK**

Considering the present economic conditions and the state of capital markets, the Company foresees further improvement in its assets valuations.

### **NBFC**

The Company is a Systemically Important Non Deposit Taking Non Banking Finance Company (NBFC) governed by the Reserve Bank of India Act, 1934 (RBI). The Company has sought exemption from Reserve Bank of India from applicability of certain provisions applicable to Systemically Important Non Deposit Taking Non Banking Finance Company.

The Company does not accept Fixed Deposits and as required by RBI, the Board of Directors have passed necessary resolution not to accept Fixed Deposits without prior approval of RBI.

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

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

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

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

### **CAUTIONARY STATEMENT**

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

# CORPORATE GOVERNANCE REPORT

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

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

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

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

## 2. BOARD OF DIRECTORS:

The Board of Directors presently consists of eight Non-executive Directors (NED) of which four are Independent (IND). The Chairman is Non-executive. Four Board Meetings were held during the Financial Year 2009-10 ended 31<sup>st</sup> March 2010 on 28<sup>th</sup> April 2009, 30<sup>th</sup> July 2009, 26<sup>th</sup> October 2009 and 18<sup>th</sup> January 2010. Attendance and other details of the Directors are given below:

Name of the Director	Category	No of Board Meetings Attended	Whether last AGM Attended (22.09.09)	Outside Directorships and Committee Positions		
				Directorships\$	Committee Memberships@	Committee Chairmanships@
Shri Hari Shankar Singhania, Chairman	NED	4	No	3	-	-
Shri Bharat Hari Singhania	NED	4	No	4	1	-
Dr. Raghupati Singhania	NED	4	No	7	2	1
Smt. Vinita Singhania	NED	4	No	3	-	-
Shri O.P. Khaitan	IND	4	No	8	6	2
Shri Shailendra Swarup	IND	1	No	4	2	1
Shri L.R.Puri	IND	3	Yes	9	-	1
Shri J.R.C.Bhandari	IND	4	Yes	3	1	2

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

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

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

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

## 3. AUDIT COMMITTEE:

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



## **BENGAL & ASSAM COMPANY LIMITED**

The Committee consists of three Independent Directors. Four meetings of the Audit Committee were held during the year ended 31st March 2010.

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

Dates of meetings	Number of members attended
28 <sup>th</sup> April 2009	2
30 <sup>th</sup> July 2009	3
26 <sup>th</sup> October 2009	3
18 <sup>th</sup> January 2010	3

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

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

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

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

The Company has Shareholders/Investors' Grievance Committee at the Board level. The Shareholders/Investors' Grievance Committee consisted of Shri J.R.C. Bhandari, (Chairman of the Committee), Shri Bharat Hari Singhania, Dr. Raghupati Singhania and Shri L.R. Puri. During the year, the Committee was reconstituted. The Shareholders/Investors' Grievance Committee now consists of Shri O.P. Khaitan (Chairman), Shri L.R. Puri and Shri J.R.C. Bhandari. The composition of the Committee is in conformity with Clause 49 of the Listing Agreement. Three meetings of the said committee were held during the year ended 31st March 2010.

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

Dates of meetings	Number of members attended
30 <sup>th</sup> July 2009	4
26 <sup>th</sup> October 2009	3
18 <sup>th</sup> January 2010	3

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

Name	Status	No. of Meetings attended
Shri O.P. Khaitan	Chairman	2
Shri Bharat Hari Singhania	Member	1
Dr. Raghupati Singhania	Member	1
Shri L.R. Puri	Member	3
Shri J.R.C. Bhandari	Member	3

Shri Dillip Swain, Company Secretary, is the Compliance Officer who oversees the investors' grievances including related to Transfer of shares, Non-receipt of balance sheet and declared dividends, etc. During the year 2009-10, the Company received 7 complaints, which were promptly attended / resolved to the satisfaction of the investors. No complaint stood pending as on 31st March 2010.

The Board has delegated the power of share transfer to a Committee of Directors and the share transfer formalities are attended as required. All valid requests for transfer of shares in physical form were processed in time and there were no pending transfers of shares. During the year ended 31st March 2010, 12 Meetings of this Committee were held.

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

Remuneration Committee was not required to be constituted.

### SITTING FEE:

The Non-Executive Directors have not drawn any remuneration from the Company except sitting fees of the Board/Committee of Directors attended by them. During the financial year 2009-10, the Company paid sitting fees aggregating to Rs. 5,52,000. The Non-executive Directors did not have any other material pecuniary relationship or transactions *vis-a-vis* the Company during the year.

The number of Equity Shares (shares) held by Non-Executive Directors in the Company: Shri Hari Shankar Singhania - 8,22,684, Shri Bharat Hari Singhania - 1,52,159, Dr. Raghupati Singhania - 8,14,661, Smt. Vinita Singhania - 33,249, Shri O.P. Khaitan - 236. Shri Shailendra Swarup, Shri J.R.C. Bhandari and Shri L.R. Puri do not hold any shares. The Company does not have any outstanding convertible instruments.

## 6. GENERAL BODY MEETINGS:

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

Year	Location	Date	Time
2006-07	Regd. Office: Link House, 4th Floor, 3, Bahadur Shah Zafar Marg, New Delhi-110 002	29th December 2007	3.00 P.M.
2007-08	Sri Sathya Sai International Centre, Pragati Vihar, Lodi Road Institutional Area, Lodi Road, New Delhi-110 003	30th December 2008	11.00 A.M.
2008-09	Sri Sathya Sai International Centre, Pragati Vihar, Lodi Road Institutional Area, Lodi Road, New Delhi-110 003	22nd September 2009	11.30 A.M.

No special resolutions were passed in the AGMs held in 2007 and 2008. Special Resolution regarding insertion of Article 25A prescribing minimum number of shares for split of certificates for Equity Shares, in the Articles of Association of the Company was passed in the AGM held in 2009.

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

## 7. DISCLOSURES:

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

## 8. MEANS OF COMMUNICATION:

Quarterly, half-yearly and annual results are normally published in the leading English newspaper, namely, Financial Express and one regional daily "Vir-Arjun"/"Jansatta", having wide circulation and promptly furnished to the Stock

## **BENGAL & ASSAM COMPANY LIMITED**

Exchanges for display on their respective websites. The financial results are also displayed on the Company's website – www.bengalassam.com.

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

### **9. GENERAL SHAREHOLDERS' INFORMATION:**

#### **(i) Annual General Meeting (AGM)**

- (a) Date & Time : 23rd September 2010 at 11.00 A.M.  
 Venue : Sri Sathya Sai International Centre, Pragati Vihar, Lodi Road Institutional Area, Lodi Road, New Delhi-110 003
- (b) As required under Clause 49 (IV)(G)(i), brief resume and other particulars of the appointment of the Directors retiring by rotation at the aforesaid AGM and seeking re-appointment are given in the Notes to the Notice convening the said AGM.

#### **(ii) Financial Calendar (Tentative)**

Financial Reporting

- for the quarter ending 30.06.2010
  - for the half-year ending 30.09.2010
  - for the quarter ending 31.12.2010
  - for the year ending 31.03.2011  
 (If unaudited)  
 (If audited)
  - Annual General Meeting for the  
 Financial Year ending 2010-11
- } Within 45 days of the end of the quarter
- } Within 60 days of the end of the quarter  
 Between July and September 2011

- (iii) **Date of Book Closure:** 17<sup>th</sup> September to  
 23<sup>rd</sup> September 2010 (both days inclusive)
- (iv) **Dividend Payment Date:** Before 22<sup>nd</sup> October 2010

- (v) **Listing on Stock Exchanges:** The Equity Shares of the Company are listed on Bombay Stock Exchange Ltd. (BSE) [w.e.f. 17<sup>th</sup> August 2009] and The Calcutta Stock Exchange Ltd. (CSE) [w.e.f. 8<sup>th</sup> December 2009]. Annual listing fee for the financial year 2010-11 has been paid to the said Stock Exchanges.

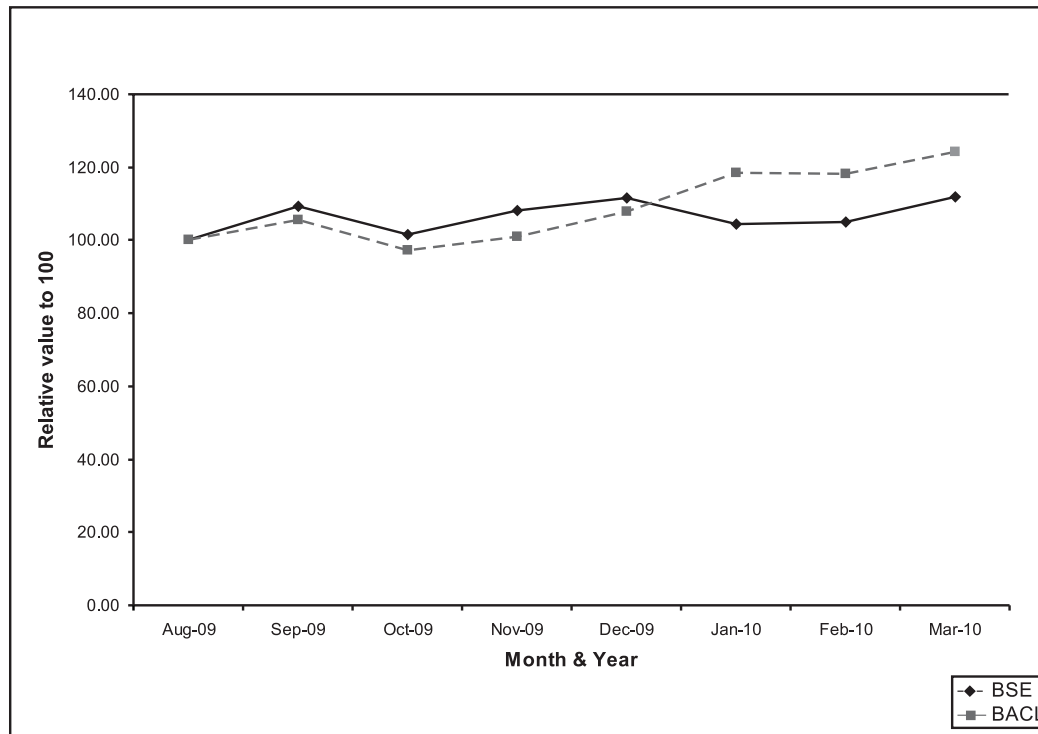
- (vi) **Security Code for Company's Equity Shares on Stock Exchanges and ISIN No.:**  
 BSE – 533095 and CSE – 12641 & 10012641, ISIN No. *INE083K01017*.

#### **(vii) Stock Market Price Data**

Month	Bombay Stock Exchange (BSE) (in Rs.)	
	HIGH	LOW
August 2009*	164.95	50.00
September 2009	158.00	135.25
October 2009	153.95	140.00
November 2009	159.00	136.25
December 2009	162.15	143.25
January 2010	188.10	150.00
February 2010	190.00	163.25
March 2010	185.00	170.00

\* The shares of the Company were listed and permitted for trading w.e.f. 17<sup>th</sup> August 2009 on BSE. No shares were traded on The Calcutta Stock Exchange Ltd.

(viii) Bengal & Assam Company Limited's Share Performance v/s BSE Sensex (Aug'09 -March'10)



(ix) Distribution of Shareholding as on 31<sup>st</sup> March 2010

Category (No. of Shares)	No. of Equity Shares	%	No. of Shareholders	%
1-500	4,79,893	5.53	43,965	99.27
501-1000	88,990	1.02	122	0.28
1001-5000	2,88,736	3.33	134	0.30
5001-10000	1,94,359	2.24	26	0.06
10001 and above	76,31,575	87.88	41	0.09
<b>TOTAL</b>	<b>86,83,553</b>	<b>100.00</b>	<b>44,288</b>	<b>100.00</b>

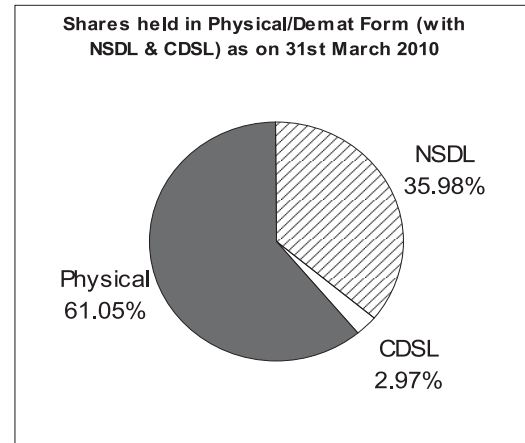
(x) Share Transfer System

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

## BENGAL & ASSAM COMPANY LIMITED

### (xi) Dematerialisation of Shares and Liquidity

Trading in the Equity Shares of the Company is permitted only in dematerialised form. Shareholders may therefore, in their own interest, dematerialise their holdings in physical form, with any one of the Depositories namely, NSDL and CDSL. The *ISIN No.* for Equity Shares of the Company for both the depositories is *INE083K01017*. As on 31<sup>st</sup> March 2010, 38.95% of the Equity Shares are held in dematerialised form. It may be noted that in respect of shares held in demat form, all the requests for nomination, change of address, ECS, Bank Mandate and rematerialisation etc., are to be made only to the Depository Participant (DP) of the Shareholders.



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

The Company had not issued any GDRs.

### (xiii) Plant Location

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

### (xiv) Address for correspondence for share transfers and related matters

1. **Bengal & Assam Company Ltd.**  
**Secretarial Department,**  
Gulab Bhawan, 3rd Floor (Rear Block),  
6A, Bahadur Shah Zafar Marg,  
New Delhi -110 002  
Ph.: 91-11- 23311112-5, 30179888  
Fax No. 91-11-23739475  
Contact Person: Shri Dillip Swain  
(E-mail: [dswain@jkm.com](mailto:dswain@jkm.com))

2. **Registrar and Share Transfer Agent (RTA):**  
**Alankit Assignments Ltd.**  
Alankit House,  
2E/21, Jhandewalan Extension,  
New Delhi-110 055  
Ph.: 91-11- 23541234, 42541234  
Fax: 91-11-42541967  
E-mail: [rta@alankit.com](mailto:rta@alankit.com)  
Website: [www.alankit.com](http://www.alankit.com)  
Contact Person: Shri Mahesh Jairath  
Email: [mj@alankit.com](mailto:mj@alankit.com)

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

### 10. DECLARATION:

This is to confirm that for the financial year ended 31st March 2010, all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for Directors and Senior Management adopted by the Board.

U.K. Gupta  
Manager

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## **AUDITORS' COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

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

We have examined the compliance of conditions of Corporate Governance by Bengal & Assam Company Limited for the year ended 31st March 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

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

For J.S. Lodha & Co.  
Chartered Accountants

Kolkata  
26<sup>th</sup> July, 2010

V.Matta  
Proprietor  
Membership No.54087

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

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

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**AUDITORS' REPORT**

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

We have audited the attached Balance Sheet of BENGAL & ASSAM COMPANY LIMITED, as at 31st March, 2010, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003 (as amended) (The Order) issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, and on the basis of such checks of the books and records of the company as we considered appropriate, we enclose in the Annexure a statement on the matters specified in the paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to in Paragraph 1 above, we report that:
  - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - (c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956;
  - (e) As per the information and explanations given to us, none of the directors of the Company is disqualified as on 31st March 2010 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the companies act, 1956.

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

- i) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March 2010;
- ii) In the case of the Profit & Loss Account, of the Profit for the year ended on that date; and
- iii) In the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

For J.S.LODHA & CO.  
Chartered Accountants

V.Matta  
(Proprietor)

Firm Registration No.:302195E  
Membership No. 54087

Place: Kolkata  
Date: 26<sup>th</sup> July, 2010



## ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph (1) of our Report of even date of BENGAL & ASSAM COMPANY LIMITED for the year ended 31st March 2010.)

1.
  - (a) The Company has maintained proper records in respect of its fixed assets showing full particulars including quantitative details and situation of fixed assets.
  - (b) The fixed assets have been physically verified by the Management at reasonable interval, which in our opinion is reasonable having regard to the size of the Company and the nature of its Fixed Assets. As explained, the discrepancies noticed on such physical verification were not material.
  - (c) As per the records and information and explanations given to us, no substantial fixed assets have been disposed off during the year.
2. According to the information and explanations given to us, the Company has neither granted nor taken any loan, secured or unsecured to and from companies, firms or other parties as covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4 (iii) (b) to (d), (f) & (g) of the Order are not applicable, read with footnote of schedule 4.
3. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and sale of shares / securities. Based on the audit procedure performed and on the basis of information and explanations provided by the management, during the course of our audit we did not observe any continuing failure to correct major weaknesses in internal control system.
4. According to the information and explanations provided by the Management and based upon audit procedures performed, we are of the opinion that the particular of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section; and the transactions made in pursuance of such contracts or arrangements (exceeding the value of Rs. 5 lacs in respect of each party during the financial year) have been made at prices which are generally reasonable having regard to the prevailing market prices at the relevant time.
5. In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
6.
  - (a) According to the records of the company, the company is generally regular in depositing undisputed statutory dues including Provident fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales-Tax, Wealth-Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues with the appropriate authorities to the extent applicable and there are no undisputed statutory dues payable for a period of more than six months from the date they became payable as at 31st March, 2010.
  - (b) According to the records and information and explanations given to us, there are no dues in respect of, Sales Tax, Service Tax, Custom Duty, Excise Duty, Cess and Wealth Tax that have not been deposited with the appropriate authorities to the extent applicable on account of dispute and the dues in respect of Income Tax that have not been deposited with the appropriate authorities on account of dispute and the forum where the dispute is pending are given below:-

Name of the statute	Nature of the dues	PERIOD	Amount (In Rs.)	Form where
				dispute is pending
Income tax Act	Income tax	2003-04	26,946/-	Assessing Officer
		2007-08	54,266/-	Assessing Officer
		1995-96, 1997-98, 1998-99,	4,40,518/-	CIT (A)
		1999-00, 2001-02, 2002-03		
		2004-05, 2005-06, 2007-08	2,57,223/-	CIT (A)
		2005-06	1,51,017/-	CIT (A)
		2007-08	1,13,187/-	CIT (A)
		2006-07	1,95,000/-	ITAT
		2007-08	20,74,308/-	ITAT



## **BENGAL & ASSAM COMPANY LIMITED**

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

For J.S.LODHA & CO.  
Chartered Accountants

Place: Kolkata  
Date: 26<sup>th</sup> July, 2010

V.Matta  
(Proprietor)  
Firm Registration No.:302195E  
Membership No. 54087

**BALANCE SHEET**  
**AS AT 31st March 2010**

(Amount in Rs.)

<b>PARTICULARS</b>	Schedule	<b>31.03.2010</b>	<b>31.03.2009</b>
<b>SOURCES OF FUNDS</b>			
Share Capital	1	<b>86,835,530</b>	86,835,530
Reserves & Surplus	2	<b>2,249,228,207</b>	2,030,561,982
Secured Loans	3	<b>65,000,000</b>	150,000,000
Unsecured Loans	4	<b>861,249,821</b>	894,951,011
Deferred Tax Liability (Net)		<b>1,800,126</b>	1,138,234
<b>TOTAL</b>		<b><u>3,264,113,684</u></b>	<u>3,163,486,757</u>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross Block	5	<b>217,618,114</b>	217,133,723
Less:- Depreciation		<b>22,998,247</b>	19,917,798
Net Block		<b><u>194,619,867</u></b>	<u>197,215,925</u>
Investments	6	<b>2,880,316,062</b>	2,774,494,306
<b>Current Assets, Loans &amp; Advances</b>			
Cash & Bank Balances		<b>8,649,472</b>	12,131,246
Loans & Advances		<b>277,895,735</b>	285,386,550
		<b><u>286,545,207</u></b>	<u>297,517,796</u>
Less: Current Liabilities & Provisions	8	<b>97,367,452</b>	105,741,270
<b>Net Current Assets</b>		<b><u>189,177,755</u></b>	<u>191,776,526</u>
<b>TOTAL</b>		<b><u>3,264,113,684</u></b>	<b><u>3,163,486,757</u></b>

Notes on Accounts

14

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

As per our report of even date.

For J.S. LODHA & CO.  
Chartered Accountants

V.Matta  
Proprietor  
Membership No. 54087

Place: Kolkata  
Dated: 26<sup>th</sup> July, 2010

U.K. GUPTA  
Manager

DILLIP SWAIN  
Secretary

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

## BENGAL & ASSAM COMPANY LIMITED

### PROFIT AND LOSS ACCOUNT For the year ended 31st March 2010

(Amount in Rs.)

P A R T I C U L A R S	Schedule	2009-10	2008-09
<b>INCOME</b>			
Income from Operations	9	265,120,611	161,533,326
Other Income	10	39,759,078	35,024,772
		<u>304,879,689</u>	<u>196,558,098</u>
<b>EXPENDITURE</b>			
Employees Cost	11	3,070,024	3,804,910
Interest & Finance Charges	12	26,240,113	38,025,452
Administrative and other expenses	13	9,469,230	14,985,873
Diminution in the value of Current Investments		—	554,603
		<u>38,779,367</u>	<u>57,370,838</u>
<b>Profit before Depreciation &amp; Tax</b>		<b>266,100,322</b>	<b>139,187,260</b>
Depreciation		3,088,349	3,157,451
<b>Profit before Tax</b>		<b>263,011,973</b>	<b>136,029,809</b>
Provision for Current Tax		21,716,900	7,100,000
Provision for Fringe Benefit Tax		—	35,000
Income Tax Adjustments earlier years (Net)		258,073	536,809
Deferred Tax		661,892	(478,666)
<b>Profit after Tax</b>		<b>240,375,108</b>	<b>128,836,666</b>
Profit brought forward from previous year		133,215,324	193,226,086
<b>Balance available for appropriation</b>		<b>373,590,432</b>	<b>322,062,752</b>
<b>APPROPRIATIONS</b>			
Transfer to Reserve (As per RBI Guidelines)		48,075,022	25,767,333
Dividend Paid - Preference		—	46,810
Proposed Dividend - Equity		21,708,883	13,025,330
Corporate Dividend Tax		—	7,955
Transfer to General Reserve		150,000,000	150,000,000
Balance Carried to Balance Sheet		153,806,527	133,215,324
		<u>373,590,432</u>	<u>322,062,752</u>
<b>Basic / Diluted Earning per share (in Rs.)</b>		<b>27.68</b>	<b>14.83</b>

**{Refer Note 7 of Schedule 14(B)}**

Notes on Accounts

14

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

For J.S. LODHA & CO.  
Chartered Accountants

V.Matta  
Proprietor  
Membership No. 54087

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

Place: Kolkata  
Dated: 26<sup>th</sup> July, 2010

U.K. GUPTA  
Manager

DILLIP SWAIN  
Secretary

		(Amount in Rs.)	
SCHEDULES TO THE ACCOUNTS	31.03.2010	31.03.2009	

### Schedule-1

#### SHARE CAPITAL

##### Authorised

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

##### Issued, Subscribed & Paid up

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

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

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

### Schedule 2

#### RESERVES & SURPLUS

Capital Reserve **	251,830	251,500
Add: Addition during the year **	—	330
Capital Redemption Reserve	2,391,610	2,391,610
Reserve (as per RBI guidelines)	123,267,497	97,500,164
Add: Transfer from Profit & Loss A/c	48,075,022	25,767,333
General Reserve	1,771,435,721	1,621,435,721
Add: Transfer from Profit & Loss A/c	150,000,000	150,000,000
Surplus in Profit & Loss Account A/c	153,806,527	133,215,324
	<u>2,249,228,207</u>	<u>2,030,561,982</u>

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

### Schedule 3

#### SECURED LOANS

Term Loan From HDFC Limited	—	150,000,000
Term Loan From Kotak Mahindra Bank Limited	65,000,000	—
	<u>65,000,000</u>	<u>150,000,000</u>

#### NOTES:-

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

### Schedule 4

#### UNSECURED LOANS

From Body Corporates *	760,000,000	793,333,334
Deferred Payment to SASF @	69,500,000	74,500,000
Interest Accrued & Due #	31,749,821	27,117,677
	<u>861,249,821</u>	<u>894,951,011</u>

\* Includes Rs.60,00,00,000/-(previous year Rs.63,33,33,334/-) {interest free} and Loan from subsidiary Co.Rs.16,00,00,000/-(Previous Year-NIL)

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

# Include on loan from subsidiary company Rs.3,17,49,821/- since paid (Previous Year - NIL )

## BENGAL & ASSAM COMPANY LIMITED

### Schedule-5

#### FIXED ASSETS

(Amount Rs.)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Gross Block as at 01.04.09	Additions	Sales/ Adjust-ments	Gross Block as at 31.03.10	Upto 31.03.09	For the Year	Sales/ Adjust-ments	Upto 31.03.10	As at 31.03.10	As at 31.03.09
Land (Freehold) (*)	63,970,366	-	-	63,970,366	-	-	-	-	63,970,366	63,970,366
Land (Leasehold) @	2,322,737	-	-	2,322,737	93,784	23,462	-	117,246	2,205,491	2,228,953
Buildings @	142,460,900	-	-	142,460,900	16,253,995	2,322,113	-	18,576,108	123,884,792	126,206,905
Furniture & Fixtures	3,237,396	-	-	3,237,396	1,668,677	283,928	-	1,952,605	1,284,791	1,568,719
Office equipment	4,961,684	-	15,609	4,946,075	1,747,042	446,404	7,900	2,185,546	2,760,529	3,214,642
Computer	79,640	-	-	79,640	77,251	955	-	78,206	1,434	2,389
Vehicles	101,000	500,000	-	601,000	77,049	11,487	-	88,536	512,464	23,951
Total	217,133,723	500,000	15,609	217,618,114	19,917,798	3,088,349	7,900	22,998,247	194,619,867	197,215,925
Previous year	197,251,655	20,072,068	190,000	217,133,723	16,769,123	3,157,451	8,776	19,917,798	197,215,925	

@ Refer Note 1 of Schedule 14 (B) including certain assets pending transfer in the name of the company.

### Schedule-6

#### INVESTMENT

Name of the Bodies Corporate	Refer Note No.	As At 31.03.2010		As At 31.03.2009	
		Nos.	Amount (Rs.)	Nos.	Amount (Rs.)
<b>A Quoted Investments (Long Term)</b>					
<b>(Other than trade, fully paid up)</b>					
<b>Equity Shares</b>					
<b>Others</b>					
A I Champdany Inds. Ltd.		28	247	28	247
Abbott India Ltd.		5	737	5	737
Abhishek Jute & Industries Ltd.		66	557	66	557
ACC Limited		847	11,031	847	11,031
Aditya Birla Nuvo Limited		844	72,324	844	72,324
All Seasons Foods Limited		45	-	45	-
Ambuja Cement Ltd.		32,307	654,257	32,307	654,257
Andhra Cement Company Limited		62	937	62	937
Asahi India Glass Ltd.		74	2,500	74	2,500
Ashok Leyland Ltd		2,000	32,500	2,000	32,500
Ashoka Paper Mills Ltd.		100	-	100	-
Astrazeneca Pharma India Ltd.		500	10,831	500	10,831
ATV Projects India Ltd.		2,500	-	2,500	-
Auckland International Ltd.		99	-	99	-
Aventis Pharma.Ltd.		5	1,384	5	1,384
Ballarpur Industries Limited		2,241	24,976	2,241	24,976
Bally Jute Co.Ltd.		1	-	1	-
Balrampur Chini Mills Ltd.		500	21,425	500	21,425
Bank of India		5	225	5	225
Baranagore Jute Factory Co.Ltd.		5	-	5	-
BASF India Limited	1	22	5,025	-	-
Bayer Cropscience India Ltd.		66	-	66	-
Bengal Coal Co. Ltd.		2	-	2	-
Bharat Heavy Electricals Limited		200	14,450	200	14,450
Bharat Nidhi Ltd.		-	-	20	-
Bhatpara Jute & Properties Ltd.		112	-	112	-
Bhatpara Papers Ltd.		3	-	3	-
Bhiwani Denim & Apparel Ltd.		14,200	-	14,200	-
Bird Jute & Exports Ltd.		1	-	1	-
Birla Corp Limited		318	5,840	318	5,840
Bonanza Pharmaceuticals Ltd.		200	-	200	-
Brabourne Enterprises Ltd.		50	-	50	-
Budge-Budge Co. Ltd.		85	-	85	-
Carol Info. Services Ltd.		200	6,770	200	6,770
Ceat Ltd.		49	1,928	49	1,928

Name of the Bodies Corporate	Refer Note No.	As At 31.03.2010		As At 31.03.2009	
		Nos.	Amount (Rs.)	Nos.	Amount (Rs.)
Century Enka Limited		305	21,167	305	21,167
Chambal Fertilizers Limited		5	142	5	142
Cheviot Co. Ltd.		76	12,779	76	12,779
Chi Investment Limited		16	254	16	254
Ciba Speciality Chemical India Ltd.	1	-	-	25	5,025
Clives Mills Ltd.		3	-	3	-
Daewoo Motors India Limited		3,000	-	3,000	-
Delta Jute & Industries Ltd.		160	-	160	-
Dewan Tyres Ltd.		240	-	240	-
Digvijay Finlease Ltd.		100	-	100	-
Dunbar Mills Ltd.		20	-	20	-
Dunlop India Ltd.		113	746	113	746
EID Parry (India) Limited		150	3,774	150	3,774
Fort Gloster Industries Ltd.		99	-	99	-
G.K.W. Ltd.	2	3	48	37	400
Graphite India Limited	2	12	352	-	-
Garware Nylons Ltd.		112	-	112	-
Gas authority of India Ltd.		375	52,813	375	52,813
GIC Housing Finance Limited		62	992	62	992
Gilt Pack Limited		3,700	-	3,700	-
Goodyear India Ltd.		10	495	10	495
Grasim Industries Limited		240	11,107	240	11,107
Gujarat Composite Limited		66	-	66	-
Haryana Petrochemicals Limited		7,000	-	7,000	-
Hasimara Industries Ltd.		2	-	2	-
HDFC Bank Limited		1,305	40,368	1,305	40,368
Hilton Rubber Limited		100	-	100	-
Hindalco Industries Limited		462	21,317	462	21,317
Hindustan Development Corpn.Ltd.		160	-	160	-
Hindustan Unilever Limited		865	142,307	865	142,307
Housing Development Finance Corpn. Ltd.		5	-	5	-
I C I C I Bank Limited		27,440	622,083	27,440	622,083
I.G. Petrochemicals Ltd.		100	1,425	100	1,425
Incheck Tyres Ltd.		100	-	100	-
Indag Rubber Ltd.		50	-	50	-
India Carbon Ltd.		40	-	40	-
India Cements Limited		100	6,667	100	6,667
India Paper & Pulp Co. Ltd.		19	-	19	-
Indo Rama Synthetics (India) Limited		1,560	22,230	1,560	22,230
Indofil Organic Inds. Ltd.		375	6,705	375	6,705
Indraprastha Medical Corporation Limited		500	5,000	500	5,000
Industrial Development Bank of India		8,170	471,409	8,170	471,409
Informed Technologies India Ltd.		100	-	100	-
Infosys Technologies Ltd.		240	301,608	240	301,608
Ispat Profiles Limited		1,951	-	1,951	-
ITC Limited		555	28,212	555	28,212
J K Sugar Limited		5,177,691	79,741,266	5,177,691	79,741,266
J.K. Synthetics Limited		900	1,710	900	1,710
J.K. Tyre & Industries Limited		8,434,250	493,930,713	8,434,250	493,930,713
J.K.Cement Limited		320	-	320	-
J.K.Lakshmi Cement Ltd.	3	27,221,455	533,608,285	14,536,558	568,686,105
J.K.Paper Limited		14,344,407	254,613,224	14,344,407	254,613,224
J.K.Pharmachem Ltd. (Under Liquidation)		7,651,469	-	7,651,469	-
Jaiprakash Associates Limited	4	18,772	235,485	12,515	235,485
Jaiprakash Power Ventures (Formerly known as Jaiprakash Hydro Power Limited)		500	14,700	500	14,700

## BENGAL & ASSAM COMPANY LIMITED

Name of the Bodies Corporate	Refer Note No.	As At 31.03.2010		As At 31.03.2009	
		Nos.	Amount (Rs.)	Nos.	Amount (Rs.)
Jaipur Udyog Ltd.		1	-	1	-
Jayant Paper Mills Ltd.		700	-	700	-
JCT Ltd.		124	383	124	383
JK Agri Genetices Limited		1,351,820	130,533,669	1,351,820	130,533,669
Kabir Das Investment Ltd.		160	-	160	-
Kamarthatty Co. Ltd.		50	-	50	-
Kanco Enterprises Ltd.		65	-	65	-
Kesoram Textile Mills Ltd.		330	-	330	-
Khaitan Chem. & Fertilizers Ltd.		152	2,006	152	2,006
Khardah Co. Ltd.		62	-	62	-
Khatau Junker Ltd.		100	-	100	-
Kinnison Jute Mills Co. Ltd.		1	-	1	-
Kiran Overseas Exports Ltd.		1,000	-	1,000	-
Larsen & Toubro Limited		10,010	677,346	10,010	677,346
Mahanagar Telephone Nigam Limited		1,600	113,120	1,600	113,120
Malanpur Steel Ltd.		2,334	-	2,334	-
Mandya National Paper Mills Ltd.		25	-	25	-
Mangalam Cement Limited		100	3,900	100	3,900
Martin Burn Ltd.		20	424	20	424
Merind India Ltd.		50	-	50	-
Mideast India Ltd.		750	-	750	-
Mideast Intigrated Steels Ltd.		200	-	200	-
Modern Terry Towels Ltd.		900	-	900	-
Modern Threads (I) Ltd.		250	-	250	-
Modi Rubber Limited		550	8,703	550	8,703
Modipon Limited		250	3,113	250	3,113
Modistone Limited		150	-	150	-
Montari Industries Limited		218	-	218	-
MRF Tyres		47	93,333	47	93,333
Mukerian Papers Limited		200	-	200	-
Mysore Paper Mills Ltd.		54	314	54	314
Naihati Jute Mills Co. Ltd.		5	-	5	-
Nath Pulp & Paper Limited.		200	-	200	-
National Co. Ltd.		1	-	1	-
National Thermal Power Corporation Ltd.(NTPC)		1,785	110,670	1,785	110,670
New Central Jute Mills Co. Ltd.		10	-	10	-
North Brooke Jute Co. Ltd.		3	-	3	-
Northern Leasing Ltd.		100	-	100	-
ORG Informatics Ltd.		69	-	69	-
Orient Paper & Industries Limited		1,110	11,635	1,110	11,635
Oriental Civil Engg.Co. Ltd.		3,400	-	3,400	-
Orissa Extrusions Ltd.		2,900	-	2,900	-
Orkay Industries Ltd.		2,000	-	2,000	-
Oswal Agro Mills Limited		5,150	-	5,150	-
Oswal Chemicals & Fertilizers Limited		4,745	22,491	4,745	22,491
Pentafour Products Ltd.		3,200	-	3,200	-
People Investment Limited		3,500	38,500	3,500	38,500
Pharmax Corporation Ltd.		250	-	250	-
Piramal Healthcare Ltd.		505	24,089	505	24,089
Piramal Life Sciences Ltd.		50	-	50	-
Piramal Glass Ltd.		45	-	45	-
(Formerly Gujarat Glass Limited)					
Polar Investment Limited		12,393	128,008	12,393	128,008
Pranav Investment (M.P.) Co. Ltd.		15,000	2,472,093	15,000	2,472,093
PTL Enterprises Ltd.		250	-	250	-
Prism Cement Limited		100	918	100	918
Punjab Anand Batteries Ltd.		50	-	50	-



Name of the Bodies Corporate	Refer Note No.	As At 31.03.2010		As At 31.03.2009	
		Nos.	Amount (Rs.)	Nos.	Amount (Rs.)
Rain Commodites Limited		100	637	100	637
Rajasthan Breweries Limited		1,800	-	1,800	-
Rama Fibres Ltd.		5,000	-	5,000	-
Rameshwara Jute Mills Ltd.		100	-	100	-
Rampur Fertilizers Limited		304	-	304	-
Ranbaxy Laboratories Limited		3,366	131,142	3,366	131,142
Ready Foods Ltd.		3,500	-	3,500	-
Reliance Capital Limited		425	3,654	425	3,654
Reliance Communication Ventures Limited		8,100	91,372	8,100	91,372
Reliance Infra Limited		637	20,519	637	20,519
Reliance Industries Limited	5 & 6	12,696	1561465	6,017	1,180,165
Reliance Jute & Industries Ltd.		112	-	112	-
Reliance Natural Resources Limited		8,505	2,081	8,505	2,081
Reliance Petroleum Ltd	6	-	-	5,305	381,300
Reliance Power Ltd		88	6,276	88	6,276
Remington Rand of India Ltd.		22	-	22	-
RJM Fibre Industries Ltd.		56	-	56	-
RJM Investments Ltd.		56	-	56	-
Rohtas Industries Ltd.		22	-	22	-
Sanghi Polyster Limited		4,200	10,920	4,200	10,920
Satyam Computers Limited		350	78,896	350	78,896
Seshasayee Paper & Boards Limited		100	9,100	100	9,100
Shree Synthetics Ltd.		88	-	88	-
Mawana Sugar Ltd. (Formerly Siel Limited)		13	-	13	-
Sirpur Paper Mills Ltd.		2	68	2	68
SPL Empl.Co-op Stores		250	-	250	-
SRF Limited		5	372	5	372
Sri Digvijay Cement Co.Limited		1,900	11,761	1,900	11,761
Star Paper Mills Limited		100	1,710	100	1,710
State Bank of India		2,336	1,340,853	2,336	1,340,853
Sterlite Industries (India) Limited		125	19,801	125	19,801
Sterlite Projects Ltd.		100	-	100	-
Surya Agroils Limited		1,300	-	1,300	-
Syndicate Bank		1,000	55,000	1,000	55,000
Tata Consultancy Services Ltd.	7	1,000	264,425	500	264,425
Tata Motors Ltd.		5	777	5	777
Tata Steel Ltd.[Formerly Known as Tata Iron & Steel Co. Ltd.(TISCO)]	8	10,497	2092406	9,426	1,449,306
The Bengal Paper Mills Ltd.		37	-	37	-
The Burrakur Coal Co. Ltd.		1	-	1	-
The Gourepore Co. Ltd.		100	-	100	-
The Scindia Steam Navigation Co.Ltd.		1	-	1	-
The West Coast Paper Mills Limited		1,000	20,804	1,000	20,804
Tirupati Texknit Ltd. (TT LTD.)		400	3,280	400	3,280
Titagarh Industries Ltd.		14	-	14	-
TVS Srichakra Ltd.		50	812	50	812
Udaipur Cement Works Ltd.(BIFR Co.)		31,153,242	29,595,580	31,153,242	29,595,580
Ultra Tech Cement Ltd.		2,576	673,484	2,576	673,484
Umang Dairies Limited	13	9,969,965	48049537	5,294,965	24,674,537
Union Jute Co. Ltd.		2	-	2	-
United Wire Ropes Ltd.		5	-	5	-
Universal Tyres Ltd.		100	-	100	-
Usha (INDIA) Ltd.		710	-	710	-
Vegepro Foods & Feeds Ltd.		100	-	100	-
Walford Transport (Eastern) Ltd.		15	-	15	-



## BENGAL & ASSAM COMPANY LIMITED

Name of the Bodies Corporate	Refer Note No.	As At 31.03.2010		As At 31.03.2009	
		Nos.	Amount (Rs.)	Nos.	Amount (Rs.)
Wyeth Lederle Ltd.		55	17,659	55	17,659
Zensar Technologies Ltd.		100	-	100	-
Zuari Industries Limited		17	-	17	-
<b>Total Quoted Equity Shares (A)</b>			<b>1,583,096,432</b>		<b>1,594,156,152</b>
<b>B Quoted Investments (Current) (Other than trade, fully paid up) Equity Shares</b>					
Aban Offshore Limited		-	-	70	26,617
ACC Limited		-	-	85	48,824
Aurobindo Pharma Limited		145	131,568	-	-
Bank of Baroda		225	96,572	-	-
Bank of India		-	-	524	114,966
Bharat Heavy Electricals Limited		77	156,238	120	158,160
Bharti Airtel Limited		400	126,154	210	131,407
Biocon Ltd.		483	128,760	-	-
Cairns India Limited		-	-	390	70,565
DIVIS Laboratories		-	-	65	61,380
DLF Ltd.		-	-	260	42,745
GOLDBEES		-	-	15	22,374
Gujarat NRE Coke (India) Limited		-	-	1,281	25,300
HDFC Bank Limited		-	-	143	139,196
Housing Development and Infrastructure Ltd.		228	77,822	-	-
IRB Infrastructure Ltd.		534	133,471	-	-
IVRCL Infrastructure Ltd.	9	1,006	174,297	678	82,343
Infosys Technologies Limited		72	135,487	38	50,308
Jindal Steel & Power Limited		215	129,101	78	79,670
Jet Airways Limited		358	167,613	-	-
Jubilant Food Works Ltd.		215	64,886	-	-
KEC International Ltd.		53	29,293	-	-
Larsen & Toubro Limited		116	150,857	242	162,479
LIC Housing Finance Limited		168	128,156	-	-
Lupin Chemicals Ltd.		-	-	150	102,683
Mahindra & Mahindra Limited	10	254	113,526	-	-
Maruti Suzuki India Ltd. (Formerly Maruti Udyog Ltd.)		60	45,859	267	180,971
Mercator Lines Ltd.		2,248	164,262	-	-
Mphasis BFL Ltd.		60	41,245	-	-
Mcdowell (United Spirits Ltd.)		-	-	192	124,598
Nestle India Limited		-	-	72	111,075
National Mineral Development Corporation		916	335,046	-	-
Polaris Software Lab Ltd.		765	126,806	-	-
Punj Lloyd Ltd.		650	85,164	500	45,500
Punjab National Bank Ltd.		59	54,714	-	-
Reliance Comm.Ventures Ltd.		955	266,893	134	23,430
Reliance Industries Limited	11	158	154,171	72	37,120
Shree Renuka Sugar Limited	12	1,114	129,216	-	-
Sesa Goa Ltd.		-	-	110	-
Shiv Vani Oil & Gas Exploraton Services		-	-	314	29,720
State Bank of India Ltd.		-	-	91	97,106
Shriram Transport Finance Corporation Ltd.		300	139,901	-	-
Spice Jet Limited		1,500	82,980	-	-
Tata Steel Ltd.		307	171,519	-	-
Tata Consultancy Services Ltd.		290	158,685	-	-
Tata Iron & Steel Co. Ltd.		-	-	400	82,360
Tata Motors Limited		-	-	600	97,235

Name of the Bodies Corporate	Refer Note No.	As At 31.03.2010		As At 31.03.2009	
		Nos.	Amount (Rs.)	Nos.	Amount (Rs.)
Tata Powers Limited		-	-	63	48,422
Titan Limited		-	-	54	42,214
UTIMS GILDEF		-	-	30	44,657
Unitech Limited		1,517	142,108	-	-
<b>Total Quoted Equity Shares (B)</b>			<b>4,042,369</b>		<b>2,283,425</b>
<b>Total Quoted Investment 'I' (A+B)</b>			<b>1,587,138,801</b>		<b>1,596,439,577</b>
<b>C Unquoted Investments (Long Term) (Other than trade, fully paid up) Equity Shares Subsidiaries</b>					
Fenner (India) Ltd.		2,182,648	527,122,014	2,182,648	527,122,014
LVP Foods Pvt. Ltd.		1,999,800	19,998,246	1,999,800	19,998,000
Panchmahal Properties Ltd. (Wholly Owned Subsidiary)		351,230	3,512,300	351,230	3,512,300
Dwarkesh Energy Limited		25,000	250,000	25,000	250,000
<b>Others</b>					
Bharti Telecom Ltd.		600	55,402	600	55,402
E-Commodities Limited		200,000	-	200,000	-
Harshal Papers & Boards Limited		114,940	-	114,940	-
J K Traders Ltd.		4,313	13,344	4,313	13,344
Hilman Capital Finance Ltd. (J.K. Capital Finance Ltd.)		43,060	85,120	43,060	85,120
Saptrishi Consultancy Services Ltd. (Formerly JK Energy Ltd.)		100	1,000	100	1,000
J.K. Investors (Bombay) LTD.		2,966	295,614	2,966	295,614
J.K. Satoh Agricultural Machines Ltd.		50	-	50	-
J.K. Woollen Mfg. Co. Ltd.		50	-	50	-
J.K.Cotton Spg.& Wvg. Mills Co. Ltd.		4,540	-	4,540	-
JK Enviro-Tech Ltd.	14	2,250,000	22,500,000	2,250,000	22,500,000
JK Risk Managers & Insurance Brokers Ltd.		1,237,500	12,375,000	1,237,500	12,375,000
Sunrise Hold Co Mexico,SA de C.V. (Face Value: MXN Pesos 1000 each)	15	25	104,379	25	104,379
Empresas Tornel,S.A. de C.V.	15	1	-	1	-
General de Inmuebles Industriales, S.A. de C.V.	15	1	-	1	-
Gintor Administracion, S.A. de C.V.	15	1	-	1	-
Hules y Process Tornel, S.A. de C.V.	15	1	-	1	-
Comercializadora America Universal,S.A. de C.V.	15	1	-	1	-
Compania Hulera Tacuba, S.A. de C.V.	15	1	-	1	-
Compania Hulera Tornel, S.A. de C.V.	15	1	-	1	-
Compania Inmobiliaria Norida, S.A. de C.V.	15	1	-	1	-
Ultima Finvest Ltd		406,000	4,060,000	406,000	4,060,000
<b>Total Unquoted Equity Shares (C)</b>			<b>590,372,419</b>		<b>590,372,173</b>
<b>D Preference Shares</b>					
<b>Others</b>					
JK Agri Genetics Ltd (Zero Coupon Pref. Shares)		5,000,000	425,000,000	5,000,000	425,000,000

## BENGAL & ASSAM COMPANY LIMITED

Name of the Bodies Corporate	Refer Note No.	As At 31.03.2010		As At 31.03.2009	
		Nos.	Amount (Rs.)	Nos.	Amount (Rs.)
J.K. Pharmachem Ltd. (Zero Coupom Redemable) (Under Liquidation)		500,000	-	500,000	-
Ultima Finvest Ltd(3.5% Non-Cum-Red-Participating Pref.)		42,500	42,500,000	42,500	42,500,000
CRPS-JK Paper Ltd.		2,516	13,067,688	2,516	13,035,100
Farm Enterprises Ltd(12% OCC)		54	380	54	380
Kelvin Jute Co. Ltd.		5	-	5	-
The Tata Iron & Steel Co.Limited (Cum.Con.Pref. Shares)	8	-	-	6,431	643,100
<b>Total Preference Shares (D)</b>			<b>480,568,068</b>		<b>481,178,580</b>
<b>E Debentures &amp; Bonds</b>					
Umang Dairies Limited (Debentures)	13	-	-	3,873,000	32,544,159
<b>Total Debentures &amp; Bonds (E)</b>			<b>-</b>		<b>32,544,159</b>
<b>F Mutual Funds</b>					
LIC MF Liquid Fund - Growth		222,895	3,361,281	530,545.23	8,000,694
LIC Floating Rate Fund - STP-Growth		952,865	13,500,000	952,865	13,500,000
LIC MF Income Plus		12,518,497	151,729,950	-	-
UTI Master Share Unit Scheme- Dividend Plan-Payout		660	9,156	660	9,156
SBI-SHF-Liquid Plus-Instl. Plan-Daily Dividend		3,212,026	32,136,387	3,093,450	30,949,967
HDFC Cash Management Fund-Treasury Advantage Plan-Wholesale-Growth		1,118,929	21,500,000	1,118,929	21,500,000
<b>Total Mutual Funds (F)</b>			<b>222,236,774</b>		<b>73,959,817</b>
<b>Total Unquoted Investment 'II' (C+D+E+F)</b>			<b>1,293,177,261</b>		<b>1,178,054,729</b>
<b>GRAND TOTAL 'I' + 'II'</b>			<b>2,880,316,062</b>		<b>2,774,494,306</b>
<b>Book Value of Quoted Investments</b>			<b>1,587,138,801</b>		<b>1,596,439,577</b>
<b>Book Value of Unquoted Investments</b>			<b>1,293,177,261</b>		<b>1,178,054,729</b>
<b>Market Value of Quoted Investments</b>			<b>5,020,499,591</b>		<b>1,420,838,497</b>

**Notes:**

- 1 Pursuant to the Scheme of Amalgamation of Ciba India Limited with BASF India Limited 22 Equity shares of BASF received against 25 Equity shares of Ciba.
- 2 Pursuant to the Scheme of Arrangement for the Demerger of Powmex Steels Undertaking of GKW Ltd. with Graphite India Limited 12 Equity shares of Rs.2 each of Graphite India Limited & 3 Equity shares of Rs 10 each of GKW received against 37 Equity Shares of GKW Ltd.
- 3 Sub divided into 2 Equity Shares of Rs. 5/- each against 1 Equity Share of Rs. 10/- each.
- 4 The Company received 6257 bonus equity shares of Jai Prakash Associates Ltd. in the ratio of 1:2
- 5 The Company received 6348 bonus equity shares of Reliance Industries Ltd. in the ratio of 1:1
- 6 Pursuant to the Scheme of Amalgamation of RPL with RIL 331 Equity shares of RIL received against 5305 Equity shares of RPL.
- 7 The Company received 500 bonus equity shares of Tata Consultancy Services Ltd. in the ratio of 1:1
- 8 The Company received 1071 Equity shares of Rs.10 each of TATA Steel Ltd. against its 6431 Cumulative Convertible Preference Shares of Rs.100 each.
- 9 The Company received 503 bonus equity shares of IVRCL Infrastructure Ltd. in the ratio of 1:1
- 10 Sub divided into 2 Equity Shares of Rs. 5/- each against 1 Equity Share of Rs. 10/- each.
- 11 The Company received 79 bonus equity shares of Reliance Industries Ltd. in the ratio of 1:1
- 12 The Company received 557 bonus equity shares of Shree Renuka Sugar Ltd. in the ratio of 1:1
- 13 Pursuant to the rehabilitation scheme Sanctioned by Hon'ble Board of Industrial and Financial Reconstruction (BIFR) vide its Order dated 3/8/2009 becoming effective from 1/10/2008: (i) Paid up value of equity shares has been reduced to Rs. 5/- each from Rs. 10/- each, (ii) Debentures extinguished and converted into secured loan, and (iii) 46,75,000 nos. equity shares of Rs. 5/- each fully paid up aggregating to Rs. 2,33,75,000 have been issued by Umang Dairies Ltd. out of secured loan amount.
- 14 Includes 8,50,000 Equity Shares Pledged with Infrastructure Development Finance Company Limited (IDFC Ltd.) for a Loan availed by JK Envirotech Ltd.
- 15 Pledged with Bank for Loans availed by certain foreign investees.
- 16 Certain Investments are pending for transfer in the name of Company.

	(Amount in Rs.)	
SCHEDULES TO THE ACCOUNTS	31.03.2010	31.03.2009

**Schedule-7 CURRENT ASSETS, LOANS & ADVANCES**

**A. CURRENT ASSETS**

Cash in Hand	28,684	45,993
Cheques in Hand	—	2,000,000
Balance with scheduled banks :		
— Current accounts	8,620,788	10,085,253
<b>TOTAL (A)</b>	<b>8,649,472</b>	<b>12,131,246</b>

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

Secured Loan (Refer to note no.13 of Schedule 6)	74,500,000	79,500,000
Unsecured:		
Advances recoverable in cash or in kind or for value to be received	2,195,016	32,612,403
Inter Corporate Deposits	122,050,000	104,300,000
Fixed Deposit with Body Corporate	18,390,000	16,500,000
Accrued Interest	2,360,319	6,079,818
Fringe Benefits Tax advance payments	73,141	69,592
Advance payment of tax (including TDS)	58,327,259	46,324,737
<b>TOTAL (B)</b>	<b>277,895,735</b>	<b>285,386,550</b>
<b>TOTAL (A + B)</b>	<b>286,545,207</b>	<b>297,517,796</b>

# Refer note no. 5(c) of Schedule 14 (B)

**Schedule-8**

**CURRENT LIABILITIES & PROVISIONS**

**CURRENT LIABILITIES**

Sundry Creditors		
—MSME *	—	—
—Others	330,117	30,953,477
Investor Education & Protection Fund (not due)		
—Unclaimed Dividend	2,606,523	1,091,551
— Fractional Entitelment Shares A/C	135,053	—
—Unclaimed Preference shares	24,070	32,120
Other Liabilities	26,648,619	31,638,652
Interest accrued but not due	308,905	55,479
<b>TOTAL (A)</b>	<b>30,053,287</b>	<b>63,771,279</b>

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

**PROVISIONS**

— For Income Tax	44,835,671	28,260,887
— For Fringe Benefits Tax	62,183	62,183
— For Proposed Dividend	21,708,883	13,025,330
— For Retirement Benefits	707,428	621,591
<b>TOTAL (B)</b>	<b>67,314,165</b>	<b>41,969,991</b>
<b>TOTAL (A +B)</b>	<b>97,367,452</b>	<b>105,741,270</b>

## BENGAL & ASSAM COMPANY LIMITED

(Amount in Rs.)

SCHEDULES TO THE ACCOUNTS	31.03.2010	31.03.2009
<b>Schedule-9</b>		
<b>INCOME FROM OPERATIONS</b>		
Interest on :		
— Loans and deposits {includes TDS amounting to Rs.19,21,920/- (Previous Year Rs. 21,39,277/-)}	14,309,420	10,040,505
— Others {includes TDS amounting to Rs.NIL/- (Previous Year Rs.206/-)}	—	25,245
Dividend {include Rs.35,466/- (Previous Year Rs. 45,039/-) on current investments and dividend from subsidiary amounting to Rs.2,18,26,480/-,( Previous Year 6,54,79,440/-)}	158,180,874	114,794,823
Profit on sale of Long Term Investments {includes Rs.19,25,010/-, profit on current investment, (Previous Year Rs.44,35,731/-)}	92,630,317	36,672,753
<b>T O T A L</b>	<b>265,120,611</b>	<b>161,533,326</b>
<b>Schedule-10</b>		
<b>OTHER INCOME</b>		
Rent {includes TDS amounting to Rs.49,99,518/- (Previous Year Rs. 67,71,969/-)}	39,157,250	34,945,327
Profit on sale of Fixed Asset	2,416	—
Liability no longer required written back	65,416	—
Miscellaneous Receipts	533,996	79,445
	<b>39,759,078</b>	<b>35,024,772</b>
<b>Schedule-11</b>		
<b>EMPLOYEES COST</b>		
Salaries, wages, gratuity & bonus	2,929,212	3,734,504
Contribution to Provident and Other Fund	95,985	—
Employees welfare & other benefits	44,827	70,406
<b>TOTAL</b>	<b>3,070,024</b>	<b>3,804,910</b>
<b>Schedule-12</b>		
<b>INTEREST &amp; FINANCE CHARGES</b>		
Interest on Term loan & Inter Corporate Deposits	25,540,113	37,275,452
Other Finance Charges	700,000	750,000
<b>T O T A L</b>	<b>26,240,113</b>	<b>38,025,452</b>
<b>Schedule-13</b>		
<b>ADMINISTRATIVE &amp; OTHER EXPENSES</b>		
Rent	173,484	247,572
Rates & Taxes	2,283,799	2,853,276
Loss on sale of long term Investments (includes Rs.127631/-, Previous Year Rs.14,87,863/- loss on current investment)	208,790	1,863,730
Auditors Remuneration		
— Statutory Audit Fees	50,000	50,000
— Tax Audit Fees	10,000	10,000
— Certification	20,000	20,474
Directors' Fee	552,000	103,400
Repairs & Maintanance to Building	589,191	1,439,207

	(Amount in Rs.)	
<b>SCHEDULES TO THE ACCOUNTS</b>	<b>31.03.2010</b>	31.03.2009
Postage, Printing & Stationery	<b>2,462,091</b>	3,205,546
Insurance	<b>36,912</b>	34,348
Advertisement & Publicity Exp.	<b>277,879</b>	290,119
Securities Transaction Tax	<b>159,970</b>	-
Sundry balances written off	<b>1,273</b>	9,305
Bank Charges, Travelling, Legal & Professional & Other Miscellaneous Expenses	<b>2,643,840</b>	4,858,896
<b>T O T A L</b>	<b><u>9,469,230</u></b>	<b><u>14,985,873</u></b>

## SCHEDULES TO THE ACCOUNTS

### Schedule-14

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

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

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

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

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

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

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

###### 3. REVENUE RECOGNITION:

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

###### 4. INVESTMENTS:

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

###### 5. EMPLOYEE BENEFITS:

- (a) Gratuity is provided in the accounts on Accrual Basis on estimates though no actuarial valuation of Gratuity Liability has been made. The Gratuity Liability has not been actuarially calculated due to limited staff.
- (b) Leave Encashment Benefit payable to employees annually and on retirement is provided in the accounts on accrual basis.

###### 6. TAXES ON INCOME:

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

## BENGAL & ASSAM COMPANY LIMITED

### 7. CONTINGENT LIABILITIES:

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

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

1. Subsequent to the implementation of the "Scheme of Amalgamation" sanctioned by the Hon'ble High Court of Delhi, provisions pertaining to "Systemically Important Non-Deposit Taking Non-Banking Finance Company" as per Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 have become applicable to the Company. The Company has applied to Reserve Bank of India (RBI) for exemption from certain applicable clauses, which is pending for approval
2. Contingent Liabilities not provided for:-
  - (a) Disputed Income Tax matters (estimated) under appeal of Rs.32,58,199/- (Previous Year Rs.6,75,224/-).
  - (b) In respect of certain disallowances and additions made by the income tax authorities, appeals are pending before the Appellate Authorities and adjustment, if any, will be made after the same are finally determined.
3. (a) Income Tax calculation has been made considering certain allowances/adjustments available as assessed by the management.  
(b) Provision for taxation represents Minimum Alternate Tax computed under section 115JB of the Income Tax Act, 1961.
4. Guarantee has been given to a Bank in respect of loan facility availed by other Body Corporate [Outstanding as at 31.03.2010 Rs.1,81,13,890/- (Previous Year - Rs.1,91,98,169)] against counter indemnity.
5. (a) In the opinion of the Board, Current Assets, Loans and Advances have valued on realisation in the ordinary course of business at least equal to the amount at which these are stated.  
(b) There is no provision for bad and doubtful debts, loans & advances and diminution in the value of long term investments in their respective carrying values.  
(c) Loans and Advances pursuant to Clause 32 of the Listing Agreement:

(Amount in Rs.)

Sl.No	Subsidiaries	Current Year		Previous Year	
		Year end Outstanding	Maximum Amount Due	Year end Outstanding	Maximum Amount Due
A.	Inter Corporate Deposits: LVP Foods Pvt. Ltd. *	7,90,00,000	7,90,00,000	4,22,20,937	4,22,20,937
B.	Advances Recoverable: Fenner (India) Ltd.	—	3,02,00,000	3,02,00,000	4,02,00,000

\* Including accrued interest.

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

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

(Amount in Rs.)

Particulars	31.03.2010	31.3.2009
<b>A. Deferred Tax Assets:</b>		
- Disallowance u/s 43B	48,447	48,527
- Disallowance u/s 40A(7)	1,86,543	1,62,752
- Disallowance u/s 35DD	4,70,342	6,53,809
<b>Total : (A)</b>	<b>7,05,332</b>	<b>8,65,088</b>
<b>B. Deferred Tax Liabilities:</b>		
- Difference between book depreciation & tax depreciation	25,05,458	20,03,322
<b>Total : (B)</b>	<b>25,05,458</b>	<b>20,03,322</b>
<b>Deferred Tax Liabilities (Net) (A-B)</b>	<b>18,00,126</b>	<b>11,38,234</b>

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



7. Earning Per Share (EPS):

(Amount in Rs.)

	Current Period	Previous Year
Net Profit after tax for the year	24,03,75,108	12,88,36,666
Less: Preference dividend & CDT thereon	—	54,765
Profit for Basic and Diluted Earning per share	24,03,75,108	12,87,81,901
Weighted Avg. No. of Equity Shares (Face value of Rs.10/- each)	86,83,553	86,83,553
Basic EPS (Rs.)	27.68	14.83
Diluted EPS (Rs.)	27.68	14.83

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

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

**Subsidiaries:**

Fenner (India) Ltd.

Southern Spinners and Processors Ltd.

Modern Cotton Yarn Spinners Ltd.

Acorn Engineering Ltd. BMF Investments Ltd. (w.e.f. 19.09.2009) JK Sugar Ltd. – (w.e.f. 19.09.2009 and ceased to be subsidiary w.e.f. 12.07.2010)

LVP Foods Pvt. Ltd.

Panchmahal Properties Ltd.

Dwarkesh Energy Ltd.

Hifazat Chemicals Ltd. (Under liquidation)

**Key Management Personnel:**

Shri U.K. Gupta, (Manager)

(b) Transactions with related parties:-

(Amount in Rs.)

Particulars	Subsidiaries	
	Current Year	Previous Year
<b>Loan Given to:-</b>		
LVP Foods Pvt. Ltd.	39000000	30000000
<b>Interest Received from:-</b>		
LVP Foods Pvt. Ltd.	7933841	2750301
<b>Interest paid to:-</b>		
BMF Investments Ltd.	5922122	—
<b>Advance Recovered from:-</b>		
Fenner (India) Ltd.	30200000	—
<b>Receivables from:-</b>		
Fenner (India) Ltd.	—	30200000
LVP Foods Pvt. Ltd.	79000000	42220937
<b>Payable to:-</b>		
BMF Investments Ltd.	191749821	—

- (i) There are no transactions with and remuneration to Key Management Personnel during the current and previous year.
- (ii) Guarantee has been given by the Company to a bank in respect of loan facility availed by LVP Foods Pvt. Limited, a subsidiary company {outstanding as at 31.03.10 Rs.17,53,00,000/- (Previous Year – Rs.5,87,88,000)}.
9. Based on the information available with the Company upto 31<sup>st</sup> March, 2010 in respect of MSME (as defined in the Micro Small & Medium Enterprise Development Act, 2006), there are no delays in payment of dues to such enterprises during the year and also in the previous year and there are no such dues payable at the year-end (Previous year Nil).



## BENGAL & ASSAM COMPANY LIMITED

10. The balances of certain Creditors, Other Liabilities and Loans & Advances are subject to confirmation/reconciliation.
11. (a) Employee Benefits:-

PARTICULARS	NOT FUNDED (In Rupees)			
	GRATUITY		LEAVE ENCASHMENT	
	31.03.2010	31.03.2009	31.03.2010	31.03.2009
1. Obligation at the beginning of the year	4,78,823	1,48,668	1,42,768	27,591
2. Add: Expense recognised in the statement of Profit & Loss A/c. (included in Schedule -11)	82,757	3,30,155	3,080	1,15,177
3. Benefits Paid	—	—	—	—
4. Obligation at the end of the Year	5,61,580	4,78,823	1,45,848	1,42,768

(b) Gratuity and Leave encashment liability has not been actuarially calculated due to limited number of employees and provided for on accrual basis; however amount of provision made is not material, accordingly detailed / full disclosure as per AS-15 is not considered necessary by the management.

(c) Amount recognized as an expense include Rs.95985/- towards Provident and other Funds (Previous year – Nil) in the Employees' Cost Schedule – 11.

12. Amount included under Legal & Professional Charges – Rs.1,00,000/- and Service & Office Maintenance Charges - Rs.1,21,899/- (Previous Year – Rates & Taxes of Rs.2,09,272/-) relates to prior period.
13. No provision for diminution in the value of certain long term investments has been considered necessary, since in the opinion of the Management, such diminution in their value is temporary in nature considering the nature of investments, inherent value, investees' assets and expected future cash flows from such investments.
14. The information as required in terms of para 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions 2007 are given in enclosed Schedule - 15.
15. Previous year figures have been re-arranged / re-grouped / re-cast wherever considered necessary.
16. Schedules "1" to "15" form an integral part of the Accounts for the year ended 31<sup>st</sup> March, 2010.

As per our report of even date

for J. S. LODHA & CO.  
Chartered Accountants

V.Matta  
Proprietor  
Membership No. 54087

Place: Kolkata  
Dated: 26<sup>th</sup> July, 2010

U.K. GUPTA  
Manager

DILLIP SWAIN  
Secretary

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

**Schedule - 15**

**Particulars as per NBFC Directions as at 31.03.2010**

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

(Rs. in Lacs)

Particulars		Amount Outstanding	Amount Overdue
<b>Liabilities side :</b>			
(1)	<b>Loans and advances availed by the non-banking financial company inclusive of interest accrued there on but not paid:</b>		
(a)	Debentures : Secured	NIL	NIL
	: Unsecured (other than falling within the meaning of public deposits)	NIL	NIL
(b)	Deferred Credits	NIL	NIL
(c)	Term Loans	650.00	NIL
(d)	Inter-corporate loans and borrowings including interest	8612.50	NIL
(e)	Commercial Paper	NIL	NIL
(f)	Other Loans (Interest)	NIL	NIL
(g)	Current Liabilities (excluding provisions)	300.53	
<b>Assets side:</b>			
		Amount outstanding	
(2)	<b>Break - up of Loans and Advances including bills receivables [ other than those included in (4) below ] :</b>		
(a)	Secured	745.00	
(b)	Unsecured (excluding advance Income tax, FBT & Mat Credit of Rs.584.01 Lacs)	1449.95	
(3)	<b>Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities</b>	N.A.	
(4)	<b>Break-up of Investments:</b>		
	Current Investments:		
1	Quoted :		
(i)	Shares : (a) Equity	40.42	
	(b) Preference	NIL	
(ii)	Debentures and Bonds	NIL	
(iii)	Units of mutual funds	NIL	
(iv)	Government Securities	NIL	
(v)	Others (please specify)	NIL	
2	Unquoted :	NIL	
(i)	Shares : (a) Equity	NIL	
	(b) Preference	NIL	
(ii)	Debentures and Bonds	NIL	
(iii)	Units of mutual funds	NIL	
(iv)	Government Securities	NIL	
(v)	Others (please specify)	NIL	
1	Long Term Investments :		
	Quoted :		
(i)	Shares : (a) Equity	15830.97	
	(b) Preference	NIL	
(ii)	Debentures and Bonds	NIL	
(iii)	Units of mutual funds	NIL	
(iv)	Government Securities	NIL	
(v)	Others (please specify)	NIL	
2	Unquoted :		
(i)	Shares : (a) Equity	5903.72	
	(b) Preference	4805.68	

## BENGAL & ASSAM COMPANY LIMITED

(ii) Debentures and Bonds	NIL	
(iii) Units of mutual funds	2222.37	
(iv) Government Securities	NIL	
(v) Others (please specify)	NIL	
<b>(5) Borrower group-wise classification of assets financed as in (2) and (3) above:</b>		
Category	Amount net of provisions	
	Secured    Unsecured    Total	
1 Related Parties *		
(a) Subsidiaries	-      790.00      790.00	
(b) Companies in the same group #	-      -      -	
(c) Other related parties	-      -      -	
2 Other than related parties	745.00      659.95      1404.95	
Total	745.00      1449.95      2194.95	
<b>(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :</b>		
Category	Market Value / Break up or fair value or NAV **	Book Value (Net of Provisions)
1 Related Parties *		
(a) Subsidiaries	21631.79	5508.82
(b) Companies in the same group #	-	-
(c) Other related parties	-	-
2 Other than related parties	57558.98	23294.34
Total	79190.77	28803.16
<b>(7) Other information</b>		
<b>Particulars</b>	<b>Amount</b>	
(i) Gross Non - Performing Assets	NIL	
(a) Related parties	NIL	
(b) Other than related parties	NIL	
(ii) Net Non - Performing Assets	NIL	
(a) Related parties	NIL	
(b) Other than related parties	NIL	
(iii) Assets acquired in satisfaction of debt	NIL	

**Notes :**

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

\*\* For the purpose of Market/Break-up Value, Quoted Share/Units have been valued at Market Price/NAV as at 31.03.10 while, the Unquoted shares (other than subsidiaries) have been valued as per Break up Value calculated as per audited Balance Sheet as on 31.03.09 or cost of acquisition (in case fresh acquired during the year).

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

FOR J.S. LODHA & CO.  
Chartered Accountants

V.Matta  
Proprietor  
Membership No. 54087

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

Place: Kolkata  
Dated: 26<sup>th</sup> July, 2010

U.K. GUPTA  
Manager

DILLIP SWAIN  
Secretary

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

**I. REGISTRATION DETAILS**

Registration No.	116830
State Code	55
Balance Sheet Date	31.03.2010

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

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

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

Total Liabilities	3361481
Total Assets	3361481

**SOURCES OF FUNDS (Rs. In Thousand)**

Paid-up Capital	86836
Reserves and Surplus	2249228
Secured Loans	65000
Unsecured Loans	861250
Deferred Tax Liability (Net)	1800

**APPLICATION OF FUNDS (Rs. In Thousand)**

Net Fixed Assets	194620
Investments	2880316
Net Current Assets	189178
Deferred Tax Assets	—

**IV. PERFORMANCE OF COMPANY (Rs. In Thousand)**

Turnover including Other Income	304880
Total Expenditure	41868
Profit Before Tax	263012
Profit After Tax	240375
Earning Per Share (Rs.) Basic/ Diluted	27.68
Dividend Rate (%) —Equity	25%

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

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

N. A.

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

Place: New Delhi  
Dated: 26<sup>th</sup> July, 2010

U.K. GUPTA  
Manager

DILLIP SWAIN  
Secretary

# BENGAL & ASSAM COMPANY LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2010

(Amount in Rs.)

Particulars	31.03.2010		31.03.2009	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Net Profit before Tax &amp; Extraordinary Items</b>		263,011,973		136,029,809
Adjusted for :				
Sundry balances w/o	1,273		9,305	
Interest expense	25,540,113		37,275,452	
Profit on sale of Fixed Assets	(2,416)		—	
Liability no longer required written back	(65,416)		—	
Loss on sale of Investments	208,790		1,111,838	
Diminution in the value of investment	—		554,603	
Depreciation	3,088,349		3,157,451	
Profit on sale of Investments	(92,630,317)	(63,859,624)	(36,672,753)	5,435,896
<b>Operating profit before working Capital changes</b>		<b>199,152,349</b>		<b>141,465,705</b>
Adjusted for :				
Trade & Other Receivables	34,135,613		44,522,245	
Trade & Other Payables	(33,786,298)	349,315	(6,942,105)	37,580,140
<b>Cash Generated from Operations</b>		<b>199,501,664</b>		<b>179,045,845</b>
Direct Taxes Paid (Net)	(17,436,578)		(10,099,365)	
Fringe Benefit Tax (Net)	(3,549)	(17,440,127)	(42,592)	(10,141,957)
<b>Net Cash from Operating Activities</b>		<b>182,061,5371</b>		<b>168,903,888</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Investments	(258,513,782)		(644,152,862)	
Sale of Investments	249,150,553		740,788,490	
Purchase of Fixed Assets including WIP	(500,000)		(308,722)	
Sale of Fixed Assets (net)	10,125		181,224	
Fixed Deposit with Body Corporate (net)	(1,890,000)		3,000,000	
Inter Corporate Deposit (Given)/Recovered Net	(17,750,000)		(67,700,000)	
Proceeds from secured loan	963,000		—	
<b>Net Cash from Investing Activities</b>		<b>(28,530,104)</b>		<b>31,808,130</b>
<b>C. CASH FLOW FROM FINANCIAL ACTIVITIES</b>				
Proceeds from Borrowings	65,000,000		150,000,000	
Repayment of Borrowings	(188,333,334)		(290,833,333)	
Distributable surplus	—		330	
Redemption of Preference shares	—		(859,490)	
Dividend/CDT Paid	(13,025,330)		(31,069,050)	
Interest Paid(Including TDS)	(20,654,543)		(33,244,411)	
<b>Net Cash used in Financial Activities</b>		<b>(157,013,207)</b>		<b>(206,005,954)</b>
<b>D. NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>		<b>(3,481,774)</b>		<b>(5,293,936)</b>
<b>Opening Balance of Cash and Cash Equivalents (Schedule No.7)</b>		<b>12,131,246</b>		<b>17,425,182</b>
<b>Closing Balance of Cash and Cash Equivalents (Schedule No.7)</b>		<b>8,649,472</b>		<b>12,131,246</b>

Notes:-

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

For **J.S. LODHA & CO.**

Chartered Accountants

V.Matta  
Proprietor  
Membership No. 54087

Place: Kolkata  
Dated: 26<sup>th</sup> July, 2010

U.K. GUPTA  
Manager

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Directors

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

1	Name of the Subsidiary Company	Fenner (India) Ltd.	Southern Spinners And Processors Ltd. *	Modern Cotton Yarn Spinners Ltd. *	Acorn Engineering Ltd. *	BMF Investments Ltd. *	Panchmahal Properties Ltd.	LVP Foods Pvt. Ltd.	Dwarkesh Energy Ltd. **
2	Financial period of the Subsidiary ended on	31.03.10	31.03.10	31.03.10	31.03.10	31.03.10	31.03.10	31.03.10	31.03.10
3	Holding Company's interest in Equity Capital								
	(i) Number - Equity	2182648					351230	1999800	25000
	(ii) Extent of Holding (%age)	87.90%	-	-	-	-	100.00%	99.99%	49.94%
4	Net aggregate of Profit less Losses of the Subsidiary Companies as far as it concerns the members of the holding Company:								
1	Not dealt with in the Holding Company's Accounts:								
a)	For the Financial Year of the subsidiary - Rs./Lacs	3,219.17	-	-	-	-	2.84	42.62	-
b)	For the previous Financial years since it became the Holding Company's subsidiary - Rs./Lacs	9,077.50	-	-	-	-	2.421	1.74	-
2	Dealt with in the Holding Company's Accounts:								
a)	For the Financial Year of the subsidiary - Rs./Lacs	218.26	-	-	-	-	-	-	-
b)	For the previous Financial years since it became the Holding Company's subsidiary - Rs./Lacs	1,659.89	-	-	-	-	-	-	-
5	Changes in the interest of Holding Company between the end of the Financial year of the Subsidiary and the end of the Holding Company's Financial year-increase%	-	-	-	-	-	-	-	-

\* Subsidiaries of Fenner (India) Limited

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

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 SHAILENDRA SWARUP  
 VINITA SINGHANIA  
 Directors

Place: New Delhi  
 Dated: 26<sup>th</sup> July, 2010

U.K. GUPTA  
 Manager

DILLIP SWAIN  
 Secretary

## **BENGAL & ASSAM COMPANY LIMITED**

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

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

We have examined the attached consolidated Balance Sheet of BENGAL & ASSAM COMPANY LIMITED and its subsidiaries as at 31<sup>st</sup> March 2010, the consolidated Profit and Loss Account and also the consolidated cash flow statement for the year then ended.

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

We did not audit the financial statements of the subsidiaries (other than Panchmahal Properties Ltd.), whose financial statements reflect total assets of Rs. 59074.97 lacs as at 31<sup>st</sup> March 2010 and total revenues of Rs. 49817.33 lacs for the year then ended. The financial statements of these subsidiaries have been audited by other auditors, whose reports have been furnished to us and our opinion, in so far as it relates to the amounts included in respect of the said subsidiaries, is based solely on the reports of the other auditors.

The financial statements of Subsidiary, namely, Panchmahal Properties Ltd. have been audited by us, whose financial statements reflect total assets of Rs. 45.76 lacs as at 31<sup>st</sup> March, 2010 and total revenue of Rs. 4.10 lacs for the year then ended.

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

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

- a) In the case of Consolidated Balance Sheet, of the Consolidated state of affairs of the Company and its Subsidiaries as at 31<sup>st</sup> March, 2010;
- b) In the case of the Consolidated Profit & Loss Account, of the consolidated results of operations of the Company and its Subsidiaries for the year then ended; and
- c) In case of Consolidated Cash Flow Statement, of the consolidated cash flow of the Company, its subsidiaries for the year then ended.

For J.S. LODHA & CO.  
Chartered Accountants

V. Matta  
(Proprietor)

Firm Registration No.:-302195E  
Membership No.:-54087

Place: Kolkata  
Dated: 26<sup>th</sup> July, 2010

## CONSOLIDATED BALANCE SHEET AS AT 31st March 2010

P A R T I C U L A R	Schedule	31.03.2010	Rs. in Lacs 31.03.2009
<b>SOURCES OF FUNDS</b>			
Share Capital	1	868.36	868.36
Reserves & Surplus	2	43,481.18	34,645.56
Minority Interest		3,913.24	3,091.66
Secured Loans	3	9,189.00	11,174.06
Unsecured Loans	4	12,679.79	15,921.43
Deferred Tax Liability (Net)		920.40	574.66
<b>TOTAL</b>		<b>71,051.97</b>	<b>66,275.73</b>
<b>APPLICATION OF FUNDS</b>			
Goodwill on Consolidation of Subsidiaries		287.53	287.53
<b>Fixed Assets</b>	5		
Gross Block		31,969.02	24,267.06
Less:- Depreciation		11,258.00	9,594.51
Net Block		20,711.02	14,672.55
Capital Work In Progress (including advances)		375.57	5,473.43
		21,086.59	20,145.98
Investments	6	39,213.12	36,047.25
<b>Current Assets, Loans &amp; Advances</b>	7		
Inventories		5,058.01	3,411.74
Debtors		6,822.66	5,161.93
Cash & Bank Balances		596.90	775.25
Other Current Assets		75.68	510.89
Loans & Advances		9,261.83	8,517.67
		21,815.08	18,377.48
Less: Current Liabilities & Provisions	8	11,352.15	8,949.02
<b>Net Current Assets</b>		<b>10,462.93</b>	<b>9,428.46</b>
Miscellaneous Expenditure ( to the extent not written off or adjusted)			
Voluntry Retirement Payments		—	363.81
Preliminary Expenses		1.80	2.70
<b>TOTAL</b>		<b>71,051.97</b>	<b>66,275.73</b>
<b>Notes on Accounts</b>	14		

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

As per our report of even date.

FOR J.S. LODHA & CO.  
Chartered Accountants

V.Matta  
Proprietor  
Membership No. 54087

Place: Kolkata  
Dated: 26<sup>th</sup> July, 2010

U.K. GUPTA  
Manager

DILLIP SWAIN  
Secretary

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



## BENGAL & ASSAM COMPANY LIMITED

### CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the year ended 31st March 2010

P A R T I C U L A R	Schedule	31.03.2010	Rs. in Lacs 31.03.2009
<b>INCOME</b>			
Income from Operations and Other Income	9	50,559.42	34,353.07
Increase / (Decrease) in Stock		488.11	(511.99)
		<b>51,047.53</b>	<b>33,841.08</b>
<b>EXPENDITURE</b>			
Employees Cost	10	5,681.40	4,796.71
Materials and Manufacturing Expenses	11	30,508.56	19,065.94
Freight & Transportation		781.13	752.04
Administrative and other Expenses	12	3,027.91	2,685.17
Diminution in the value of Current Investments		—	5.55
		<b>39,999.00</b>	<b>27,305.41</b>
<b>Profit before Interest, Depreciation &amp; Tax</b>		<b>11,048.53</b>	<b>6,535.67</b>
Interest & Finance Charges	13	1,449.84	1,946.22
<b>Profit before Depreciation &amp; Tax</b>		<b>9,598.69</b>	<b>4,589.45</b>
Depreciation		70.74	74.02
Foreign Exchange Fluctuations		—	182.49
<b>Profit before Tax</b>		<b>7,916.74</b>	<b>3,011.50</b>
Provision for Current Tax		1,173.05	343.63
MAT Credit Entitlement		330.05	(265.00)
Provision for Fringe Benefit Tax		—	65.18
Income Tax Adjustments For Earlier Years (net)		2.48	5.37
Deferred Tax		345.74	557.90
<b>Profit after Tax</b>		<b>6,065.42</b>	<b>2,304.42</b>
Minority Interest		446.38	152.52
<b>Profit after Tax (after adjusting for Minority Interest)</b>		<b>5,619.04</b>	<b>2,151.90</b>
Profit brought forward from previous year		2,044.27	3,355.03
<b>Balance available for appropriation</b>		<b>7,663.31</b>	<b>5,506.93</b>
Transfer to Reserve (As per RBI Guidelines)		502.03	257.67
Proposed Dividend on Equity Shares		217.09	130.25
Dividend on Preference Shares		—	0.47
Corporate Dividend Tax		164.96	74.27
Transfer to General Reserve		4,000.00	3,000.00
Balance Carried to Balance Sheet		<b>2,779.23</b>	<b>2,044.27</b>
		<b>7,663.31</b>	<b>5,506.93</b>
<b>Basic / Diluted Earning per share (in Rs.)</b>		<b>64.71</b>	<b>24.77</b>

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

Notes on Accounts

14

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

FOR J.S. LODHA & CO.  
Chartered Accountants

V.Matta  
Proprietor  
Membership No. 54087

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

Place: Kolkata  
Dated: 26<sup>th</sup> July, 2010

U.K. GUPTA  
Manager

DILLIP SWAIN  
Secretary

		(Rs. in Lacs.)	
Schedules forming part of Consolidated Financial statement		31.03.2010	31.03.2009
<b>Schedule-1</b>			
<b>SHARE CAPITAL</b>			
<b>Authorised</b>			
356,730,000 Equity Shares of Rs.10/- each		<b>35,673.00</b>	35,673.00
1,252,000 Cumulative Redeemable Preference Shares of Rs 100 each		<b>1,252.00</b>	1,252.00
		<b>36,925.00</b>	<b>36,925.00</b>
<b>Issued, Subscribed &amp; Paid up</b>			
<b>Equity Shares fully paid up (a)</b>			
86,83,553 Equity Shares of Rs.10/- each		<b>868.36</b>	868.36
		<b>868.36</b>	<b>868.36</b>

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

### Schedule 2

#### RESERVES & SURPLUS

Capital Reserve *	76.53		76.53	
Add: Addition during the year (Nil, P.Y.- Rs. 330/-)*	—	76.53	—	76.53
Capital Redemption Reserve		23.92		23.92
Debenture Redemption Reserve	—		872.88	
Less: Transfer to General Reserve	—	—	(872.88)	—
Share Premium account		121.80		121.80
Reserve (as per RBI guidelines)	1,232.68		975.01	
Add: Transfer from Profit & Loss A/c	502.03	1,734.71	257.67	1,232.68
General Reserve	22,730.27		18,857.39	
Add: Transfer from Debenture Redemption Reserve	—		872.88	
Add: Transfer from Profit & Loss A/c	4,000.00	26,730.27	3,000.00	22,730.27
Capital Reserve on Consolidation of Subsidiaries	8,416.08		8,515.92	
Add: Addition during the year**	3,662.16		—	
Less: Deductions during the year ***	63.52 (a)	12,014.72	99.84	8,416.08
Surplus in Profit & Loss Account A/c		2,779.23		2,044.27
		<b>43,481.18</b>		<b>34,645.56</b>

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

\*\* On accounts of acquisition of a subsidiary during the year.

\*\*\* Represents Rs. 62.18 lacs towards additional depreciation arising out of revaluation of fixed assets, Rs. 1.34 lacs on account of assets sold/written off by a subsidiary; which is net off share of minority amounting to Rs. 8.74 lacs.

### Schedule 3

#### SECURED LOANS

<b>Banks</b>			
Term Loans		<b>5,917.74</b>	6,592.48
Other Loans		<b>3,271.26</b>	4,581.58
		<b>9,189.00</b>	<b>11,174.06</b>

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

# BENGAL & ASSAM COMPANY LIMITED

(Rs. in Lacs.)

**Schedules forming part of Consolidated Financial statement** 31.03.2010 31.03.2009

## Schedule-4

### UNSECURED LOANS

Fixed Deposits	2,601.55	945.73
Short Term Loans From Banks	2,500.00	5,100.00
Buyer's Credit facility from Bank	883.24	926.19
From Body Corporates*	6,000.00	7,933.33
Deferred Payment to SASF	695.00	745.00
Interest Accrued & Due	—	271.18
	<b>12,679.79</b>	<b>15,921.43</b>

\*Includes Rs.60,00,00,000/- (previous year Rs.63,33,33,334/- ) {interest free}

## Schedule-5

### FIXED ASSETS

Rs. in Lacs

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Gross Block as at	Additions	Sales/ Adjust-ments	Gross Block as at	Upto	For the	Adjust-ments	Upto	As at	As at
	01.04.09			31.03.10	31.03.09	Year		31.03.10	31.03.10	31.03.09
<b>Tangible Assets</b>										
Land (Freehold) @	3,098.48	209.28	-	3,307.76	-	-	-	-	3,307.76	3,307.76
Land (Leasehold)@	155.84	-	-	155.84	4.59	1.57	-	6.16	149.68	151.25
Buildings @	4,294.55	1,277.73	-	5,572.28	772.68	141.65	-	914.33	4,657.95	3,521.87
Furniture & Fixtures	1,320.77	156.98	47.07	1,430.68	725.56	111.32	35.44	801.44	629.24	595.21
Plant & Machinery	14,426.35	6,009.06	34.80	20,400.61	7,714.59	1,388.34	30.16	9,072.77	11,327.84	6,711.76
Office equipment	49.62	5.35	0.16	54.81	17.47	4.61	0.08	22.00	32.81	32.15
Computer	0.80	18.27	-	19.07	0.78	1.65	-	2.43	16.64	0.02
Vehicles	268.26	108.32	49.63	326.95	81.51	26.70	23.52	84.69	242.26	186.75
<b>Intangible Assets</b>										
Software	158.63	44.54	-	203.17	51.35	25.39	-	76.74	126.43	107.28
Trade Mark License	493.76	4.09	-	497.85	225.98	51.46	-	277.44	220.41	267.78
<b>Total</b>	<b>24,267.06</b>	<b>7,833.62</b>	<b>131.66</b>	<b>31,969.02</b>	<b>9,594.51</b>	<b>1752.69#</b>	<b>89.20</b>	<b>11,258.00</b>	<b>20,711.02</b>	<b>14,672.55</b>
Previous Year	23,873.72	1,699.81	1,306.47	24,267.06	9,251.79	1469.80#	1,127.08	9,594.51	14,672.55	-
CWIP (Including Advances)	5,473.43	2,743.76	7,841.62	375.57	-	-	-	-	375.57	5,473.43

# Depreciation for the year includes Rs. Nil (Previous year Rs. 0.32 Lacs) on capitalised pre-operative expenses.

@ Refer Note 2 of Schedule 14 including certain assets pending transfer in the name of the company.

## Schedule-6

31.03.10

31.03.09

### INVESTMENTS

#### Long Term Investment

##### Quoted Investment

- Equity Shares	31,422.94	29,541.52
- Mutual Funds	6.62	5.75
	<b>31,429.56</b>	<b>29,547.27</b>

##### Unquoted Investment

- Equity Shares*	394.90	394.90
- Debentures, Bonds & Govt. Securities	0.18	325.62
- Preference Shares	4,905.68	4,811.79
- Mutual Funds	2,442.22	944.68
- Others	0.16	0.16
	<b>7,743.14</b>	<b>6,477.15</b>

#### Total (A)

**39,172.70**

**36,024.42**

	(Rs. in Lacs.)	
Schedules forming part of Consolidated Financial statement	31.03.2010	31.03.2009
<b>Current Investment</b>		
- Quoted Investment in Shares	40.42	22.83
<b>Total (B)</b>	<u>40.42</u>	<u>22.83</u>
<b>GRAND TOTAL (A) + (B)</b>	<u>39,213.12</u>	<u>36,047.25</u>

\* Includes 8,50,000 Equity Shares aggregating to Rs. 85,00,000/- of JK Envirotech Ltd. Pledged with Infrastructure Development Finance Company Limited (IDFC Ltd.) for a Loan availed by JK Envirotech Ltd.; and also 33 equity share amounting to Rs. 1.04 lacs of certain foreign entities Pledged with Bank for Loans availed by certain foreign investees.

#### Schedule-7

#### CURRENT ASSETS, LOANS & ADVANCES

##### A. CURRENT ASSETS

Inventories		
— Raw Material	2,731.38	1,587.92
— Packing Material	35.93	—
— Stores & Spares	199.15	195.40
— Finished Goods	1,755.81	1,358.89
— Work in Progress	335.74	269.53
	<u>5,058.01</u>	<u>3,411.74</u>
Debtors (Unsecured, Considered good)		
— Debts outstanding for a period exceeding six months	716.98	877.97
— Others less than Six months	6,105.68	4,283.96
	<u>6,822.66</u>	<u>5,161.93</u>
Cash in Hand	11.96	8.98
Balance with scheduled banks :		
— In Saving accounts	0.03	0.03
— In Current accounts	414.25	435.93
— In Deposit accounts	170.66	310.31
— Cheques in hand	—	20.00
	<u>596.90</u>	<u>775.25</u>
Other Current Assets	75.68	510.89
<b>TOTAL (A)</b>	<u>12,553.25</u>	<u>9,859.81</u>

##### B. LOANS & ADVANCES

‘(Unsecured, Considered good)		
Advances recoverable in cash or in kind or for value to be received	4,272.68	3,574.70
Deposits with Govt. Authorities & others	327.38	380.11
Inter Corporate Deposits	500.50	643.00
Secured Loan	745.00	795.00
Fixed Deposit with Bodies Corporate	183.90	165.00
Accrued Income	23.60	38.59
MAT Credit Entitlement Receivable	656.45	986.50
Advance payment of tax (including TDS)	2,552.21	1,934.77
Advance payment of Fringe Benefit Tax(Net)	0.11	—
<b>TOTAL (B)</b>	<u>9,261.83</u>	<u>8,517.67</u>
<b>TOTAL (A + B)</b>	<u>21,815.08</u>	<u>18,377.48</u>

## BENGAL & ASSAM COMPANY LIMITED

(Rs. in Lacs.)

**Schedules forming part of Consolidated Financial statement** 31.03.2010 31.03.2009

### Schedule-8

#### CURRENT LIABILITIES & PROVISIONS

##### CURRENT LIABILITIES

##### Sundry Creditors

— MSME *	—	—
— Others	6,808.42	5,263.14
Acceptances	186.86	250.39

##### Investor Education & Protection Fund (not due)

— Unclaimed Dividend	26.07	38.39
— Unclaimed Deposits	47.38	43.42

##### Fractional Entitlement Shares

1.35 —

##### Unclaimed Preference Shares

0.24 0.32

##### Other Liabilities

1,170.65 1,204.58

##### Interest accrued but not due

20.70 46.05

#### **TOTAL (A)**

8,261.67 8,846.29

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

##### PROVISIONS

— For Income Tax	2,297.25	1,403.93
— For Fringe Benefits Tax (Net)	—	213.82
— For Interim/Final dividend	120.18	30.04
— For Proposed Dividend	217.09	130.25
— For Corporate Dividend Tax	164.96	42.20
— For Retirement Benefits	291.00	282.49

#### **TOTAL (B)**

3,090.48 2,102.73

#### **TOTAL (A + B)**

11,352.15 8,949.02

### Schedule-9

#### INCOME FROM OPERATIONS AND OTHER INCOME

Sales (Net of Excise Duty)	46,800.88	32,027.68
Interest	94.65	84.19
Dividend	1,980.08	1,194.89
Profit on sales of Investments (Net)	930.23	350.87
Profit on sales of Asset (Net)	13.37	—
Rent	394.57	352.40
Miscellaneous Receipts	344.98	343.04
Liability on longer required written back	0.66	—
	<u>50,559.42</u>	<u>34,353.07</u>

### Schedule-10

#### EMPLOYEES COST

Salaries, wages, gratuity & bonus	4,993.64	4,184.83
Contribution to Provident and other Funds	240.60	220.93
Employees welfare & other benefits	447.16	390.95
	<u>5,681.40</u>	<u>4,796.71</u>

	(Rs. in Lacs.)	
Schedules forming part of Consolidated Financial statement	31.03.2010	31.03.2009
<b>Schedule-11</b>		
<b>MATERIALS &amp; MANUFACTURING EXPENSES</b>		
Raw Material Consumed	22,518.94	12,465.20
(Increase) / Decrease in WIP	(66.21)	55.35
Purchase of Finished Goods	3,082.04	2,750.91
Conversion charges	538.36	189.55
Poly Film Consumed	198.75	—
Consumption of Stores & Spares	1,527.77	1,268.80
Power & Fule	2,188.23	1,782.85
Repairs to Building	92.37	58.30
Repairs to Machinery	373.76	305.86
Excise duty on variation of stock	54.55	189.12
	<u>30,508.56</u>	<u>19,065.94</u>
<b>Schedule-12</b>		
<b>ADMINISTRATIVE &amp; OTHER EXPENSES</b>		
Rent	117.36	117.82
Rates & Taxes	116.25	109.03
Auitors Remuneration		
— Statuory & Tax Auit Fees (incl. Service Tax)	5.12	4.74
— Tax Audit Fee	0.16	0.10
— Certification	1.78	1.43
— Out of Pocket Expenses	1.25	1.65
Director' Fee	7.24	2.67
Discount	386.00	294.20
Commission	63.99	117.39
Loss on Sale of Assets/Scrapped (net)	—	60.64
Loss on Exchange Difference	—	137.42
Insurance	59.84	52.50
Postage, Printing & Stationery	24.62	32.06
Advertisement & Publicity Exp.	2.78	2.90
Securities Transaction Tax	1.60	—
Preliminary expenes written off	0.90	0.90
Repairs & Maintenance	5.89	15.33
Sundry balances written off	0.01	0.09
Bank Charges, Travelling, Legal & Professinal & other		
Miscellaneous Expenses	2,233.12	1,734.30
	<u>3,027.91</u>	<u>2,685.17</u>
<b>Schedule-13</b>		
<b>INTEREST &amp; FINANCE CHARGES</b>		
Interest on Term loan & Inter Corporate Deposits	1,442.84	1,938.72
Other Finance Charges	7.00	7.50
	<u>1,449.84</u>	<u>1,946.22</u>

## BENGAL & ASSAM COMPANY LIMITED

### Schedule-14

#### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS:

1. Principles of Consolidation:

- (a) The Consolidated Financial Statements comprise the financial statements of Bengal & Assam Company Limited ('the Company') and financial statements of the following (incorporated in India) as on 31.03.2010:-

<b>Subsidiaries:-</b>		
<b>S.No.</b>	<b>Name of the Company</b>	<b>Shareholding</b>
1	Fenner (India) Ltd.	87.90%
2	Modern Cotton Yarn Spinners Ltd. *	87.90%
3	Southern Spinners & Processors Ltd. *	87.90%
4	Acorn Engineering Ltd. *	87.90%
5	BMF Investments Ltd. (w.e.f.19.09.2009)*	87.90%
6	Panchmahal Properties Ltd.	100.00%
7	LVP Foods Private Ltd.	99.99%
8	Dwarkesh Energy Ltd.	93.84%

\* Subsidiaries of Fenner (India) Ltd.

- (b) The Financial Statements of Hifazat Chemicals Ltd.(subsidiary under Liquidation) and has been excluded from consolidation as management has no direct or indirect control / significant influence on its functioning.
- (c) JK Sugar Ltd. became subsidiary of the company during the year and ceased to be subsidiary on 12.07.2010.
- (d) The Financial Statements of the Company and its Subsidiaries have been consolidated on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra-group transactions. Intra-group balances and transactions have been eliminated on the basis of information available with the Company.
- (e) The excess of cost to the Company of its investment in each of its subsidiary over its share of equity in the respective subsidiary, on the acquisition date, is recognised in the financial statements as Goodwill on consolidation and carried in the Balance Sheet as an asset. Negative Goodwill is recognised as Capital Reserve on consolidation.
- (f) The Accounting Policies of the Company and its Subsidiaries are largely similar. However, few Accounting Policies w.r.t. depreciation/amortization, employees' benefits etc. differ than the policies followed by the Company. Management is of the view that overall impact of the same on these Consolidated Financial Statements will not be material.
- (g) There are no Associates of the Company, which require to be considered for the purpose of Consolidation, since management has no direct or indirect control / significant influence on their functioning.
- (h) Significant Accounting Policies and Notes on Accounts of the financial statements of the Company and its subsidiaries are set out in their respective financial statements.
- (i) The Consolidated Financial Statements have been prepared using uniform accounting policies, in accordance with the generally accepted accounting practices.
- (j) Figures pertaining to the subsidiary companies have been reclassified wherever considered necessary to bring them in line with the Company's financial statements.
2. Subsequent to the implementation of the "Scheme of Amalgamation" sanctioned by the Hon'ble High Court of Delhi, provisions pertaining to "Systemically Important Non-Deposit Taking Non-Banking Finance Company" as per Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 have become applicable to the Company. The Company has applied to Reserve Bank of India (RBI) for exemption from certain applicable clauses, which is pending for approval.
3. Capital commitments (net of advances) – Rs.469.02 lacs (Previous Year-Rs.1387.33 lacs).
4. Contingent Liabilities not provided for :-
- (a) Disputed Income Tax matters (estimated) under appeal of Rs. 32.58 Lacs (Previous Year- Rs.6.75 lacs).
- (b) Claims against the subsidiary companies estimated at Rs.428.15 Lacs (Previous Year-Rs.398.09 lacs) not acknowledged but disputed by the subsidiary companies and hence not provided for.



- (c) Claims against a subsidiary company not accepted and not provided for Rs.927.90 Lacs (Previous Year- Rs.840.29 Lacs). Details thereof are, Excise duty matters in appeal Rs.63.08 Lacs, Service Tax matters Rs.1.97 Lacs and Sales tax matters Rs.862.85 Lacs (Previous Year-Rs.63.08 Lacs, Rs.1.97 Lacs, & Rs.775.24 Lacs respectively).
- (d) Margin Money given by a subsidiary company to secure Bank Guarantees of Rs.160.36 lacs (Previous Year Rs.204.32 Lacs) issued by the bankers on its behalf.
- (e) Outstanding Bank Guarantees and Letter of Credit – Rs.2055.25 lacs (Previous Year - Rs.2142.49 lacs).
- (f) In respect of certain disallowances and additions made by the income tax authorities, appeals are pending before the Appellate Authorities and adjustment, if any, will be made after the same are finally determined.
5. Bills discounted with Banks by a subsidiary outstanding Rs.265.37 Lacs (Previous year Rs.347.36 lacs).
6. (a) Guarantee has been given by the Company to a Bank in respect of loans facility availed by other Body Corporate [outstanding as at 31.03.2010 Rs. 181.14 Lacs (previous year : Rs.191.98 lacs)]
- (b) Guarantee has been given by the Company to a bank in respect of loan facility availed by LVP Foods Pvt. Limited, a subsidiary company {outstanding as at 31.03.10 Rs.1753.00 Lacs (Previous Year – Rs.587.88 lacs)}.
7. Land, buildings and plant & machinery transferred to a subsidiary under the Scheme of Amalgamation during the year 2006-07 were revalued as at 31st, August 1985 and as at 31st March 1995. The revaluation in respect of factory, service buildings and plant & machinery was further updated as at 31st March 1998 based on current replacement cost by a valuer and as a result, book value of the said assets had been increased by Rs.2990.53 lacs.
8. No provision for diminution in the value of certain long term investments has been considered necessary, since in the opinion of the Management, such diminution in their value is temporary in nature considering the nature of investments, inherent value, investees' assets and expected future cash flows from such investments.
9. Miscellaneous expenses include Provision for Doubtful debts Rs.NIL (Previous Year- Rs.46.35 lacs) and Bad debts Write-off Rs.6.23 Lacs (Previous Year-Rs.15.43 lacs) and interest of Rs.329.77 lacs paid to Income Tax Department in an earlier year (Previous year – Nil).Salaries, wages, gratuity & bonus include VRS Write-off Rs. 388.10 Lacs (Previous Year Rs.363.82 Lacs).
10. Certain balances of current liabilities & provisions and loans & advances are subject to confirmation/reconciliation.
11. Pursuant to the Scheme of Amalgamation, 2,09,589 Shares of Bengal & Assam Company Ltd.(BACL) are held in the name of a Trustee on behalf of Fenner (India) Ltd., being Subsidiary of BACL, against their holding in Netflir Finco Ltd. Accordingly, the amount against the said shares is shown under Loans and advances, recoverable in cash or in kind or for value to be received.
12. Pursuant to the accounting standard on 'Accounting for Taxes on Income' (AS-22), deferred tax liability/(assets) are as under:-

**(Rupees in Lacs)**

Particulars	31.03.2010	31.03.2009
<b>(A) Deferred Tax Assets:</b>		
- Disallowance on account of Transitional provisions due to adoption of Revised AS-15	—	1.66
- Unabsorbed depreciation and Carried Forward Losses	516.55	308.78
- Others	161.84	183.03
<b>Total : (A)</b>	<b>678.39</b>	<b>493.47</b>
<b>(B) Deferred Tax Liabilities:</b>		
- Difference between book depreciation & tax depreciation	1598.79	1068.13
<b>Total : (B)</b>	<b>1598.79</b>	<b>1068.13</b>
<b>Deferred Tax Liabilities (Net) (A-B)</b>	<b>920.40</b>	<b>574.66</b>

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



## BENGAL & ASSAM COMPANY LIMITED

13. Earning per share (EPS):

(Rupees in Lacs.)

Particulars	Current Year	Previous Year
Profit/(Loss) after tax (after adjusting for Minority Interest)	5619.04	2151.90
Less: preference dividend & CDT thereon	—	0.55
Profit/(Loss) for Basic earning per share	5619.04	2151.35
Weighted Avg. Number of equity shares (Face value of Rs. 10 each)	8683553	8683553
Basic and Diluted EPS (Rs.)	64.71	24.77

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

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

**Key Management Personnel:**

Shri U.K. Gupta, Manager

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

Shri R. Natarajan, Vice President – Southern Spinners and Processors Ltd.

Mr. A.K.Kinra, Director—Dwarkesh Energy Ltd.

Mr. D.K.Mehta, Director— Dwarkesh Energy Ltd.

- (b) Transactions with related parties:

(Rupees in lacs)

Particulars	Key Management Personnel	
	Current Period	Previous Year
Remuneration	119.54	28.99
Deposits received	10.00	15.00
Interest paid on Deposits	2.44	0.36
Amount Payable: - Fixed Deposits	25.00	15.00

15. Segment information:

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

(Rupees in Lacs)

Sl. No.	Particulars	Business Segment				Others	Total
		Investment	Polymers	Cotton Yarn	Dairy Products		
<b>A</b>	<b>REVENUE</b>						
1	Gross Revenue	3335.33	32303.18	7182.12	8771.29	3.00	1594.92
	(External)	(1864.68)	(27297.79)	(5872.82)	(-)	(2.95)	(35038.24)
	Less: Inter Segment	334.61	106.48	1353.49	-	-	1794.58
		(245.76)	(85.87)	(1057.06)	(-)	(-)	(1388.69)
	<b>Total Revenue</b>	3000.72	32196.70	5828.63	8771.29	3.00	49800.34
		(1618.92)	(27211.92)	(4815.76)	(-)	(2.95)	(33649.55)
2	Other Income	397.59	150.66	157.53	53.29	0.01	759.08
		(350.24)	(205.54)	(147.72)	(0.02)	(-)	(703.52)
3	<b>Total Revenue</b>	3398.31	32347.36	5986.16	8824.58	3.01	50559.42
		(1969.16)	(27417.46)	(4963.48)	(0.02)	(2.95)	(34353.07)
<b>B</b>	<b>RESULTS</b>						
1	Segment Result (PBIT)	3243.41	6053.65	- 137.57	204.82	2.27	9366.58
		(1800.94)	(3710.95)	(-554.80)	(-0.25)	(0.88)	(4957.72)

							Rupees in Lacs)
Sl. No.	Particulars	Business Segment				Others	Total
		Investment	Polymers	Cotton Yarn	Dairy Products		
2	Interest & Finance Charges						1449.84 (1946.22)
3	Profit before Tax						7916.74 (3011.50)
4a	Provision for Current Tax						1173.05 (343.63)
4b	Deferred Tax (Net)						345.74 (557.90)
4c	Income Tax paid/ Adjustments for earlier years (Net)						2.48 (5.37)
4d	Fringe Benefit Tax						- (65.18)
4e	Minimum Alternate Tax Credit Entitlement						330.05 (- 265.00)
5	Profit after Tax						6065.42 (2304.42)
<b>C</b>	<b>OTHER INFORMATION</b>						
1	Segment Assets	47040.23 (50122.60)	27245.67 (29992.76)	5080.99 (5088.41)	3009.81 (1033.88)	27.42 (27.77)	82404.12 (75224.75)
2	Segment Liabilities	7628.59 (11518.44)	21967.22 (24609.07)	1730.92 (1116.79)	2812.54 (1018.00)	02.07 (1.76)	34141.34 (36619.17)
3	Capital Expenditure	5.00 (3.09)	1196.43 (4908.28)	46.22 (146.66)	1488.11 (399.50)	- (-)	2735.76 (5457.53)
4	Depreciation and Amortization Expenses (without considering transfer from revaluation reserve)	30.88 (31.57)	1521.23 (1289.72)	143.06 (147.65)	56.98 (-)	00.54 (0.54)	1752.69 (1469.48)

B. Information about Geographical Segments (Secondary Segments):

				(Rupees in Lacs)
	Domestic	Overseas	Total	
Segment Revenue				
- Sales (External) (Net of Excise Duty)	41638.62 (26559.68)	5158.00 (5468.00)	46796.62 (32027.68)	
- Investment & Other Revenue	3003.72 (1621.87)	-	3003.72 (1621.87)	
- Other Income	759.08 (703.52)	-	759.08 (703.52)	
- Segment Assets	80626.75 (74232.23)	1777.37 (992.52)	82404.12 (75224.75)	

Previous year figures have been shown in brackets.

## **BENGAL & ASSAM COMPANY LIMITED**

### **Notes:**

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

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

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

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

16. Figures less than Rs.500 have been shown at actual in bracket.
17. Previous year figures have been re-arranged/re-grouped/re-cast wherever considered necessary.
18. Schedules "1" to "14" form an integral part of the Accounts for the year ended 31<sup>st</sup>March, 2010.

As per our report of even date.

FOR J.S. LODHA & CO.  
Chartered Accountants

V.Matta  
Proprietor  
Membership No. 54087

Place: Kolkata  
Dated: 26<sup>th</sup> July, 2010

U.K. GUPTA  
Manager

DILLIP SWAIN  
Secretary

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

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2010**
**(Rs. in Lacs.)**

Particulars	31.03.2010		31.03.2009	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Net Profit/(loss) before Tax &amp; Extraordinary Items</b>		7,916.74		3,011.50
<b>Adjusted for :</b>				
Depreciation	1,752.69		1,469.48	
Voluntary Retirement Payments (VRS) written off	388.10		363.82	
Preliminary Expenses Written Off	0.90		0.90	
Transfer from Revaluation Reserve	(70.74)		(74.02)	
Interest Income	(4.24)		(148.99)	
Interest & Finance Charges	1,442.84		2,104.18	
Diminution in the value of investment	—		5.55	
(Profit) / Loss on sale of Investment (net)	(930.23)		(358.38)	
(Profit) / Loss on sale of Assets (net)	(13.37)		60.64	
Provision for Doubtful Debts	—		46.35	
Bad Debts	6.23		5.11	
Sundry Balance written off	0.01		0.09	
Dividend Income	(572.90)		(46.95)	
Liability no longer required Written back	(0.66)	1,998.63	—	3,427.78
<b>Operating Profit before working Capital Changes</b>		<b>9,915.37</b>		<b>6,439.27</b>
<b>Adjusted for :</b>				
(Increase)/Decrease in Trade and Other receivables	(1,056.05)		1,705.99	
(Increase)/Decrease in Inventories	(1,646.28)		558.55	
Increase/(Decrease) in Trade and Other Payables	572.73	(2,129.60)	1,358.14	3,622.68
<b>Cash Generated from Operations</b>		<b>7,785.77</b>		<b>10,061.95</b>
Direct Taxes Paid (Including FBT)	(1,099.20)		(406.88)	
Fringe Benefit Tax (Net)	(0.04)		—	
Voluntary Retirement Payments (VRS)	(24.29)		(143.84)	
Share of Minority in Profits	(446.38)	(1,569.91)	(152.52)	(703.24)
<b>Net Cash From Operating Activities (A)</b>		<b>6,215.86</b>		<b>9,358.71</b>
<b>B. CASH FLOW FROM INVESTMENT ACTIVITIES</b>				
Purchase of Fixed Assets & CWIP	(2,666.08)		(5,457.21)	
Sale of Fixed Assets	54.32		42.74	
Sale of Investments	2,718.52		7,420.80	
Purchase of Investments	(2,701.96)		(7,405.59)	
Interest Received	4.23		11.03	
Fixed Deposits with Body Corporates	(18.90)		30.00	
Inter Corporate Deposit (Given) / Received Net	212.50		(377.00)	
Dividend Received	572.90		(389.59)	
Proceeds from Secured loan	9.63		—	
Change in Minority Interest	830.32		82.22	

## BENGAL & ASSAM COMPANY LIMITED

(Rs. in Lacs.)

Particulars	31.03.2010		31.03.2009	
Adjustment on acquisition of Subsidiary	(504.12)		—	
Adjustment on disposal of Subsidiary			—	
<b>Net Cash used in Investing Activities</b>		<b>(1,488.64)</b>		<b>(6,042.59)</b>
<b>C. CASH FLOW FROM FINANCIAL ACTIVITIES</b>				
Redemption of Preference Shares	—		(8.59)	
Dividend Paid (Including dividend tax)	(82.31)		(457.12)	
Proceeds from Long Term Borrowings	4,315.23		6,436.05	
Repayment of Long Term Borrowings	(7,516.14)		(5,735.01)	
Repayment of Short Term Borrowings	(154.61)		(2,746.66)	
Interest Paid	(1,491.56)		(2,121.43)	
<b>Net Cash from Financing Activities</b>		<b>(4,929.39)</b>		<b>(4,632.77)</b>
<b>D. CHANGES IN CAPITAL RESERVE AND GOODWILL ARISING ON CONSOLIDATION</b>				—
<b>Net (Decrease) in Cash &amp; Cash Equivalent (A+B+C+D)</b>		<b>(202.17)</b>		<b>(1,316.65)</b>
<b>Cash &amp; Cash Equivalent at the beginning of the year</b>				
Opening Balance (as per last CFS)	775.25		2,091.90	
Addition on acquisition of Subsidiaries	23.82	<b>799.07</b>	—	<b>2,091.90</b>
<b>Cash &amp; Cash Equivalent at the end of the year</b>	596.90		775.25	
Addition on acquisition of Subsidiary			—	
<b>Cash &amp; Cash Equivalent at the end of the year</b>		<b>596.90</b>		<b>775.25</b>

Notes:-

Cash Neutral items have not been considered in this statement.

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

For J.S. LODHA & CO.  
Chartered Accountants

V.Matta  
Proprietor  
Membership No. 54087

Place: Kolkata  
Dated: 26<sup>th</sup> July, 2010

U.K. GUPTA      DILLIP SWAIN  
Manager              Secretary

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

**DETAILS OF SUBSIDIARY COMPANIES FOR THE YEAR ENDED 31.03.2010**

(Rs. In Lacs)

Name of the Subsidiary Company	Fenner (India) Limited	Southern Spinners and Processors Limited	Modern Cotton Yarn Spinners Limited	Acorn Engineering Limited	BMF Investments Limited	Panchmahal Properties Ltd.	LVP Foods Pvt. Ltd.	Dwarkesh Energy Ltd.
(a) Share Capital	248.31	505.00	305.00	5.05	30.20	35.12	200.00	5.01
(b) Reserves & Surplus (Net)	25033.41	1413.78	858.94	1.09	4251.48	8.58	44.34	(0.09)
(c) Total Assets	46422.37	2930.20	2290.24	6.18	4364.06	45.76	3056.88	5.04
(d) Total Liabilities	46422.37	2930.20	2290.24	6.18	4364.06	45.76	3056.88	5.04
(e) Investment (excluding investment in subsidiaries)	13602.80	-	-	5.97	2289.32	18.35	-	4.85
(f) Turnover and Other Income	33452.19	4238.96	3098.19	0.22	107.44	4.10	8919.80	0.53
(g) Profit/(Loss) before Taxation	5535.52	19.00	(203.72)	0.17	106.96	3.36	62.80	0.35
(h) Provision for Taxation	1624.90	10.03	(52.47)	-	21.75	0.52	20.19	0.05
(i) Profit/(Loss) after Taxation	3910.62	8.97	(151.25)	0.17	85.21	2.84	42.61	0.30
(j) Proposed Dividend	993.22	-	-	-	-	-	-	-

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

Place: New Delhi  
 Dated: 26<sup>th</sup> July, 2010

U.K. GUPTA  
 Manager

DILLIP SWAIN  
 Secretary

# **BENGAL & ASSAM COMPANY LIMITED**

## **BENGAL & ASSAM COMPANY LIMITED**

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

### **NOTICE**

NOTICE is hereby given that the 63<sup>rd</sup> Annual General Meeting of the Members of **BENGAL & ASSAM COMPANY LIMITED** will be held at Sri Sathya Sai International Centre, Pragati Vihar, Lodi Road Institutional Area, Lodi Road, New Delhi-110 003, on Thursday, the **23<sup>rd</sup> September 2010** at 11.00 A.M. to transact the following business:

1. To receive, consider and adopt the Audited Accounts of the Company for the financial year ended 31<sup>st</sup> March 2010 and the Reports of the Directors and Auditors thereon.
2. To declare Dividend.
3. To appoint a Director in place of Shri Hari Shankar Singhania, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Bharat Hari Singhania, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Dr. Raghupati Singhania, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint Auditors and to fix their remuneration and in connection therewith to pass with or without modification(s), the following as **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 224 of the Companies Act 1956, M/s Lodha & Co., Chartered Accountants, New Delhi, (Registration No.301051E) be and are hereby appointed as Auditors of the Company from the conclusion of the 63<sup>rd</sup> Annual General Meeting upto the conclusion of the next Annual General Meeting on a remuneration of Rs.65,000/- (Rupees Sixty Five Thousand only), excluding service tax as applicable and reimbursement of travelling and other out-of-pocket expenses actually incurred by the said Auditors in connection with the audit.”

#### **As Special Business**

7. To consider and if thought fit to pass, with or without modification(s), the following as **Ordinary Resolution**:

“RESOLVED that pursuant to the provisions of Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, Listing Agreements and all other applicable laws, rules, regulations and guidelines including any statutory modification or re-enactment thereof for the time being in force and subject to such approval(s), permission(s) and sanction(s) as may be required and subject to such condition(s) and modification(s) as may be prescribed or imposed by any authority while granting such approval(s), permission(s) and sanction(s), which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee thereof), consent of the Company be and is hereby accorded to the Board for delisting of 86,83,553 Equity Shares from The Calcutta Stock Exchange Limited and to do all acts, deeds and things in connection therewith and incidental thereto, provided however, that the Company’s Equity Shares shall continue to be listed on the Bombay Stock Exchange Ltd., Mumbai.”

**By Order of the Board**

Regd. Office:  
Link House, 3, Bahadur Shah Zafar Marg  
New Delhi-110002  
26<sup>th</sup> July, 2010

**Dillip Swain**  
Company Secretary

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## NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. Explanatory Statement pursuant to Section 173 of the Companies Act 1956 is annexed.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from 17<sup>th</sup> September to 23<sup>rd</sup> September 2010 (both days inclusive).
4. The dividend of Rs. 2.50 per Equity Share of Rs.10 each (25%), as recommended by the Board of Directors, if declared at the Annual General Meeting, will be paid to the Members whose names shall be borne on the Company's Register of Members on 23<sup>rd</sup> September 2010 or to their mandatees. In respect of shares held in dematerialised form, the dividend will be paid on the basis of details of beneficial ownership to be received from the Depositories for this purpose.
5. Appointment of Directors

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

**Shri Hari Shankar Singhania**, aged 77 years, is a Graduate in Science. He joined the Board of Directors of the Company on 2<sup>nd</sup> February 2009 and has been Chairman of the Company with effect from the said date. He is an industrialist of International repute and has nearly 56 years of experience in managing various industries including paper, cement, automotive tyres, synthetics, jute and hybrid seeds. He has served as the President of the International Chamber of Commerce and also of FICCI. He was conferred the prestigious national award "Padma Bhushan" by the Government of India in the year 2003. He is the Chairman of JK Lakshmi Cement Ltd., JK Paper Ltd. and JK Tyre & Industries Ltd. and Director in several private and other companies. In terms of Clause 49 of the Listing Agreement, Chairmanship/Membership of Shri Singhania in Committees of Directors in other Companies is Nil. He holds 8,22,684 Shares of the Company. His Director Identification No. is 00051324.

**Shri Bharat Hari Singhania**, aged 71 years, is a Graduate in Commerce. He joined the Board of Directors of the Company on 2<sup>nd</sup> February 2009. He is an industrialist with over 45 years of experience in managing various industries including cement, automotive tyres, paper, jute, synthetics, high yielding hybrid seeds and audio magnetic tapes. He is the Chairman of JK Agri Genetics Ltd. and JK Sugar Ltd., Vice Chairman & Managing Director of JK Lakshmi Cement Ltd. and Managing Director of JK Tyre & Industries Ltd. and Director in several private and other companies. In terms of Clause 49 of the Listing Agreement, he is a member of the Shareholders/ Investors' Grievance Committee of JK Lakshmi Cement Ltd. He holds 1,52,159 Shares of the Company. His Director Identification No. is 00041156.

**Dr. Raghupati Singhania**, aged 63 years, is a Graduate in Science and a Fellow Member of the Institute of Directors, London. He joined the Board of Directors of the Company on 2<sup>nd</sup> February 2009. He is an industrialist with over 41 years experience in managing various industries including those engaged in the business of automotive tyres and tubes, power transmission, v-belts, conveyor belt, automotive belts, oil seals, industrial electronics and hybrid seeds. He has been conferred with an honorary Doctorate in Science by the Mohanlal Sukhadia University, Udaipur for his outstanding contribution in education, training and research in the field of elastomer, polymers and tyres. He is the Chairman of Fenner (India) Limited, JKI Employees Welfare Association Ltd., Vice Chairman and Managing Director of JK Tyre & Industries Ltd. and Director of JK Lakshmi Cement Limited, JK Agri Genetics Limited, DCM Engineering Limited and Radico Khaitan Limited and several private and other companies. In terms of Clause 49 of the Listing Agreement, he is the Chairman of the Shareholders/ Investors' Grievance Committee of JK Lakshmi Cement Limited and a Member of the Audit Committee of JK Lakshmi Cement Limited and Radico Khaitan Limited. He holds 8,14,661 Shares of the Company. His Director Identification No. is 00036129.



## **BENGAL & ASSAM COMPANY LIMITED**

### **Explanatory Statement under Section 173(2) of Companies Act, 1956**

#### **Item No.6**

M/s. J.S. Lodha & Co., Chartered Accountants, Kolkata, Auditors of the Company, retire at the present Annual General Meeting (AGM). The said Auditors have expressed their unwillingness for re-appointment at the said AGM. The Board of Directors of the Company recommends appointment of M/s Lodha & Co., Chartered Accountants, New Delhi as Auditors of the Company from the conclusion of this AGM till the next AGM on the remuneration as mentioned in the Resolution.

None of the Directors may be deemed to be concerned or interested in the Resolution.

#### **Item No.7**

The Company's Equity Shares are presently listed on the Bombay Stock Exchange Ltd. (BSE) and The Calcutta Stock Exchange Ltd. (CSE). While the Shares are frequently traded on BSE, no shares are being traded on CSE. In view of this, neither the shareholders nor the Company is benefitted in any manner on account of continued listing on CSE. As required under the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, the proposed delisting has been approved by the Board of Directors of the Company at its meeting held on 26<sup>th</sup> July 2010 subject to the aforesaid SEBI Delisting Regulations and requisite approvals as may be required. The Company's Equity Shares shall continue to be listed on BSE, having nationwide terminals. Thus, the delisting of Company's Equity Shares from CSE would not be prejudicial to or affect the interest of the investors.

While under the aforesaid SEBI Delisting Regulations, approval of the shareholder is not required for delisting of shares from CSE, however, as a good corporate practice, to keep the shareholders informed of material events, it was considered desirable to also take the shareholders' approval and the Resolution is accordingly recommended. None of the Directors may be deemed to be concerned or interested in the resolution.

**By Order of the Board**

Regd. Office:  
Link House, 3, Bahadur Shah Zafar Marg  
New Delhi-110002  
26<sup>th</sup> July, 2010

**Dillip Swain**  
Company Secretary

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## FOR ATTENTION OF THE SHAREHOLDERS

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

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

**ADMISSION SLIP**

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

I hereby record my presence at the 63<sup>rd</sup> Annual General Meeting of the Company being held at Sri Sathya Sai International Centre, Pragati Vihar, Lodi Road Institutional Area, Lodi Road, New Delhi- 110 003 on Thursday, the 23<sup>rd</sup> September 2010 at 11.00 A.M.

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

# Applicable for Investors holding Shares in dematerialised form

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

\* Strike out whichever is not applicable.

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

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

**PROXY FORM**

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

as my/our proxy in my/our absence to attend and vote for me/us and on my/our behalf at the 63<sup>rd</sup> Annual General Meeting of the Company to be held on Thursday, the 23<sup>rd</sup> September 2010 at 11.00 A.M. and at any adjournment thereof.

Signed this.....Day of.....2010

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

Signature(s)..... 

Affix Revenue stamp
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 .....

# Applicable for Shareholders holding shares in dematerialised form.

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

**BOOK POST**



*If undelivered, please return to :*

**BENGAL & ASSAM COMPANY LIMITED**

Secretarial Deptt.

Gulab Bhawan, 3rd Floor (Rear Block)

6A, Bahadur Shah Zafar Marg,

New Delhi- 110 002