ASSAMBROOK

ASSAMBROOK LIMITED

REPORT AND ACCOUNTS

For THE YEAR ENDED 31 MARCH 2011

CERTIFIED TO BE TRUE COPY

ASSAMBROOK LIMITED

Managing Director

ASSAMBROOK

BOARD OF DIRECTORS

SIDDHARTH RAMPURIA
Managing Director

SURENDRA RAMPURIA
SUBHRENDU GANGOPADHYAY
M. K. GUHA
M. NOWLAKHA
Directors

J. C. Nag
Company Secretary

AUDITORS
TIWARI & CO.

ASSAMBROOK LIMITED

Regd. Office :
Tinkharia Tea Estate
PO : Dhekiajuli
Dist : sonitpur
Assam
Pin : 784110
India

Head Office :
1 Shakespeare Sarani
Kolkata - 700 071
India
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ablcal@giascl01.vsnl.net.in

REPORT AND ACCOUNTS

YEAR ENDED 31 MARCH 2011

NOTICE

Notice is hereby given that the 62nd Annual General Meeting of the Company will be held at "Borsola Gymkhana Club", Tinkharia Tea Estate, P.O. Dhekiajuli Dist. Sonitpur (Assam) on Friday, 30 September, 2011 at 10.00 a.m. to transact the following business :—

Ordinary Business :

1. To receive, consider and adopt the audited Balance Sheet as at 31 March, 2011 and the audited Profit and Loss Account for the year ended on that date together with the Report of Auditors and Directors thereon.

2. To appoint a Director in place of Shri Mrinal Kanti Guha who retires by rotation and being eligible offer himself for reappointment.

3. To appoint Auditors and to fix their remuneration.

By Order of the Board

Registered Office:
Tinkharia Tea Estate,
P.O. Dhekiajuli 784 110
Dist. Sonitpur (Assam)
Dated :30 August, 2011

J.C. Nag
Company Secretary

NOTES :

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company. Proxies, in order to be effective must be received at the Company's Registered Office not less than 48 hours before the meeting.

2. The Shareholders of the Company are informed that pursuant to the Companies (Amendment) Act, 1999 the amount of dividend which remains unclaimed for a period of 7 years would be transferred to the Investor Education and Protection Fund constituted by the Central Government and the shareholders would not be able to claim any amount of the dividend so transferred to the Fund. All unclaimed/unpaid dividends declared for and upto the financial year ended 31st March, 2001 has been transferred to the said Fund.

3. The Register of Members and Share Transfer Book of the Company will remain closed from period 24 September 2011 to 30 September, 2011 (both days inclusive) for the purpose of Annual General Meeting.

4. In terms of the SEBI's Circular dated December 27,2002, all jobs related to share registry in terms of both physical and electronic are being maintained by Maheshwari Datamatics Private Limited, 6 Mangoe Lane, Kolkata - 700 001.

NOTES (Contd.)

5. The relevant details in respect of item no.2 pursuant to clause 49 of the Listing agreement with the Stock exchanges are annexed hereto.

6. **Green Initiative in Corporate Governance**

In terms of Circular No.17/2011 dated 21 April, 2011 and Circular No.18/2011 dated 29 April, 2011, the Company proposes to send you from next Financial Year 2011-2012 onwards, all Communications including Notices of Meetings, Annual Reports and Financial Statements through Electronic Mode to the e-mail address, which would be made available to us by the Depositories and also which are registered and/or otherwise available with the Company's registrars and Share Transfer Agent, Maheswari Datamatics Pvt. Ltd. from time to time. The full text of all such documents and communications will also be displayed at the website of the Company www.assambrook.com

We seek your kind co-operation and support in our Green Initiative and request you to register your e-mail id with your Depository Participants. The Members still holding the Equity Shares of the Company in physical form are requested to provide/update their e-mails id with the Company's Registrars and Share Transfer Agent at mdpl@cal.vsnl.net.in.

If at any time you so desire, you may receive all communications in Physical Form upon written request.

Annexure to the Notice :-

Information pursuant to Clause 49 of the Listing Agreement

Shri Mrinal Kanti Guha, Director of the Company, retires by rotation and being eligible offers himself for reappointment.

Brief resume and nature of expertise:

Shri Mrinal Kanti Guha is 73 years age and is a graduate, Shri Mrinal Kanti Guha has long association with different industries. His vast knowledge and experience in personal and Human Resources Development have been great assistance to the Company and his active participation at the meeting of the Board have been very useful and effective.

Apart from Assambrook Ltd. Shri M rinal Kanti Guha does not hold any Directorship and Membership of the Committee.

Shri Mrinal Kanti Guha does not hold any shares in the Company.

No Directors of the Company except Shri Mrinal Kanti Guha is concerned or interested in the resolution.

ASSAMBROOK LIMITED

DIRECTORS' REPORT

Your Directors have pleasure in presnting the Annual Reports together with the Audited Accounts for the year ended March 31, 2011.

1. FINANCIAL RESULTS :

	For the year ended 31 March 2011	(₹ in lacs) for the year ended 31 March 2010
Profit (Loss) before Depreciation & Taxation	139.80	220.72
Depreciation	121.33	108.20
Profit/(Loss) before Taxation	18.47	112.52
Provision for taxation	–	–
Profit/(Loss) after taxation	18.47	112.52
Deduct/Add : Balance brought forward from Profit & Loss Account	(1026.71)	(1139.23)
Balance carried forward	(1008.24)	(1026.71)

2. DIVIDEND :

In view of the carry forward losses, the Board is recommended no dividend.

3. OPERATIONS :

During the financial year your Company produced 30.47 Lacs Kg. inclusive of bought leaf as compared to 30.07 Lacs Kg. in the previous year. There was marginal increase in the overall production but there was a minor decline in own produce due to unfavorable weather and unprecedented pest attack. The turnover of your Company was Rs.4211.48 lacs for the current year as against Rs.3444.27 lacs in the previous year.

The Company's average realization for its produce for the year 2010-11 was ₹141.08 per kg. as against ₹120.34 per kg. registering an increase of 17.23%. when compared to the previous year. The Directors view with great satisfaction your Company's performance for the year under review.

As reported in the last year the Company continued to with the upgradation and modernization of its manufacturing facilities. The Company's policy of uprooting and replanting to replace ageing bushes on the field is an ongoing process and should benefit all stakeholders.

Pending receipt of various clearances, the Tea Estates could not be transferred and it is hoped that transfer formalities will be completed within the financial year 2011-12.

The Board of Directors are seriously exploring various new business opportunities and would keep the shareholders abreast with the plans on crystallization.

4. AUDITORS' REPORT :

The Auditor's observation have been dealt with in the notes to the Accounts which are self explanatory and do not require further clarification.

5. AUDITORS :

M/s Tiwari & Co., Chartered Accountants, Auditors retire at the forthcoming Annual General Meeting and being eligible offer themselves for reappointment.

6. DIRECTORS :

Shri Mrinal Kanti Guha retires by rotation at the forth coming Annual General Meeting and being eligible, offer himself for reappointment.

DIRECTORS' REPORT (Contd.)

7. **DIRECTORS' RESPONSIBILITY STATEMENT :**

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

(i) That in preparation of the Company's Annual Accounts for the year ended 31 March, 2011 the applicable accounting standards have been followed and proper explanations have been provided for material departures, where applicable.

(ii) That such accounting policies were selected and applied consistently and the judgments and estimates were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31 March, 2011 and of the profit of the Company for that financial year.

(iii) That proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularity, were taken.

(iv) That the annual accounts were prepared on the basis of a going concern.

8. **FIXED DEPOSITS :**

The Company has decided not to accept any fresh deposit.

9. **CORPORATE GOVERNANCE :**

Pursuant to Clause 49 of the Listing Agreement with Stock Exchanges a separate report on Corporate Governance along with the Auditors' Certificate on its compliance is annexed to this report.

10. **FINANCIAL MATTERS :**

As reported during the previous year, negotiated settlement discussions with a Bank (the only secured creditor pending settlement) is in progress and it is hoped that same will be finalized during the current year.

11. **PARTICULARS AS PER SECTION 217 OF THE COMPANIES ACT, 1956 :**

Information as per Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 is not applicable.

The particulars required in terms of Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are given in the annexed Statement.

12. **APPRECIATION :**

Your Directors record their appreciation for the co-operation extended by all the employees. Your Directors also thank the Banks and Financial Institutions for their support. Your Directors also gratefully acknowledge your continued support as Shareholders.

By Order of the Board

SIDDHARTH RAMPURIA
(MANAGING DIRECTOR)

SURENDRA RAMPURIA
(DIRECTOR)

Head Office :
1, Shakespeare Sarani,
Kolkata 700 071
Dated:30 August, 2011

ANNEXURE TO DIRECTORS' REPORT

Information as per Section 217(1)(e) read with the Companies (Disclosure of particulars in the report of Board of Directors' Rules, 1988) and forming part of the Directors' Report for the year ended 31March, 2011.

Particulars with respect to Conservation of Energy :

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

'FORM A'

	For the year ended 31 March, 2011	For the Year ended 31 March, 2010
A) POWER AND FUEL CONSUMPTION		
1. Electricity		
a) Purchased		
Unit (KWH)	2752605	2478217
Total Amount (₹ in lacs)	157.35	146.85
Rate/Unit (₹)	5.72	5.93
b. Own Generation		
Through Diesel Generator :		
Units (in KWH)	432965	348470
Unit per Ltr. of Diesel Oil	2.45	2.11
Cost/Unit (₹)	15.38	17.80
2. COAL (KHASI/LEDO-ROM/LECO)		
Qty. (MT)	3781.14	3647.79
Total Cost (₹ in lacs)	157.33	140.67
Average Rate (₹)	4160.91	3856.30
3. Furnance Oil		
Qty. (K. Ltrs.)	78.83	—
Total Cost (₹ in lacs)	2963204	—
Average Rate (₹)	37589.80	—
4. CONSUMPTION PER UNIT OF PRODUCTION		
Production (Tea) (Gross in lac kgs.)	30.07	30.07
Electricity (KWH/Kg)	1.05	0.93
Furnance Oil (Ltr./Kg.)	0.04	0.03
Coal (Kg/kg)	1.24	1.22

ANNEXURE TO DIRECTORS' REPORT (Contd.)

FORM - 'B'

TECHNOLOGY ABSORPTION :

1. **Research & Development (R&D)**

(a) Specific areas in which R&D is carried out by the Company	No separate R & D is carried out by the Company.
(b) Benefits derived as a result of the above R & D	
(c) Future plan of action	
(d) Expenditure on R & D	
i. Capital	
ii. Recurring	
iii. Total	
iv. Total R&D Expenditure as a percentage of total turnover	

2. **Technology absorption, adaptation and innovation**

a) Efforts in brief made towards technology Absorption, adaptation and innovation	In house discussions with experts and training programme was held for innovative idea of production and to update the staff.
b) Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution etc.	There has been an overall improvement in productivity and economy in cost was achieved.
c) In case of imported technology (improted during the last 5 years reckoned from the beginning of the Financial Year), following information may be furnished	Not Applicable
(a) Technology imported	
(b) Year of import	
(c) Has technology been fully absorbed?	
(d) If not fully absorbed areas where this has not taken place, reasons therefore, and future plans of action.	

3. **Foreign Exchange earnings and outgo :**

a) Activities relating to export initiatives taken to increase exports	Not Applicable	
b) Development of new export markets for products and services and export plan.	Not Applicable	
c) Total foreign exchange :		
used	Nil	Nil
Earned (gross)	Nil	Nill

ASSAMBROOK LIMITED
REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement, norms and disclosures that have to be made on the Corporate Governance front are set out. In this report, we confirm your Company's compliance with the corporate governance criteria as required under Clause 49.

The basic objective of corporate governance adopted by your Board is to ensure accountability and transparency in the functioning of the management, with emphasis on integrity and regularity in the day to day functioning of your Company. Your Company espouses the cause of longterm success in all area of its business and commits itself to achieve this by outstanding productivity, quality and performance. It continues to evolve learn, adapt for the common good of its stakeholders.

It is believed by your Board that corporate governance must balance individual interests with corporate goals and operate within accepted norms of propriety, equity, fair play and a sense of justice.

2. BOARD OF DIRECTORS

A) The Board comprises of five Directors of which three are Non Executive Independent Directors. More than half of the Board consists of Non Executive Independent Directors.

Brief resume of the Director proposed to be reappointed is given to the Annexure to the Notice and are forming part of the Annual Report.

Shri Siddharth Rampuria - Managing Director of the Company is Chief Excutive Officer (CEO) and Shri P.M. Sethia - Senior Manager-Corporate Services has been concurrently designated as Chief Financial Officer (CFO) of the Company.

B) Details of attendence of Directors at Board Meetings and at the last Annual General Meeting with particulars of their other Directorships and Chairman/Membership of Board Committees.

During the year 2010-11, 4 Board Meetings were held on 25 June,2010, 2 September,2010, 27 December, 2010, 8 March, 2011. All the Board Meetings were held at Kolkata.

The last Annual General Meeting of the members of the Company was held on 30 September, 2010.

The attendence and no. of other Directorship/Committee Membership of each Director (excluding Assambrook Ltd., Private Ltd. Companies and Foreign Companies) is given below :

Name of Directors	Category of Directorship(S)	Attendance at		No. of other Director ship held	No. of Board Committee of which Member / Chairman
		Board Meetings	Annual General Meeting (30.09.2010)		
Shri Surendra Rampuria	Director	3	Yes	Nil	Nil
Shri Siddharth Rampuria	Managing Director	4	Yes	Nil	Nil
Shri S. Gangopadhyay	Director	4	Yes	1	Nil
Shri Mrinal Kanti Guha	Director	4	Yes	Nil	Nil
Shri Madhukar Nowlakha	Director	4	Yes	Nil	Nil

3. AUDIT COMMITTEE :

The Audit Committee comprises of Shri Subhrendu Gangopadhyay as Chairman and Shri Mrinal Kanti Guha and Shri Madhukar Nowlakha as Members.

REPORT ON CORPORATE GOVERNANCE (Contd.)

Shri Subhrendu Gangopadhyay - M.Com., L.L.B., F.C.S., F.C.I.S.(Eng.), Company Secretary, fulfils the requirement under the code.

The Company Secretary/or Senior Manager - Corporate Services concurrently designated as Chief Financial Officer(CFO) acts as the Secretary to the Committee.

Terms of reference specified by the Board to the Audit Committee are as per Clause 49 of the Listing Agreement.

The Audit Committee met four times during the year. The attendance record of the members at the meetings is as follows :

Name of the Directors	Status	No. of Meeting attended
Shri S. Gangopadhyay	Chairman	4
Shri M. K. Guha	Member	4
Shri Madhukar Nowlakha	Member	4

4. **REMUNERATION COMMITTEE :**

(i) **Brief description of terms of reference :**

The Board has set up a remuneration Committee. This Committee is responsible for recommending to the Board, the remuneration package of the Managing Director including the annual increment and commission after reviewing the performance.

(ii) Composition, name of members and Chairperson :

The Committee was constituted in September 2006. The Remuneration Committee comprises of 3 non-executive Directors with Shri Subhrendu Gangopadhyay as Chairman, Shri Mrinal Kanti Guha and Shri Madhukar Nowlakha as members.

(iii) **REMUNERATION POLICY :**

Executive Directors

The Managing Director's remuneration is required to be paid as per the terms stated in the agreements and approved by the Board and confirmed by the shareholders of the Company and other required statutory and procedural approvals. No remuneration has been paid to the Managing Director during the year.

Non Executive Directors

The non-exeuctive Directors are paid Sitting Fees of Rs.2000/- for each meeting of the Board or any Committee plus reimbursement of actual travel and out of pocket expenses incurred for attending such meetings.

The details of the remuneration paid to the directors during the year ended 31 March, 2011 are :

Name of the Directors	Salary/ LTA ₹	Prequisites & Allowances ₹	Commission ₹	Sitting Fees ₹	Total ₹
Shri Surendra Rampuria				6000	6000
Shri S. Gangopadhayay				16000	16000
Shri M. K. Guha				18000	18000
Shri Madhukar Nowlakha				18000	18000