



**ANNUAL REPORT & ACCOUNTS**  
**2008-2009**



## BOARD OF DIRECTORS

Shri S. L. Agarwalla  
Chairman

### DIRECTORS

Shri S. K. Agarwal  
Shri M. L. Kansal  
Dr. H. P. Bezboorah  
Shri Basant Agarwal  
Shri Binod Agarwal  
Shri Sandeep Agarwal  
Shri Kamal Kant Agarwal

### AUDITORS

Manoj Kr. Goyal  
Chartered Accountants  
1st Floor, Commerce Building  
Bidhan Market Road, Siliguri

### BANKERS

State Bank of Bikaner & Jaipur  
State Bank of India  
Vijaya Bank

### SHARES TRANSFER DEPARTMENT

S. K. Computers  
34/1A, Sudhir Chatterjee Street  
Kolkata - 6

### REGISTERED OFFICE

33, M.G. Road  
Siliguri (West Bengal)  
Pin - 734005

### GARDEN

Fatapukur, Dist. Jalpaiguri  
(West Bengal)

## 22<sup>nd</sup> Annual Report & Accounts 2008-2009

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## NOTICE

Notice is hereby given that the 22nd Annual General Meeting of Members of the Company will be held on Wednesday, the 30th September, 2009 at 10.00 A.M. at the Meeting Hall of Hotel Embassy, Siliguri - 734001 to transact the following business :

### ORDINARY BUSINESS : -

1. To receive, consider and adopt the audited Balance Sheet of the Company at 31st March, 2009 and the profit and Loss Account for the year ended as on that date and the report of the Board of Directors and of the Company's Auditors.
2. To appoint a Director in place of Shri S.L.Agarwalla who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Shri S.K.Agarwal who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri Binod Agarwal, who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint Auditors and fix their remuneration and for this purpose to consider and, if thought fit, to pass the following resolution with or without modification:

"RESOLVED the pursuant to the provisions of section 224 of the Companies Act 1956, M/s. Manoj Kumar Goyal be and is hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the company at a remuneration to be decided mutually between the Board of Directors and the Auditors."

Place : Siliguri  
Date : 30th July, 2009

By Order of The Board  
S. K. Agarwal  
Director

### NOTES :

1. Member entitled to attend and vote at the meeting are entitled to appoint a proxy to attend and vote instead of himself and such a proxy need not be a member of the company.
2. A Instrument of proxies in order to be effective must be deposited with the company at its Registered office not less than 48 hours before the commencement of the meeting.
3. The register of members of the Company and Share Transfer Book will remain closed from 25th Sept. 2009 to 28th Sept. 2009 (both days inclusive).
4. The explanatory statement pursuant to the provisions of Sec. 173(2) of the Companies Act. 1956 is Annexed in this notice.
5. Members who have multiple registered folios in identical order on name(s) are requested to write to the Company quoting their Registered Folio No.(s) and enclosing their Share Certificate, for consolidation of all such shareholding into one registered folio to facilitate better service.
6. Members are requested to bring the attendance slip alongwith copies of Annual Reports to the Meeting.



Additional Information required to be furnished under the listing agreement :

As required under the listing agreement, the particulars of Directors who are proposed to be appointed/re-appointed are given below :

1. Name : Sri S.L. Agarwalla  
Age : 62 Years  
Qualification : B.Com(Hons), LLB  
Expertise : Finance,Accounts & Legal Affairs  
Other Directorship : Nil

2. Name : Sri S.K. Agarwal  
Age : 53 years  
Qualifications : Graduate  
Expertise : Tea Manufacturing & Plantations  
Other Directorship : Nil

3. Name : Sri Binod Agarwal  
Age : 55 year  
Qualifications : Graduate  
Expertise : Tea Manufacturing & Plantations  
Other Directorship : Nil



## DIRECTORS REPORT TO THE MEMBERS OF BANSISONS TEA INDUSTRIES LIMITED

Dear Shareholders,

Yours Directors present herewith your Company's Twenty Second Annual Report together with the Audited Accounts for the year ended 31st March 2009.

### Financial Result

	(Rupees in Lakhs)	
	31/03/09	31/03/08
Net Sales / Income from operations	78.82	52.41
Other Income-Interest (Net)	00.33	4.17
Total Expenditure	125.59	49.18
Gross Profit / (Loss) After Interest but before depreciation and Taxation	28.06	7.39
Depreciation	2.18	1.60
Profit/ (Loss) for the year after Depreciation	(46.44)	5.79
Profit / (Loss) before Tax	(46.44)	5.79
Provision for Taxation	Nil	Nil
Taxation	Nil	Nil
Profit/ (Loss) after Tax	(46.44)	5.79
Paid-Up Equity Share Capital	619.75	619.75
Reserves Excluding Revaluation	(56.19)	(3.52)

### MANAGEMENT DISCUSSION AND ANALYSIS:

Pursuant to clause 49 of the Listing Agreement a Management Analysis Report is given below:

#### A. INDUSTRY BACKGROUND :

Tea is one of the oldest industries in India started during the British Empire. India is not only the largest producer of tea but is also the largest consumer. Tea is an important industry for India since it earns a substantial amount of foreign exchange by way of exports even though the quantum and value of exports has been coming down over the past few years.

#### B. INDUSTRY OUTLOOK :

The Company has a long experience of tea plantation, production and marketing. The availability of land for tea cultivation is limited and not all land is suitable for tea cultivation. The Company has inducted into the Board the well experienced people. Government regulation and control also affect the tea industry. The multiplicity of taxes on the industry also affect profitability. Production of tea is highly dependent on climatic and soil conditions. The Government of India is expected to continue to support the industry, which is a major foreign exchange earner.

#### C. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY :

The Company has adequate internal control systems commensurate with the size of its



#### *Directors Report (Contd....)*

operations and for the purpose of exercising adequate controls on the day-to-day operations. Systems are regularly reviewed to ensure effectiveness.

#### **D. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS :**

During the year there are no material developments in Human Resources.

#### **OPERATIONS:**

The Company has concentrated its main activities in increasing the tea plantation maintenance of the bushes.

#### **DIVIDEND :**

Due to non-availability of distributable profitability your Directors regret their inability to recommend any dividend in respect of Equity shares for the year under review.

#### **DIRECTORS :**

In terms of article of Association of your Company read with Section 255 of the companies Act, 1956. Shri S. L Agarwalla, Sri S. K. Agarwal, Shri Binod Agarwal retires at the forthcoming Annual General Meeting, but being eligible offers themselves for reappointment.

#### **AUDITORS :**

M/s. Monoj Kumar Goyal, Chartered Accountants, Auditors of the Company retire at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment. The Company has received a certificate from the Auditors that they are qualified under section 224(1B) of the Companies Act 1956, to Act as the Auditors of the Company, if re-appointed.

#### **PERSONNEL :**

None of the employee of the Company is drawing remuneration exceeding the limits specified under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

#### **PUBLIC DEPOSIT :**

Your Company has not accepted any deposit(s) within the meaning of Sec-58A of the Companies Act, 1956 and the rules made thereof.

#### **RESPONSIBILITY STATEMENT**

*The Directors Confirms,*

1. That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. That the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;
3. That the directors had taken proper and sufficient care for the maintenance of adequate



Directors Report (Contd.....)

accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

4. That the directors had prepared the annual accounts on a going concern basis.

#### SUBSIDIARY :

The Company does not have any subsidiary within the meaning of Sec-4 of the Companies Act, 1956.

#### STATEMENT PURSUANT TO LISTING AGREEMENT

Presently the Company's share are listed at the Stock Exchange Mumbai(BSE), Calcutta Stock Exchange, Madras Stock Exchange and Jaipur Stock Exchange.

#### CORPORATE GOVERNANCE :

Your Company has always been committed to the best practices in the governance of its affairs. The Board is taking efforts to comply the same. Kindly refer to ANNEXURE 'A' to Directors Report. The Auditors Certificate on compliance with the mandatory requirements of Corporate Governance is given in Annexure "A" to this Report.

#### AUDITORS REPORT

With reference to the observations made by the Auditors in their report, the directors are to state that the notes submitted by the Board as contemplated under section 217(3) of the Companies Act, 1956; forming part of Company's Accounts are self explanatory and therefore do not call for any further clarification.

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

As per sec-217(1)(e) of the Companies Act, 1956 read with the companies Disclosure of Particulars in the Report of Board of Directors Rules, 1988 the relevant data pertaining to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and outgo are setout as hereunder;

#### ACKNOWLEDGEMENTS :

Your Directors wish to place on record their appreciation of the continued support rendered by the Shareholders, Bankers, Financial Institution Central & State Government Bodies, Business Constituents, Tea Research Association, Tea Board, Siliguri Tea Auction Committee, Terai Indian Planters Association and Indian Tea Planters Association.

Place : Siliguri  
Date : 30th July, 2009

By Order of The Boad  
S. L. Agarwalla  
Chairman



## ANNEXURE - "A" TO DIRECTORS REPORT - CORPORATE GOVERNANCE

### 1. Board's Philosophy on Corporate Governance

"Corporate Governance is about commitment to values and ethical business conduct. It is a set of laws, regulations, processes and customs effecting the way a company is directed, administered, controlled or managed. This includes its corporate and other structures, culture, policies and the manner in which it deals with various stakeholders. Some of the important best practices of corporate governance framework are timely and accurate disclosure of information regarding the financial situation, performance, ownership and governance of the company.

BANSIONS TEA INDUSTRIES LIMITED believes in adapting the *Best Global Practices* in the area of corporate governance and follows the principles of full transparency and achieving high level of accountability, efficiency, responsibility and fairness in all areas of operation. The Company acknowledges its responsibilities to its stakeholders. The Company believes that corporate governance helps to achieve commitment and goals to enhance stakeholders value by focusing towards all stakeholders. Any good corporate governance provides an appropriate framework for the board, its committees and the executive management to carry out the objectives that are in the interest of the company and stakeholders. The Company maintains highest level of transparency, accountability and good management practices through the adoption and monitoring of corporate strategies, goals, procedures to comply with its legal and ethical responsibilities.

The Company is in compliance with the requirements of the revised guidelines on corporate governance stipulated under Clause 49 of the Listing Agreement. A code of conduct is framed adopted in its pursuits of excellence in corporate governance.

### 2. Board of Directors

The Board consists of Executive and Non-executive Directors and more than one third of the Board comprises Independent Directors.

None of the directors on the Board is a member on more than 10 committees and chairman of more than 5 committees (as specified in Clause 49), across all the companies in which he is a director. The necessary disclosures regarding committee positions have been made by the directors.

#### (i) Composition:

The Board of Directors provides strategic direction and thrust to the operations of the company. The Board consists of 8 directors and 4 independent non-executives directors as on 31<sup>st</sup> March, 2009. Mr. S.L.Agarwalla is the Chairman of Board.

#### II. Board Meetings:

During the year the Board of Directors of the company met eight times 30.04.2008, 31.07.2008, 17.08.2008, 21.08.2008, 30.09.2008, 31.10.2008, 10.11.2008, 31.01.2009 and 29.03.2009.

The name and categories of the Directors on the Board, their attendance at the Board Meetings during the year and at the last Annual General Meeting and also the number of directorships and committee memberships held by them in other companies are given below:





## MEETINGS AND ATTENDANCE UPTO MARCH 31, 2009

Name of the Director	Category	No of other Directorships	No of Committees in which member	No of Board meetings attended	Whether attended last AGM
Mr. S. L. Agarwalla	Chairman	Nil	1	9	Yes
Mr. M. L. Kansal	Independent Non-Executive	2	1	7	Yes
Mr. Basant Agarwal	Independent Non-Executive	3	2	9	Yes
Mr. Binod Agarwal	Independent Non-Executive	Nil	2	7	Yes
Mr. S. K. Agarwal	Executive	1	Nil	8	Yes
Dr. H. P. Bezboorah	Executive	1	Nil	Nil	No
Mr. Sandeep Agarwal	Executive	4	Nil	9	Yes
Mr. Kamal Kant Agarwal	Independent Non-Executive	1	2	9	Yes

## 3. Audit Committee:

## (i) Terms of Reference:

The company had constituted an Audit Committee. The scope of the activities of the Audit Committee is as set out in Clause 49 of the Listing Agreement with the Stock Exchange read with Section 292A of the Companies Act, 1956. The terms of reference of the Audit Committee are broadly as follows:

- To review compliance with internal control systems;
- To review the findings of the Internal Auditor relating to various functions of the Company;
- To hold periodic discussions with the Statutory Auditors and Internal Auditors of the company concerning the accounts of the company, internal control systems, scope of audit and observations of the auditors/ internal auditors;
- To review the quarterly, half yearly and annual financial results of the company before submission to the Board;
- To make recommendations to the board on any matter relating to the financial management of the company, including statutory & internal audit reports;
- Recommending the appointment of Statutory Auditors and Internal Auditors and fixation of their remuneration;
- To ensure the preservation of good financial practices throughout the company;
- To review the Auditors management letters and managements responses;