

Hatigor Tea Estates Ltd.



**ANNUAL REPORT
1999-2000**

The Perfect Blend - of Vision and Growth



BOARD OF DIRECTORS

MR. S.P. CHOUKHANY *Chairman*
MRS S.D. CHOUKHANY
MR. A. CHOUKHANY
MR. M. P. SUREKA
MR. A. K. AGARWALLA
MR. A. GUHA ROY

EXECUTIVE COMMITTEE

MR. S.P. CHOUKHANY
MR. A. CHOUKHANY
MR. CHANDIDAS GHOSH

AUDITORS

S. SATNALIKA & ASSOCIATES
Chartered Accountants

BANKERS

State Bank of India
Allahabad Bank
Indian Overseas Bank

REGISTERED & SHARE TRANSFER OFFICE

4, Ho Chi Minh Sarani
1st Floor, Suite - 1C
Calcutta - 700 071
Tel : 282 2484
Fax : 282 5637



HATIGOR TEA ESTATES LIMITED

REGISTERED OFFICE : 4, HO CHI MINH SARANI, CALCUTTA 700 071

NOTICE FOR ANNUAL GENERAL MEETING

Notice is hereby given that the Fifth Annual General Meeting of the members of Hatigor Tea Estates Limited will be held on Tuesday, 26th September, 2000 at 10.30 a.m at Bharatiya Bhasha Parishad, 36-A Shakespeare Sarani, Calcutta - 700 017 to transact the following business: -

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2000, the Profit and Loss Account for the year ended on that date and the report of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. A. Guha Roy who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Madhav Sureka who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
4. To appoint Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting, and fix their remuneration.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass with or without modification the following Resolution as Ordinary Resolution.

5. RESOLVED that pursuant to the Provisions of Sections 198, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the appointment of Mr. Alope Choukhany as Managing Director of the Company for a period of five years with effect from 01.09.2000, not liable to retire by rotation, on such terms and conditions as approved by the Board of Directors as stated in the Explanatory Statement.

By Order of the Board

Place : Calcutta
Date : 28.08.2000.



S. P. CHOUKHANY
CHAIRMAN

NOTES :-

1. A member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and vote on a poll instead of himself and such Proxies 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. Members are requested to notify the Company immediately of any change in their Registered address.
3. In all correspondence with the Company, members are requested to quote their Account/Folio number.
4. A member desirous of getting any information on the account or operations of the Company is requested to forward his queries to the Company at least 7 days prior to the meeting so that the required information can be made readily available at the meeting.
5. The Share Transfer Books and Register of Members of the Company will remain closed from 19th September, 2000 to 26th September, 2000 (Both days inclusive).



EXPLANATORY STATEEMENT

AS REQUIRED UNDER SECTION 173 OF THE COMPANIES ACT, 1956 :

ORDINARY RESOLUTION

Item No. 5

Persuant to the Provisions of Section 198 to 269 and 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the Shareholders by a Resolution in General Meeting, the Board of Directors of the Company at its meeting held on 28.08.2000 appointed Mr. Aloke Choukhany as a Managing Director of the Company with effect from 01.09.2000 for a period of 5 years, on the terms and conditions as appearing hereinafter.

1. Salary Rs. 10,000.00 per month with increments as may be further decided by the Board of Directors.
2. Perquisites :
CATEGORY – A
 - a) Housing i) At present no expenditure will be paid however, the Board of Directors will decide in future, if necessary.
ii) The expenditure on gas, electricity, water and furnishing will not be paid by the company at present, but the Board of Directors will decide in future, if necessary.
 - b) Medical Reimbursement of Expenses incurred by the Managing Director for self and his family subject to the ceiling of one month's salary in a year or three months' salary over a period of three years.
 - c) Leave Travel Concession At present no leave travel concession, but the Board of Director will decide in future, if necessary.
 - d) Leave As per the Rules of the Company.
 - e) Club Fees Subject to a maximum of one club. No admission or life membership will be paid by the company.
CATEGORY – B
 - a) Contribution to Provident Fund No such scheme is applicable to the employees of the company under the Provident Fund Act.
CATEGORY – C
 - a) Provision of car for use on Company's business and telephone at residence will not be considered as perquisite. However long distance call on telephone and use of car for private purpose shall be billed by the company.
3. In the event of the loss or inadequacy of profit in any financial year during his tenure as the Managing Director the aforesaid remuneration shall be treated as minimum remuneration.
4. The variation and increase in the remuneration of the Managing Director shall not exceed 5% of the net profits of the company and the limits specified in Schedule XIII of the companies Act 1956.

Except Mr. Aloke Choukhany, no other Director of the Company is concerned or interested in the above.

Place : Calcutta

Date : 28th August, 2000

By Order of the Board

S. P. CHOUKHANY
CHAIRMAN



DIRECTOR'S REPORT

TO THE MEMBERS
OF
HATIGOR TEA ESTATES LIMITED.

Your Directors have pleasure in presenting the Fifth Annual Report of your Company together with the Statement of Accounts for the year ended 31st March, 2000.

1. FINANCIAL HIGHLIGHTS

PARTICULARS	1999-2000 (Rs in Lakhs)	1998-99 (Rs in Lakhs)
Sales & Other Income	320.72	323.95
Profit/(Loss) before Depreciation	48.69	48.30
Less Depreciation	14.87	13.19
Profit/(Loss) before Taxation	33.82	35.11
Provision for Taxation	—	—
Profit/(Loss) after Taxation	33.82	35.11
Add : Profit B/F from earlier year	79.23	44.12
Balance carried to Balance Sheet	113.05	79.23

2. DIVIDEND

In the absence of adequate profit, your directors regret their inability to propose any Dividend.

3. PERFORMANCE

The performance of the company during the year under review has been satisfactory. The company procured 1703197 kgs Green Leaf Tea and manufactured 390406 kgs. of finished tea as against 19,24,602 kgs. Green Leaf Tea and 4,39,200 kgs. of finished tea in the previous year. The Company made sincere effort to increase the Production. However the near recessionary condition prevailed in the Indian Tea Industry, inclement weather, higher input cost etc. compelled the Company to restrict its Production. The cost of Green Leaf was maintained at a particular level whereas the prices of finished tea realised were gradually declining having impact on overall performance of the Company.

4. CONSERVATION OF ENERGY

Pursuant to Section 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 following information is provided :

(a) Conservation of Energy :

The Company has commissioned its plant during the year with the aid of Diesel Generator. The power connections are expected shortly. The connections for Natural Gas have already been availed. The impact of availability of Natural Gas will reduce the consumption of Fuel and consequent impact on cost of production.



Following are the disclosure of particulars with respect to conservation of energy 1999-2000 :

A. POWER AND FUEL CONSUMPTION

1. Electricity		
(a) Total Unit Consumed		1,61,499
Total Cost	Rs.	8,86,675.20
Average Cost Per Unit	Rs.	5.49
2. Own Generation		
(a) Through Diesel Generator		
Total Diesel Consumed		46,516
Total Cost	Rs.	5,48,367.16
Average Cost Per Unit	Rs.	11.79
(b) Natural Gas Consumption		
Total Unit Consumed		2,46,514
Total Cost	Rs.	9,88,806.41
Average Cost Per Unit	Rs.	4.01

B. CONSUMPTION PER KG. OF PRODUCTION OF FINISHED TEA

Total Finished Tea		3,90,406
Total Cost of energy	Rs.	24,23,848.77
Average Cost of Consumption of Power per kg. Finished Tea	Rs.	6.21

(b) Technology Absorption :

The technologies selected by your Company for various process are the most modern and the state of the art technologies available in the world.

(c) Foreign Exchange Earnings and Outgo :

	1999-2000	1998-99
i) Foreign Exchange Earnings	Nil	Nil
ii) Foreign Exchange Outgo	Nil	Nil

5. LISTING FEES

As per Listing Agreement with the Calcutta Stock Exchange & Mumbai Stock Exchange , the Company has paid the listing fees upto 31st March, 2000.

6. DIRECTORS

In accordance to the Provision of the Companies Act, 1956, and the Company's Article of Association, Mr. A. Guha Roy and Mr. Madhav Sureka retires by rotation at the ensuing Annual General Meeting of the Company and being eligible offer themselves for reappointment.

7. AUDITORS

M/S. S. Satnalika & Associates, Chartered Accountants, Statutory Auditors of the Company hold Office until the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

8. AUDITORS' REPORT

The Notes on the Accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

9. PARTICULARS OF EMPLOYEES

As required by the Provisions of Section 217(2A) of the Companies Act, 1956, read with the Company (Particulars of Employees) Rules, 1975 as amended, there was no employee falling in this category.

10. ACKNOWLEDGEMENT

Your Directors express their appreciation for the dedicated and sincere services rendered by the Employees of the Company. Your Directors sincerely thank the Shareholders for the confidence reposed by them in the Company and for the support and co-operation extended by them. Your Directors are also grateful to the Bankers of the Company for their assistance and co-operation.

For and on behalf of the Board

Place : Calcutta

Date : 28th August, 2000

SRI PRAKASH CHOUKHANY

CHAIRMAN





**AUDITOR'S REPORT
TO THE MEMBERS OF
HATIGORTEA ESTATES LIMITED**

We have audited the attached Balance Sheet of HATIGOR TEA ESTATES LIMITED as at 31st March, 2000 and Profit & Loss Account for the year ended on that date and we report as under :

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to in paragraph (1) above :
 - (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 said Balance Sheet and Profit & Loss Account are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet and Profit & Loss Account comply with the Accounting Standards referred to in sub-section (3C) of Section 211 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 Balance Sheet and Profit & Loss Account subject to Notes on Accounts of Schedule 'T' give the information as required by the Companies Act, 1956, in the manner so required and gives a true and fair view :-

1. In case of the Balance Sheet of the state of affairs of the company as at 31st March, 2000
and
2. In case of Profit & Loss account of the PROFIT for the year ended on that date.

For **S.SATNALIKA & ASSOCIATES**
Chartered Accountants

Place : Calcutta
Date : 28th August, 2000

S. SATNALIKA
PROPRIETOR



ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph (1) of our report of even date)

1. According to the information given to us the records showing full particulars including quantitative details and situation thereof are under preparation.
2. None of the fixed assets have been revalued during the year.
3. The stocks of finished goods, raw materials have been physically verified by the management and in our opinion, the frequency of verification is reasonable.
4. In our opinion and according to the information and explanations given to us, the procedure of verification of stocks followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
5. No material discrepancies have been noticed between the physical stock as verified and book records.
6. In our opinion, on the basis of our examination the valuation of stocks is fair and proper and in accordance with the normally accepted accounting principles. There is a change in the method of valuation of closing stock in trade during the year in the conformity with AS-2 issued by the Institute of Chartered Accountants of India.
7. As informed to us the Company has not taken any loans, secured or unsecured, from Companies, Firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. or from the Companies under the same management as defined under Section 370(1B) of the Companies Act, 1956.
8. The Company has not granted any loans, secured or unsecured, to Companies, Firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956 or to the companies under the same management as defined under section 370(1B) of the Companies Act, 1956.
9. The company has not granted loans or advances in the nature of loans except to employees which are being received as per stipulation.
10. In our opinion, there are adequate internal control procedures commensurate with the size of the Company and nature of its business for the purchase of Stores, Raw Materials, Finished Goods, Plant and Machinery, Equipment and other assets and for the sale of Goods.
11. The Company has not accepted any deposits from the public during the year.
12. The Provident Fund and The Employees State Insurance Scheme does not apply to the employees of the Company.

Contd..



13. In our opinion and according to the information and explanation given to us the transactions of purchase of goods and materials made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and aggregating during the year to Rs. 50,000/- or more in respect of each party have been made at prices which are reasonable, having regard to the prevailing market prices for such goods, materials where such market prices are available or the prices at which transactions for similar goods or materials have been made with other parties. There was no such transaction for sale of goods, material and services rendered.
14. As explained to us, there are no unserviceable or damaged stores, raw materials & finished goods.
15. According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Custom Duty and Excise Duty were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable except Income Tax demand amounting to Rs.1,31,161/-for Assessment Year 1996-97.
16. During the course of our examination of books of account carried out in accordance with the generally accepted auditing practices, we have not come across any personal expenses other than expenses under contractual obligations which are generally accepted business practices, which have been charged to Revenue Account.
17. The Company has an internal audit system which, in our opinion, is commensurate with the size and nature of its business.
18. The Company is not a sick industrial company within the meaning of clause (O) of section 3(1) of the sick industrial companies (special provision) Act, 1985.
19. The Other provisions of the said Order are not applicable to the Company.



For **S.SATNALIKA & ASSOCIATES**
Chartered Accountants

Place : Calcutta
Date : 28th August, 2000

S. SATNALIKA
PROPRIETOR



BALANCE SHEET AS AT 31ST MARCH, 2000

PARTICULARS	SCHEDULE	As At 31.3.2000		As At 31.3.99	
		Rs.	P.	Rs.	P.
I. SOURCES OF FUNDS					
SHARE HOLDERS FUND					
Share Capital	A	39051500.00		39051500.00	
Reserves & Surplus	B	11305744.20		7923615.48	
LOAN FUND					
Secured Loan	C	7231756.00		4463212.78	
		57589000.20		51438328.26	
II. APPLICATION OF FUNDS					
FIXED ASSETS					
Gross Block	D	37390983.61		34116818.61	
Less : Depreciation		3963292.00		2480352.00	
Net Block		33427691.61		31636466.61	
Capital Work in Progress	E	2896048.21		4012763.95	
		36323739.82		35649230.56	
CURRENT ASSETS, LOANS & ADVANCES					
Sundry Debtors	F	8396512.89		2256441.31	
Inventory	G	1862887.00		1866736.50	
Cash & Bank Balances	H	1952626.99		2211485.88	
Advances and Deposits	I	10519149.38		10506738.51	
		22731176.26		16841402.20	
Less : CURRENT LIABILITIES & PROVISIONS					
Current Liabilities	J	3398986.08		3263670.45	
Provisions		15000.00		15000.00	
		3413986.08		3278670.45	
Net Current Assets		19317190.18		13562731.75	
MISCELLANEOUS EXPENDITURE	K	1948070.20		2226365.95	
(To the extent not written off or adjusted)		57589000.20		51438328.26	
SIGNIFICANT ACCOUNTING POLICIES	S				
NOTES ON ACCOUNTS	T				
Schedule A to K, S & T form integral part of Balance Sheet					

In terms of our report of even date

For **S. Satnalika & Associates**

Chartered Accountants

S. Satnalika

Proprietor

Place : Calcutta

Date : 28th August, 2000

On behalf of the Board

S.P. Choukhany

Chairman

A. K. Agarwala

Director

A. Choukhany

Director

S. D. Choukhany

Director



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2000

PARTICULARS	SCHEDULE	As At 31.3.2000		As At 31.3.99	
		Rs.	P.	Rs.	P.
INCOME					
Sales		31957733.09		32311763.07	
Other Income		114443.00		82848.00	
		32072176.09		32394611.07	
EXPENDITURE					
Raw Material Consumed	L	17492705.50		18172559.80	
Packing Material Consumed	M	383026.50		409756.08	
Employees	N	605292.98		528061.89	
Interest	O	743545.12		542193.00	
Manufacturing Expenses	P	3600928.92		2771210.99	
Other Expenses	Q	4295833.35		5109991.52	
Depreciation		1487158.00		1319378.00	
Increase (-) / Decrease (+) in Stock	R	81557.00		30109.60	
		28690047.37		28883260.88	
Profit/(Loss) before Taxation		3382128.72		3511350.19	
Less : Provision for Taxation.		0.00		0.00	
Profit/(Loss) after Taxation		3382128.72		3511350.19	
Profit/(Loss) brought forward from Last Year.		7923615.48		4412265.29	
Profit/(Loss) transferred to Balance Sheet		11305744.20		7923615.48	
SIGNIFICANT ACCOUNTING POLICIES	S				
NOTES ON ACCOUNTS	T				
Schedule L to T form integral part of the Profit & Loss Account					

In terms of our report of even date
For **S.Satnalika & Associates**
Chartered Accountants

S. Satnalika
Proprietor
Place : Calcutta
Date : 28th August, 2000

On behalf of the Board

S.P. Choukhany
Chairman
A. K. Agarwala
Director

A. Choukhany
Director
S. D. Choukhany
Director



SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2000

PARTICULARS	As At 31.3.2000 Rs. P.	As At 31.3.99 Rs. P.
SCHEDULE - A		
SHARE CAPITAL		
<u>Authorised</u> 45,00,000 Equity Share of Rs. 10/- each.	45000000.00	45000000.00
<u>Issued Subscribed and paid up</u> 3834100 Equity Shares of Rs. 10/- each Fully Paid Up	38341000.00	38341000.00
Add : Share Forfeiture Account	710500.00	710500.00
	39051500.00	39051500.00
SCHEDULE - B		
RESERVES & SURPLUS		
Profit & Loss Account	11305744.20	7923615.48
	11305744.20	7923615.48
SCHEDULE - C		
SECURED LOANS		
From State Bank of India, Calcutta (Secured against hypothecation of Stock, Advances Etc.)	7231756.00	4463212.78
	7231756.00	4463212.78
SCHEDULE - E		
CAPITAL WORK IN PROGRESS		
Building	25264.51	980357.25
Stores	20783.70	41610.70
Plant & Machinery	2850000.00	2990796.00
	2896048.21	4012763.95



**SCHEDULE - D
FIXED ASSETS**

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2000

PARTICULARS	GROSS BLOCK						DEPRECIATION						NET BLOCK					
	AS AT 1.4.99		ADDITION		LESS SALE	AS AT 31.3.2000		UPTO 31.3.99		FOR THE YEAR		LESS SALE	UPTO 31.3.2000		AS AT 31.3.2000		AS AT 31.3.99	
	Rs.	P.	Rs.	P.	ADJUSTMENT	Rs.	P.	Rs.	P.	Rs.	P.	ADJUSTMENT	Rs.	P.	Rs.	P.	Rs.	P.
Land & site Dev.	1338038.00		21000.00		0.00	1359038.00		0.00		0.00		0.00	0.00		1359038.00		1338038.00	
Building	14558738.36		1853452.00		0.00	16412190.36		897400.00		486262.00		0.00	1383662.00		15028528.36		13661338.36	
Plant & Machinery	12069292.97		1265136.00		0.00	13334428.97		915986.00		596736.00		0.00	1512722.00		11821706.97		11153306.97	
Generator	1376620.75		0.00		0.00	1376620.75		127294.00		65389.00		0.00	192683.00		1183937.75		1249326.75	
Electrical Inst.	1918049.54		0.00		0.00	1918049.54		166826.00		91107.00		0.00	257933.00		1660116.54		1751223.54	
Weighing Machine	822571.89		0.00		0.00	822571.89		60897.00		39072.00		0.00	99969.00		722602.89		761674.89	
Other Accessories	138067.10		1465.00		0.00	139532.10		5459.00		6615.00		0.00	12074.00		127458.10		132608.10	
Computer	309150.00		175162.00		0.00	484312.00		70341.00		75964.00		0.00	146305.00		338007.00		238809.00	
Motor Car	1004248.00		0.00		42050.00	962198.00		165606.00		92934.00		4218.00	254322.00		707876.00		838642.00	
Furniture & Fixture	343811.00		0.00		0.00	343811.00		51858.00		21763.00		0.00	73621.00		270190.00		291953.00	
Air Conmditioner	40000.00		0.00		0.00	40000.00		3102.00		1900.00		0.00	5002.00		34998.00		36898.00	
Communication Equip.	61788.00		0.00		0.00	61788.00		4671.00		2935.00		0.00	7606.00		54182.00		57117.00	
Office Equipments	15000.00		0.00		0.00	15000.00		1736.00		713.00		0.00	2449.00		12551.00		13264.00	
Television	60743.00		0.00		0.00	60743.00		5633.00		2885.00		0.00	8518.00		52225.00		55110.00	
Retrefregator	60700.00		0.00		0.00	60700.00		3543.00		2883.00		0.00	6426.00		54274.00		57157.00	
TOTAL	34116818.61		3316245.00		42050.00	37390983.61		2480353.00		1487158.00		4218.00	3963292.00		33427691.61		31636466.61	
PREVIOUS YEAR FIGURES	31086295.41		3063723.20		33200.00	34116818.61		1163069.00		1319378.00		2095.00	2480352.00		31636466.61			



SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2000

PARTICULARS	As At 31.3.2000 Rs. P.	As At 31.3.99 Rs. P.
SCHEDULE - F		
SUNDRY DEBTORS		
(Unsecured, considered good)		
Debts outstanding for a period exceeding 6 months	1469332.28	2066544.38
Other Debts	6927180.61	189896.93
	8396512.89	2256441.31
SCHEDULE - G		
INVENTORIES		
(As per Inventories taken, valued and certified by the Management.)		
Stock of Raw Material (at cost)	41230.00	65962.00
Stock of Finished Tea (at cost)	287537.00	187138.00
Finished Goods in Transit (at realisable value)	1250605.00	1447125.00
Work In Process (at cost)	52415.00	37851.00
Packing Material (at cost)	87750.00	44995.50
Stores (at cost)	143350.00	83665.00
	1862887.00	1866736.50
SCHEDULE - H		
CASH AND BANK BALANCES		
Cash in hand (As certified)	929853.06	1199326.67
Balance with Scheduled Banks		
- in Current Accounts	22773.93	12159.21
- in Term Deposit Account	1000000.00	1000000.00
	1952626.99	2211485.88
SCHEDULE - I		
ADVANCES & DEPOSITS		
(Advances recoverable in cash or in kind or for value to be received)		
Advances to Suppliers	9030000.00	9043578.51
Deposits	413750.00	338750.00
Advances to Stuff	30972.55	34922.55
Tax Deducted at Source	76966.00	57882.00
Other Advances	962529.83	1027003.45
Accrued Interest	4931.00	4602.00
	10519149.38	10506738.51



SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2000

PARTICULARS	As At 31.3.2000		As At 31.3.99	
	Rs.	P.	Rs.	P.
SCHEDULE - J				
CURRENT LIABILITIES				
Sundry Creditors				
- For Building Materials	364574.00		364574.00	
- For Machinery	617185.20		804145.20	
- For Land	50000.00		50000.00	
- For Goods	163546.05		200719.85	
- For Expenses	1659607.83		1218902.37	
- For Other Fianaces	1073.00		4509.00	
- For Other Liabilities	43000.00		43000.00	
Advance from Customers	500000.00		577820.03	
	3398986.08		3263670.45	
SCHEDULE - K				
MISCELLANEOUS EXPENDITURE				
(To the extent not written off or adjusted)				
Preliminary Expenses	103677.00		118488.00	
Share Issue Expenses	1844393.20		2107877.95	
	1948070.20		2226365.95	
SCHEDULE - L				
RAW MATERIAL CONSUMED				
Opening Stock	65962.00		114630.00	
Add : Purchase	17467973.50		18123891.80	
	17533935.50		18238521.80	
Less : Closing Stock	41230.00		65962.00	
	17492705.50		18172559.80	
SCHEDULE - M				
PACKING MATERIAL CONSUMED				
Opening Stock	44995.50		44353.00	
Add : Purchase	425781.00		410398.58	
	470776.50		454751.58	
Less : Closing Stock	87750.00		44995.50	
	383026.50		409756.08	



SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2000

PARTICULARS	As At 31.3.2000		As At 31.3.99	
	Rs.	P.	Rs.	P.
SCHEDULE - N				
EMPLOYEES				
Salary & Bonus	570469.93		488679.59	
Staff Welfare	34823.05		39382.30	
	605292.98		528061.89	
SCHEDULE - O				
INTEREST				
Bank Interest	743545.12		529870.00	
Other Interest	0.00		12323.00	
	743545.12		542193.00	
SCHEDULE - P				
MANUFACTURING EXPENSES				
Carriage Inward	107275.00		66827.25	
Labour wages	465469.75		455352.69	
Labour Welfare	72438.60		43652.72	
Security Charges	97325.00		35596.00	
Repairs & Renewals	218470.89		267078.00	
Stores & Spare Parts	216100.91		165034.06	
Power and Fuel	2423848.77		1737670.27	
	3600928.92		2771210.99	
SCHEDULE - Q				
OTHER EXPENSES				
Rent	12000.00		12000.00	
Printing and Stationery	75406.75		78378.90	
Insurance Charges	70020.00		91137.00	
Telephone & Fax	225245.76		235762.69	
Advertisement	50582.00		58584.00	
Consultancy	26700.00		75483.00	
Selling Expenses	156156.00		327968.39	
Misc. Expenses	454295.87		393215.02	
Travelling and Conveyance	222787.23		184434.15	
Carriage Outward	737013.88		1085663.99	
Brokerage and Commission	689009.93		771008.64	
Sales Promotion	286281.21		1262810.53	
Sales Tax	5009.00		7116.00	
Sales Tax for Earlier Years	0.00		5788.05	
Payment to Auditors : - As Audit Fees	27000.00		27000.00	
- As Tax Audit Fees	8000.00		8000.00	
Vehicle Running Expenses	74097.97		67184.41	
Cess & Excise Duty	897932.00		140161.00	
Preliminary & Share Issue Expenses Written Off	278295.75		278295.75	
	4295833.35		5109991.52	



SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2000

PARTICULARS	As At 31.3.2000		As At 31.3.99	
	Rs.	P.	Rs.	P.
SCHEDULE - R				
INCREASE (-) / DECREASE (+) IN STOCK				
Opening Stock				
Work in Process	37851.00		73372.40	
Stock in Transit	1447125.00		970955.00	
Finished Goods	187138.00		657896.20	
	1672114.00		1702223.60	
Closing Stock				
Work in Process	52415.00		37851.00	
Stock in Transit	1250605.00		1447125.00	
Finished Goods	287537.00		187138.00	
	1590557.00		1672114.00	
	81557.00		30109.60	





HATIGOR TEA ESTATES LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2000

SCHEDULE - S

SIGNIFICANT ACCOUNTING POLICIES

1. **BASIS OF PRESENTATION**
The accounts have been prepared using historical cost convention and on the basis of going concern, with revenues recognised and expenses accounted for on accrual basis except interest on allotment money which is accounted for on cash basis.
2. **FIXED ASSETS**
Fixed assets are stated at cost of acquisition less depreciation.
3. **DEPRECIATION**
The company provides for depreciation on fixed assets at the rates and in the manner specified in schedule XIV of the Companies Act, 1956 on Straight Line Method.
4. **PRELIMINARY AND ISSUE EXPENSES**
The Preliminary and Issue Expenses are being written off over a period of 10 years.
5. **INVENTORIES**
Trading Goods, Raw Materials, Finished Goods, Packing Materials, Work in Process, Stores and Spares are valued at cost or market price whichever is lower. The Finished Tea in transit or lying with consignee is valued at realisable value.
6. **FOREIGN CURRENCY TRANSACTIONS**
The transaction in foreign currency are converted into Indian Rupees at the ratio of Exchange prevailing on the date of transaction.
7. **RETIREMENT BENEFIT**
No provisions have been made as the same are not applicable.
8. **SALES**
Stock lying with consignees at the year end has been treated as sales at realisable value.
9. No provision has been made for Rates and Taxes. It will be accounted for as and when the same will be paid.



HATIGOR TEA ESTATES LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2000

SCHEDULE - T

NOTES ON ACCOUNTS

1. Previous years figures have been re-grouped/re-arranged wherever found necessary.
2. Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances) Rs. NIL. (Previous Year Rs. NIL)
3. No provision has been made for Debtors (Export Receivables) amounting to Rs. 3,11,916.60 considered Doubtful of recovery for which necessary steps are being taken with appropriate authorities for realisation.
4. Miscellaneous Expenses in Schedule - Q' includes "Loss on theft of Motor Cycle" amounting to Rs. 37,832/- for which necessary claim has been made with the Insurance Company. The same will be accounted for as and when the claim will be received.
5. In accordance with AS-2 issued by the Institute of Chartered Accountants of India, the stock in trade have been valued at cost or market price whichever is lower, which were valued "at cost" in Previous Year. However the impact of such change in valuation is nil on Profit & Loss Account.
6. Capital Work-in-Progress includes Advances given to Plant Suppliers on Turnkey basis amounting to Rs. 28,50,000/- . (Previous Year Rs. 25,50,000/-)
7. Sundry Creditors for goods in Schedule J includes SSI units as below :
 Creditors exceeding Rs. 1 Lakh for a period for more than one month - NIL
 Other Creditors - Nil
8. No provisions has been made for Income Tax demand amounting to Rs. 1,31,161/- in respect of Assessment year 1996-97. The same will be accounted for as & when paid.
9. Advances recoverable in Cash or in kind or for value to be received includes advances given to a firm and companies under same management amounting to Rs. 37,40,282.05 (Previous Year Rs. 64,32,082.54) for supply of green tea leaf and other advances wherein the Directors of the company are interested. Maximum amount due during the year from such companies/firms are as under.

NAME OF THE PARTIES	MAXIMUM AMOUNT DUE At any time during the year
Hatigor Tea Estate	Rs. 67,59,031.20
Assam Farmers Tea Holdings (P) Ltd.	Rs. 17,07,659.00
Hatigor Exports Ltd	Rs. 1,68,602.76
Bajrang Enterprises Pvt. Ltd.	Rs. 90,000.00
SPGI Holdings Pvt. Ltd.	Rs. 71,743.00

10. Additional information Pursuant to Part II of Schedule VI to the Companies Act, 1956.
 (a) Licensed and Installed Capacity

Product	Quantity
Tea	11 Lacs Kgs

(b) PARTICULARS IN RESPECT OF GOODS PURCHASED, PRODUCTION, TURNOVER & STOCKS



(b) PARTICULARS IN RESPECT OF GOODS PURCHASED, PRODUCTION, TURNOVER & STOCKS

ITEM - BLENDED TEA

PARTICULARS	31st March, 2000		31st March, 1999	
	Quantity Kgs.	Value Rs. P.	Quantity Kgs.	Value Rs. P.
i) OPENING STOCK				
Raw Materials	5074	65962.00	7642	114630.00
Manufactured Goods	3849	187138.00	16015	657896.20
Stock in Transit	17025	1447125.00	11423	970955.00
Work-in-Process	—	37851.00	—	73372.40
Total	25948	1738076.00	35080	1816853.60
ii) PURCHASES				
Raw Material (Green Leaf)	1703197	17492705.50	1924602	18123891.80
iii) PRODUCTION	390406	21533482.80	439200	21353526.87
iv) SALES				
Manufactured Goods	390340	31957733.09	445764	32311763.07
v) CLOSING GOODS				
Raw Materials	4123	41230.00	5074	65962.00
Manufactured Goods	5227	287537.00	3849	187138.00
Stock-in-Transit	15713	1250605.00	17025	1447125.00
Work-in-Process	—	52415.00	—	37851.00
Total	25063	1631787.00	25948	1738076.00

(c) Earning in Foreign Exchange	NIL	NIL
(d) Expenditure in Foreign Currency	NIL	NIL
e) Particulars of Employees drawing remuneration Rs. 6 Lakhs per annum if employed for full year or Rs. 50,000 per month if employed for part of the year	NIL	NIL

For **S. Satnalika & Associates**

Chartered Accountants

S. Satnalika

Proprietor

Place : Calcutta

Date : 28th August, 2000

On behalf of the Board

S.P. Choukhany

Chairman

A. K. Agarwala

Director

A. Choukhany

Director

S. D. Choukhany

Director



HATIGOR TEA ESTATES LIMITED, CALCUTTA

PART IV OF SCHEDULE VI OF COMPANIES ACT, 1956 (AS AMENDED)

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No.	67019	State Code	21
Balance Sheet Date	31.03.2000		
	Dt.Mo.Yr.		

II. Capital Raised During the year (Amount in Rs. Thousands)

Public Issue	N I L	Right Issue	NIL
Bonus Issue	N I L	Private Placement	NIL

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities	57589	Total Assets	57589
Sources of Funds			
Paid-up Capital	39051.50	Reserves & Surplus	7923.62
Secured Loans	7231.75	Unsecured Loans	NIL
Application of Funds			
Net Fixed Assets	36323.74	Investments	NIL
Net Current Assets	19317.19	Misc. Expenditure	1948.07
Accumulated Losses	NIL		

IV. Performance of Company (Amount in Rs. Thousands)

Turnover/Rental income	31957.73	Total Expenditure	28690.05
Profit Before Tax	3382.13	Profit After Tax (+)	3382.13
(+for profit, - for loss)			
Earning Per Share	Rs. 0.88	Dividend Rate%	NIL

V. Generic Name of Three Principal Products/Services of Company (As per monetary terms)

Item Code No. (ITC Code)	0902 4004
Product Description	BLACK TEA FERMENTED

In terms of our report of even date

For **S.Satnalika & Associates**

Chartered Accountants

S. Satnalika

Proprietor

Place : Calcutta

Date : 28th August, 2000

On behalf of the Board

S.P. Choukhany

Chairman

A. K. Agarwala

Director

A. Choukhany

Director

S. D. Choukhany

Director



HATIGOR TEA ESTATES LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2000

PARTICULARS	31st March, 2000 Rs.	31st March, 1999 Rs.
A. CASH FLOW FROM OPERATIONS ACTIVITIES		
Net Profit before Tax & Extraordinary items	33,82,129	35,11,350
Adjustment for :		
Depreciation	14,87,158	13,19,378
Preliminary and Share Issue Expenses Written Off.	2,78,296	2,78,296
Interest	7,43,545	5,42,193
Profit on Sale of Fixed Assets	(+ 37,832)	(-) 2,095
Operating Profit before working capital changes	(+ 59,28,960)	56,49,122
Increase in Inventories	3,849	2,415
Increase in Trade & Other Receivables	(-) 61,52,482	(-) 30,06,994
Increase in Current Liabilities	(-) 1,35,315	(-) 6,50,262
Cash Generated from operation	(-) 84,358	(-) 36,54,841
Less : Payment of Interest	(-) 7,43,545	(-) 5,42,193
Direct Taxes Paid	—	—
Cash Flow before extraordinary items (Net Cash flow from operating activities)	(-) 8,27,903	(+ 14,52,088)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(-) 21,99,499	(-) 45,83,511
Interest Received	—	—
Sale of Investments	—	—
Sale of Fixed Assets	—	(-) 33,200
Net Cash realised from investing activities	(-) 21,99,499	(-) 45,50,311
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Share Capital	—	—
Proceeds from Long term Borrowings	(+ 27,68,543)	(-) 44,63,213
Net increase in Cash & Cash Equivalent	(-) 2,58,859	(+ 13,64,990)
Add : Cash and Cash Equivalent as at 31st March, 1999.	22,11,486	8,46,496
Cash and Cash Equivalent as at 31st March, 2000	19,52,627	22,11,486

AUDITORS' CERTIFICATE

We have examined the attached Cash Flow Statement of the Hatigor Tea Estates Limited for the year ended 31st March, 2000. The statement has been prepared by the company in accordance with the requirements of clause 32 of Listing Agreements with Stock Exchanges and is based on and in agreement with the corresponding Profit & Loss Account and the Balance Sheet of the company covered by our report to the members of the company.

For **S. Satnalika & Associates**
Chartered Accountants

S. Satnalika
Proprietor
Place : Calcutta
Date : 28th August, 2000

On behalf of the Board

S.P. Choukhany
Chairman
A. K. Agarwala
Director

A. Choukhany
Director
S. D. Choukhany
Director