66th Annual Report 2012-2013

BENGAL & ASSAM COMPANY LIMITED

Our respectful homage to an extraordinary human being, an inspiring leader, remarkable industrialist and phenomenal business pioneer.

SHRI HARI SHANKAR SINGHANIA
20th June 1933 - 22nd February 2013
PRESIDENT, J.K. ORGANISATION

A GREAT LEADER & AN ICONIC INDUSTRIALIST

Leading industrialist, philanthropist and President of J.K. Organisation, Shri Hari Shankar Singhania, passed away on 22nd February 2013. Among his many stellar qualities was the ability to look into the future far better than most mortals could. Yet, in spite of his extraordinary business success, he always held close to his heart the well-being of human beings not as fortunate as him.

He was a doyen of Indian Industry, an institution builder, an entrepreneur, educationist, welfare protagonist and a visionary par excellence.

Hari Shankarji, who learnt the ropes of business under his illustrious father Late Lala Lakshmipatji Singhania, was actively involved in J.K. Organisation, one of the oldest and largest business Groups in the country, from 1951 at the age of 18 years. He soon became well-known for his entrepreneurial capabilities and setting up various pioneering ventures in India.

Hari Shankarji was involved in establishing and overseeing the Group's diverse businesses such as aluminium, paper, steel, insurance, jute, paints, office equipment etc. Taking the growth of the Group forward, he set up various industries in several product categories such as Tyre, Cement, Automotive products & Power Transmission systems, Agri Genetics, Dairy products, Sugar, Drugs & Pharmaceuticals, Textiles and more. Today, thanks to his leadership, many of these have emerged as leaders in their respective fields, manufacturing and marketing world class products. He took keen interest in ensuring that areas around industrial plants in particular, most of them being in backward areas, are developed for overall growth of the society at large.

His un-relenting focus on quality and customer satisfaction, and his belief *"When it is good enough, improve it",* built the culture of excellence in all the Companies within the JK Group.

He also established education and medical foundations which are running a number of schools, academies, university and hospitals across the Country. These include the Pushpawati Singhania Reseach Institute (PSRI), a Super Speciality Hospital in Delhi, as well as the newly set up JK Lakshmipat University in Rajasthan which combines the serene settings of the Gurukuls of yesteryears with the technological advancements of the new age. He served as Chairman of Board of Governors of Indian Institute of Management, Lucknow for 15 years.

For his contribution in the field of commerce and industry, in the economic development of India, the President of India had conferred him with the prestigious 'Padma Bhushan' award in 2003. In 2005, Hari Shankarji was awarded one of the highest Swedish awards - Royal Order of the Polar Star - by the King of Sweden for his contribution to the development of Indo-Swedish business relations.

Hari Shankarji was the second Indian to serve as the President of the International Chamber of Commerce (ICC), Paris, during 1993 & 94. He was involved with Confederation of Asia-Pacific Chambers of Commerce and Industry, Taipei. He was the only Indian to be nominated on the Board of Atlas Copco, Sweden. He also held with distinction, and was the first Indian to serve on the Board of the Commonwealth Development Corporation. He led various industry chambers and councils in India and abroad – Bharat Chamber of Commerce, Federation of Indian Chambers of Commerce and Industry (FICCI), ASSOCHAM etc.

In his passing we have lost not just a leader but an extraordinary human being. His vision will continue to inspire us to strive towards ever-increasing heights in the years to come.

Shri Hari Shankarji had long association with the Company since its incorporation and joined the Board of Directors of the Company as Chairman in the year 2009. His strategic guidance towards the operations of the Company has helped the Company to grow immensely.

THE PHILANTHROPIST

"People are not pulled from the front or pushed from behind…they are driven from within."

Shri Hari Shankarji always believed in the philosophy of improving the quality of life of people and societies at large, while setting up industry, particularly in backward areas. With this objective, the Group has established a number of Education, Health and Social Welfare Centres and Institutes across the country, including Education at Ekal Vidyalayas, running and supporting various schools in the rural areas. Six ITIs under PPP Model were adopted, and SC/ST Girls hostels supported. He was the inspiration behind undertaking exemplary projects like 'Parivartan' & 'Natal care' for Women and 'Adult Literacy programmes' for illiterates. Several mobile clinics, medical and eye camps are being organized regularly, for needy people of the areas around our manufacturing facilities. He was keen on development of green areas, water harvesting etc., around industrial establishments, as a measure towards protecting the environment.

BENGAL & ASSAM COMPANY LIMITED

BOARD OF DIRECTORS	:	BHARAT HARI SINGHANIA Chairman A.K. KINRA J.R.C. BHANDARI L.R. PURI O.P. KHAITAN DR. RAGHUPATI SINGHANIA SHAILENDRA SWARUP VINITA SINGHANIA
MANAGER	:	U.K. GUPTA
BANKERS	:	CENTRAL BANK OF INDIA STANDARD CHARTERED BANK INDIAN OVERSEAS BANK
AUDITORS	:	LODHA & CO. Chartered Accountants
COMPANY SECRETARY	:	DILLIP SWAIN
REGISTERED & ADMINISTRATIVE OFFICE	:	LINK HOUSE, 3, BAHADUR SHAH ZAFAR MARG, NEW DELHI - 110 002
REGISTRAR & SHARE TRANSFER AGENT	:	ALANKIT ASSIGNMENTS LTD. ALANKIT HOUSE, 2E/21, JHANDEWALAN EXTENSION, NEW DELHI-110055 PH.: 91-11-23541234, 42541234 FAX: 91-11-23552001 EMAIL: rta@alankit.com WEBSITE: www.alankit.com
COMPANY WEBSITE	:	www.bengalassam.com

Directors' Report
and Management Discussion and Analysis

TO THE MEMBERS

The Directors have pleasure in presenting the 66th Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2013.

CORE INVESTMENT COMPANY

The Company is a Core Investment Company-Non Deposit Taking-Systemically Important (CIC-ND-SI) registered with the Reserve Bank of India (RBI) and has been complying with all the conditions prescribed by RBI.

OPERATIONS & OUTLOOK

Total Revenue for the year under review was ₹ 29.52 crore and the profit after tax at ₹ 12.58 crore. The Company, being a Core Investment Company, holds significant investments in Group Companies with a wide and diversified industrial segment, fortunes of which are dependent upon prevailing economic conditions. It is widely perceived that the tight monetary policy pursued by the Reserve Bank of India for curtailing inflationary pressure has impacted economic growth. With easing of the inflationary pressure and concern for industrial and economic growth in particular, the coming days may see softening of the monetary policy. This should have positive impact on the working of the investee companies and the capital market leading to better valuations.

DIVIDEND

Your Directors are pleased to recommend a dividend of ₹ 4 per Share (40%) for the year ended 31st March 2013. The dividend outgo would amount to ₹ 347.34 lacs.

DIRECTORS

Your Directors express their profound grief and sorrow on the sad demise of Shri Hari Shankarji Singhania, on 22nd February 2013. He was associated with the Company for long time during its initial year and joined the Board of Directors of the Company as Chairman in the year 2009. Shri Hari Shankarji who joined JK Organisation at the Young age of 18 years learned the ropes of business under his illustrious father late Lala Lakshmipatji. He held several positions, before assuming the Chairmanship of various J.K.Group of Companies and JK Organisation. Shri Singhania contributed immensely not only in the growth of your Company but also in the growth of industrialization and economic development of India for which he received numerous prestigious Indian & International awards and recognitions. Your Directors pay their respectful homage and tribute to this extraordinary human being, a great leader, an iconic industrialist and a leading statesman.

The Board of Directors at its meeting held on 29th May 2013 appointed Shri Bharat Hari Singhania as Chairman of the Board of Directors of the Company. He shall now be the Chairman of the Company.

The Board has appointed Shri Ashok Kumar Kinra as Additional Director of the Company w.e.f. 13th June 2013. He shall hold office upto the date of the ensuing Annual General Meeting (AGM). The Company has received requisite Notice from a Member under Section 257 of the Companies Act, 1956 proposing the name of Shri Ashok Kumar Kinra for appointment as Director liable to retire by rotation at the AGM. The Board of Directors commends his appointment as aforesaid.

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.

SUBSIDIARY COMPANIES

The annual accounts 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 Divyashree Company Pvt. Ltd. have been consolidated and the Statement pursuant to Section 212 of the Companies Act, 1956 read with General Circular No. 51/12/2007-CL-III dated 8th February 2011 of the Ministry of Corporate Affairs, containing details of the subsidiary companies is attached. The particulars required under the provisions of the Companies Act, 1956 in respect of subsidiary companies are appended.

In terms of the said Circular dated 8th February, 2011, and the Company having satisfied the conditions stipulated therein, copies of the Balance Sheets, Profit & Loss Statements, Reports of the Board of Directors and the Auditors, etc. of all the aforesaid subsidiary companies have not been attached to the Balance Sheet of the Company. However, the annual accounts of the subsidiary companies and the related detailed information willl be made available to the members of the Company and of the subsidiary companies, seeking such information at any point of time. The annual accounts of the subsidiary companies are also available for inspection by any member at the Registered / Head office of the Company and that of the subsidiary Companies concerned.

AUDITORS

M/s Lodha & Co., Chartered Accountants, Auditors of the Company, retire and are eligible for re-appointment. The observations of the Auditors in their Report on Accounts read with the relevant notes are self explanatory.

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 have been selected and applied consistently 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 that period;
- 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.

RISK AND CONCERNS

The Company is mainly exposed to capital market risks in the form of change in value of its investments. The Company is also exposed to the fluctuations of economy and industry cycles.

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.

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.

Particulars of Foreign Exchange Earning and Outgo:

i)	Foreign Exchange earned	:	Nil
ii)	Foreign Exchange Outgo	:	₹ 8.12 Lacs

ACKNOWLEDGEMENTS

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

On behalf of the Board

New Delhi
13th June, 2013

BHARAT HARI SINGHANIA
Chairman

With a view to avoid duplication between the Directors' Report and Management Discussion and Analysis, a combined Report has been presented.

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
- maximizing 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 practiced by its entire management cadre.

2. BOARD OF DIRECTORS:

The Board of Directors presently consists of Seven Non-executive Directors (NED) of which four are Independent (IND). Four Board Meetings were held during the Financial Year 2012-13 ended 31st March 2013, on 19th May 2012, 01st August 2012, 05th November 2012 and 12th February 2013. Attendance and other details of the Directors are given below:

Name of the Director	Category	No. of Board Meetings attended	Whether last AGM Attended (24.08.12)	Outside Directorships and Committee positions		
				Directorships$	Committee Membership@	Committee Chairmanship@
Shri Hari Shankar Singhania*	NED	2	No	N.A.	N.A.	N.A.
Shri Bharat Hari Singhania, Chairman	NED	4	No	3	1	-
Smt. Vinita Singhania	NED	4	No	3	-	-
Dr. Raghupati Singhania	NED	4	No	7	2	1
Shri O.P. Khaitan	IND	4	No	7	5	3
Shri L.R. Puri	IND	4	Yes	8	-	1
Shri Shailendra Swarup	IND	3	No	3	1	-
Shri J.R.C. Bhandari	IND	4	Yes	3	1	2

* Shri Hari Shankar Singhania, Chairman of the Board of Directors, passed away on 22nd February 2013. The Board of Directors at its Meeting held on 29th May 2013, appointed Shri Bharat Hari Singhania as Chairman of the Board of Directors of the Company.

$ As per Section 275 read with Section 278 of the Companies Act 1956.

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

N.A. Not Applicable

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). 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.

The Audit Committee consists of three Independent Directors. Four meetings of the Audit Committee were held during the year ended 31st March 2013.

Dates of the meetings and the number of Members attended:

Dates of meetings	Number of members attended
19th May 2012	3
1st August 2012	3
5th November 2012	3
12th February 2013	3

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

Name	Status	No. of Meetings attended
Shri J.R.C. Bhandari	Chairman	4
Shri L.R. Puri	Member	4
Shri O.P. Khaitan	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. It consists of three Independent Directors. Four meetings of the said committee were held during the year ended 31st March 2013. The Composition of the Committee is in conformity with Clause 49 of the Listing Agreement.

Dates of the meetings and the number of Members attended:

Dates of meetings	Number of members attended
19th May 2012	3
1st August 2012	3
5th November 2012	3
12th February 2013	3

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

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

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 dividends etc. During the year 2012-13, only 2 complaints were received which stand resolved and no complaint is pending as on 31st March 2013.

The Company also has a Share Transfer Committee of Directors which approves registration of transfer and transmission of shares in Physical Mode on fortnightly basis. During the year ended 31st March 2013, 24 Meetings of Share Transfer Committee were held. All valid requests for transfer of shares were processed in time and there were no pending transfers of shares.

5. REMUNERATION COMMITTEE (non-mandatory):

Remuneration Committee was not required to be constituted.

6. SITTING FEE:

The Non-Executive Directors have not drawn any remuneration from the Company except sitting fees of the Board/Committee of Directors/Share Transfer Committee attended by them. During the financial year 2012-13, the Company paid sitting fees aggregating to ₹ 5,03,000/-. 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 held by Non-Executive Directors in the Company: Late Shri Hari Shankar Singhania- 26,95,500 (includes 18,57,619 shares on account of M/s Yashodhan Enterprises formerly Habras International) Shri Bharat Hari Singhania – 3,41,841 (includes 1,53,791 shares on account of M/s Bharat Hari Singhania HUF and 997 Shares on account of M/s Yashodhan Enterprises formerly Habras International), Dr. Raghupati Singhania - 8,68,217 (includes 5,846 shares on account of M/s Raghupati Singhania HUF) Smt. Vinita Singhania– 67,168, 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.

7. GENERAL BODY MEETINGS:

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

Year	Location	Date	Time
2009-10	Sri Sathya Sai International Centre, Pragati Vihar, Lodi Road Institutional Area, Lodi Road, New Delhi-110 003	23rd September 2010	11.00 A.M.
2010-11	Same as above	04th August 2011	11.30 A.M.
2011-12	Same as above	24th August 2012	11.00 A.M.

No special resolutions were passed in the AGM held in 2010, 2011 and 2012.

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

8. DISCLOSURES:

(a) 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.*

(b) 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.*

(c) The Company has strengthened its risk management system and procedures to inform the Board about its risk assessment and minimization procedures. The Company has a Risk Management Committee comprising an Independent Director, Manager and the Secretary, which meets on quarterly basis and evaluate the efficacy of the framework relating to risk identification and its mitigation laid down by the Committee.

9. MEANS OF COMMUNICATION:

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

10. GENERAL SHAREHOLDERS' INFORMATION:

(i) Registered Office: Link House, 3, Bahadur Shah Zafar Marg, New Delhi-110002

(ii) Annual General Meeting (AGM)

(a) Date & Time : 23rd August 2013 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.

(iii) Financial Calendar (Tentative)

Financial Reporting

• for the quarter ending 30.06.2013 • for the half-year ending 30.09.2013 • for the quarter ending 31.12.2013	Within 45 days of the end of the quarter
• for the quarter ending 31.03.2014 (audited)	Within 60 days of the end of the year
• Annual General Meeting for the Financial Year ending 2013-14	Between July and September 2014

(iv) Date of Book Closure: 16th August 2013 to 23rd August 2013

(v) Dividend Payment Date: Before 22nd September 2013

(vi) Listing on Stock Exchange: The Equity Shares of the Company are listed on BSE Ltd. Annual Listing Fee for the Financial Year 2013-14 has been paid to BSE Ltd.

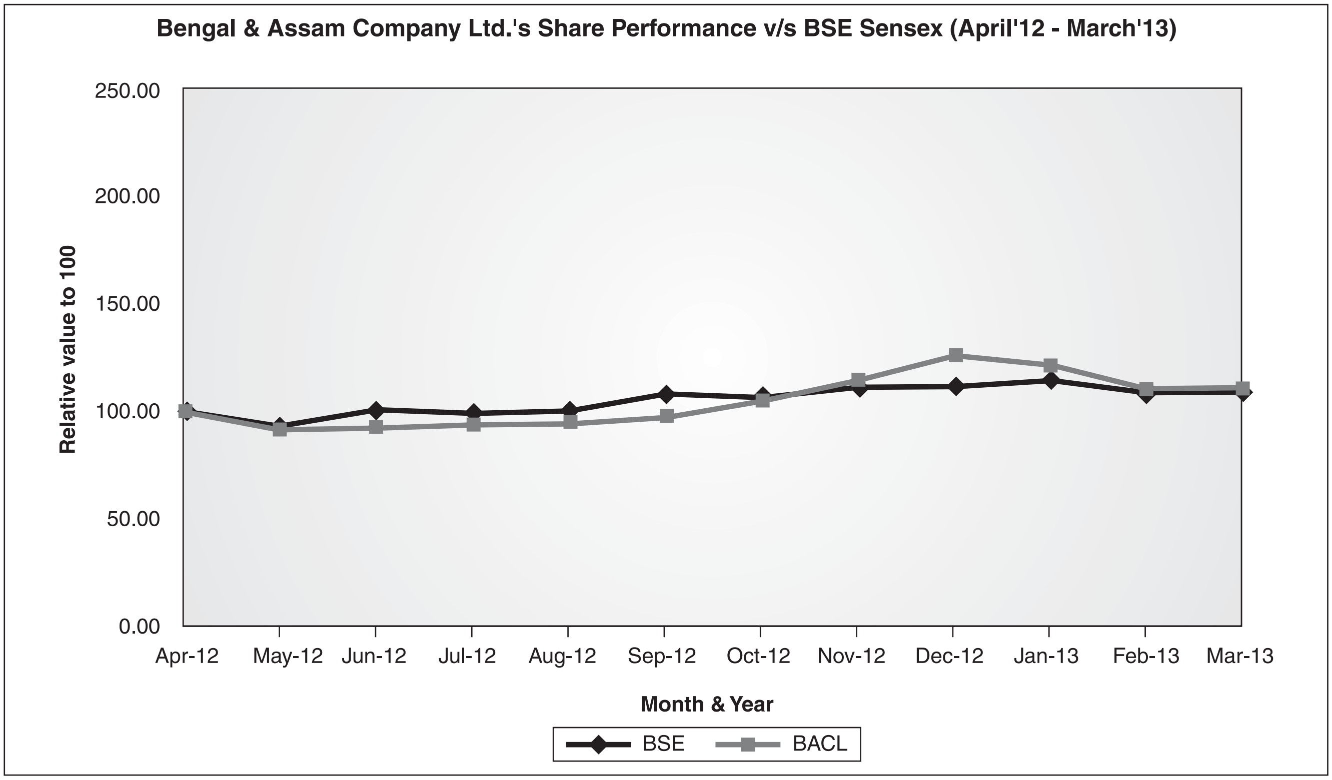
(vii) Security Code for Company's Equity Shares on BSE Ltd. and ISIN :

BSE - 533095, ISIN *INE083K01017.*

(viii) Stock Market Price Data

Month (2012-13)	BSE Limited (in ₹)	
	HIGH	LOW
April 2012	244.00	197.00
May 2012	242.20	205.00
June 2012	229.00	205.05
July 2012	250.00	215.50
August 2012	249.00	205.00
September 2012	245.00	224.05
October 2012	262.40	205.25
November 2012	289.90	252.30
December 2012	311.95	260.50
January 2013	322.00	284.05
February 2013	330.00	251.00
March 2013	323.00	255.50

(ix) Bengal & Assam Company Limited's Share Performance v/s BSE Sensex (April'12 - March'13)



(x) Distribution of Shareholding as on 31st March 2013

Category (No. of Shares)	No. of Equity Shares	%	No. of Shareholders	%
1-500	4,01,923	4.63	35292	99.22
501-1000	73,311	0.84	99	0.28
1001-5000	2,46,723	2.84	111	0.31
5001-10000	1,29,960	1.50	17	0.05
10001 and above	78,31,636	90.19	51	0.14
TOTAL	**86,83,553**	**100.00**	**35,570**	**100.00**

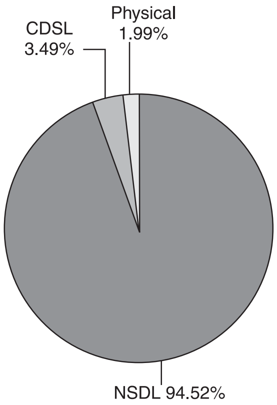
(xi) Share Transfer System

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

(xii) 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 for Equity Shares of the Company for both the depositories is INE083K01017. As on 31st March 2013, 98.01% of the Equity Shares stand dematerialised. 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.

Shares held in Physical/Demat Form (with NSDL & CDSL) as on 31st March 2013



(xiii) Outstanding GDRs/ADRs/Warrants/Options or any convertible instruments, conversion date and likely impact on Equity

The Company had not issued any GDRs.

(xiv) Plant Location

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

(xv) 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.: 91-11-30179899, 30179888
Fax No. 91-11-23739475
Contact Person: Shri Dillip Swain
(E-mail: dswain@jkmail.com)
Website: www.bengalassam.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
Website: www.alankit.com
Contact Person: Mr. J.K. Singla
Email:jksingla@alankit.com

11. UNCLAIMED SHARES:

Particulars	No. of Shareholders	No. of Shares
Aggregate No. of Shareholders & the outstanding shares lying as on 1st April 2012.	4264	19,106
No. of Shareholders who had approached the Company for transfer of shares from the Unclaimed Suspense Account during the year.	13	56
No. of Shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year.	13	56
Aggregate No. of Shareholders & the outstanding shares lying in the Unclaimed Suspense Account as on 31st March 2013.	4251	19,050
Voting Rights frozen till the rightful owner claims.	4251	19,050

12. DECLARATION:

This is to confirm that for the financial year ended 31st March 2013 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

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 2013, 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 Lodha & Co.
Chartered Accountants
Firm's Registration No. 301051E

N.K. Lodha
Partner
Membership No.85155

Place: New Delhi
Date: 29th May, 2013

AUDITORS' REPORT

Independent Auditors' Report to the members of BENGAL & ASSAM COMPANY LIMITED

We have audited the accompanying financial statements of BENGAL & ASSAM COMPANY LIMITED, which comprise the Balance Sheet as at 31st March 2013, and the Statement of the Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation of these financial statements that give a true and the fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including accounting standards referred to in sub section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by Institute of Chartered Accountant of India. Those standards require that we comply with the ethical requirements and plan and perform the audit to obtain the reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for audit opinion.

Opinion

In our opinion and best to our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so require and give a true and fair view in conformity with the accounting principles generally accepted in India:

a. In the case of the balance sheet, of the state of the affairs of the company as at 31st March 2013;

b. In case of the statement of the profit and loss, of the profit for the year ended on that date;and

c. In case of the cash flow statement, of the cash flows for the year ended on that date.

Report on other legal and the regulatory requirements:

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give the Annexure a statement on the, manners specified in the paragraphs 4 and 5 of the order.

2. As required by section 227(3) of the Act, 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, Statement of Profit & Loss and Cash Flow Statement referred to in this report are in agreement with the books of account;

   d. In our opinion, the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement referred to in this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of Companies Act, 1956;

e. On the basis of the written representations received from the Directors and taken on records by the Board of Directors, we report that none of the directors of the Company is disqualified as on 31st March 2013 from being appointed as a Director of the Company in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For LODHA & CO.,
Chartered Accountants
Firm Registration No. - 301051E

N. K. LODHA
Partner
Membership No.: - 85155

Place: New Delhi
Date: 29th May, 2013

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 1 under the heading "Report on other legal & regulatory requirements" of our Report of even date of BENGAL & ASSAM COMPANY LIMITED for the year ended 31st March 2013)

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 Note No.8 of the Financial Statements.

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 ₹ 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. According to the information and explanation given to us the Company has not accepted public deposit within the meaning of directives issued by the Reserve Bank of India and the provisions of Section 58A and 58AA of the Act or any other provisions of the Act and the rules framed thereunder and therefore the provisions of clause 4 (vi) of the Order are not applicable to the Company.

6. In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.

7. (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, Income Tax, Wealth-Tax, Service Tax, 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, 2013. As explained, Employees' State Insurance, Custom Duty and Excise Duty are not applicable to the Company.

(b) According to the records and information and explanations given to us, there are no dues in respect of Service Tax, 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 ₹)	Forum where dispute is pending
Income tax Act	Income tax	2003-04	26,946/-	Assessing Officer
		1995-96, 1997-98, 1998-99, 1999-2000, 2001-02, 2002-03	4,40,518/-	CIT (A)
		2005-06	1,51,017/-	CIT (A)

8. 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.
9. In our opinion, on the basis of audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions and banks.
10. 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.
11. 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.
12. 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 to the extent referred to in footnote no. 10 of Note No. 11 of the Financial Statements.
13. 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. 24 (b) (ii) & (iii). 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.
14. On the basis of information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
15. 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.
16. 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.
17. The Company has not issued any secured debentures during the year and there are no secured debentures outstanding at the year end.
18. The company has not raised any money through a public issue during the year.
19. 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.
20. No other matters specified in the said Order are applicable to the Company.

For LODHA & CO.,
Chartered Accountants
Firm Registration No. - 301051E

N. K. LODHA
Partner
Membership No.: - 85155

Place: New Delhi
Date: 29th May, 2013

BALANCE SHEET
AS AT 31ST MARCH, 2013

₹ in Lacs

PARTICULARS		NOTE NO.	31.03.2013	31.03.2012
I.	**EQUITY & LIABILITIES**			
(1)	**Shareholders' Funds**			
	(a) Share Capital	**2**	**868.36**	868.36
	(b) Reserves & Surplus	**3**	**28,043.99**	26,183.65
			28,912.35	**27,052.01**
(2)	**Non-current Liabilities**			
	(a) Long term borrowings	**4**	**14,866.67**	14,560.00
	(b) Deferred Tax Liabilities (Net)	**5**	**12.16**	11.43
	(c) Other Long term Liabilities	**6**	**123.53**	152.60
	(d) Long term provisions	**7**	**12.38**	14.87
			15,014.74	14,738.90
(3)	**Current Liabilities**			
	(a) Short-term borrowings	**8**	**1,000.00**	1,200.00
	(b) Other current liabilities	**9**	**653.25**	1,473.95
	(c) Short-term provisions	**7**	**351.67**	348.63
			2,004.92	3,022.58
	TOTAL		**45,932.01**	44,813.49
II.	**ASSETS**			
(1)	**Non-current Assets**			
	(a) Fixed Assets			
	(i) Tangible assets	**10**	**1,862.12**	1,862.57
	(b) Non-current investments	**11**	**42,388.13**	40,545.30
	(c) Long-term loans and advances	**12**	**994.64**	1,094.64
			45,244.89	43,502.51
	(2) Current Assets			
	(a) Cash and cash equivalents	**13**	**85.85**	294.58
	(b) Short-term loans and advances	**14**	**601.27**	1,016.40
			687.12	1,310.98
	TOTAL		**45,932.01**	44,813.49
Significant accounting policies		**1**		

The accompanying notes are an integral part of the financial statements

As per our report of even date.
For LODHA & CO.
Chartered Accountants
Firm Registration No. - 301051E

N.K. LODHA
Partner
Membership No.85155

BHARAT HARI SINGHANIA
J.R.C. BHANDARI
L.R. PURI
O.P. KHAITAN
DR. RAGHUPATI SINGHANIA
SHAILENDRA SWARUP
VINITA SINGHANIA

Place: New Delhi
Dated: 29th May, 2013

U.K. GUPTA
Manager

DILLIP SWAIN
Secretary

Directors

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31ST MARCH, 2013

₹ in Lacs

	PARTICULARS	NOTE NO.	2012-13	2011-12
I.	Revenue from Operations	15	2,475.37	2,262.31
II.	Other Income	16	476.61	557.59
III.	**Total Revenue (I + II)**		**2,951.98**	2,819.90
IV.	**Expenses**			
	Employees Benefit expenses	17	43.56	36.78
	Finance Costs	18	1,448.42	1,040.83
	Depreciation & amortization expenses	10	29.42	30.61
	Other expenses	19	91.36	121.20
	Total Expenses		**1,612.76**	1,229.42
V.	**Profit before exceptional and extraordinary Items and Tax (III - IV)**		**1,339.22**	**1,590.48**
VI.	Exceptional Items		-	-
VII.	**Profit before extraordinary Items and Tax (V - VI)**		**1,339.22**	**1,590.48**
VIII.	Extraordinary Items		-	-
IX.	**Profit before tax (VII - VIII)**		**1,339.22**	**1,590.48**
X.	**Tax Expenses**			
	– Current Tax		82.15	125.19
	– Income Tax Adjustments earlier years (Net)		(1.17)	(0.39)
	– Deferred Tax		0.73	0.98
XI.	**Profit for the year from continuing operations (IX - X)**		**1,257.51**	**1,464.70**
XII.	Profit from discontinuing operations		-	-
XIII.	Tax expense of discontinuing operations		-	-
XIV.	**Profit from discontinuing operations (after tax) (XII-XIII)**		-	-
XV.	**Profit for the period (XI + XIV)**		**1,257.51**	**1,464.70**
XVI.	**Basic and Diluted Earning per share (in ₹)**	23	**14.48**	**16.87**

The accompanying notes are an integral part of the financial statements

As per our report of even date.
For LODHA & CO.
Chartered Accountants
Firm Registration No. - 301051E

N.K. LODHA
Partner
Membership No.85155

Place: New Delhi
Dated: 29th May, 2013

U.K. GUPTA
Manager

DILLIP SWAIN
Secretary

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

NOTES TO FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES - Year Ended 31st March, 2013

1.1 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.

1.2 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.

1.3 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.

1.4 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.

1.5 EMPLOYEE BENEFITS:

a. Defined-contribution plans:

Contributions to the Employees' provident fund, Superannuation fund and Employees' pension scheme are recognized as defined contribution plan and charged as expenses during the period in which the employees perform the services.

b. Defined-benefit plans:

Retirement benefit in form of gratuity and leave encashment are considered as defined benefit plans and determined on actuarial valuation using the Projected Unit Credit Method at the balance sheet date. Actuarial gains and losses are recognized immediately in the Profit & Loss Account.

c. Short term employees benefits:

Short term benefits are charged off at the undiscounted amount in the year in which the related service is rendered.

1.6 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.

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

₹ in Lacs

	31.03.2013	31.03.2012
NOTE 2 : SHARE CAPITAL		
Authorised		
356,730,000 (Previous Year 356,730,000) Equity Shares of ₹ 10/- each	**35,673.00**	35,673.00
1,252,000 (Previous Year 1,252,000) Cumulative Redeemable Preference Shares of ₹ 100 each	**1,252.00**	1,252.00
	36,925.00	36,925.00
Issued, Subscribed & Paid up		
Equity Shares (with equal rights) fully paid up		
86,83,553 (Previous Year 86,83,553) Equity Shares of ₹10/- each	**868.36**	868.36
	868.36	868.36

Reconciliation of the numbers of shares outstanding at the beginning and at the end of the reporting period

	31.03.2013 No. of Shares	31.03.2012 No. of Shares
At the beginning of period	**8,683,553**	8,683,553
Add:- Issued during the year	**-**	-
Less:- Bought Back during the year	**-**	-
Outstanding at the end of period	**8,683,553**	8,683,553

Details of each shareholder holding more than 5% shares :-

Name of Shareholder	31.03.2013 No. of Shares held	31.03.2012 No. of Shares held
Shri Hari Shankar Singhania*	**837,881**	823,151
Dr. Raghupati Singhania	**868,217**	815,917
Yashodhan Enterprises (Formerly Habras International, shares registered in the name of Shri Hari Shankar Singhania* as partner of the firm)	**1,857,619**	1,857,619
Shripati Singhania HUF (Registered in the name of Anshuman Singhania as Karta of HUF)	**786,704**	786,704
Florence Investech Limited (Formerly JK Agri Genetics Ltd.)	**646,811**	646,811

*Passed away on 22nd February, 2013

Details of Allotment/Bought Back of Shares during the period of 5 Years immediately preceeding the reporting date

Particulars	31.03.2013 No. of Shares	31.03.2012 No. of Shares
Allotment of Equity Shares for Consideration Other than Cash (a)	**3,529,288**	3,529,288

(a) Equity shares issued to the shareholders of erstwhile Ashim Investment Company Limited & Netflier Finco Limited, pursuant to the Scheme of Amalgamation without payment being received in cash.

₹ in Lacs

		31.03.2013		31.03.2012
NOTE 3 : RESERVES & SURPLUS				
Capital Reserve*		**2.51**		2.51
Capital Redemption Reserve		**23.91**		23.91
Reserve (as per RBI guidelines)	**2,590.64**		2,297.70	
Addition during the year	**251.50**	**2,842.14**	292.94	2,590.64
General Reserve	**22,214.36**		21,214.36	
Addition during the year**	**1,450.17**	**23,664.53**	1,000.00	22,214.36
Surplus in Profit & Loss Account A/c (Refer note (a) below)		**1,510.90**		1,352.23
		28,043.99		26,183.65

* 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 Netflier Finco Ltd and kept as distributable surplus.

** Include ₹ 500 Lacs transfer from Profit & Loss Statement & ₹ 950.17 Lacs recouped to the extent against diminution in value adjusted in earlier year [read with Note no.11(6)]

(a) Detail of Surplus in Profit and Loss Statement:

	31.03.2013	31.03.2012
Surplus in Profit and Loss Statement from Previous Year	**1,352.23**	1,527.81
Profit for the year	**1,257.51**	1,464.70
Transfer to Reserve (as per RBI guidelines)	**(251.50)**	(292.94)
Transfer to General Reserve	**(500.00)**	(1,000.00)
Proposed Dividend (₹ 4, PY ₹ 4 per equity share)	**(347.34)**	(347.34)
Surplus in Profit and Loss Statement carried to Balance sheet	**1,510.90**	1,352.23

	Non Current		Current Maturities	
	31.03.2013	31.03.2012	**31.03.2013**	31.03.2012
NOTE 4 : LONG TERM BORROWINGS				
SECURED LOANS				
Term Loan from Banks (a)	**6,000.00**	5,260.00	**-**	130.00
Term Loan from Financial Institution (b)	**5,000.00**	5,000.00	**-**	-
	11,000.00	10,260.00	**-**	130.00
UNSECURED LOANS				
From Body Corporates (interest free) (c)	**3,666.67**	4,000.00	**333.33**	833.33
Deferred Payment to SASF (d)	**200.00**	300.00	**100.00**	295.00
	3,866.67	4,300.00	**433.33**	1,128.33
	14,866.67	14,560.00	**433.33**	1,258.33
Less: Amount transfer to other current liabilities (Note No.9)	**-**	-	**433.33**	1,258.33
	14,866.67	14,560.00	**-**	-

NOTES:

SECURED LOANS

a. Term Loan of ₹ 6000 Lacs (Previous Year ₹ 5000 Lacs) from Indian Overseas Bank is repayable in 12 half yearly instalments of ₹ 500 Lacs (Previous Year ₹416.67 Lacs) each w.e.f. June,2014 with interest payable on monthly rests. The loan is secured by way of first & exclusive charge by way of equitable mortgage on Company's immovable property at Flat No. 5-A, 5th Floor, Brighton Co-operative Housing Society Ltd, No. 2, Plot No. 68D Nepean Sea Road, Rungatha Lane, Mumbai - 400006.

b Term Loan of ₹ 5000 Lacs from HDFC Ltd. is repayable in one go by 4th Aug'2014 with interest payable on monthly rests. The loan is secured by way of pledge of 4551 Nos. Equity Shares held by the Company in M/s Divyashree Company Pvt. Ltd. along with an undertaking for Non Dilution and Non Disposal of above shareholding and by extension of the first equitable mortgage on property located at B-16, West End, New Delhi together with construction thereof.

UNSECURED LOANS

c. ₹ 4000 Lacs payable to a body corporate in 12 Yearly. instalments of ₹ 333.33 Lacs each.

d. Deferred payment to SASF ₹300 Lacs is payable in 3 yearly instalments of ₹100 Lacs each.

NOTES TO FINANCIAL STATEMENTS

₹ in Lacs

		31.03.2013	31.03.2012
NOTE- 5			
Pursuant to the Accounting Standard on 'Accounting for Taxes on Income' (AS- 22), deferred tax liability/(assets) are as under:			
A.	**Deferred Tax Assets:**		
	- Disallowance u/s 43B	**0.95**	0.81
	- Disallowance u/s 40A(7)	**3.32**	2.83
	- Disallowance u/s 35DD	**-**	1.30
	Total : (A)	**4.27**	4.94
B.	**Deferred Tax Liabilities:**		
	Difference between book depreciation & tax depreciation	**16.43**	16.37
	Total : (B)	**16.43**	16.37
	Deferred Tax Liabilities (Net) (A - B)	**12.16**	11.43

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.

NOTE- 6 : OTHER LONG TERM LIABILITIES

		31.03.2013	31.03.2012
Trade Payables		**-**	-
Others :			
-	Security Deposits	**120.02**	144.86
-	Income Received in Advance	**-**	4.99
-	Other Liability	**3.51**	2.75
		123.53	152.60

NOTE - 7 : PROVISIONS

	Long Term		Short Term	
	31.03.2013	31.03.2012	**31.03.2013**	31.03.2012
Provision for Employee Benefits	**8.84**	9.94	**4.33**	1.29
Others				
Contingent Provisions against Standard Assets	**3.54**	4.93	**-**	-
Proposed Dividend	**-**	-	**347.34**	347.34
	12.38	14.87	**351.67**	348.63

NOTES TO FINANCIAL STATEMENTS

₹ in Lacs

	31.03.2013	31.03.2012
NOTE - 8: SHORT TERM BORROWINGS		
UNSECURED		
Loan & Advances from related party		
Inter Corporate Deposit from a Subsidiary Company	**1000.00**	1200.00
	1000.00	1200.00

Note :-

ICD of ₹ 1000 Lacs from a body corporate payable within one year.

NOTE - 9: OTHER CURRENT LIABILITIES

	31.03.2013	31.03.2012
Current maturities of long term borrowings (Note No. 4)	**433.33**	1258.33
Interest accrued but not due	**3.86**	4.72
Income Received in Advance	**8.68**	46.30
Unclaimed dividends@	**34.09**	30.70
Fractional Entitlement Shares	**1.33**	1.33
Unclaimed Preference shares	**0.24**	0.24
Other Liabilities		
- Security Deposit	**166.31**	120.56
- Others	**5.41**	11.77
	653.25	1473.95

@ Investor Education & Protection Fund will be credited as and when due.

NOTE 10 : TANGIBLE ASSETS

₹ in Lacs

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Gross Block as at 01.04.12	Additions	Sales/ Adjustments	**Gross Block as at 31.03.13**	Upto 31.03.12	For The Year	Sales/ Adjustments	**Upto 31.03.13**	**As At 31.03.13**	As At 31.03.12
Land (Freehold) @	639.70	-	-	**639.70**	-	-	-	**-**	**639.70**	639.70
Land (Leasehold) @	23.23	28.31	-	**51.54**	1.65	0.43	-	**2.08**	**49.46**	21.58
Buildings @	1,387.60	-		**1,387.60**	222.73	22.61	-	**245.34**	**1,142.26**	1,164.87
Furniture & Fixtures	34.95	0.26	-	**35.21**	24.32	1.92	-	**26.24**	**8.97**	10.63
Office equipments	48.30	-	-	**48.30**	28.47	2.76	-	**31.23**	**17.07**	19.83
Computer	1.15	0.40	-	**1.55**	0.79	0.26	-	**1.05**	**0.50**	0.36
Vehicles	10.01	-	-	**10.01**	4.41	1.44	-	**5.85**	**4.16**	5.60
Total	2,144.94	28.97	-	**2,173.91**	282.37	29.42	-	**311.79**	**1,862.12**	1,862.57
Previous Year	2,181.69	0.39	37.14	**2,144.94**	260.90	30.61	9.14	**282.37**	**1,862.57**	

@ include certain assets yet to be registered in the name of the company .

Name of the Bodies Corporate			31.03.2013		31.03.2012	
			Nos.	₹ in Lacs	Nos.	₹ in Lacs
NOTE 11 : INVESTMENT						
NON - CURRENT INVESTMENTS						
(Other than trade, fully paid up)						
A. Investments in Equity Shares (Long Term)						
A1. Subsidiaries (Unquoted)						
Fenner (India) Ltd.			2,189,314	5,351.75	2,182,648	5,271.22
LVP Foods Pvt. Ltd.			1,999,800	199.98	1,999,800	199.98
Panchmahal Properties Ltd. (Wholly Owned Subsidiary)			351,230	35.12	351,230	35.12
Divyashree Company Pvt. Ltd.		(1)	4,551	5,017.03	4,551	5,017.03
Total (A1)				10,603.88		10,523.35
Others						
A2. Quoted						
Face Value of ₹10/- each						
A I Champdany Inds. Ltd.	(FV ₹ 5/-)		28	-	28	-
Abbott India Ltd.			-	-	5	0.01
Abhishek Jute & Industries Ltd.			66	0.01	66	0.01
ACC Limited			847	0.11	847	0.11
Aditya Birla Nuvo Limited			844	0.72	844	0.72
All Seasons Foods Limited			45	-	45	-
Ambalal Sarabhai			-	-	50	-
Ambuja Cement Ltd.	(FV ₹ 2/-)		32,307	6.54	32,307	6.54
Andhra Cement Company Limited			-	-	25	0.01
Asahi India Glass Ltd.	(FV ₹ 1/-)		-	-	74	0.03
Ashok Leyland Ltd.	(FV ₹ 1/-)		4,000	0.33	4,000	0.33
Ashoka Paper Mills Ltd.			100	-	100	-
Astrazeneca Pharma India Ltd.	(FV ₹ 2/-)		367	0.08	500	0.11
ATV Projects India Ltd.			-	-	2,500	-
Auckland International Ltd.			99	-	99	-
Aventis Pharma. Ltd.			-	-	5	0.01
Ballarpur Industries Limited	(FV ₹ 2/-)		2,241	0.25	2,241	0.25
Bally Jute Co. Ltd.			1	-	1	-
Balrampur Chini Mills Ltd.	(FV ₹ 1/-)		-	-	500	0.21
Bank of India			-	-	5	-
Baranagore Jute Factory Co. Ltd.			5	-	5	-
BASF India Limited			-	-	22	0.05
Bayer Cropscience India Ltd.			-	-	66	-
Bengal Coal Co. Ltd.			2	-	2	-
Bharat Heavy Electricals Limited	(FV ₹ 2/-)		1,000	0.14	1,000	0.14
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	0.06	318	0.06
Bonanza Pharmaceuticals Ltd.			200	-	200	-
B & B Reality Ltd. (Formerly Sterlite Projects Ltd.)			100	-	100	-
Carol Info. Services Ltd.			200	0.07	200	0.07
Ceat Ltd.			-	-	49	0.02
Century Enka Limited			305	0.21	305	0.21

Name of the Bodies Corporate			31.03.2013		31.03.2012	
			Nos.	₹ in Lacs	Nos.	₹ in Lacs
Chambal Fertilizers Limited			-	-	5	-
Cheviot Co. Ltd.			-	-	76	0.13
Clives Mills Co. Ltd.			3	-	3	-
Daewoo Motors India Limited			3,000	-	3,000	-
Delta Industries Ltd.			160	-	160	-
Dewan Tyres Ltd.			240	-	240	-
Digvijay Finlease Ltd.			100	-	100	-
Dunbar Mills Ltd.			20	-	20	-
Dunlop India Ltd.			-	-	113	0.01
EID Parry (India) Limited	(F.V. ₹ 1/-)		-	-	300	0.04
Fort Gloster Industries Ltd.			99	-	99	-
Florence Investech Ltd.		(2)	1,383,274	4,869.45	1,351,820	1,305.34
G.K.W. Ltd.			-	-	3	-
Graphite India Limited	(F.V. ₹ 2/-)		-	-	12	-
Garware Nylons Ltd.			112	-	112	-
Gas authority of India Ltd.			375	0.53	375	0.53
GIC Housing Finance Limited			-	-	62	0.01
Gilt Pack Limited			3,700	-	3,700	-
Goodyear India Ltd.			-	-	10	0.01
Grasim Industries Limited			240	0.11	240	0.11
Gujarat Composite Limited			66	-	66	-
Haryana Petrochemicals Limited			7,000	-	7,000	-
Hasimara Industries Ltd.			2	-	2	-
HDFC Bank Limited	(F.V. ₹ 2/-)		6,525	0.40	6,525	0.40
Hilton Rubber Limited			100	-	100	-
Hindalco Industries Limited	(F.V. ₹ 1/-)		462	0.21	462	0.21
Hindustan Unilever Limited	(F.V. ₹ 1/-)		865	1.42	865	1.42
Hindustan Engineering & Industries Limited		(3)	24	-	-	-
Housing Development Finance Corporation Limited	(F.V. ₹ 2/-)		25	0.01	25	0.01
I C I C I Bank Limited			27,440	6.22	27,440	6.22
I.G. Petrochemicals Ltd.			-	-	100	0.01
Incheck Tyres Ltd.			100	-	100	-
Indag Rubber Ltd.			-	-	50	-
India Carbon Ltd.			40	-	40	-
India Cements Limited			-	-	100	0.07
India Paper & Pulp Co. Ltd.			19	-	19	-
Indo Rama Synthetics (India) Limited			-	-	1,560	0.22
Indofil Organic Inds. Ltd.			-	-	375	0.07
Indraprastha Medical Corporation Limited			-	-	500	0.05
Industrial Development Bank of India			8,170	4.71	8,170	4.71
Informed Technologies India Ltd.			100	-	100	-
Infosys Technologies Ltd.	(F.V. ₹ 5/-)		240	3.02	240	3.02
Ispat Profiles Limited			1,951	-	1,951	-
ITC Limited	(F.V. ₹ 1/-)		1,110	0.28	1,110	0.28
J K Sugar Limited		(4)	4,647,691	715.79	4,647,691	715.79
Jaykay Enterprises Ltd.	(F.V. ₹ 5/-)		-	-	450	0.02
J.K. Tyre & Industries Limited			8,589,250	5,051.81	8,589,250	5,051.81
J.K.Cement Limited			320	-	320	-

Name of the Bodies Corporate			31.03.2013		31.03.2012	
			Nos.	₹ in Lacs	Nos.	₹ in Lacs
J.K.Lakshmi Cement Ltd.	(F.V. ₹ 5/-)		27,221,455	5,336.08	27,221,455	5,336.08
J.K.Paper Limited			28,301,332	8,414.86	28,301,332	8,414.86
J.K.Pharmachem Ltd. (Under Liquidation)			7,651,469	-	7,651,469	-
Jaiprakash Associates Limited	(F.V. ₹ 2/-)		18,772	2.35	18,772	2.35
Jaiprakash Power Ventures			-	-	500	0.15
Jaipur Udyog Ltd.			1	-	1	-
Jayant Paper Mills Ltd.			700	-	700	-
JCT Ltd.	(F.V. ₹ 2/-)		-	-	124	0.00
Kabir Das Investment Ltd.			160	-	160	-
Kamarthatty Co. Ltd.			50	-	50	-
Kanco Enterprises Ltd.			-	-	65	-
Kanco Tea & Industries Ltd.			6	-	6	-
Kesoram TEXTILE MILLS LTD.			330	-	330	-
Khaitan Chem. & Fertilizers Ltd.	(F.V. ₹ 2/-)		-	-	1,520	0.02
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	(F.V. ₹ 2/-)		10,010	6.77	10,010	6.77
Mahanagar Telephone Nigam Limited			1,600	1.13	1,600	1.13
Malanpur Steel Ltd.		(3)	-	-	2,458	-
Mandya National Paper Mills Ltd.			25	-	25	-
Mangalam Cement Limited			-	-	100	0.04
Martin Burn Ltd.			-	-	20	0.00
Mawana Sugar Ltd.			-	-	13	-
Merind India Ltd.			50	-	50	-
Mideast India Ltd.			750	-	750	-
Mideast Intigrated Steels Ltd.			200	-	200	-
Modern Terry Towels Ltd.			400	-	400	-
Modern Threads (I) Ltd.			250	-	250	-
Modi Rubber Limited			157	0.02	550	0.09
Modipon Limited			-	-	250	0.03
Modistone Limited			150	-	150	-
MRF Tyres			-	-	47	0.93
Mukerian Papers Limited			200	-	200	-
Mysore Paper Mills Ltd.			-	-	54	0.00
Naihati Jute Mills Co. Ltd.			5	-	5	-
National Co. Ltd.			1	-	1	-
National Thermal Power Corporation Ltd.			1,785	1.11	1,785	1.11
New Central Jute Mills Co. Ltd.			10	-	10	-
North Brooke Jute Co. Ltd.			3	-	3	-
Northern Leasing Ltd.			100	-	100	-
ORG Informatics Ltd.			19	-	19	-
Orient Paper & Industries Limited	(F.V. ₹ 1/-)	(5)	1,110	0.05	1,110	0.12
Orient Cement Limited	(F.V. ₹ 1/-)	(5)	1,110	0.07	-	-
Oriental Civil Engg.Co. Ltd.			3,400	-	3,400	-
Orissa Extrusions Ltd.			2,900	-	2,900	-
Orkay Industries Ltd.			1,200	-	1,200	-
Oswal Agro Mills Limited			4,150	-	5,150	-
Oswal Chemicals & Fertilizers Limited			2,745	0.13	4,745	0.22

Name of the Bodies Corporate		31.03.2013		31.03.2012	
		Nos.	₹ in Lacs	Nos.	₹ in Lacs
Pentafour Products Ltd.		3,200	-	3,200	-
People Investment Limited		3,500	0.39	3,500	0.39
Pharmax Corporation Ltd.		250	-	250	-
Piramal Enterprises Ltd. (Formerly Piramal Healthcare Ltd.)	(F.V. ₹ 2/-)	517	0.24	517	0.24
Piramal Life Sciences Ltd.	(F.V. ₹ 2/-)	-	-	50	-
Piramal Glass Ltd.		-	-	45	-
Polar Investment Limited		12,393	1.28	12,393	1.28
Pranav Investment (M.P.) Co. Ltd.		15,000	24.72	15,000	24.72
PTL Enterprises Ltd.	(F.V. ₹ 2/-)	-	-	250	-
Prism Cement Limited		-	-	100	0.01
Punjab Anand Batteries Ltd.		50	-	50	-
Rain Commodites Limited	(F.V. ₹ 2/-)	-	-	500	0.01
Rajasthan Brewaries 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	(F.V. ₹ 5/-)	3,366	1.31	3,366	1.31
Ready Foods Ltd.		3,400	-	3,400	-
Reliance Capital Limited		425	0.04	425	0.04
Reliance Communication Ventures Limited	(F.V. ₹ 5/-)	8,100	0.91	8,100	0.91
Reliance Infra Limited		637	0.21	637	0.21
Reliance Industries Limited		12,696	15.61	12,696	15.61
Reliance Jute & Industries Ltd.		112	-	112	-
Reliance Power Ltd.		2,214	0.08	2,214	0.08
Remington Rand of India Ltd.		22	-	22	-
RJM Fibre Industries Ltd.		56	-	56	-
RJM Investments Ltd.		56	-	56	-
RPG Life Sciences Ltd	(F.V. ₹ 8/-)	-	-	50	-
Rohtas Industries Ltd.		22	-	22	-
Sanghi Polyster Limited		4,200	0.11	4,200	0.11
Satyam Computers Limited	(F.V. ₹ 2/-)	-	-	350	0.79
Seshasayee Paper & Boards Limited		-	-	100	0.09
Shree Synthetics Ltd.		88	-	88	-
Sirpur Paper Mills Ltd.		-	-	2	-
SRF Limited		-	-	5	-
Sri Digvijay Cement Co.Limited		-	-	1,900	0.12
Star Paper Mills Limited		-	-	100	0.02
State Bank of India		2,336	13.41	2,336	13.41
Sterlite Industries (India) Limited	(F.V. ₹ 1/-)	-	-	100	0.20
Surya Agroils Limited		1,300	-	1,300	-
Summit Securities Ltd.		-	-	3	-
Syndicate Bank		1,000	0.55	1,000	0.55
Tata Consultancy Services Ltd.	(F.V. ₹ 1/-)	1,000	2.64	1,000	2.64
Tata Motors Ltd.	(F.V. ₹ 2/-)	-	-	25	0.01
Tata Steel Ltd.		10,497	20.92	10,497	20.92
The Bengal Paper Mills Ltd.		37	-	37	-
The Burrakur Coal Co. Ltd.		1	-	1	-

Name of the Bodies Corporate			31.03.2013		31.03.2012	
			Nos.	₹ in Lacs	Nos.	₹ in Lacs
The Gourepore Co. Ltd.			100	-	100	-
The Scindia Steam Navigation Co. Ltd.			1	-	1	-
The West Coast Paper Mills Limited	(F.V. ₹ 2/-)		491	0.10	1,000	0.21
TT LTD.			-	-	400	0.03
TVS Srichakra Ltd.	(F.V. ₹ 5/-)		49	0.01	50	0.01
Udaipur Cement Works Ltd. (BIFR Co.)		(6)	31,153,242	1,246.13	31,153,242	295.96
Ultra Tech Cement Ltd.			2,712	6.73	2,712	6.73
Umang Dairies Limited	(F.V. ₹ 5/-)		9,922,965	478.23	9,922,965	478.23
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	-
Wyeth Lederle Ltd.			55	0.18	55	0.18
Zensar Technologies Ltd.			49	-	200	-
Zuari Agrochemicals Ltd. (Formerly Zuari Holdings Limited)		(7)	17	-	-	-
Zuari Global Limited (Formerly Zuari Industries Limited)		(7)	-	-	17	-
Total Quoted Equity Shares (A2)				26,238.85		21,728.30
A3. Unquoted						
E-Commodities Limited			200,000	-	200,000	-
J K Traders Ltd.			4,313	0.13	4,313	0.13
Hilman Capital Finance Ltd.			43,060	0.85	43,060	0.85
Saptrishi Consultancy Services Ltd.			100	0.01	100	0.01
J.K. Investors (Bombay) Ltd..			2,966	2.96	2,966	2.96
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.		(8)	2,250,000	225.00	2,250,000	225.00
JK Risk Managers & Insurance Brokers Ltd.			1,237,500	123.75	1,237,500	123.75
Dwarkesh Energy Limited			25,000	2.50	25,000	2.50
Global Strategic Technologies Limited			87,500	8.75	-	-
JK Agri Genetices Limited		(2)	797892	664.65	-	-
JK Tornel,S.A. de C.V.(Face Value: MXN Pesos 1000 each)			25	1.05	25	1.05
General de Inmuebles Industriales, S.A. de C.V.			1	-	1	-
Gintor Administracion, S.A. de C.V.			1	-	1	-
Hules y Process Tornel, S.A. de C.V.			1	-	1	-
Comercializadora America Universal,S.A. de C.V.			1	-	1	-
Compania Hulera Tacuba, S.A. de C.V.			1	-	1	-
Compania Hulera Tornel, S.A. de C.V.			1	-	1	-
Compania Inmobiliaria Norida, S.A. de C.V.			1	-	1	-
Total Unquoted Equity Shares (A3)				1,029.65		356.25
B. Preference Shares						
Others						
Florence Investech Ltd (Zero Coupon Pref. Shares)		(2)	-	-	5,000,000	4,250.00
J.K. Pharmachem Ltd. (Zero Coupom Reedemable) (Under Liquidation)			500,000	-	500,000	-

Name of the Bodies Corporate		31.03.2013		31.03.2012	
		Nos.	₹ in Lacs	Nos.	₹ in Lacs
OCCRPS- CliniRx Research Pvt. Ltd. (8%)		2,500,000	250.00	-	-
OCCRPS-Juggilal Kamlapat Udyog Ltd. (7%)		50,000	50.00	-	-
OCCRPS- Param Shubham Vanijya Ltd. (7%)		50,000	50.00	-	-
Kelvin Jute Co. Ltd.		5	-	5	-
Total Preference Shares (B)			350.00		4,250.00
C. Mutual Funds					
LIC MF Income Plus		-	-	4,619,485	582.46
UTI Master Share Unit Scheme-Dividend Plan-Payout		660	0.09	660	0.09
SBI-SHF-Liquid Plus-Instl. Plan- Growth		-	-	26,270.68	348.85
HDFC Cash Management Fund-Treasury Advantage Plan-Wholsale-Growth		-	-	1,118,929	215.00
ING - Liquid Fund Institutional - Growth		20,733,553	3,519.66	9,110,189	1,500.00
ING - Liquid Fund Super Institutional - Growth		2,887,631	496.00	-	-
Reliance Money Manager-Growth		-	-	40,162	560.00
Reliance Liquid Fund-Cash Plan-Growth		-	-	105,994	16.81
Total Mutual Funds (C)			4,015.75		3,223.21
D. Current portion of Long Term Investments					
Preference Shares (Unquoted)	(9)				
Ultima Finvest Ltd. (3.5% Non-Cum-Red-Participating Pref.)		15,000	150.00	42,500	425.00
CRPS-JK Paper Ltd.		-	-	444	39.19
Farm Enterprises Ltd. (12% OCC)		-	-	54	-
Total (D)			**150.00**		**464.19**
E. Total Unquoted Investment (A1+A3+B+C+D)			**16,149.28**		**18,817.00**
GRAND TOTAL (A2+E)			**42,388.13**		**40,545.30**
Total Non Current Investments			**42,388.13**		**40,545.30**
			Current Year		**Previous Year**
Book Value of Quoted Investments			**26,238.85**		**21,728.30**
Book Value of Unquoted Investments			**16,149.28**		**18,817.00**
Market Value of Quoted Investments	**(2)**		**52,838.82**		**44,458.80**

Notes:

1 4551 Equity Shares Pledged with HDFC Ltd for a loan availed by the company.

2 Pursuant to the scheme of Arrangement & Demerger approved by the Hon'ble High Court at Culcutta between JK Agri Genetics Ltd.(since name changed to Florence Investech Ltd.) and Florence Alumina Ltd. (since name changed to JK Agri Genetics Ltd.), against 13,29,820 equity Shares of JK Agri Genetics Ltd. the Company received 797892 Equity shares of JK Agri Genetics Ltd. & 5,31,928 Equity Shares of Florence Investech Ltd. in the ratio of 60:40. Further as a result of the Scheme 50,00,000 Zero Coupon Preference Shares of ₹ 85/- each converted into 851346 equity shares of Florence Investech Ltd. Since the trading was suspended in stock exchange as on 31.03.2013 book value has been considered for Florence Investech Ltd. Shares of JK Agri Genetics Limited are in the process of listing.

3 Pursuant to the Rehabilitation Scheme of Malanpur Steel Ltd (MSL) as sanctioned by the Hon'ble Board for Industrial & Financial Reconstruction (BIFR) the Company received 24 equity shares of Hindustan Engineering & Industries Ltd. against 2458 shares of Malanpur Steel Ltd. in the ratio of 1:100.

4 Undertaking for Non Disposal of equity shares of JK Sugar Ltd given to Bank of India against the term loan availed by JK Sugar Ltd.

5 Pursuant to the scheme of Arrangement between Orient Paper & Industries Limited and Orient Cement Limited, company has received additional 1110 equity shares of Orient Cement Limited in the ratio of 1 : 1.

6 In view of Order passed by the Board for Industrial & Financial Reconstruction and during the year the price at which shares are to be subscribed by others,diminution in the value of investment in Udaipur Cement Works Limited provided in earlier year, now recouped/re-instated.

7 Pursuant to the scheme of Arrangement & Demerger between Zuari Industries Limited and Zuari Holding Limited, company has received additional 17 equity shares of Zuari Holding limited in the ratio of 1 : 1.

8 Includes 8,50,000 Equity Shares Pledged with IDFC Ltd. for a loan availed by JK Envirotech Ltd.

9 In the earlier years the Company has made investments in the redeemable preference shares (Long Term as per AS-13) which are redeemable within 12 months. Accordingly the same has been shown under the current portion of long term investment.

10 Certain Investments are pending for transfer in the name of Company.

NOTES TO FINANCIAL STATEMENTS

₹ in Lacs

	31.03.2013		31.03.2012	
NOTE - 12: LONG TERM LOANS & ADVANCES (considered good)				
Secured Loan to a body corporate	**300.00**		595.00	
Less:- Current Maturity	**100.00**	**200.00**	295.00	300.00
Unsecured (considered good)				
Loan to a subsidiary		**790.00**		790.00
Fixed Deposit with Body Corporate	**-**		10.90	
Less:- Current Maturity	**-**	**-**	10.90	-
Security Deposits		**4.64**		4.64
		994.64		1,094.64

	31.03.2013	31.03.2012
NOTE - 13: CASH & CASH EQUIVALENTS		
Balance with banks :		
- on Current Accounts	**18.85**	42.53
Fixed Deposit with Central Bank of India	**30.00**	215.00
Stamps in Hand	**1.06**	4.49
Cash in Hand	**0.28**	0.29
Other bank balances		
- on Dividend Accounts	**34.09**	30.70
- on Fractional Entitlement Accounts	**1.33**	1.33
- on Preference Share Accounts	**0.24**	0.24
	85.85	294.58
NOTE - 14: SHORT TERM LOANS & ADVANCES (considered good)		
Secured		
Current Maturity of Secured Loan to a body corporate	**100.00**	295.00
Unsecured (considered good)		
Current Maturity of Fixed Deposit with a body corporate	**-**	10.90
Inter Corporate Deposits	**315.00**	565.00
Accrued Interest	**0.01**	0.05
Advance payment of tax (Net of Provision)	**181.81**	138.59
Other Advances	**4.45**	6.86
	601.27	1,016.40

NOTES TO FINANCIAL STATEMENTS

₹ in Lacs

	2012-13	2011-12
NOTE 15 : REVENUE FROM OPERATIONS		
Interest on :		
- Loans and deposits	**127.16**	134.25
- Others	**2.10**	0.05
Other Financial Services:-		
Dividend {include ₹ Nil (Previous Year ₹ 0.45 Lacs) on current investments and dividend from subsidiary cos. amounting to ₹ 716.79 Lacs, (Previous Year ₹ 982.19 Lacs)}	**1,961.83**	1646.13
Profit on sale of Long Term Investments {includes ₹ NIL, profit on current investment, (Previous Year ₹ 5.82 Lacs)	**384.28**	481.88
	2,475.37	2,262.31
NOTE 16 : OTHER INCOME		
Rent	**470.48**	455.80
Profit on sale of Fixed Asset (Net)	**-**	97.06
Provisions against Standard Assets written back	**1.39**	-
Miscellaneous Receipts	**4.74**	4.73
	476.61	557.59
NOTE 17 : EMPLOYEES BENEFIT EXPENSES		
Salaries, wages, gratuity & bonus	**38.68**	32.69
Contribution to Provident and Other Fund	**3.39**	3.18
Employees welfare & other benefits	**1.49**	0.91
	43.56	36.78
NOTE 18 : FINANCE COST		
Interest on Term Loans	**1,314.14**	608.55
Interest on Other Loans	**118.82**	357.17
Other Borrowing Cost	**15.46**	75.11
	1,448.42	1,040.83
NOTE 19 : OTHER EXPENSES		
Rent	**2.77**	4.53
Rates & Taxes	**25.80**	32.79
Loss on sale of Long Term Investments {includes ₹ NIL, loss on current investments, (P.Y. ₹7.16 Lacs)}	**0.57**	7.16
Auditors Remuneration		
- Statutory Audit Fees	**0.65**	0.65
- Tax Audit Fees	**0.10**	0.10
- Certification	**0.63**	1.54
Directors' Fee	**5.03**	5.09
Repairs & Maintanance to Building	**11.00**	15.20
Insurance	**0.87**	0.59
Provisions against Standard Assets	**-**	0.18
Bank Charges, Travelling, Legal & Professional & Other Miscellaneous Expenses	**43.94**	53.37
	91.36	121.20

NOTES TO FINANCIAL STATEMENTS

20 (A) Contingent Liabilities not provided for:

Disputed Income Tax matters (estimated) under Appeal of ₹ 88.76 Lacs (Previous Year - ₹ 112.73 Lacs).

(B) Other Commitments:

Undertaking for Non-Disposal of equity shares of JK Sugar Ltd. given to Bank of India against the term loan availed by JK Sugar Ltd.

21 a) Provision for Income Tax has been made considering certain allowances/ adjustments available and as assessed by the management.

b) Provision for taxation represents Minimum Alternate Tax (MAT) computed under section 115JB of the Income Tax Act, 1961.

22. a) In the opinion of the management, Current Assets, Loans and Advances have value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

b) Loans and Advances pursuant to Clause 32 of the Listing Agreement:

(₹ in Lacs)

Sl. No	Subsidiaries	Current Year		Previous Year	
		Year end Outstanding	Maximum Amount Due	Year end Outstanding	Maximum Amount due
1.	Loan to Body Corporate:				
	LVP Foods Pvt. Ltd.	790.00	790.00	790.00	790.00

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

23. **Earning Per Share (EPS):**

(₹ in Lacs)

	Current Period	Previous Year
Net Profit after tax for the year	**1,257.51**	1,464.70
Profit for Basic and Diluted Earning per share	**1,257.51**	1,464.70
Weighted Avg. No. of Equity Shares (Face value of ₹10/- each)	**86,83,553**	86,83,553
Basic EPS (₹)	**14.48**	16.87
Diluted EPS (₹)	**14.48**	16.87

24. **Related Party Disclosure:**

(a) Related Parties:-

Subsidiaries:

Fenner (India) Ltd.

Southern Spinners and Processors Ltd. *

Modern Cotton Yarn Spinners Ltd. *

Acorn Engineering Ltd. *

BMF Investments Ltd. *

Divyashree Company Pvt. Ltd. *

LVP Foods Pvt. Ltd.

Panchmahal Properties Ltd.

Hifazat Chemicals Ltd. (Under liquidation)

* Subsidiaries of Fenner (India) Ltd.

Key Management Personnel:

Shri U.K. Gupta, (Manager)

b) Transactions with related parties:- (₹ in Lacs)

Particulars	**Subsidiaries**	
	Current Year	**Previous Year**
Share application Money paid		
Divyashree Company Pvt. Ltd.	-	732.81
Share Allotted by		
Divyashree Company Pvt. Ltd.	-	732.48
Share Application Refund		
Divyashree Company Pvt. Ltd.	-	0.33
ICD received from:-		
Modern Cotton Yarn Spinners Ltd.	-	2700.00
Southern Spinners & Processors Ltd.	-	2700.00
ICD repaid to:-		
Modern Cotton Yarn Spinners Ltd.	-	2700.00
Southern Spinners & Processors Ltd.	-	2700.00
BMF Investments Ltd.	200.00	-
Interest earned:-		
LVP Foods Pvt. Ltd.	80.98	71.10
Interest paid:-		
BMF Investments Ltd.	118.82	84.00
Modern Cotton Yarn Spinners Ltd.	-	130.49
Southern Spinners & Processors Ltd.	-	142.68
Balance at year end		
Receivables from:-		
LVP Foods Pvt. Ltd.	790.00	790.00
Payable to:-		
BMF Investments Ltd.	1000.00	1200.00

(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 of ₹1753 Lacs (Previous Year ₹1753 Lacs) availed by a subsidiary company - LVP Foods Pvt. Limited. Loan outstanding as at 31.03.2013 - ₹766.94 Lacs (Previous Year - ₹1,205.19 Lacs).

(iii) First charge by way of equitable mortgage on the immovable property of the Company situated at B-16 West End, New Delhi has been created for the term loan availed by Fenner (India) Ltd. (Subsidiary Company) from HDFC Ltd.

25 The details of amounts outstanding under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) to the extent of information available with the Company are as under:-

(i) Principal & Interest amount due and remaining unpaid as at 31.03.2013 : ₹NIL (Previous Year : Nil), (ii) Payment made beyond the appointed day during the year : ₹Nil (Previous year : Nil) and (iii) Interest Accrued and unpaid as at 31.03.2013 : ₹Nil (Previous year : Nil).

26 The balances of certain Creditors, Other Liabilities and Loans & Advances are subject to confirmation/ reconciliation.

27 Employee Benefits : Employees Defined Benefits - As per Actuarial Valuation on March 31, 2013:-

(₹ in Lacs)

Sl. No.	Particulars	31.03.2013		31.03.2012	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
1	Expenses recognized in the statement of Profit & Loss Account:-				
	i) Current Service Cost	0.50	0.15	0.44	0.14
	ii) Interest Cost	0.70	0.20	0.58	0.18
	iii) Expected Return on plan assets	-	-	-	-
	iv) Net actuarial (gain)/loss recognized in the period	0.31	0.57	0.49	0.31
	v) Expenses recognized in the statement of Profit & Loss Account (*)	1.51	0.92	1.51	0.63
2	The amounts to be recognized in Balance Sheet:-				
	i) Present value of obligations as at the end of the period	10.23	2.94	8.73	2.51
	ii) Fair Value of plan assets at the end of the period	-	-	-	-
	iii) Funded assets	(10.23)	(2.94)	(8.73)	(2.51)
	iv) Excess of actual over estimated	-	-	-	-
	v) Net assets/(liability) recognized in Balance Sheet	(10.23)	(2.94)	(8.73)	(2.51)
3	Change in present value of obligation:-				
	i) Present value of obligation at the beginning of the period	8.73	2.51	7.21	2.29
	ii) Interest Cost	0.70	0.20	0.58	0.18
	iii) Current service cost	0.50	0.15	0.44	0.14
	iv) Benefits paid	-	-	-	(0.42)
	v) Actuarial (gain/loss) obligation	0.31	0.57	0.49	0.31
	vi) Present value of obligation at the ending of the period	10.23	2.94	8.73	2.51
4	Change in the Fair Value of plan assets	-	-	-	-

Amount (₹)

5	Acturial Assumptions:-				
	i) Discount Rate	8.00	8.00	8.00	8.00
	ii) Future Salary increase	5.50	5.50	5.50	5.50
	iii) Expected Rate of Return on plan assets	-	-	-	-
	iv) Mortality	IALM	(1994-96)	LIC	(1994-96)
	Withdrawal Rate %				
	Upto 30 Years	3.00	3.00	3.00	3.00
	From 31 to 44 Years	2.00	2.00	2.00	2.00
	Above 44 Years	1.00	1.00	1.00	1.00

* included under the head Employee Benefit Expenses - Refer Note. No. 17

(i) Amount recognized as an expense include ₹ 3.39 Lacs towards Provident and other Funds (Previous year - ₹ 3.18 Lacs-) under the head Employee Benefit Expenses (Refer Note -17).

(ii) The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

28 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.

29 Remittances in foreign currency on account of Dividend for the year 2011-12 (Previous Year : 2010-11):-

		2012-13	2011-12
(i)	Number of Non-resident shareholders	**1**	1
(ii)	Number of Equity shares held by them	**203039**	203039
(iii)	Amount of Dividend remitted (₹/Lacs)	**8.12**	8.12

30 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 enclosed as per Annexure-1.

31 Previous year figures have been reclassified / re-casted suitably wherever considered necessary.

As per our report of even date.
For LODHA & CO.
Chartered Accountants
Firm Registration No. - 301051E

N.K. LODHA
Partner
Membership No.85155

BHARAT HARI SINGHANIA
J.R.C. BHANDARI
L.R. PURI
O.P. KHAITAN
DR. RAGHUPATI SINGHANIA
SHAILENDRA SWARUP
VINITA SINGHANIA

Place: New Delhi
Dated: 29th May, 2013

U.K. GUPTA
Manager

DILLIP SWAIN
Secretary

Directors

ANNEXURE TO NOTE - 30

Particulars as per NBFC Directions as at 31.03.2013

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

(₹ in Lacs)

		Particulars			
		Liabilities side :			
(1)		**Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid :**		Amount Outstanding	Amount Overdue
	(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		11000.00	NIL
	(d)	Inter-corporate loans and borrowings including interest		5300.00	NIL
	(e)	Commercial Paper		NIL	NIL
	(f)	Other Loans (Interest)		NIL	NIL
	(g)	Current Liablities (excluding provisions)		343.45	NIL
		Assets side :		Amount outstanding	
(2)		**Break - up of Loans and Advances including bills receivables [other than those included in (4) below] :**			
	(a)	Secured		300.00	
	(b)	Unsecured (excluding advance Income tax, FBT & Mat Credit of ₹ 958.22 Lacs)		1114.10	
(3)		**Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities**		N.A.	
(4)		**Break-up of Investments :**			
		Current Investments :			
	1	**Quoted :**			
		(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	
	2	**Unquoted :**		NIL	
		(i) Shares :	(a) Equity	NIL	
			(b) Preference	150.00	
		(ii) Debentures and Bonds		NIL	
		(iii) Units of mutual funds		NIL	
		(iv) Government Securities		NIL	
		(v) Others (please specify)		NIL	
		Long Term Investments :			
	1	**Quoted :**			
		(i) Shares :	(a) Equity	26238.86	
			(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	11633.52		
		(b) Preference	350.00		
		(ii) Debentures and Bonds	NIL		
		(iii) Units of mutual funds	4015.75		
		(iv) Government Securities	NIL		
		(v) Others (please specify)	NIL		
(5)		**Borrower group-wise classification of assets financed as in (2) and (3) above:**			
		Category	Amount net of provisions		
			Secured	Unsecured	Total
	1	Related Parties *			
		(a) Subsidiaries	-	790.00	790.00
		(b) Companies in the same group #	300.00	315.00	615.00
		(c) Other related parties	-	-	-
	2	Other than related parties	-	9.10	9.10
		Total	300.00	1114.10	1414.10
(6)		**Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :**			
		Category	Market Value / Break up or fair value or NAV **	Book Value (Net of Provisions)	
	1	Related Parties*			
		(a) Subsidiaries	32170.22	10603.88	
		(b) Companies in the same group #	53337.49	27512.76	
		(c) Other related parties	-	-	
	2	Other than related parties	5129.82	4271.49	
		Total	90637.53	42388.13	
(7)		**Other information**			
		Particulars	Amount		
		(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 31.03.13 while, the Unquoted shares (other than subsidiaries) have been valued as per Break up Value calculated as per audited Balance Sheet as on 31.03.12 or cost of acquisition (in case fresh acquired during the year).

\# The definition of group companies has been taken in terms of CIC guidelines issued by RBI.

For LODHA & CO.
Chartered Accountants
Firm Registration No. - 301051E

N.K. LODHA
Partner
Membership No.85155

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SHAILENDRA SWARUP
VINITA SINGHANIA

Place: New Delhi
Dated: 29th May, 2013

U.K. GUPTA
Manager

DILLIP SWAIN
Secretary

Directors

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2013

₹ in Lacs

	Particulars		31.03.2013		31.03.2012
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit before Tax & Extraordinary Items		**1,339.22**		1,590.48
	Adjusted for :				
	Interest expense	**1,448.42**		1,040.83	
	Profit on sale of Fixed Assets (Net)	**-**		(97.06)	
	Excess provision for Income Tax written back	**1.17**		-	
	Loss on sale of Investments	**0.57**		7.16	
	Provisions against Standard Assets	**(1.39)**		0.18	
	Depreciation	**29.42**		30.61	
	Profit on sale of Investments	**(384.28)**	**1,093.91**	(481.88)	499.84
	Operating profit before working Capital changes		**2,433.13**		2,090.32
	Adjusted for :				
	Trade & Other Receivables	**2.46**		13.18	
	Trade & Other Payables	**(26.70)**	**(24.24)**	(54.13)	(40.95)
	Cash Generated from Operations		**2,408.89**		2,049.37
	Direct Taxes Paid (Net)	**(125.38)**		(95.14)	
			(125.38)		(95.14)
	Net Cash from Operating Activities		**2,283.51**		1,954.23
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Investments	**(4,215.28)**		(13,559.77)	
	Sale of Investments	**3,706.33**		4,208.08	
	Purchase of Fixed Assets including WIP	**(28.97)**		(0.39)	
	Sale of Fixed Assets	**-**		125.07	
	Proceeds from secured loan	**295.00**		50.00	
	Fixed Deposit with Body Corporate(net)	**10.90**		-	
	Inter Corporate Deposit (Given)/Recovered Net	**250.00**		(137.00)	
	Net Cash from Investing Activities		**17.99**		(9,314.01)
C.	**CASH FLOW FROM FINANCIAL ACTIVITIES**				
	Proceeds from Borrowings	**1,000.00**		10,000.00	
	Repayment of Borrowings	**(1,718.33)**		(1,013.33)	
	Dividend/CDT Paid	**(347.34)**		(347.34)	
	Interest Paid (Including TDS)	**(1,444.56)**		(1,041.85)	
	Net Cash used in Financial Activities		**(2,510.23)**		7,597.48
D.	**NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)**		**(208.73)**		237.70
	Opening Balance of Cash and Cash Equivalents (Refer Note - 13)		**294.58**		56.88
	Closing Balance of Cash and Cash Equivalents (Refer Note - 13)		**85.85**		294.58

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.

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For LODHA & CO.
Chartered Accountants
Firm Registration No. - 301051E

N.K. LODHA
Partner
Membership No.85155

Place: New Delhi
Dated: 29th May, 2013

U.K. GUPTA
Manager

DILLIP SWAIN
Secretary

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 Engi-neering Ltd. *	BMF Invest-ments Ltd. *	Panchmahal Properties Ltd.	LVP Foods Pvt. Ltd.	Divyashree Company Pvt. Ltd. *
2 Financial period of the Subsidiary ended on	31.03.13	31.03.13	31.03.13	31.03.13	31.03.13	31.03.13	31.03.13	31.03.13
3 Holding Company's interest in Equity Capital								
(i) Number - Equity	2189314	-	-	-	-	351230	1999800	4551
(ii) Extent of Holding (%age)	88.17%	-	-	-	-	100.00%	99.99%	38.97%
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 ₹ / Lacs	1,554.41	-	-	-	-	(0.04)	515.93	-
b) For the previous Financial years since it became the Holding Company's subsidiary - ₹/ Lacs	17,806.70	-	-	-	-	11.71	399.31	-
2 Dealt with in the Holding Company's Accounts:								
a) For the Financial Year of the subsidiary ₹ / Lacs	656.79	-	-	-	-	-	60.00	-
b) For the previous Financial years since it became the Holding Company's subsidiary - ₹/ Lacs	4,169.93	-	-	-	-	-	-	-
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%	0.27	-	-	-	-	-	-	-

* Subsidiaries of Fenner (India) Limited

INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying Consolidated Financial Statements of BENGAL & ASSAM COMPANY LIMITED ("the Company") and its subsidiaries (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 (“the Act”). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors’ Responsibility

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements of the Subsidiaries as noted below, the Consolidated Financial Statements read together with 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 state of affairs of the Group as at 31st March, 2013;

(b) In the case of Consolidated Statement of Profit & Loss, of the Profitf or the year ended on that date; and

(c) In the case of Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Other Matters

(i) We did not audit the financial statements of all the subsidiaries excepts as stated in Para (b) herein below, whose financial statements reflect total assets of ₹ 96,941.24 lacs as at 31st March 2013, the total revenue of ₹ 1,11,798.87 lacs and net cash outflow of ₹ 394.07 lacs for the year then ended.These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion is solely based on the reports of the other auditors.

(ii) The financial statements of a subsidiary, namely, BMF Investments Limited have been audited by us, whose financial statements reflect total assets of ₹ 5,018.76 lacs as at 31st March 2013, the total revenue of ₹ 248.93 lacs and net cash outflow of ₹ 760.11 lacs for the year then ended.

For LODHA & CO.,
Chartered Accountants
Firm Registration No. - 301051E

N. K. LODHA
Partner
Membership No.: - 85155

Place: New Delhi
Date: 29th May, 2013

CONSOLIDATED BALANCE SHEET
AS AT 31ST MARCH, 2013

₹ in Lacs

PARTICULARS		NOTE NO.	31.03.2013	31.03.2012
I.	**EQUITY & LIABILITIES**			
(1)	**Shareholders' Funds**			
	(a) Share Capital	2	**868.36**	868.36
	(b) Reserves & Surplus	3	**45,499.22**	41,558.61
			46,367.58	42,426.97
(2)	**Minority Interest**		**4,822.49**	4,702.56
(3)	**Non-current Liabilities**			
	(a) Long term borrowings	4	**42,332.36**	33,044.32
	(b) Deferred Tax Liabilities (Net)	5	**1,846.62**	1,547.18
	(c) Other Long term Liabilities	6	**2,478.35**	2,393.58
	(d) Long term provisions	7	**129.36**	125.21
			46,786.69	37,110.29
(4)	**Current Liabilities**			
	(a) Short-term borrowings	8	**11,398.80**	11,297.79
	(b) Trade Payables	9	**4,568.23**	5,352.52
	(c) Other current liabilities	10	**9,506.67**	17,264.12
	(d) Short-term provisions	7	**639.06**	620.14
			26,112.76	34,534.57
	TOTAL		**124,089.52**	118,774.39
II.	**ASSETS**			
(1)	**Goodwill on Consolidation of Subsidiaries**		**1,478.58**	1,450.35
(2)	**Non-current Assets**			
	(a) Fixed Assets			
	(i) Tangible assets	11	**37,708.92**	35,175.85
	(ii) Intangible assets		**331.03**	425.93
	(iii) Capital work-in-progress		**367.13**	885.23
	(iv) Intangible assets under development		**5.68**	5.39
	(b) Non-current investments	12	**57,551.53**	53,829.29
	(c) Long-term loans and advances	13	**3,706.78**	3,805.76
	(d) Other non-current assets	14	**1,134.22**	1,103.33
			100,805.29	95,230.78
(3)	**Current Assets**			
	(a) Current Investments	12	**214.97**	17.00
	(b) Inventories	15	**4,945.93**	5,101.85
	(c) Trade receivables	16	**12,267.24**	10,524.59
	(d) Cash and cash equivalents	17	**597.88**	1,960.80
	(e) Short-term loans and advances	18	**3,717.37**	4,421.10
	(f) Other Current Assets	19	**62.26**	67.92
			21,805.65	22,093.26
	TOTAL		**124,089.52**	118,774.39

Significant accounting policies 1

The accompanying notes are an integral part of the financial statements

As per our report of even date.
For LODHA & CO.
Chartered Accountants
Firm Registration No. - 301051E

N.K. LODHA
Partner
Membership No.85155

BHARAT HARI SINGHANIA
J.R.C. BHANDARI
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VINITA SINGHANIA
Directors

Place: New Delhi
Dated: 29th May, 2013

U.K. GUPTA
Manager

DILLIP SWAIN
Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31ST MARCH, 2013

₹ in Lacs

	PARTICULARS	NOTE NO.	2012-13	2011-12
	Revenue from Operations	20	**113,646.42**	102,891.03
	Less: Excise Duty		**5,574.43**	4,450.78
I.	Net Revenue from Operations		**108,071.99**	98,440.25
II.	Other Income	21	**3,617.58**	1,400.26
III.	**Total Revenue (I + II)**		**111,689.57**	99,840.51
IV.	**Expenses**			
	Cost of materials consumed	22	**69,214.54**	64,442.70
	Purchase of stock-in-trade		**5,631.12**	4,330.19
	(Increase)/Decrease in inventories of finished goods, work-in-progress and stock-in-trade	23	**12.76**	251.90
	Employees Benefit expenses	24	**7,766.11**	7,263.75
	Finance Costs	25	**6,088.76**	4,064.56
	Depreciation & amortization expenses	11	**3,262.57**	2,463.89
	Transfer from revaluation reserve		**(55.80)**	(60.88)
	Other expenses	26	**14,859.22**	12,982.73
	Total Expenses		**106,779.28**	95,738.84
V.	**Profit before exceptional and extraordinary Items and Tax (III - IV)**		**4,910.29**	4,101.67
VI.	Exceptional Items		**-**	0.90
VII.	**Profit before extraordinary Items and Tax (V - VI)**		**4,910.29**	4,100.77
VIII.	Extraordinary Items		**-**	-
IX.	**Profit before tax (VII - VIII)**		**4,910.29**	4,100.77
X.	**Tax Expenses**			
	- Current Tax		**849.21**	1,026.65
	- Income Tax Adjustments earlier years (Net)		**(1.12)**	(0.92)
	- Deferred Tax/Credit		**299.44**	388.45
	- MAT credit Entitlement		**(48.03)**	(658.92)
XI.	**Profit for the year from continuing operations (IX - X)**		**3,810.79**	3,345.51
XII.	Profit from discontinuing operations		**-**	-
XIII.	Tax expense of discontinuing operations		**-**	-
XIV.	**Profit from discontinuing operations (after tax) (XII-XIII)**		**-**	-
XV.	**Profit for the period before adjustment for minority interest (XI + XIV)**		**3,810.79**	3,345.51
XVI	**Minority Interest**		**318.82**	301.82
XVII	**Pre-acquisition Profit**		**2.12**	-
XVIII	**Profit after tax**		**3,489.85**	3,043.69
XIX	**Basic / Diluted Earning per share (in ₹)**	34	**40.19**	35.05
	Significant accounting policies	1		

The accompanying notes are an integral part of the financial statements

As per our report of even date.
For LODHA & CO.
Chartered Accountants
Firm Registration No. - 301051E

N.K. LODHA
Partner
Membership No.85155

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

Place: New Delhi
Dated: 29th May, 2013

U.K. GUPTA
Manager

DILLIP SWAIN
Secretary

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note - 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 31.03.2013:-

Subsidiaries:-

S.No.	Name of the Company	Shareholding
1	Fenner (India) Ltd.	88.17%
2	Modern Cotton Yarn Spinners Ltd. *	88.17%
3	Southern Spinners & Processors Ltd. *	88.17%
4	Acorn Engineering Ltd. *	88.17%
5	BMF Investments Ltd. *	88.17%
6	Divyashree Company Pvt. Ltd. *	92.76%
7	Panchmahal Properties Ltd.	100.00%
8	LVP Foods Private Ltd.	99.99%

* Subsidiaries of Fenner (India) Ltd.

(b) The Financial Statements of Hifazat Chemicals Ltd. (subsidiary under liquidation) has been excluded from consolidation as management has no direct or indirect control / significant influence on its functioning.

(c) 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.

(d) 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.

(e) 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.

(f) 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.

(g) 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.

(h) The Consolidated Financial Statements have been prepared using uniform accounting policies, in accordance with the generally accepted accounting practices.

(i) Figures pertaining to the subsidiary companies have been reclassified wherever considered necessary to bring them in line with the Company's financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

₹ in Lacs

	31.03.2013	31.03.2012
NOTE 2 : SHARE CAPITAL		
Authorised		
356,730,000 (Previous Year 356,730,000) Equity Shares of ₹10/- each	**35,673.00**	35,673.00
1,252,000 (Previous Year 1,252,000) Cumulative Redeemable Preference Shares of ₹100 each	**1,252.00**	1,252.00
	36,925.00	36,925.00
Issued, Subscribed & Paid up		
Equity Shares (with equal rights) fully paid up		
86,83,553 (Previous Year 86,83,553) Equity Shares of ₹10/- each	**868.36**	868.36
	868.36	868.36

Reconciliation of the numbers of shares outstanding at the beginning and at the end of the reporting period

	31.03.2013 No. of Shares	31.03.2012 No. of Shares
At the beginning of period	**8,683,553**	8,683,553
Add:- Issued during the year	**-**	-
Less:- Bought Back during the year	**-**	-
Outstanding at the end of period	**8,683,553**	8,683,553

Details of each shareholder holding more than 5% shares :-

Name of Shareholder	31.03.2013 No. of Shares held	31.03.2012 No. of Shares held
Shri Hari Shankar Singhania*	**837,881**	823,151
Dr. Raghupati Singhania	**868,217**	815,917
Yashodhan Enterprises (Formerly Habras International, shares registered in the name of Shri Hari Shankar Singhania* as partner of the firm)	**1,857,619**	1,857,619
Shripati Singhania HUF (Registered in the name of Anshuman Singhania as Karta of HUF)	**786,704**	786,704
Florence Investech Limited (Formerly JK Agri Genetics Ltd.)	**646,811**	646,811

*Passed away on 22nd February,2013

Details of Allotment/Bought Back of Shares during the period of 5 Years immediately preceeding the reporting date

Particulars	31.03.2013 No. of Shares	31.03.2012 No. of Shares
Allotment of Equity Shares for Consideration Other than Cash (a)	**3,529,288**	3,529,288

(a) Equity shares issued to the shareholders of erstwhile Ashim Investment Company Limited & Netflier Finco Limited, pursuant to the Scheme of Amalgamation without payment being received in cash.

₹ in Lacs

		31.03.2013		31.03.2012
NOTE 3 : RESERVES & SURPLUS				
Capital Reserve*		**76.53**		76.53
Capital Redemption Reserve		**23.92**		23.92
Securities Premium Account	**1,860.71**		121.80	
Addition during the year	**-**	**1,860.71**	1,738.91	1,860.71
Reserve (as per RBI guidelines)	**2,683.38**		2,360.50	
Add: Transfer from Profit & Loss A/c	**290.42**	**2,973.80**	322.88	2,683.38
General Reserve	**35,755.27**		32,730.27	
Addition during the year**	**3,658.76**	**39,414.03**	3,025.00	35,755.27
Surplus in Profit & Loss Account A/c				
(Refer note (a) below)		**1,150.23**		1,158.80
		45,499.22		41,558.61

* 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 Netflier Finco Ltd and kept as distributable surplus.

** Include ₹ 2708.59 Lacs transfer from Profit & Loss Statement & ₹ 950.17 Lacs recouped to the extent against diminution in value adjusted in earlier year.

(a) Details of Surplus in Profit and Loss Statement:

	31.03.2013	31.03.2012
Surplus in Profit and Loss Statement from Previous Year	**1,158.80**	1,941.65
Adjustment for ceasation of subsidiary	**-**	0.74
Profit for the year	**3,489.85**	3,043.69
Transfer to Reserve (as per RBI guidelines)	**290.42**	322.88
Transfer to General Reserve	**2,708.59**	3,025.00
Proposed Dividend (₹ 4, Previous Year ₹ 4 per equity share)	**347.34**	347.34
Coprorate Dividend Tax	**152.07**	130.58
Surplus in Profit and Loss Statement carried to Balance sheet	**1,150.23**	1,158.80

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

₹ in Lacs

	Non Current 31.03.2013	Current Maturities 31.03.2013	Non Current 31.03.2012	Current Maturities 31.03.2012
NOTE 4 : LONG TERM BORROWINGS				
SECURED LOANS				
Term Loan from Banks	**15,026.22**	**2,923.44**	14,860.08	1,870.61
Term Loan from Financial Institution	**12,200.00**	**800.00**	13,000.00	-
	27,226.22	**3,723.44**	27,860.08	1,870.61
UNSECURED LOANS				
From Body Corporates (interest free)	**3,666.67**	**333.33**	4,000.00	833.33
Deferred Payment to SASF	**200.00**	**100.00**	300.00	295.00
Term Loans from Banks	**-**	**-**	-	750.00
Deferred Payment Liabilities	**10,140.20**	**747.77**	-	-
Fixed Deposits	**1,099.27**	**531.97**	884.24	824.70
	15,106.14	**1,713.07**	5,184.24	2,703.03
	42,332.36	**5,436.51**	33,044.32	4,573.64
Less: Amount transfer to other current liabilities (Note No. 10)	**-**	**5,436.51**	-	4,573.64
	42,332.36	**-**	33,044.32	-

		31.03.2013	31.03.2012
NOTE- 5			
Pursuant to the Accounting Standard on 'Accounting for Taxes on Income' (AS- 22), deferred tax liability/(assets) are as under:			
A.	**Deferred Tax Assets:**		
	- Disallowance u/s 43B	**0.95**	0.81
	- Disallowance u/s 40A(7)	**3.32**	2.83
	- Unabsorbed losses and depreciation under Income Tax	**790.07**	711.28
	- Expenses / Provisions Allowable	**28.49**	123.76
	- Disallowance u/s 35DD	**-**	1.30
	Total : (A)	**822.83**	839.98
B.	**Deferred Tax Liabilities:**		
	Difference between book depreciation & tax depreciation	**2,669.45**	2,387.16
	Total : (B)	**2,669.45**	2,387.16
	Deferred Tax Liabilities (Net) (A - B)	**1,846.62**	1,547.18

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.

NOTE- 6 : OTHER LONG TERM LIABILITIES

		31.03.2013	31.03.2012
Trade Deposits		**1,069.84**	976.82
Others :			
-	Security Deposits	**267.60**	260.55
-	Income Received in Advance	**-**	4.99
-	Other Liability	**1,140.91**	1,151.22
	TOTAL	**2,478.35**	2,393.58

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

₹ in Lacs

	31.03.2013		31.03.2012	
	Long Term	**Short Term**	Long Term	Short Term
NOTE - 7 : PROVISIONS				
Provision for Employee Benefits	**123.32**	**225.66**	117.10	227.89
Others				
Contingent Provisions against Standard Assets	**6.04**	**-**	8.11	-
Proposed Dividend	**-**	**362.03**	-	362.37
Corporate Dividend Tax	**-**	**51.37**	-	29.88
	129.36	**639.06**	125.21	620.14

	31.03.2013	31.03.2012
NOTE - 8: SHORT TERM BORROWINGS		
SECURED		
Working capital borrowings from Banks	**9,673.23**	7,593.73
Buyers credit from bank	**361.21**	-
UNSECURED		
From Banks	**1,167.33**	3,502.66
Fixed Deposits	**197.03**	201.40
TOTAL	**11,398.80**	11,297.79
NOTE - 9: TRADE PAYABLE		
Sundry Creditors	**693.33**	553.61
Other Paybles	**3,874.90**	4,798.91
TOTAL	**4,568.23**	5,352.52
NOTE - 10: OTHER CURRENT LIABILITIES		
Current maturities of long term borrowings (Note No. 4)	**5,436.51**	4,573.64
Interest accrued but not due	**26.97**	33.38
Interest accrued and due on deposits	**12.62**	10.90
Income Received in Advance	**102.01**	46.30
Unclaimed dividends @	**45.13**	35.74
Fractional Entitlement Shares	**1.33**	1.33
Unclaimed Preference shares	**0.24**	0.24
Unclaimed fixed deposits and interest accrued thereon	**51.16**	53.94
Other Liability		
- Security Deposit	**166.31**	121.31
- Other	**3,664.39**	12,387.34
TOTAL	**9,506.67**	17,264.12

@ On due, will be transferred to Investor Education & Protection Fund

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE - 11 : FIXED ASSETS

₹ in Lacs

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Gross Block as at 01.04.12	Additions	Sales/ Adjustments	**Gross Block as at 31.03.13**	Upto 31.03.12	For The Year	Sales/ Adjustments	**Upto 31.03.13**	**As At 31.03.13**	As At 31.03.12
Tangible Assets										
Land (Freehold) @	5,195.99	16.99	2.01	**5,210.97**	-	-	-	**-**	**5,210.97**	5,195.99
Land (Leasehold) @	155.84	28.31	-	**184.15**	9.31	1.77	-	**11.08**	**173.07**	146.53
Buildings @	6,226.79	329.06	12.33	**6,543.52**	1,199.07	163.20	1.38	**1,360.89**	**5,182.63**	5,027.72
Furniture & Fixtures	842.04	122.80	12.51	**952.33**	392.22	62.23	4.40	**450.05**	**502.28**	449.82
Plant & Machinery	34,876.53	5,126.77	658.89	**39,344.41**	11,002.21	2,807.25	615.63	**13,193.83**	**26,150.58**	23,874.32
Office equiptment	860.22	110.32	12.68	**957.86**	651.86	59.50	11.36	**700.00**	**257.86**	208.36
Computer	16.44	0.40	-	**16.84**	7.13	2.74	-	**9.87**	**6.97**	9.31
Vehicles	383.03	85.36	124.02	**344.37**	119.23	34.97	34.38	**119.81**	**224.56**	263.80
	48,556.88	5,820.01	822.44	**53,554.45**	13,381.03	3,131.66	667.15	**15,845.53**	**37,708.92**	35,175.85
Intangible Assets										
Software	467.76	36.01	1.95	**501.82**	160.17	78.85	1.95	**237.07**	**264.75**	307.59
Trade Mark License	499.88	-	-	**499.88**	381.54	52.06	-	**433.60**	**66.28**	118.34
Sub Total	967.64	36.01	1.95	**1,001.70**	541.71	130.91	1.95	**670.67**	**331.03**	425.93
Total	49,524.52	5,856.02	824.39	**54,556.15**	13,922.74	3,262.57	669.10	**16,516.20**	**38,039.95**	35,601.78
Previous Year	34,810.03	16,683.73	1,969.24	**49,524.52**	13,156.22	2463.89	1,697.37	**13,922.74**	**35,601.78**	

@ include certain assets yet to be registered in the name of the company .

	31.03.2013	31.03.2012
NOTE - 12: NON CURRENT INVESTMENTS		
Long Term Investment		
Quoted		
Equity	**50,091.34**	45,283.44
Mutual Funds	**18.55**	20.88
Unquoted		
Equity	**1,332.29**	383.89
Preference Shares	**1,100.00**	4,450.00
Government or trust securities	**0.18**	0.18
Mutual Funds	**4,859.17**	3,226.71
	57,401.53	53,365.10
Current portion of Long Term Investment	**150.00**	464.19
TOTAL	**57,551.53**	53,829.29
Current Investments		
Quoted		
Equity	**-**	-
Mutual Funds	**14.97**	8.00
Unquoted		
Mutual Funds	**200.00**	9.00
Others	**-**	-
TOTAL	**214.97**	17.00

₹ in Lacs

		31.03.2013		31.03.2012
NOTE - 13: LONG TERM LOANS & ADVANCES				
Secured				
Secured Loan to a body corporate	**300**		595	
Less:- Current Maturity (Note No.18)	**100**	**200.00**	295	300.00
Unsecured (considered good)				
Fixed Deposit with Body Corporate	**-**		10.90	
Less:- Current Maturity (Note No.18)	**-**	**-**	10.90	-
Security Deposits		**1,477.01**		1,481.11
Others		**-**		0.94
Capital Advances		**186.04**		249.50
Loans and Advances		**985.43**		963.93
MAT Credit Entitlements		**858.30**		810.28
TOTAL		**3,706.78**		3,805.76

NOTE - 14: OTHER NON-CURRENT ASSETS		
Unsecured (considered good)		
Others	**1,134.22**	1,103.33
TOTAL	**1,134.22**	1,103.33

NOTE - 15: INVENTORIES		
Packing Material	**123.77**	113.08
Raw Material	**1,481.41**	1,630.88
Work-in-progress	**431.49**	460.58
Finished Goods	**2,230.92**	2,260.93
Stock-in-trade	**435.15**	409.73
Stores and spares	**243.19**	226.65
TOTAL	**4,945.93**	5,101.85

NOTE - 16: TRADE RECEIVABLES		
Trade receivables outstanding for a period exceeding six months	**744.16**	723.89
Unsecured (considered good)		
Other Trade receivables	**11,523.08**	9,800.70
TOTAL	**12,267.24**	10,524.59

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

₹ in Lacs

	31.03.2013	31.03.2012
NOTE - 17: CASH & BANK BALANCES		
Cash & Cash Equivalents		
Balance with banks :		
- on Current Accounts	**320.95**	576.01
- on Savings Accounts	**0.51**	0.03
Fixed Deposit with Bank	**49.57**	400.70
Fixed Deposit with Margin money	**171.81**	263.25
Stamps in Hand	**1.06**	4.49
Cheques in Hand	**-**	1.20
Cash on Hand	**7.28**	8.31
Other Balances with Banks:		
- on Dividend Accounts	**45.13**	35.74
- on Fractional Accounts	**1.33**	1.33
- on Preference Share Accounts	**0.24**	0.24
Sub-total	**597.88**	1,291.30
Other Bank Balances :		
- Deposit with maturity more than 3 months but less than 12 months	**-**	669.50
Sub-total	**-**	669.50
TOTAL	**597.88**	1,960.80
NOTE - 18: SHORT TERM LOANS & ADVANCES		
Secured		
Current Maturity of Secured Loan to a body corporate (Note No.13)	**100.00**	295.00
Unsecured (considered good)		
Current Maturity of Fixed Deposit a with a body corporate (Note No.13)	**-**	10.90
Inter Corporate Deposits	**315.00**	565.00
Loans to a body corporate	**-**	70.00
Accrued Interest	**0.01**	21.18
Advance payment of tax {Net of Provision for taxation of ₹ 3202.59 Lacs (Previous Year ₹ 3397.19 Lacs)}	**754.66**	567.74
Balance with Statutory/ Government Authorities	**1,930.95**	1,703.60
Subsidy Receivable	**25.00**	25.00
Export Benefits Receivable	**343.44**	388.21
Other Advances	**248.31**	774.47
TOTAL	**3,717.37**	4,421.10
NOTE - 19: OTHER CURRENT ASSETS		
Excise Duty Receivable	**37.71**	30.96
Other receivables	**24.55**	36.96
TOTAL	**62.26**	67.92

₹ in Lacs

	2012-13	2011-12
NOTE - 20: REVENUE FROM OPERATIONS		
Sale of Product	**111,120.18**	100,852.99
Sale of Services	**2.45**	4.50
Interest on :		
- Loans and deposits	**66.04**	96.65
- Others	**2.10**	45.96
Other Financial Services		
- Dividend	**1,328.84**	696.60
- Profit on sale of Long Term Investments	**384.28**	481.88
- Profit on sale of Current Investments	**24.55**	-
Other Operating Revenues	**717.98**	712.45
TOTAL	**113,646.42**	102,891.03
NOTE - 21: OTHER INCOME		
Rent	**470.48**	455.80
Interest Income	**55.28**	59.16
Profit on sale of Fixed Asset	**34.44**	333.46
Dividend Received	**685.88**	245.26
Profit on sale of Long Term Investments	**0.90**	1.61
Profit on sale of Current Investments	**0.21**	0.42
Profit on redemption of Mutual Funds	**0.49**	4.33
Exchange Difference (net)	**(3.97)**	34.65
Miscellaneous Receipts	**2,373.87**	265.57
TOTAL	**3,617.58**	1,400.26
NOTE - 22: COST OF MATERIAL CONSUMED		
Opening Stock	**3,230.27**	2,637.16
Add: Purchases	**44,587.12**	42,744.20
Less: Closing Stock	**166.85**	226.67
Raw Material Consumed	**21,564.00**	19,288.01
TOTAL	**69,214.54**	64,442.70
NOTE - 23: (INCREASE) / DECREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Closing Stock	**3,097.56**	3,131.24
Opening Stock	**3,131.24**	3,292.31
Net (Increase)/Decrease in Stock	**33.68**	161.07
Differential Excise Duty on Increase / Decrease of Finished Goods	**(20.92)**	90.83
Total (Increase)/Decrease in Stock	**12.76**	251.90

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

₹ in Lacs

	2012-13	2011-12
NOTE - 24: EMPLOYEES BENEFIT EXPENSES		
Salaries, wages, gratuity & bonus	**6,611.94**	6,157.25
Contribution to Provident and Other Fund	**595.49**	474.61
Employees welfare & other benefits	**558.68**	631.89
TOTAL	**7,766.11**	7,263.75

	2012-13	2011-12
NOTE - 25: FINANCE COST		
Interest Expenses	**4,420.94**	2,997.14
Interest on Term Loans from Bank	**1,431.86**	802.56
Net (gain)/ loss on foreign currency transactions	**171.19**	93.91
Other Borrowing Cost	**64.77**	170.95
TOTAL	**6,088.76**	4,064.56

	2012-13	2011-12
NOTE - 26: OTHER EXPENSES		
Consumption of stores, packing and spare parts	**2,334.20**	2,160.70
Rent	**200.16**	162.51
Rates & Taxes	**219.25**	142.38
Loss on sale of long term Investments	**0.57**	7.74
Power & Fuel	**3,728.68**	2,963.67
Polyfilm Consumed	**1,253.03**	865.04
Conversion Charges	**1,534.36**	1,260.73
Auditors Remuneration		
- Statutory Audit Fees	**7.59**	6.09
- Tax Audit Fees	**1.16**	0.65
- Reimbursement of Expenses	**2.22**	1.60
- Certification	**0.72**	2.76
Directors' Fee	**5.10**	5.15
Repairs to Machinery	**534.71**	488.75
Repairs & Maintanance to Building	**79.10**	115.31
Freight & Transportation	**1,142.03**	1,062.05
Commission	**97.15**	128.65
Insurance	**101.02**	89.43
Exchange Difference (Net)	**57.58**	70.57
Loss on Assets Sold/ Scrapped (Net)	**7.15**	-
Provisions against Standard Assets	**-**	0.18
Bank Charges, Travelling, Legal & Professional & Other Miscellaneous Expenses	**3,553.44**	3,448.77
TOTAL	**14,859.22**	12,982.73

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

27. Capital commitments and other commitments (Net of Advances) - ₹ 547.22 Lacs (Previous year - ₹ 813.73 Lacs).

28. Contingent Liabilities not provided for:

    (a) Disputed Income Tax matters (estimated) under Appeal of ₹ 88.76 Lacs (Previous Year - ₹ 112.73 Lacs).

    (b) Claims against the Subsidiary Company estimated at ₹ 90.00 Lacs (Previous Year - ₹ 85.00 Lacs) not acknowledged but disputed by the subsidiary company and hence not provided for.

    (c) Claims against the Subsidiary Company not accepted and not provided for ₹ 1163.08 Lacs (Previous Year - ₹ 1083.72 Lacs). Details thereof, are Excise Duty matters in Appeal ₹ 130.02 Lacs, Service Tax matters ₹ 38.96 Lacs, Sales Tax matters ₹ 527.71 Lacs and other matters ₹ 466.39 Lacs (Previous Years - ₹ 65.25 Lacs, ₹ 23.89 Lacs, ₹ 527.71 Lacs, and ₹ 466.87 Lacs, respectively).

    (d) Margin Money given by subsidiary companies to secure Bank Guarantees of ₹ 166.30 Lacs (Previous Year - ₹ 164.44 Lacs) issued by the bankers on its behalf.

    (e) 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.

29. Guarantee has been given by the Company to a bank in respect of loan facility availed by LVP Foods Pvt. Limited, a subsidiary company (Loan outstanding as at 31.03.2013 ₹ 766.94 Lacs (Previous Year - ₹ 1205.19 Lacs).

30. 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.

31. (a) 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 ₹ 2990.53 Lacs.

    (b) Additional depreciation amounting to ₹ 55.80 Lacs (Previous year ₹ 60.88 Lacs) arising out of revaluation of Fixed Assets and ₹ 5.14 Lacs (Previous year ₹ 65.89 Lacs) towards assets sold/ written off by a subsidiary, after netting off share of minority amounting to ₹ 7.21 Lacs (Previous year ₹ 15.34 Lacs) has been adjusted against Goodwill on Consolidation of Subsidiaries.

32. The balance of certain creditors, other liabilities and loans & advances are subject to confirmation/reconciliation.

33. 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 Netflier Finco Ltd. Accordingly, the amount against the said shares is shown under other non-current assets.

34. The Voluntary Retirement payments made during the year amounting to ₹ 101.55 lacs (Previous year - ₹ 185.11 lacs) are charged off in the Profit & Loss Account.

35. Earning per share (EPS):-

(₹ in Lacs)

Particulars	Current Year	Previous Year
Profit/(Loss) after tax (after adjusting for Minority Interest)	**3489.85**	3043.69
Profit/(Loss) for Basic earning per share	**3489.85**	3043.69
Weighted Avg. Number of equity shares (Face value of ₹10 each)	**8683553**	8683553
Basic and Diluted EPS (₹)	**40.19**	35.05

36. 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 Vikrampati Singhania, Managing Director - Fenner (India) Ltd.

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

Shri S. Raghuraman, Vice President (Textiles), Southern Spinners & Processors Ltd.

Enterprises over which KMP is able to excise significant influence - JK Tyre & Industries Ltd.

(b) **Transactions with related parties:**

(₹ in Lacs)

Particulars	Key Management Personnel	
	Current Period	Previous Year
Remuneration	**422.52**	368.06
Amount Payable:		
- Fixed Deposits	**25.00**	25.00
- Enterprise over which KMP is able to enforce significant influence	**10895.80**	8786.49

(c) **Enterprise over which KMP is able to exercise significant influence**

(₹ in Lacs)

	2012-13	2011-12
Purchase of Fixed Assets	**2850.00**	8778.00
Sale of goods	**6.78**	4.16
Rent paid	**1924.82**	46.19
Other Expenses	**131.49**	98.41
Interest paid	**1024.96**	-

37. **Segment information:**

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

(₹ in Lacs)

Sl. No.	Particulars	Business Segment				Others	Total
		Investment	Polymers	Cotton Yarn & Fabric	Dairy Products		
A	**REVENUE:**						
1	Gross Revenue (External)	3410.58 (2710.00)	47130.00 (45882.22)	10797.79 (10616.85)	50688.91 (43410.38)	2.45 (4.50)	112029.73 (102623.95)
	Less: Inter Segment	916.59 (1137.29)	217.04 (108.30)	2136.61 (2686.49)	- (-)	- (-)	3270.24 (3932.08)
	Total Revenue	2493.99 (1572.71)	46912.96 (45773.92)	8661.18 (7930.36)	50688.91 (43410.38)	2.45 (4.50)	108759.49 (98691.87)
2	Other Income	477.83 (557.83)	2370.49 (490.65)	81.76 (100.16)	- (-)	- (-)	2930.08 (1148.64)
3	**Total Revenue**	2971.82 (2130.54)	49283.45 (46194.00)	8742.94 (8030.52)	50688.91 (43410.38)	2.45 (4.50)	111689.57 (99840.51)
B.	**RESULTS:**						
1	Segment Result (PBIT)	2806.84 (1940.76)	7343.25 (6509.29)	64.27 (-)897.86	785.45 (610.26)	(0.76) (2.88)	10999.05 (8165.33)
2	Finance Cost						6088.76 (4064.56)
3	Profit Before Tax						4910.29 (4100.77)
4a	Provision for Current Tax						849.21 (1026.65)
4b	Deferred Tax (Net)						299.44 (388.45)
4c	Income Tax paid / Adjustments for earlier years (Net)						(1.12) (-)(0.92)
4d	Minimum Alternate Tax Credit Entitlement						(48.03) (-)(658.92)
5	Profit After Tax						3810.79 (3345.51)
C	**OTHER INFORMATION**						
1	Segment Assets	62460.58 (60055.40)	51499.39 (50187.05)	5707.54 (3814.35)	3625.77 (3256.64)	25.60 (38.62)	123318.88 (117352.06)
2	Segment Liabilities	16043.15 (16554.12)	52478.32 (51670.33)	3405.37 (1583.15)	1668.85 (1853.06)	11.70 (12.22)	73607.39 (71672.88)
3	Capital Expenditure	55.20 (0.39)	4745.00 (14211.84)	26.21 (705.72)	404.82 (185.53)	- (-)	5231.23 (15103.48)
4	Depreciation and Amortization Expenses	29.42 (30.61)	2789.86 (2021.22)	208.30 (164.40)	178.65 (186.24)	0.54 (0.54)	3206.77 (2403.01)

(B) **Information about Geographical Segments (Secondary Segments):**

(₹ in Lacs)

Segment Revenue	**Domestic**	**Overseas**	**Total**
Sales (External) (Net of Excise Duty)	97448.36 (86978.16)	8814.69 (10136.50)	106263.05 (97114.66)
Investment & Other Revenue	2496.44 (1577.21)	- (-)	2496.44 (1577.21)
Other Income	2930.08 (1148.64)	- (-)	2930.08 (1148.64)
Segment Assets	120189.14 (115137.92)	3129.74 (2214.14)	123318.88 (117352.06)

Previous year figures have been shown in brackets.

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 segments i.e. Investment (shares/securities/funding), Polymers, Cotton-Yarn, & Fabrics, Dairy Products & others 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.

38. Previous year figures have been re-classified / re-casted suitably, wherever considered necessary.

As per our report of even date.
For LODHA & CO.
Chartered Accountants
Firm Registration No. - 301051E

N.K. LODHA
Partner
Membership No.85155

BHARAT HARI SINGHANIA
J.R.C. BHANDARI
L.R. PURI
O.P. KHAITAN
DR. RAGHUPATI SINGHANIA
SHAILENDRA SWARUP
VINITA SINGHANIA

Place: New Delhi
Dated: 29th May, 2013

U.K. GUPTA
Manager

DILLIP SWAIN
Secretary

Directors

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2013

₹ in Lacs

	Particulars		2012-13		2011-12
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit/(loss) before Tax & Extraordinary Items		**4,910.29**		4,100.77
	Adjusted for :				
	Depreciation	**3,262.57**		2,463.89	
	Preliminary Expenses Written Off	**-**		0.90	
	Transfer from Revaluation Reserve	**(55.80)**		(60.88)	
	Interest & Finance Charges	**5,992.23**		3,441.35	
	(Profit) / Loss on sale of Investment (net)	**(409.86)**		(513.16)	
	(Profit) / Loss on sale of Assets (net)	**(27.29)**		(346.99)	
	Provisions against standard assets	**(2.07)**		0.18	
	Excess provision for I.Tax Written back	**1.17**		(7.89)	
	Dividend Income	**(685.88)**	**8,075.07**	(245.26)	4,732.14
	Operating Profit before working Capital Changes		**12,985.36**		8,832.91
	Adjusted for :				
	(Increase)/Decrease in Trade receivables	**(571.99)**		(1,390.89)	
	(Increase)/Decrease in Inventories	**155.92**		3,403.21	
	(Increase)/Decrease in Loans & Advances	**134.84**		(2,501.43)	
	(Increase)/Decrease in Long Term Loans & Advances	**(216.09)**		(45.35)	
	(Increase)/Decrease in Other current assets	**5.66**		(16.70)	
	(Increase)/Decrease in Other non-current assets	**(30.89)**		100.11	
	Increase/(Decrease) in Trade Payables	**(1,687.48)**		(607.91)	
	Increase/(Decrease) in Provisions	**2.04**		(0.47)	
	Increase/(Decrease) in Other current liabilities	**2,768.52**		8,996.28	
	Increase/(Decrease) in Other long term liabilities	**81.95**	**642.48**	127.24	8,064.09
	Cash Generated from Operations		**13,627.84**		16,897.00
	Direct Taxes Paid (Including FBT)		**(825.19)**		(970.36)
	Net Cash From Operating Activities (A)		**12,802.65**		15,926.64
B.	**CASH FLOW FROM INVESTMENT ACTIVITIES**				
	Purchase of Fixed Assets & CWIP	**(5,174.62)**		(15,068.78)	
	Sale of Fixed Assets	**117.81**		520.16	
	Capital Advance	**32.79**		-	
	Sale of Investments	**4,807.55**		6,015.26	
	Purchase of Investments	**(7,448.24)**		(30,315.11)	
	Issue of Equity Shares	**-**		1,878.24	
	Repayment of Share Application Money	**-**		(879.00)	
	Capital Work in progress	**(26.23)**		-	
	Fixed Deposits with Body Corporates	**10.90**		-	
	Inter Corporate Deposit (Given) / Received Net	**250.00**		(137.00)	
	Dividend Received	**685.88**		245.26	
	Proceeds from Secured loan	**295.00**		50.00	
	Net Cash used in Investing Activities		**(6,449.16)**		(37,690.97)

CASH FLOW (Contd...)

₹ in Lacs

	Particulars		31.03.2012		31.03.2011
C.	**CASH FLOW FROM FINANCIAL ACTIVITIES**				
	Dividend Paid (Including dividend tax)	**(496.31)**		(663.80)	
	Proceeds from Long Term Borrowings	**7,125.48**		30,629.51	
	Repayment of Long Term Borrowings	**(10,304.61)**		(6,350.87)	
	Increase /(Decrease) in Cash Credit and Public Deposits	**1,954.07**		2,785.11	
	Interest Paid	**(5,995.04)**		(3,433.08)	
	Net Cash from Financing Activities		**(7,716.41)**		22,966.87
D.	**CHANGES IN CAPITAL RESERVE AND GOODWILL ARISING ON CONSOLIDATION**				
	Net (Decrease) in Cash & Cash Equivalent (A+B+C+D)		**(1,362.92)**		1,202.54
	Cash & Cash Equivalent at the beginning of the year				
	Opening Balance (as per last CFS)		**1,960.80**		758.26
	Cash & Cash Equivalent at the end of the year		**597.88**		1,960.80

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

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

For LODHA & CO.
Chartered Accountants
Firm Registration No. - 301051E

N.K. LODHA
Partner
Membership No.85155

Place: New Delhi
Dated: 29th May, 2013

U.K. GUPTA
Manager

DILLIP SWAIN
Secretary

DETAILS OF SUBSIDIARY COMPANIES FOR THE YEAR ENDED 31.03.2013

₹ in Lacs

	Name of the Subsidiary Company	Fenner (India) Ltd.	Southern Spinners And Processors Ltd.	Modern Cotton Yarn Spinners Ltd.	Acorn Engi-neering Ltd.	BMF Invest-ments Ltd.	Panchmahal Properties Ltd.	LVP Foods Pvt. Ltd.	Divyashree Company Pvt. Ltd.
(a)	Share Capital	248.31	505.00	305.00	5.05	30.20	35.12	200.00	1.17
(b)	Reserves & Surplus (Net)	32281.78	1165.24	510.68	2.03	4661.97	14.98	906.93	1901.27
(c)	Total Assets	85301.62	3254.51	3212.71	7.25	5018.76	52.23	3743.73	2124.18
(d)	Total Liabilites	85301.62	3254.51	3212.71	7.25	5018.76	52.23	3743.73	2124.18
(e)	Investment (excluding investment in subsidiaries)	21940.14	-	-	7.13	3836.10	26.38	-	172.49
(f)	Turnover and Other Income	50186.69	5593.41	5325.34	0.45	248.93	2.37	50688.91	1.69
(g)	Profit/(Loss) before Taxation	3541.50	1.71	(135.63)	0.39	248.35	0.23	584.93	(0.65)
(h)	Provision for Taxation	1033.62	(15.25)	(63.60)	-	53.77	0.27	8.94	0.04
(i)	Profit/(Loss) after Taxation	2507.88	16.96	(72.03)	0.39	194.58	(0.04)	575.99	(0.69)
(j)	Proposed Dividend	124.15	-	-	-	120.80	-	60.00	-

BHARAT HARI SINGHANIA
J.R.C. BHANDARI
L.R. PURI
O.P. KHAITAN
DR. RAGHUPATI SINGHANIA
SHAILENDRA SWARUP
VINITA SINGHANIA

Place: New Delhi
Dated: 29th May, 2013

U.K. GUPTA
Manager

DILLIP SWAIN
Secretary

Directors

BENGAL & ASSAM COMPANY LIMITED

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

N O T I C E

NOTICE is hereby given that the 66th 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 **Friday**, the **23rd August 2013** 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 31st March 2013 and the Reports of the Directors and Auditors thereon.
2. To declare Dividend.
3. To appoint a Director in place of Shri Bharat Hari Singhania, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Dr. Raghupati Singhania, who retires by rotation and being eligible, offers himself for re-appointment.
5. 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 66th Annual General Meeting up to the conclusion of the next Annual General Meeting on a remuneration of ₹ 1,00,000/- (Rupees One Lac 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

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

   "RESOLVED THAT Shri A.K. Kinra, whose appointment as Additional Director on the Board determines on the date of the present Annual General Meeting, be and is hereby appointed as a Director liable to retire by rotation on the Board".

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

   RESOLVED THAT pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956 or any Statutory Modification or re-enactment thereof for the time being in force, the Articles of Association of the Company be and is hereby amended in the manner and to the extent set out hereunder:-

   The following new Article numbered 140A be inserted after the existing Article 140:

   "140A Chairman and Managing Director/Whole-Time Director/Chief Executive Officer

   An individual may be appointed or re-appointed as the Chairman of the Company as well as the Managing Director or Whole-Time Director or Chief Executive Officer of the Company at the same time."

By Order of the Board

Regd. Office:
Link House, 3, Bahadur Shah Zafar Marg
New Delhi-110002
13th June, 2013

Dillip Swain
Company Secretary

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 (2) of the Companies Act, 1956 is annexed.

3. The Register of Members and Share Transfer Books of the Company shall remain closed from 1**6th August 2013 to 23rd August 2013** (both days inclusive).

4. The dividend of ₹ 4/- per Equity Share of ₹ 10 each (40%), as recommended by the Board of Directors, if declared at the Annual General Meeting, will be paid to the Members whose names appear on the Register of Members of the Company on 23rd August 2013 or to their mandates. In respect of shares held in dematerialized form, the dividend will be paid on the basis of details of beneficial ownership to be received from the Depositories for this purpose.

5. Re-appointment of Directors :

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

   - **Shri Bharat Hari Singhania**, aged 75 years, is a graduate in Commerce. He joined the Board of Directors of the Company on 2nd February 2009. He is an Industrialist with over 56 years of experience in managing various industries including cement, automotive tyres, paper, jute, synthetics, high yielding hybrid seeds. He is the Chairman & Managing Director of JK Lakshmi Cement Limited, Chairman of JK Paper Limited, JK Agri Genetics Limited and Director of 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 Limited. His Director Identification No. is 00041156.

   - **Dr. Raghupati Singhania**, aged 66 years, is a Graduate in Science and a Fellow of the Institute of Directors, London. He joined the Board of Directors of the Company on 2nd February 2009. He is an Industrialist with over 46 years of experience in managing various industries including automotive tyres and tubes, power transmission systems, v-belts, conveyor belt, automotive belts, oil seals, industrial electronics, material handling systems, bulk drugs and hybrid seeds. He has been conferred with an honorary Doctorate of 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 Chairman & Managing Director of JK Tyre & Industries Ltd., Chairman of Fenner (India) Limited, and JKT&I Employees Welfare Association Ltd., and also a Director of JK Lakshmi Cement Limited, JK Agri Genetics Limited, DCM Engineering Limited and Radico Khaitan Limited. He is also the Chairman of JK Tornel, S.A.de C.V., Mexico. 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. His Director Identification No. is 00036129.

By Order of the Board

Regd. Office:
Link House, 3, Bahadur Shah Zafar Marg
New Delhi-110002
13th June, 2013

Dillip Swain
Company Secretary

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

Item No. 6

Shri Ashok Kumar Kinra is a Chartered Accountant. He has over 41 years of experience in Finance, Accounts, Mergers & Acquisitions, Business Restructuring of Companies and Administration. He is a Member of Finance, Banking and insurance Committees of ASSOCHAM and PHD Chambers of Commerce. He is also Director of JK Sugar Limited, Dwarkesh Energy Limited, BMF Investments Limited, Indica Travels & Tours Pvt. Limited, Valiant Pacific LLC, Dubai, J.K. Asia Pacific (S) Pte Ltd., Singapore, J.K. Asia Pacific Ltd., Hongkong, J.K. International Limited, U.K., Florence Investech Ltd., Modern Cotton Yarn Spinners Ltd., JK Tornel, S.A. De C.V., Compania Hulera Tornel S.A. DE C.V, Gintor Administration S.A. DE C.V, Commercializadora America Universal S.A. DE C.V, CliniRx Asia Pacific Ltd. Hongkong, CliniRx, USA Inc, Divyashree Company Pvt. Ltd., Henry F Cockill & Sons Limited, Sago Trading Limited, Terriswood Limited and Acorn Engineering Limited.

Item No. 7

The existing Article 140 of the Articles of Association of the Company provides that the Directors may from time to time appoint one or more of their body to be a Managing Director or Managing Directors (in which expression shall be included Joint or Deputy Managing Director or Manager or Whole-Time Director or Directors of the Company.

It is considered desirable to provide an explicit Clause for appointment of an Individual as the Chairman of the Company as well as the Managing Director or Whole-Time Director or Chief Executive Officer of the Company at the same time by insertion of new Clause 140A in the Articles of Association of the Company.

Under Section 31 of the Companies Act, 1956, approval of the shareholders by means of Special Resolution is required to any alteration in the Articles of Association of the Company. The above resolution is accordingly recommended for approval of the shareholders. A copy of the Company's Articles of Association shall be available for inspection on all working days between 11.0 A.M. to 1.00 P.M. at the Registered Office of the Company.

None of the Directors of the Company 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
13th June, 2013

Dillip Swain
Company Secretary

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 dematrialised 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 (Rear Block), 3rd Floor, 6A, Bahadur Shah Zafar Marg, New Delhi-110 002 or E-mail: dswain@jkmail.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 Dividends - Transfer to Investor Education and Protection Fund:** Pursuant to Section 209A read with Section 209C of the Companies Act, 1956, the unclaimed dividend for the financial year 2005-06 will become due for transfer to the Investor Education and Protection Fund on 14th January 2014. It may be noted that after expiry of the said due date for transfer of unclaimed dividend to the said fund, no claim shall lie in respect of unclaimed dividend. Shareholders who have not encashed their dividend warrants for the financial years 2005-06 to 2011-12 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. Pursuant to the Resolution passed by the Board of Directors of the Company under Section 212(8) of the Companies Act 1956, copies of the Balance Sheets, Profit & Loss Statement, 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 Divyashree Company Private 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 Head Office of the Company and at the Registered Office of the respective of the subsidiary companies.

Green Initiative in Corporate Governance: Register E-mail Address

The Ministry of Corporate Affairs has now permitted companies to send various notices/documents under the Companies Act, 1956, to its shareholders, through electronic mode. We request the Members to support this initiative and register their E-mail addresses in respect of shares held in: (1) dematerialised mode, with their Depository Participants; and (2) physical mode with Alankit Assignments Ltd. (RTA). Please quote the following particulars in the E-mail Registration Request: Folio No./DP IP-Client ID, PAN, Names(s) of Registered Holder(s), Address, Telephone and E-mail Address (to be registered for sending future communications through E-mail) and send the same under your signature(s).

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 66th 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 Friday, the 23rd August 2013 at 11.00 A.M.

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

* Strike out whichever is not applicable

Applicable for Investors holding Shares in dematerialised form

Signature of the attending Shareholder/Proxy/Authorised Representative*

Note: 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 66th Annual General Meeting of the Company to be held on Friday, the 23rd August 2013 at 11.00 A.M. and at any adjournment thereof .

Signed this .... Day of 2013

Signature(s)……….....……

Affix 30 Paise revenue stamp

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

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-110002, at least 48 hours before the scheduled time for the meeting.

NOTES

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

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BENGAL & ASSAM COMPANY LIMITED

Secretarial Deptt. :
Gulab Bhawan (Rear Wing), 3rd Floor, 6 Bahadur Shah Zafar Marg, New Delhi-110 002
Phone : 41011116, 23311112 / 13 / 14 (Extn. 633), Fax : 91- 11 - 23739475

FORM A

Annual Audit Report to be filed with the Stock Exchanges along with Audited Annual Accounts pursuant to Clause 31 (a) of the Listing Agreement

1.	*Name of the Company:*	*Bengal & Assam Company Limited*
2.	*Annual financial statements for the year ended*	*31st March 2013*
3.	*Type of Audit observation*	*Un-qualified*
4.	*Frequency of observation*	*N.A.*
5.	For Lodha & Co. Chartered Accountants (N.K.Lodha) Partner Firm's Registration No. 301051E Membership No. 85155 (Shri J.R.C.Bhandari) Audit Committee Chairman	(Shri U.K.Gupta) Manager