

PWC 5/5/2010

Consolidated Coffee, Inc.
Balance Sheet
Mar 31, 2010

	Schedule No.	As of: Mar 31, 2010		As of: Mar 31, 2009	
		Rupees	Rupees	Rupees	Rupees
SOURCES OF FUNDS					
1. SHAREHOLDERS' FUNDS					
(a) Share Capital	1	2,688,566,124		3,037,529,000	
(b) Reserves and Surplus	2	326,627,162		377,105,959	
			3,015,193,285		3,414,634,959
2. LOAN FUNDS	3				
(a) Secured Loans		5,729,342,354		7,279,166,950	
(b) Unsecured Loans		613,896,876		658,437,866	
			6,343,239,230		7,937,604,816
3. DEFERRED TAX LIABILITY (Refer Note No. B 15 of Schedule 13)			830,904,455		731,065,451
APPLICATION OF FUNDS			10,189,336,970		12,083,305,227
1. FIXED ASSETS	4				
(a) Gross Block		11,072,579,734		12,403,580,682	
(b) Less : Depreciation		886,952,022		715,166,075	
(c) Net Block		10,185,627,711		11,688,414,607	
(d) Capital Work-in-progress		7,694,130		43,359,412	
			10,193,321,842		11,731,774,019
2. INVESTMENTS	5				117,433,737
3. DEFERRED TAX ASSET (Refer Note No. B 15 of Schedule 13)			152,161,263		246,830,155
4. CURRENT ASSETS, LOANS & ADVANCES	6				
(a) Inventories		602,367,059		480,779,722	
(b) Receivables		475,392,835		707,304,523	
(c) Cash and Bank Balances		436,383,030		390,383,101	
(d) Other Current Assets		53,403,400		91,809,141	
(e) Loans and Advances		93,919,351		129,203,339	
		1,661,465,674		1,799,479,826	
Less : CURRENT LIABILITIES AND PROVISIONS	7				
(a) Liabilities		1,792,744,759		1,744,522,032	
(b) Provisions		24,867,062		67,690,469	
		1,817,611,822		1,812,212,501	
Net Current Assets			(156,146,147)		(12,732,675)
5. Miscellaneous Expenditure to the extent not written-off Deferred Revenue Expenditure)					
			10,189,336,957		12,083,305,236
Significant Accounting Policies / Notes on Accounts	13				

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Consolidated Coffee, Inc.
Mar 31, 2010

Schedules forming part of the Balance Sheet

Schedule No. 1	As of:	As of:
	Mar 31, 2010 Rupees	Mar 31, 2009 Rupees
SHARE CAPITAL AUTHORISED		
Capital Contribution by Tata	2,688,566,124	3,037,529,000
	-	
	2,688,566,124	3,037,529,000

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Consolidated Coffee, Inc.
Mar 31, 2010

Schedules forming part of the Balance Sheet

Schedule No.2

RESERVES & SURPLUS

	As at 1st April 2009	As of: Mar 31, 2010
	Rs.	Rs.
Exchange Fluctuation Reserve	44,481,794	8,168,627
Revaluation Reserve	432,983,041	357,321,416
Unrealized Interest Rate Swap	(208,104,954)	(184,486,714)
Unrealized Coffee Futures		
Total	269,359,881	181,003,329
SURPLUS PER PROFIT & LOSS ACCO	107,746,078	145,623,833
TOTAL	377,105,959	326,627,162

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Consolidated Coffee, Inc.
Mar 31, 2010

Schedules forming part of the Balance Sheet

Schedule No. 3	As of: Mar 31, 2010 Rupees	As of: Mar 31, 2009 Rupees
A. SECURED LOANS		
- Term Loans:		
Bank	3,350,477,503	4,591,536,950
Tata Tea (GB) Investments Limited	2,378,864,851	2,687,630,000
- Working Capital Facilities		
Banks		
	5,729,342,354	7,279,166,950
B. UNSECURED LOANS		
Tata Tea (GB) Investments Limited	613,896,876	658,437,866
	613,896,876	658,437,866

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Schedule of Fixed Assets

	COST				DEPRECIATION				NET BLOCK	
	As of April 1, 2009	Additions/ Adjustments	Deductions / Adjustments	As of: Mar 31, 2010	As at April 1, 2009	For the year	Deductions / Adjustments	As at Mar 31, 2010	As of: Mar 31, 2010	As of: April 1, 2009
Goodwill	9,280,477,600	-	(1,066,176,539)	8,214,301,061	154,158,400	54,407,456	20,949,722	187,616,134	8,026,684,927	9,126,319,200
Intangible Assets	2,028,400,000	-	(233,030,301)	1,795,369,699	216,362,661	76,361,340	29,403,118	263,320,883	1,532,048,816	1,812,037,338
Leasehold Land and Development	-	-	-	-	-	-	-	-	-	-
Buildings	144,955,485	8,072,915	(16,842,395)	136,186,005	28,542,093	10,025,900	3,881,428	34,686,565	101,499,440	116,413,392
Water and Sanitary Installations	-	-	-	-	-	-	-	-	-	-
Electrical Installations	-	-	-	-	-	-	-	-	-	-
Plant and Machinery	875,068,518	13,890,035	(100,652,006)	788,306,547	274,093,854	113,072,995	46,468,860	340,697,989	447,608,558	600,974,664
Furniture/Fixtures & Office Equipment	74,679,075	74,298,245	(10,560,901)	138,416,423	42,009,114	24,715,459	6,094,120	60,630,453	77,785,970	32,669,965
Vehicles	-	-	-	-	-	-	-	-	-	-
Total	12,403,580,682	96,261,195	(1,427,262,143)	11,072,579,734	715,166,122	278,583,149	106,797,249	886,952,022	10,185,627,711	11,688,414,560
Capital Work-in-Progress (b)									7,694,130	43,359,412
Total									10,193,321,842	11,731,773,972

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Schedules forming part of the Balance Sheet

Schedule No. 5	As of: Mar 31, 2010		As of: Mar 31, 2009	
	Rupees		Rupees	
INVESTMENTS - AT COST				
Money Market Fund - Long Term Investment	INR	-	INR	47,797,015
Money Market Fund - Current	INR	-	INR	69,636,722
Market Value of Quoted Investments			-	117,433,737

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Consolidated Coffee, Inc.
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Schedules forming part of the Balance Sheet

Schedule No. 6	As of: Mar 31, 2010			As of: Mar 31, 2009		
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
CURRENT ASSETS, LOANS AND ADVANCES						
(a) INVENTORIES :						
Stores & Spares	51,105,842			69,196,774		
Raw materials	205,465,202			117,529,344		
		256,571,044			186,726,118	
Stock-in-trade :						
Finished / Trading Goods	345,796,015			294,053,604		
Work-in-progress	-			-		
		345,796,015			294,053,604	
			602,367,059			480,779,722
(b) RECEIVABLES :						
Sundry Debtors :						
Unsecured						
Debts outstanding for a period not exceeding six months						
- Considered Good	475,392,835			707,304,523		
- Considered Doubtful	9,313,228			6,760,756		
	484,706,063			714,065,279		
Less: Provision for Doubtful Debts	9,313,228			6,760,756		
	475,392,835			707,304,523		
Other Debts considered good:						
- Secured	-			-		
- Others						
		475,392,835			707,304,523	
(Includes amount due from Holding Company Rs. Nil Previous year Rs. NIL)						
			475,392,835			707,304,523
Carried Over			1,077,759,894			1,188,084,245

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Consolidated Coffee, Inc.
Mar 31, 2010

Schedules forming part of the Balance Sheet

SCHEDULE No. 6 (Contd.)	As of: Mar 31, 2010			As of: Mar 31, 2009		
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Brought Forward			1,077,759,894			1,188,084,245
(c) CASH & BANK BALANCES :						
Cash, cheques in hand & stamp balances		44,884			50,710	
Bank balances :						
With Scheduled Banks :						
On Current Accounts	436,338,146			390,332,391		
In Deposit Accounts	-			-		
			436,383,030			390,383,101
d) OTHER CURRENT ASSETS :						
Interest accrued on Investments/ Loans / Deposits						
Other			53,403,400			91,809,141
e) LOANS & ADVANCES :						
Due From TCL			-			-
Advances recoverable in cash or in kind or for value to be received :						
Unsecured						
Considered Good	61,288,507			119,846,140		
Considered Doubtful	-			-		
	61,288,507			119,846,140		
Less : Provision for Doubtful Advances	-			-		
		61,288,507	61,288,507		119,846,140	119,846,140
Deposits with Companies						
Less: Provision made	-			-		
		-	-		-	-
Advance Tax	-					
Less: Provision for Taxation	-					
		-	-			
Other Deposits	32,630,844		32,630,844	9,357,199	-	9,357,199
			1,661,465,674			1,799,479,826

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Consolidated Coffee, Inc.
Mar 31, 2010

Schedules forming part of the Balance Sheet

	As of: Mar 31, 2010		As of: Mar 31, 2009	
	Rupees	Rupees	Rupees	Rupees
Schedule No. 7				
CURRENT LIABILITIES & PROVISIONS				
CURRENT LIABILITIES :				
Sundry Creditors				
- Others	434,353,849		361,419,077	
(Includes amount due to Holding Company Rs.NIL)				
<u>Other Liabilities</u>	1,344,440,949		1,370,726,444	
Interest Payable - Tata Tea GB Invest. LTD	(0)		-	
Payable to Tata & Sons	13,224,575		10,715,138	
Payable to Tetley USA	-		-	
Payable to Tetley UK - Statutory Overhead	725,387			
Interest accrued but not due	-		1,661,373	
Other Liabilities	-		-	
Due to Directors	-		-	
		1,792,744,759		1,744,522,032
PROVISIONS :				
Provision for taxation	34,608,200		67,690,469	
Less: Payments in advance	(9,741,137)		-	
		24,867,062		67,690,469
Dividend				
- Proposed Final	-		-	
- Tax on Final Dividend	-		-	
		-		-
		24,867,062		67,690,469
		1,817,611,822		1,812,212,501

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Profit & Loss Account
Mar 31, 2010

	Schedule No.	For the Period Ending March 31, 2010	For the Period Ending March 31, 2009
		INR	INR
INCOME		47,7258	45.65
Sales and Services	8	9,590,806,456	8,019,895,337
Less: Excise Duty		-	-
Other Income	9	9,590,806,456	8,019,895,337
		21,097,683	195,861
		9,611,904,139	8,020,091,198
EXPENSES	10	8,020,644,202	7,294,614,491
Depreciation & Amortization		224,175,696	207,183,359
Impairment of Goodwill		54,407,456	52,040,050
Less: Amount Drawn From Revaluation Reserve		(27,559,798)	(28,504,273)
ACCRETION [-] / DECRETION TO STOCK	11	(77,482,613)	(167,661,334)
		8,194,184,943	7,357,672,294
Exceptional Income / (Expense)	12	1,417,719,196	662,418,905
PROFIT BEFORE TAXATION		(61,697,938)	(130,749,632)
		1,356,021,258	531,669,273
Provision for Taxation :			
For Current Year		547,044,805	170,695,176
Excess Provisions written back		-	-
For Fringe Benefit Tax		-	-
For Deferred Tax		40,266,023	35,229,742
		587,310,828	205,924,918
PROFIT AFTER TAXATION		768,710,430	325,744,355
Add : Surplus brought forward from previous year		107,746,078	82,421,723
		-	-
AMOUNT AVAILABLE FOR APPROPRIATION		876,456,508	408,166,078
APPROPRIATIONS			
General Reserve No.1		-	-
Dividends :			
Final (Proposed)		730,832,675	300,420,000
Tax on Dividend		-	-
		730,832,675	300,420,000
Surplus Carried to Balance Sheet		145,623,833	107,746,078
Significant Accounting Policies / Notes on Account	13		

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Mar 31, 2010

Schedules forming part of the Profit and Loss Account

Schedule No. 8	For the Period Ending Mar 31, 2010	For the Period Ending March 31, 2009
	INR	INR
INCOME		
SALES & SERVICES		
COFFEE :		
CURED	-	-
INSTANT	-	-
R & G	10,972,069,706	8,965,195,463
Less Off-Invoice Allowance	(1,265,577,342)	(866,793,149)
Less Unsaleable Returns	(115,685,908)	(78,506,977)
Tea	-	-
Trading Sales	-	-
	9,590,806,456	8,019,895,337

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Consolidated Coffee
Mar 31, 2010

Schedules forming part of the Profit and Loss Account

Schedule No. 9	For the Period Ending Mar 31,10	For the Period Ending Mar 31,09
	INR	INR
OTHER INCOME		
Operational		
Commission	-	-
Rent	-	-
Sale of scrap / waste	-	-
Profit on Sale of Fixed Assets (Net)	-	-
Provision no longer required	6,179,208	-
Others	14,918,475	195,861
	21,097,683	195,861
Income from Long Term Investments: - Gross		
Dividend :		
Trade	-	-
Others	-	-
Interest	-	-
	-	-
	21,097,683	195,861

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Consolidated Coffee
Mar 31, 2010

Schedules forming part of the Profit and Loss Account

Schedule No. 10	For the Period Ending March 31, 2010	For the Period Ending March 31, 2009
	INR	INR
PRODUCTION, TRADING, SELLING AND ADMINISTRATION EXPENSES		
Salaries, Wages and Bonus 1)	836,371,456	651,433,850
Contribution to Provident & Other Funds	116,163,775	88,046,202
Workmen & Staff Welfare Expenses	14,798,726	6,688,085
Consumption of Raw Materials	3,393,146,824	2,856,281,912
Curing/Processing Charges	-	-
Purchase of Trading Goods	-	-
Consumption of Packing Material	459,728,890	386,069,638
Consumption of Stores & Spare Parts	-	-
Power & Fuel	69,671,699	60,110,070
Rent	78,365,350	59,097,039
Repairs to Buildings	10,532,980	14,434,633
Repairs to Machinery	23,161,025	15,742,417
Repairs to Machinery - others	24,995,028	20,230,957
Insurance	75,494,272	38,285,690
Rates & Taxes	6,776,833	5,869,838
Sales Promotion, Advertisements & Publicity	250,398,618	369,180,560
Trade Promo	1,678,133,949	1,502,045,704
Consumer Promo	306,485,315	222,018,277
Selling Expenses	-	-
Commission on Sales	-	-
Brokerage and Discount	-	-
Excise Duty and Fees	-	-
Freight	203,847,344	179,605,781
Miscellaneous expenses	(81,506,451)	193,355,987
Directors' Sitting Fees	-	-
Directors' Commission	-	-
Auditors Remuneration	21,760,170	16,451,020
Interest and Finance Charges : 2)	-	-
- Fixed Loans/Debentures/Working capital / Others (net of interest income / Interest capitalised)	491,780,305	540,286,856
- Loss on current investments (Columbia Fund)	-	33,353,701
- Finance Charges	32,304,689	26,034,435
Provision for bad & doubtful debts & advances	4,882,000	(177,711)
Bad Debts/Advances Written off	-	-
Impairment of Fixed Assets	-	-
Loss (Gain) on sale of Fixed Asset	3,351,404	10,169,549
Donations	-	-
Research & Development Expenses	-	-
	8,020,644,202	7,294,614,491

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Consolidated Coffee
Mar 31, 2010

Schedules forming part of the Profit and Loss Account

Schedule No.11	For the Period Ending Mar 31, 2010	For the Period Ending March 31, 2009
	INR	INR
ACCRETION [-] / DECRETION TO STOCK/ WORK-IN-PROGRESS		
Stock as at the Beginning of the Period		
Coffee	-	-
Instant Coffee	-	-
R&G Coffee	334,975,911	126,392,270
Adj opening balance to net as per FDC	(37,190,008)	-
Work-in-Progress	-	-
Tea	-	-
Trading Stock	-	-
	297,785,903	167,314,577
Exchange Fluctuation on Opening Stock	29,974,650	-
Stock as at the end of the period		
Coffee	-	-
Instant Coffee	-	-
R&G Coffee	345,293,865	294,053,604
Work-in-Progress	-	-
Tea	-	-
Trading Stock	-	-
	345,293,865	334,975,911
ACCRETION [-] / DECRETION / WORK-IN-PROGRESS TO STOCK	(77,482,613)	(167,661,334)

Schedule No.12	For the Period Ending March 31, 2010	For the Period Ending March 31, 2009
	INR	INR
EXCEPTIONAL INCOME / (EXPENSE)		
Profit on sale of property	-	-
Less: Exceptional expenses:	(61,697,986)	(130,749,632)
	(61,697,986)	(130,749,632)

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Notes on Accounts

Consolidated Coffee Inc

Consolidated Coffee Inc

Schedule No.13	As at 31st March, 2010 Rupees	As at 31st March, 2009 Rupees
1 Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (Net of Advances)	INR 2,138,669.97	INR 1,650,512.63
2 a) Claims against the Company not acknowledged as debts		
i) Demands Raised by Income Tax, Excise & Sales tax authorities	INR -	INR -
ii) Labour Disputes	INR -	INR -
iii) Claims by Customers / Suppliers	INR -	INR -
iv) Any other items (Please specify)	INR -	INR -
	INR -	INR -
b) Contingent Liabilities :		
i) Bank Guarantees	INR -	INR -
ii) Bills discounted	INR -	INR -
iii) Others (Please specify)	INR -	INR -
3 Deferred revenue expenditure brought forward from previous year - Deferred Financing Cost	INR 91,737,382.40	INR 68,494,778.53
Add: Deferred revenue expenditure incurred on Deferred Financing Cost	INR -	INR 26,185,492.38
	INR 91,737,382.40	INR 94,680,270.90
Less: Written off during the year, Deferred Financing Cost charged off	INR 27,858,357.98	INR 21,022,641.86
	INR (10,539,139.16)	INR 18,079,753.35
Unrealized Foreign Exchange Gain / (Loss)	INR (10,539,139.16)	INR 18,079,753.35
Closing balance of Deferred Revenue Expenditure	INR 53,339,885.26	INR 91,737,382.40
4 Interest (Net)		
Interest on		
- Debentures	INR -	INR -
- Fixed Loans	INR 492,324,287.95	INR 550,095,227.31
- Working Capital	INR -	INR -
- Others	INR -	INR -
	INR 492,324,287.95	INR 550,095,227.31
Less: Interest Capitalized	INR -	INR -
Less: Interest earned on		
- Inter Corporate Deposits	INR -	INR -
- Deposits with Banks	INR 543,982.66	INR 9,808,371.30
- Others	INR -	INR -
	INR 491,780,305.29	INR 540,286,856.01
5 Selling expenses include		
a) Commission to Sales agents	INR -	INR -
b) Brokerage and Discount on sale	INR -	INR -

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Notes on Accounts

Consolidated Coffee Inc

Schedule No.13 (Contd.)

As at 31st March, 2010

Rupees

6 Following Provisions have been made against the liabilities of contingent nature

	Sales Returns	Cash Discount	Coupons
Opening Balance	INR 34,224,951.31	INR 23,243,277.41	INR 101,989,065
Add: Provisions made during the period	INR 114,495,194	INR 196,490,056	INR 302,184,244
Less: Amount Utilized	INR (104,784,158)	INR (199,219,555)	INR (282,460,546)
Unrealized Exchange Fluctuation	INR (4,419,524)	INR 8,593,105	INR 99,991,461
Closing Rate adjustment	INR (38)	INR (20,513,786)	INR (102,822,835)
Closing balance	INR 39,516,425	INR 8,593,097	INR 118,881,389

7 Classification of Deferred Taxes :

Current

Accounts Receivable	INR 3,706,675.40
Inventories	INR 18,001,274.28
Accrued employee benefits	INR 37,572,599.37
Accrued trade liabilities	INR 82,139,196.05
Other	INR 10,741,517.82
Total deferred income tax assets, current	INR 152,161,262.91

Non-current

Deferred Financing Costs	INR 9,475,647.08
Fixed Assets	INR (130,099,176.11)
Goodwill	INR (262,554,460.76)
Intangible assets	INR (1,201,091,152.17)
Interest Rate Swap	INR 73,425,683.40
Coffee Futures	INR (1,650,348.71)
Other	INR 681,589,352.26
Total deferred income tax liabilities, non-current	INR (830,904,455.01)

8 The Auditors Remuneration includes the following :-

Audit Fee	INR 18,713,746.40
Tax Audit/Taxation Matters	INR 3,046,423.83
Other Services	INR -
Expenses	INR -
Total	INR 21,760,170.24

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Notes on Accounts

Consolidated Coffee Inc

9. Related Party Transactions:

Sl. No	Nature of transaction	Tata Coffee Limited		Tata & Sons		Key Mgmt Personnel		Tata Tea (GB)		Total		Rupees
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	
1.	Sale of Goods	INR 4,240,000	INR -	INR -	INR -	INR -	INR -					
2.	Rendering of Services	INR -	INR -	INR -	INR -	INR -	INR -			INR -	INR -	
3.	Purchase of Goods	INR -	INR -	INR -	INR -	INR -	INR -			INR -	INR -	
4.	Purchase of Fixed Assets	INR -	INR -	INR -	INR -	INR -	INR -			INR -	INR -	
5.	Purchase of Current Assets	INR -	INR -	INR -	INR -	INR -	INR -			INR -	INR -	
6.	Receiving of Services	INR -	INR -	INR -	INR -	INR -	INR -			INR -	INR -	
7.	Interest Payment	INR -	INR -	INR -	INR -	INR -	INR -			INR -	INR -	
8.	Loan From Tata Tea (GB)											
9.	Interest Payable to Tata Tea (GB)							INR (2,992,761,726.66)	INR (3,346,067,866.19)			
10.	Royalties payable to Tata & Sons							0.45				
11.	Receivable from Tetley UK (1102)			INR 13,224,575.15	INR 10,715,137.60							
12.	Receivable from Tetley Canada (1102)							INR 1,559,168.62	INR 1,303,628.34			
13.	Receivable from Empirical Joint Venture (1129)							INR 1,535,153.30				
14.	Payable to UK Statutory Overhead (2420)							INR 683,241.85				
								INR (725,386.81)				
				\$ 294,637.37								

Names of related parties and description of relationship

1. Holding Company Tata Coffee Limited

2. Key Management Personnel Mr. M.H. Ashraff, Director.

10 Comparative figures relating to the previous year have been reclassified wherever necessary to conform to the classification adopted this year.