



ASSAM COMPANY INDIA LIMITED

ANNUAL REPORT
2016-17



Member
Duncan Macneill Group



Corporate Information

Board of Directors

Mr. A. K. Jajodia
Executive, Managing Director

Mr. Amit Halder
Independent Director

Mr. Sanjay Khandelwal
Independent Director

Chief Financial Officer

Mr. Sanjay Sharma

Company Secretary

Ms. Sreya Mitra

Statutory Auditors

De Chakraborty & Sen
Chartered Accountants
Kolkata

Registered Office

Greenwood Tea Estate,
P.O. Dibrugarh, Assam – 786 001

Corporate Office

Assam Tea House
52, Chowringhee Road,
Kolkata – 700 071
Phone : 91-33 2283-8306/09/12
E – mail : acil@assamco.com
Website : www.assamco.com

Corporate Identity Number

L01132AS1977PLC001685

Bankers

Allahabad Bank
Bank of Baroda
State Bank of India (*Formerly State Bank of Bikaner & Jaipur and State Bank of Hyderabad*)
Oriental Bank of Commerce
Central Bank of India
Indian Overseas Bank
Syndicate Bank
Union Bank of India

Registrars & Share Transfer Agents

C. B. Management Services Pvt. Ltd.
P-22, Bondel Road,
Kolkata – 700 019
Phone : 91-33 4011-6700/11/18/23
E-mail : rta@cbmsl.com
Website : www.cbmsl.com

Solicitors

Khaitan & Co.

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NOTICE

Notice is hereby given that the Fortieth Annual General Meeting of the Members of Assam Company India Limited will be held at 10:00 A.M., on Wednesday, 30th August, 2017, at Dibrugarh & District Planters' Club, Lahoal, P.O. Dibrugarh, Assam, to transact the following business :

Ordinary Business :

1. To receive, consider and adopt the Financial Statement of the Company for the Financial Year ended 31st March, 2017, together with the Report of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. A. K. Jajodia, a Director of the Company, whose office is liable to retirement by rotation and retires at this Meeting and, being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

“RESOLVED THAT pursuant to the provisions of Section 139 and such other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time and pursuant to the resolution passed by the Members at the Thirty Eighth Annual General Meeting (AGM) held on 24th June, 2015, in respect of appointment of the Auditors, M/s. De Chakraborty & Sen, Chartered Accountants (Registration No. 303029E) till the conclusion of the AGM to be held in the year 2020, the Company hereby ratifies and confirms the appointment of M/s. De Chakraborty & Sen, as Auditors of the Company and that the Board of Directors be and are hereby authorized to fix their remuneration as recommended by the Audit Committee for the Financial Year 2017-18.

Special Business :

4. To consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution** :

“RESOLVED THAT pursuant to the provisions of Section 148 and such other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s BCD & Associates, Cost Accountants, appointed by the Board of Directors, on the recommendation of the Audit Committee, for the conduct of the audit of the cost records of the Company for the Financial Year 2017-18, at a remuneration of Rs. 1,75, 000/- (Rupees One Lakh and Seventy Five Thousand only), be and is hereby ratified and confirmed;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

Head Office:

52, Chowringhee Road
Kolkata – 700 071
Ph : (033) – 2283 8306
Dated : 30th May, 2017

By Order of the Board
Assam Company India Limited
Sreya Mitra
Company Secretary

NOTES —

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY FORM, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING. NO PHOTOCOPY / SCANNED COPY OF A COMPLETED PROXY FORM WILL BE ACCEPTED.

2. Statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business is annexed hereto.

3. As per the provisions of Section 125 of the Companies Act, 2013, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules, 2016"), the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund (IEPF), a Fund constituted by the Government of India, under Section 125 of the Companies Act, 2013.

Further, in accordance with the provisions of Section 124(6) of the Companies Act, 2013 and IEPF Rules, 2016, shares on which dividend has not been paid or claimed for seven consecutive years or more, are liable to be transferred to IEPF Suspense Account.

Members who have not claimed dividend for previous year(s) are requested to claim the same by approaching the Company or the Registrar and Share Transfer Agent (RTA) of the Company.

4. As per the provisions of Section 72 of the Companies Act, 2013, Members are requested to file Nomination Forms in respect of their shareholding. Any Member wishing to avail of this facility should submit to the Company the prescribed Statutory Form SH 13. For any assistance, Members should get in touch with the Company's RTA.

5. Members are requested to notify immediately any change in their addresses to the Company's RTA.

6. A Member or his Proxy will be required to produce at the entrance to the Meeting Hall, the Attendance Slip sent herewith duly completed and signed. Neither photocopies nor torn / mutilated Attendance Slips will be accepted. However, Members who have received the Annual Report on E-mail can download and print the Attendance Slip themselves. These should be completed, signed and handed over at the entrance to the Meeting Hall. The validity of the Attendance Slip will, however, be subject to the Members continuing to hold Equity Shares as on the date of the Meeting.

7. Equity Shares of the Company fall under the category of compulsory demat trading by all Investors. Members are requested to consider dematerialisation of their shareholding so as to avoid inconvenience.

8. Securities and Exchange Board of India (SEBI) vide Circular No. MRD/DoP/Cir-05/2009, dated 20th May, 2009, has issued a Circular on PAN requirement for transfer of shares in physical form. For securities market transactions and off-market / private transactions involving transfer of shares in physical form, it shall be mandatory for the transferee(s) to furnish copy of PAN card to the Company / RTA for registration of such transfer of shares.

9. All documents referred to in the Notice and the Statement, are open for inspection at the Registered Office of the Company on all working days between 10:00 a.m. to 12 noon, upto the date of the forthcoming Annual General Meeting.

10. Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.

11. Members are requested to bring their Attendance Slip along with their copy of the Annual Report to the Meeting.

12. In case of joint holders attending the Meeting, only such joint holder, who is higher in the order of names, will be entitled to vote.



13. Members are requested to quote their registered Folio Number / DP ID, Client ID in all correspondence with the Company or its Registrars.
14. Members holding shares in physical form are requested to notify changes in their addresses, if any, quoting their Folio Numbers to the RTA of the Company.
15. Members holding shares under multiple folios are requested to submit their applications to RTA, for consolidation of folios into single folio.
16. The Register of Director's Shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the Members at the Annual General Meeting.
17. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of the Annual Reports at the Meeting.
18. Members desiring any relevant information on the annual accounts of the Company are requested to write to the Company well in advance to ensure that such requests reach the Company at least 10 (ten) days before the Annual General Meeting, so as to enable the Company to keep the information ready.
19. The Register of Members and Share Transfer Books of the Company shall remain closed from 24th August, 2017, to 30th August, 2017, both days inclusive.

20. **Voting through electronic means**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is providing its members' facility to exercise their right to vote by electronic means and the business may be transacted through e-voting Services provided by National Securities Depository Limited (NSDL):

The instructions for e-voting are as under:

- A. In case a member receives an e-mail from NSDL (for members whose e-mail IDs are registered with the Company's Registrar and Share Transfer Agent:
 - (i) Open e-mail and open PDF file viz; "Assam Company India Limited e-Voting.pdf" with your Client ID or Folio Number as password. The said PDF file contains your user ID and password / PIN for e-voting. Please note that the password is a temporary password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsd.com/>
 - (iii) Click on Shareholder – Login
 - (iv) Put user ID and password as initial password noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password / PIN with new password of your choice with minimum 8 digits / characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.
 - (vii) Select "EVEN" of Assam Company India Limited.
 - (viii) Now you are ready for e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.

- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to cssandip.sarkar@gmail.com with a copy marked to evoting@nsdl.co.in.
- B. In case a Member receives physical copy of the Notice (for Members whose e-mail IDs are not registered with the Company / Depository Participant(s) or requesting physical copy) :
 - (i) Temporary password is annexed along with the Notice.
 - (ii) Please follow all steps from Sl. No. 20 I A (ii) to Sl. No. (xii) above, to cast vote.
- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com.
- III. If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote.
- IV. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).
- V. The e-voting period commences on 27th August, 2017 (9:00 A.M.) and ends on 29th August, 2017 (5:00 P.M.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) 23rd August, 2017, may cast their vote electronically. The e-voting module shall also be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- VI. The voting rights of Shareholders shall be in proportion to their shares of the paid up Equity Share Capital of the Company as on 23rd August, 2017.
- VIA. Those who become Members of the Company after despatch of the Notice but on or before 23rd August, 2017 (cut-off date) may write to NSDL at evoting@nsdl.co.in or to the Company at acil@assamco.com requesting for user ID and password.
- VII. Sandip Sarkar, Company Secretary, holding C. P. No. 9483 has been appointed as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.
- VIII. **General Information**
 - a. There will be one vote for every Client ID No. / Registered Folio No. irrespective of the number of joint holders.
 - b. The Results of voting will be declared within 3 days from the conclusion of the AGM and the Resolutions will be deemed to be passed on the date of the AGM, subject to receipt of requisite number of votes. The declared Results, alongwith the Scrutinizer's Report, will be available forthwith on the Company's Corporate Website www.assamco.com and also be forwarded to the National Stock Exchange of India Limited and BSE Limited.



STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013, IN RESPECT OF THE SPECIAL BUSINESS.

Item No. 4

In terms of Section 148 of the Companies Act, 2013, read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 ('the Rule'), your Board of Directors at its adjourned Meeting held on 30th May, 2017, has appointed M/s BCD & Associates, Cost Accountants, as the Cost Auditors of the Company for the Financial Year 2017-18, at a remuneration of Rs. 1,75,000/- (Rupees One Lakh and Seventy Five Thousand only) per annum.

The appointment and the remuneration of the Cost Auditor is required to be ratified subsequently as per the provisions of the Companies Act, 2013.

The Resolution set out in Item No. 4 of the convening Notice is to be considered accordingly and the Board recommends the same.

None of the Directors or Key Managerial Personnel and their relatives is concerned or interested, financial or otherwise, in the above Resolution.

Head Office:

52, Chowringhee Road,
Kolkata – 700 071

Ph : (033) 2283 8306

Dated: 30th May, 2017

**By Order of the Board
Assam Company India Limited**

Sreya Mitra
Company Secretary

Annexure to Annual General Meeting Notice

Information on Director seeking re – appointment at the ensuing Annual General Meeting (Pursuant to Regulation 36 of the Listing Regulation).

Name of Director	Date of Birth	Date of Appointment	Expertise in specific functional areas	Qualifications	Directorship in other Public Companies	Membership of Committees of other Public Limited Companies (include only Audit Committee and Shareholders' / Investors' Grievance Committee)	Other Information	Remarks
A. K. Jajodia	01.02.1963	01.10.1992	Business Management	B.Com	Aditya Estates Pvt. Ltd. North East Hydrocarbon Ltd. Chandra Estates Pvt. Ltd. Gujarat Hydrocarbons and Power SEZ Ltd. Dune Leasing & Finance Ltd.	NIL	Promoter Director No. of Shares held : 1152170	Retires by rotation at the Annual General Meeting


DIRECTORS' REPORT

Dear Members,

Your Directors present the Fortieth Annual Report together with the Audited Statement of Accounts for the Financial Year ended 31st March, 2017.

The Financial Results are set out below :

Financial Performance

The summarized Standalone and Consolidated results of your Company and its Subsidiaries are given in the table below:

Particulars	Financial Year ended (Rs.)			
	Standalone		Consolidated	
	31/03/2017	31/03/2016	31/03/2017	31/03/2016
Income	2,164,774,677	3,030,069,242	2,163,222,135	3,030,612,088
Profit / (loss) before Interest, Depreciation, Exceptional Items & Tax	(187,298,877)	142,144,827	(189,025,558)	141,442,032
Interest and Finance Charges	346,254,566	580,580,127	373,277,471	633,808,479
Depreciation	132,588,738	94,634,278	132,591,104	94,702,541
Profit / (loss) before Extraordinary Items & Tax	(666,142,181)	(533,069,578)	(694,894,133)	(587,068,988)
Extraordinary Item	0	0	0	17,843,992
Profit / (loss) before Tax	(666,142,181)	(533,069,578)	(694,894,133)	(604,912,980)
Provision for Income Tax (including for earlier years)	(41,734,637)	0	41,736,689	0
Profit / (Loss) after Tax before Minority Interest	(707,876,818)	(533,069,578)	(736,630,822)	(604,912,980)
Minority Interest	0	0	(160,849)	(113,164)
Profit / Loss for the year	(707,876,818)	(533,069,578)	(736,469,973)	(604,799,816)
Balance brought forward from previous year	473,429,698	1,032,032,727	(798,194,437)	(146,600,060)
Adjustment to balance brought forward on inclusion of AONGCL / AONGL	0	0	0	(21,261,110)
Adjustment for depreciation	0	(25,533,451)	0	(25,533,451)
Available for Appropriation	(234,447,120)	473,429,698	(1,534,664,410)	(798,194,437)
Balance carried forward	(234,447,120)	473,429,698	(1,534,664,410)	(798,194,437)

Extract of Annual Return

As per the provisions of Section 92(3) of the Companies Act, 2013 ('the Act') read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return in Form MGT-9, is given in **Annexure 1**, forming part of this Report.

Details of Board meetings

During the year, 5 meetings of the Board of Directors were held, which includes a Meeting of the Independent Directors as required under the Act, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations), and the Secretarial Standard I. The details of the meetings are furnished in the Corporate Governance Report.

Directors' Responsibility Statement

In accordance with the provisions of Section 134(3) (c) of the Companies Act, 2013, ("the Act") and, based upon the representations from the Management, the Board states that :

- (a) in the preparation of the Annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

- (b) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit and loss of the Company for that period;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors had prepared the annual accounts on a going concern basis; and
- (e) the Directors, in the case of a listed company, had laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively.
- (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Declaration by Independent Directors

Mr. Amit Halder and Mr. Sanjay Khandelwal are the Independent Directors on the Board of your Company. In the opinion of the Board and as confirmed by these Directors, they fulfill the conditions specified in Section 149(6) of the Act and the Rules made thereunder about their status as Independent Directors of the Company.

Nomination and Remuneration Committee of the Company

Your Company has a Nomination and Remuneration Committee of the Board and has adopted the Remuneration Policy for the appointment and remuneration of the Directors, Key Managerial Personnel and other Senior Executives of the Company along with other related matters, which has been formulated in terms of the requirement of the Companies Act, 2013, the Listing Agreement and the Listing Regulations. The Policy is uploaded on the Company's Website (URL:www.assamco.com).

Particulars of Loans, Guarantees or Investments:

Particulars of Loans, Guarantees or Investments made during the year as required under Section 186 of the Companies Act, 2013, are provided in the notes to the Financial Statements.

Related Party Transactions

All Related Party Transactions are in compliance with the applicable provisions of the Act and the Listing Regulations. There are no materially significant Related Party Transactions made by the Company with related parties. Details of the transactions with related parties are provided in the Form AOC – 2 (as annexed to this Report as **Annexure '2'**) and also in the Note no. 49 of the Financial Statements in accordance with the Accounting Standards.

All Related Party Transactions are presented to the Audit Committee and the Board. A statement of all Related Party Transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

Your Company has also adopted a Related Party Transactions Policy. The Policy is uploaded on the Company's Website (URL:www.assamco.com). The objective is to ensure proper approval, disclosure and reporting of transactions as applicable, between the Company and any of its related parties.

Summary of Operations

The Company performed quite well during the Financial Year 2016-17 with an increase in the harvest of green leaf. The March rainfall was very useful for the initial stage of the harvest and the harvest was conducive for manufacture of good teas across the group. The purchasing market too was buoyant and the same reflected in the realized prices initially.

Whilst everything issue seemed fully stitched when the Pan India Auction came into force during the quality period and this resulted in utter chaos across the system. This also led to quite a few buyers withdrawing for purchasing tea from the new system which depressed prices at a crucial juncture. This also led to the unwanted stockpile of which a fair quantity was sold at very low prices hence depressing the realization of prices.



Demonetization was the second whammy that hit the industry as a whole resulting in the absence of buyers from the entire wholesale and secondary markets and this occurred just post the heavy cropping months resulting in the stockpile compulsorily sold again at low prices.

The Company, during its 12 months year ended on 31st March, 2017, produced 10.86 Million Kgs. of tea as against 11.62 Million Kgs. during its 15 months period ended on 31st March, 2017. The Company during its 12 months year ended on 31st March, 2017, sold 10.73 Million Kgs. of tea at an average price of Rs. 197.25/Kg. as against 12.46 Million Kgs. sold during its 15 months period ended on 31st March, 2016 at an average price of 216.90/Kg.

The Management Discussion and Analysis Report given in Annexure '3' forms a part of this Report and covers, amongst other matters, the performance of the Company during the Financial Year 2016-17.

Dividend and Reserves

Considering the continued weak operating performance in the business, your Directors do not recommend any Dividend for the Financial Year 2016-17.

Accordingly, your Company does not propose to carry any amount to the Reserves also.

Material changes and commitment, if any, affecting financial position of the Company from the end of Financial Year and till the date of this Report

There has been no material change and commitment, affecting the financial position of the Company occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of this Report.

Details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The particulars as prescribed under Section 134 (3) (m) of the Act, read with Rule 8(3) of the Companies (Accounts) Rules, 2014, relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are given in **Annexure '4'**, forming part of this Report.

Corporate Social Responsibility (CSR)

In accordance with Section 135 of the Act and Rules framed thereunder, your Company has adopted a Policy of CSR and the Board has constituted a Committee for implementing the CSR Activities. Composition of the Committee are provided in the Corporate Governance Report. Expenditure on CSR activities are not applicable to your Company.

Performance Evaluation

In compliance with the Companies Act, 2013, and the Listing Regulations, the Board has carried out the Annual Performance Evaluation of the Directors individually as well as evaluation of the working of the Board and the Committees of the Board, by way of individual and collective feedback from the Directors.

The following were the Evaluation Criteria :

(a) For Independent Directors:

- Knowledge and Skills
- Professional conduct
- Duties, Role and functions

(b) For Executive Director:

- Performance as Team Leader / Member
- Evaluating Business Opportunity and analysis of Risk Reward Scenarios
- Key Set Goals and Achievements
- Professional Conduct and Integrity
- Sharing of Information with the Board

The Directors expressed their satisfaction with the evaluation process.

Risk Management

The Board of the Company has formed a Risk Management Committee to frame, implement and monitor the Risk Management plan for the Company. The Committee is responsible for reviewing the Risk Management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The Policy is uploaded on the Company's Website (URL:www.assamco.com).

Subsidiary Companies

Pursuant to sub-section (3) of Section 129 of the Act, a statement containing the salient features of the Financial Statement of each of the Subsidiary in the prescribed Form AOC – 1, is annexed to this Report as **Annexure '5'**.

The Financial Statements of the Subsidiaries are also available on the Website of the Company (www.assamco.com).

Directors and Key Managerial Personnel

Pursuant to Section 149 (10) of the Act, read along with the Rules framed thereunder, the Members had at the 38th Annual General Meeting (AGM) of the Company held on 24th June, 2015, approved the appointment of Independent Directors (viz Mr. Amit Halder and Mr. Sanjay Khandelwal) to hold office for a term upto 5(five) consecutive years from the conclusion of that AGM until the conclusion of the 43rd AGM. Further, pursuant to the Sections 149(13) and 152 of the Act, provisions for the retirement of rotation of Directors shall not apply to such Independent Directors.

Pursuant to Section 197 and 196 read with Schedule V and other applicable provisions of the Act, the Members had at the 38th Annual General Meeting (AGM) of the Company held on 24th June, 2015, approved the re-appointment of Mr. A. K. Jajodia, Managing Director of the Company, to hold office for a term upto 3 (three) consecutive years from the conclusion of that AGM until the conclusion of the 41st AGM.

Necessary resolutions relating to the Director who is seeking re-appointment is included in the Notice of the AGM. The relevant details of the said Director is given in the annexure to the Notice of the AGM.

As on date, Mr. A. K. Jajodia, Managing Director, Mr. Sanjay Sharma, Chief Financial Officer and Ms. Sreya Mitra, Company Secretary, are the Key Managerial Personnel of the Company.

Committees of Board

The details pertaining to composition of the Board Committees and terms of reference are included in the Corporate Governance Report, which forms part of this Report as **Annexure '6'**.

Auditors

(i) Statutory Auditors

In the 38th Annual General Meeting (AGM) held on June 24, 2015, M/s. De Chakraborty & Sen, Chartered Accountants had been appointed as Statutory Auditors of the Company for a period of 5 years. Ratification of appointment of Statutory Auditors is being sought from the Members of the Company at this AGM. Further, they have, under Section 139(1) of the Act and the Rules framed thereunder furnished a certificate of their eligibility and consent for appointment.

A resolution seeking ratification of their appointment forms part of the Notice convening the 40th Annual General Meeting and the same is recommended for your consideration and approval.

Further, the Report of the Statutory Auditors along with notes is enclosed to this Report. The remarks in the Standalone Report are already explained in the Notes to Accounts and as such does not call for any further explanation or elucidation. The comments on the Consolidated Report are given as under :

- (a) Details of Audit Qualification :** Attention is drawn to one of the Subsidiaries, namely, Duncan Macneill Power India Limited, where the Standalone Financial Statements of these companies have been prepared and disclosures made in accordance with Accounting Standard 1, on the



basis of assumption that the business will continue in near future; however, there have been cash losses in the preceding years resulting into complete erosion of net worth.

Management is of the view that going concern concept is applicable, hence, no need to quantify at this point of time. The Auditors of the Subsidiary has not clearly recorded their disagreement with the view of the Management.

- (b) **Details of Audit Qualification** : Attention is drawn to, one of the Subsidiaries, namely, Duncan Macneill Power India Limited, where the Holding Company has invested in Compulsory Convertible Preference Share of its Foreign Subsidiary amounting to Rs. 24.95 Crores. The documents relating to investment made in Compulsory Convertible Preference Share of Foreign Subsidiary and details about terms & condition of the investment were not provided by the Management.

Management is of the view that this investment is existing and the value has not impaired. The Auditor of the Subsidiary has not clearly indicated that the investment is non-existent.

- (c) **Details of Audit Qualification** : Attention is drawn to the Financial Statements of one of the Subsidiaries, namely, Gujarat Hydrocarbons and Power SEZ Limited (GHPSL), under the head "Current Maturities of Long Term Borrowings" includes a borrowing where the Principal amount is Rs. 100.00 Crores and Interest on the same is Rs. 37.50 Crores. The Subsidiary Company could not comply with the terms of agreement of Term Loan taken by it from the lender and defaulted in making the payment. Considering the situation, the Board of Directors of GHPSL, at its Meeting held on 31st March, 2015, decided not to make provisions for the related interest expense of Rs. 16.50 Crores for the current Financial Year on the Loan amount.

Management's views is not to over burden the Account in view of possible one-time settlement with the Lender.

(ii) **Cost Audit**

Pursuant to Section 148 of the Act, the Central Government has made it mandatory for the Company to conduct a Cost Audit and accordingly, the Company is required to have the audit of its cost records conducted by a Cost Accountant in practice. The Board of Directors of the Company has on the recommendation of the Audit Committee, approved the appointment of M/s BCD & Associates having Registration No. 100410, as the Cost Auditors of the Company to conduct Cost Audits pertaining to relevant products prescribed under the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time for the year ended 31st March, 2018.

M/s BCD & Associates, have vast experience in the field of Cost Audit and have conducted the audit of the cost records of the Company for the past several years under the provisions of the erstwhile Companies Act, 1956.

A resolution seeking Members' ratification for the remuneration payable to Cost Auditors forms part of the Notice of the 40th Annual General Meeting of the Company and the same is recommended for your consideration and approval.

(iii) **Secretarial Audit**

In terms of Section 204 of the Companies Act, 2013 and Rules made there under, M/s. S. Sarkar & Associates, Practicing Company Secretaries, have been appointed as the Secretarial Auditors of the Company. The Report of the Secretarial Auditors is annexed to and forms a part of this Report as **Annexure '7'**. The comments on the Report are given as under :

- (a) Constitution of the Board of Directors, Nomination and Remuneration Committee and non-appointment of a Woman Director in the Board - Due to non-availability of suitable persons, we are yet to appoint other Director(s) in the Board, a Non-Executive Director in the Nomination and Remuneration Committee and a Woman Director in the Board of your Company.

- (b) Non charging of the interest on Inter-Corporate Loan according to Section 186 of the Companies Act, 2013 – As most of the Companies are yet to start their revenue activities or does not have sufficient profit / working capital, your Company did not charge any interest on the Inter-Corporate Loan.
- (c) Charges appeared in the MCA Website in relation to the Secured Debt which since has been repaid – The Company have taken necessary steps to remove the charges which have been repaid, but are still appearing in the MCA Website.
- (d) Irregularities in depositing Provident Fund with the Authority and payment of Gratuity – Due to the subdued business performance during the year, the liquidity of the Company has been severely affected. This is the reason behind our failing to deposit the arrear Provident Fund and Gratuity.

Human Resources

Your Company treats its “human resources” as one of its most important assets.

Your Company continuously invest in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

Internal Financial Controls

The Internal Financial Controls with reference to the Financial Statements are included in the Management Discussion and Analysis Report, which forms part of this Report.

Transfer of amounts to Investor Education and Protection Fund

The Company has transferred a sum of Rs. 4,40,774 during the Financial Year 2016-17 to the Investor Education and Protection Fund (IEPF) established by the Central Government, in compliance with Section 124 of the Act. The said amount represents unclaimed dividends which were lying with the Company for a period of seven years from their respective due dates of payment. Prior to transferring the aforesaid sum, the Company has sent reminders to shareholders for submitting their claims for unclaimed dividend.

Further, in accordance with the provisions of Section 124(6) of the Companies Act, 2013 and IEPF Rules, 2016, shares on which dividend has not been paid or claimed for seven consecutive years or more, are liable to be transferred to IEPF Suspense Account. Members who have not claimed dividend for previous year(s) are requested to claim the same by approaching the Company or the R & T Agents of the Company.

Deposits

The Company has not accepted any deposits from the public/members under Section 73 of the Companies Act, 2013, read with Companies (Acceptance of Deposits) Rule, 2014, during the year.

Particulars of Employees

The statement under Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and particulars required under Section 197 (12) of the Act are given in **Annexure ‘8’**, forming a part of this Report.

The said Annexure shall be provided to the Members on a specific request made in writing to the Company. The said information is available for inspection by the Members at the Registered Office of the Company on any working day of the Company up to the date of the Annual General Meeting.

Significant and Material Orders passed by the Regulators or Courts or Tribunals impacting the Going Concern Status of the Company

There has been no significant and material order passed by the Regulators or Courts or Tribunals impacting the Going Concern Status of the Company’s operations.



Disclosure as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance towards sexual harassment at the workplace and has set up Internal Complaints Committee (ICC) for prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. During the year 2016-17, the Company has not received any complaint of sexual harassment.

Corporate Governance

Your Company has complied with the Corporate Governance requirements under the Companies Act, 2013 and the Listing Regulations. A separate section on Corporate Governance under the Listing Regulations, along with a Certificate from M/s. S. Sarkar & Associates, Practicing Company Secretaries, are given in **Annexure '6'**, forming part of this Report.

Familiarization programme for Independent Directors

The details of the programme for familiarization of Independent Directors with the Company in respect of their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the Website of the Company (www.assamco.com)

Vigil Mechanism

The Company has adopted a Whistle Blower Policy establishing Vigil Mechanism, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism. The Policy of Vigil Mechanism is available on the Company's Website (www.assamco.com)

Green Initiatives

As per our Green Initiative, the electronic copies of this Annual Report including the Notice of the Fortieth AGM are sent to all members whose e-mail addresses are registered with the Company. For Members who have not registered their e-mail addresses, physical copies of this Annual Report including the Notice are being sent by permitted mode.

The Company is providing e-voting facility to all its members to enable them to cast their votes electronically on all resolutions set forth in the Notice. This is pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administrative) Rules, 2014. The instruction for e-voting is provided in the Notice.

Acknowledgement

Your Directors place on record their appreciation for employees at all levels, who have contributed to the growth and performance of your Company.

Your Directors also thank the clients, vendors, bankers, shareholders and advisers of the Company for their continued support.

Your Directors also thank the Central and State Governments, and other statutory authorities for their continued support.

On behalf of the Board of Directors

A. K. Jajodia – Managing Director
(DIN - 00056074)

Amit Halder – Director
(DIN - 05231811)

Sanjay Khandelwal – Director
(DIN - 00193472)

Kolkata
30th May, 2017



**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on Financial Year ended on 31.03.2017
of**

ASSAM COMPANY INDIA LIMITED

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

(i)	CIN	L01132AS1977PLC001685
(ii)	Registration Date	15th March, 1977
(iii)	Name of the Company	Assam Company India Limited
(iv)	Category/Sub-category of the Company	Public Company - Limited by Shares
(v)	Address of the Registered Office & contact details	Greenwood Tea Estate, P.O. Dibrugarh, Assam - 786 001 Telephone No. : (033) 2283-8306/8309/8312 Facsimile No. : (033) 2283 8334 E-mail : acil@assamco.com Website : www.assamco.com
(vi)	Whether Listed Company	Yes
(vii)	Name , Address & contact details of the Registrar & Transfer Agent, if any.	C.B. Management Services (P) Limited P-22, Bondel Road, Kolkata - 700 019 Telephone No. : (033) 4011-6700/2280-6692/2282-3643 Facsimile No.: (033) 4011 6739 E-mail : rta@cbmsl.com

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Name & Description of main Products/Services	NIC Code of the Product / Service	% to total turnover of the Company
Tea Cultivation & Manufacturing	10791	100


III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sl. No.	Name & Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
1	Dahej Offshore Infrastructure SEZ Limited Girish Chandra Bardoloi Path, Bamunimaidan, Guwahati, Assam - 781 021	U01132AS1995PLC004502	Subsidiary	100%	2(87)
2	Assam Oil and Gas Limited Greenwood Tea Estate, P.O. Dibrugarh, Assam - 786 001	U11201AS1992PLC008022	Subsidiary	100%	2(87)
3	North East Hydrocarbon Limited GC, Bardoloi Path, Bamunimaidan, Guwahati, Dibrugarh, Assam - 781 021	U23209AS1994PLC004298	Subsidiary	100%	2(87)
4	Camellia Cha Bar Limited Salonah Tea Estates, Misa, Dist. Nagaon, Assam - 782 001	U01132AS1995PLC004486	Subsidiary	99.98%	2(87)
5	Gujarat Hydrocarbons and Power SEZ Limited 301, J.K. Apartment, VIPPS Centre, Masjid Moth, Greater Kailash Part II, New Delhi - 110 048	U70109DL2007PLC167079	Subsidiary	51%	2(87)
6	Duncan Macneill Power India Limited 52, Chowringhee Road, Kolkata - 700 071	U40109WB1994PLC109981	Subsidiary	100%	2(87)
7	Assam Oil and Natural Gas Limited Queensgate House, 3rd Floor, 113 South Church Street, George Town - 10240, Grand Cayman, Cayman Islands	NA	Foreign Subsidiary	100%	2(87)
8	Duncan Macneill Natural Resources Limited Unit 1 & 3 St. Martins Court, Aston Road, Bedford - MK42 0LN	NA	Foreign Subsidiary	100%	2(87)

IV SHARE HOLDING PATTERN (Equity Share capital break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2016)				No. of Shares held at the end of the year (31.03.2017)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	2,017,320	0	2,017,320	0.65	2,017,320	0	2,017,320	0.65	0.00
b) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
c) State Government	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	5,082,143	0	5,082,143	1.64	5,082,143	0	5,082,143	1.64	0.00
e) Bank/FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL:(A) (1)	7,099,463	0	7,099,463	2.29	7,099,463	0	7,099,463	2.29	0.00
(2) Foreign									
a) NRI-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	122,642,596	0	122,642,596	39.59	122,622,596	0	122,622,596	39.59	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (A) (2)	122,642,596	0	122,642,596	39.59	122,622,596	0	122,622,596	39.59	0.00
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	129,742,059	0	129,742,059	41.88	129,722,059	0	129,722,059	41.88	0.00
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	0	20,160	20,160	0.01	0	20,160	20,160	0.01	0.00
b) Banks/FI	36,900	12,830	49,730	0.02	410,152	12,830	422,982	0.14	0.12
c) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
d) State Government	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	7,533,328	0	7,533,328	2.43	6,833,313	0	6,833,313	2.21	(0.22)
g) Foreign Institutional Investors (FIIS)	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Portfolio Investors	0	0	0	0.00	20,000	0	20,000	0.01	0.01
i) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
j) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (B)(1):	7,570,228	32,990	7,603,218	2.45	7,263,465	32,990	7,296,455	2.36	(0.09)



Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2016)				No. of Shares held at the end of the year (31.03.2017)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Non Institutions									
a) Bodies Corporates									
i) Indian	29,471,574	37,350	29,508,924	9.53	27,454,444	37,350	27,491,794	8.87	(0.65)
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	111,810,116	3,666,623	115,476,739	37.28	108,251,676	3,611,853	111,863,529	36.11	(1.17)
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	22,651,299	0	22,651,299	7.31	28,994,877	0	28,994,877	9.36	2.05
c) Others (specify)									
i) NRI / OCB	2,375,852	13,260	2,389,112	0.77	2,377,315	13,260	2,390,575	0.77	0.00
ii) Clearing Members	2,384,843	0	2,384,843	0.77	1,996,910	0	1,996,910	0.65	(0.13)
iii) Foreign National	0	0	0	0.00	0	0	0	0.00	0.00
iv) Trust	4,769	0	4,769	0.00	4,764	0	4,764	0.00	0.00
SUB TOTAL (B)(2):	168,698,453	3,717,233	172,415,686	55.66	169,079,986	3,662,463	172,742,449	55.76	0.10
Total Public Shareholding (B)= (B)(1)+(B)(2)	176,268,681	3,750,223	180,018,904	58.12	176,343,451	3,695,453	180,038,904	58.12	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	306,010,740	3,750,223	309,760,963	100.00	306,065,510	3,695,453	309,760,963	100.00	NIL

(ii) SHARE HOLDING OF PROMOTERS

Sl. No.	Shareholders Name	Shareholding at the beginning of the year (01.04.2016)			Shareholding at the end of the year (31.03.2017)			% change in share holding during the year
		No. of shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	
1	Dune Leasing and Finance Limited	4,531,643.00	1.46	0.20	4,531,643.00	1.46	0.20	0
2	Aditya Estates Private Limited	550,500.00	0.18	0.18	550,500.00	0.18	0.18	0
3	Aditya Kumar Jajodia	152,170.00	0.05	0.04	152,170.00	0.05	0.04	0
4	Aditya Kumar Jajodia (HUF)	1,000,000.00	0.32	0.32	1,000,000.00	0.32	0.32	0
5	Ruchika Jajodia	625,150.00	0.20	0.20	625,150.00	0.20	0.20	0
6	Nisha Kanoi	240,000.00	0.08	0.00	240,000.00	0.08	0.00	0
7	Assam Oil Company Limited	119,088,048.00	38.45	0.00	119,068,048.00	38.44	0.00	(0.01)
8	Cromwell Securities Limited	3,554,548.00	1.15	1.13	3,554,548.00	1.15	1.13	0
	Total	129,742,059.00	41.88	2.07	129,722,059.00	41.88	2.07	(0.01)

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE)

Sl. No.	Name of Promoters	Share holding at the beginning and end of the year (01.04.2016 - 31.03.2017)		Date wise increase/decrease in Promoters Share holding during the year				Cumulative Share holding during the year	
		No. of Shares	% of total Shares of the Company	Date	No. of Shares	% of total Shares of the Company	Reason	No. of Shares	% of total Shares of the Company
1	Assam Oil Company Limited								
	At the beginning of the year (01.04.2016)	119,088,048	38.45						
				31/03/2017	20,000	0.01	Sale	119,068,048	38.44
	At the end of the year (31.03.2017)	119,068,048	38.44						
2	Dune Leasing and Finance Limited								
	At the beginning of the year (01.04.2016)	4,531,643	1.46						
				-	0	0	No Change		
	At the end of the year (31.03.2017)	4,531,643	1.46						
3	Cromwell Securities Limited								
	At the beginning of the year (01.04.2016)	3,554,548	1.15						
					0	0	No Change		
	At the end of the year (31.03.2017)	3,554,548	1.15						
4	Aditya Kumar Jajodia (HUF)								
	At the beginning of the year (01.04.2016)	1,000,000	0.32						
					0	0	No Change		
	At the end of the year (31.03.2017)	1,000,000	0.32						
5	Ruchika Jajodia								
	At the beginning of the year (01.04.2016)	625,150	0.20						
					0	0	No Change		
	At the end of the year (31.03.2017)	625,150	0.20						
6	Aditya Estates Private Limited								
	At the beginning of the year (01.04.2016)	550,500	0.18						
				-	0	0	No Change		
	At the end of the year (31.03.2017)	550,500	0.18						
7	Nisha Kanoi								
	At the beginning of the year (01.04.2016)	240,000	0.08						
					0	0	No Change		
	At the end of the year (31.03.2017)	240,000	0.08						
8	Aditya Kumar Jajodia								
	At the beginning of the year (01.04.2016)	152,170	0.05						
					0	0	No Change		
	At the end of the year (31.03.2017)	152,170	0.05						


(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sl. No.	For each of the Top 10 Shareholders	Share holding at the beginning and end of the year (01.04.2016 - 31.03.2017)		Date wise increase / decrease in Share holding during the year				Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	Date	No. of Shares	% of total Shares of the Company	Reason	No. of Shares	% of total Shares of the Company
1	Life Insurance Corporation of India								
	At the beginning of the year (01.04.2016)	6,443,490	2.08						
				-	0	0.00	No Change		
	At the end of the year (31.03.2017)	6,443,490	2.08						
2	Siriyari Tradecom Private Limited								
	At the beginning of the year (01.04.2016)	9,333,952	3.01						
				-	0	0.00	No Change		
	At the end of the year (31.03.2017)	9,333,952	3.01						
3	Reliance Capital Limited								
	At the beginning of the year (01.04.2016)	3,000,000	0.97						
				-	0	0.00	No Change		
	At the end of the year (31.03.2017)	3,000,000	0.97						
4	Shrikant Kirtilal Shah								
	At the beginning of the year (01.04.2016)	1,197,000	0.39						
				08/04/2016	918	0.0003	Sale	1,196,082	0.39
				29/04/2016	9,200	0.0030	Sale	1,186,882	0.38
				06/05/2016	2,000	0.0006	Sale	1,184,882	0.38
				20/05/2016	6,200	0.0020	Sale	1,178,682	0.38
				17/06/2016	15,000	0.0048	Sale	1,163,682	0.38
				24/06/2016	26,300	0.0085	Sale	1,137,382	0.37
				30/06/2016	4,200	0.0014	Sale	1,133,182	0.37
				08/07/2016	10,982	0.0035	Sale	1,122,200	0.36
				15/07/2016	6,900	0.0022	Sale	1,115,300	0.36
				22/07/2016	5,000	0.0016	Sale	1,110,300	0.36
				06/01/2017	13,300	0.0043	Sale	1,097,000	0.35
				20/01/2017	19,500	0.0063	Sale	1,077,500	0.35
				27/01/2017	4,900	0.0016	Sale	1,072,600	0.35
				03/02/2017	4,400	0.0014	Sale	1,068,200	0.34
				10/02/2017	10,100	0.0033	Sale	1,058,100	0.34
				24/02/2017	7,200	0.0023	Sale	1,050,900	0.34
				03/03/2017	19,700	0.0064	Sale	1,031,200	0.33
				10/03/2017	9,200	0.0030	Sale	1,022,000	0.33
			17/03/2017	3,200	0.0010	Sale	1,018,800	0.33	
			31/03/2017	2,800	0.0009	Sale	1,016,000	0.33	
	At the end of the year (31.03.2017)	1,016,000	0.33						

Sl. No.	For each of the Top 10 Shareholders	Share holding at the beginning and end of the year (01.04.2016 - 31.03.2017)		Date wise increase / decrease in Share holding during the year				Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	Date	No. of Shares	% of total Shares of the Company	Reason	No. of Shares	% of total Shares of the Company
5	Yogesh Kumar Karwa								
	At the beginning of the year (01.04.2016)	888,840	0.29						
				07/10/2016	11,160	0.0036	Buy	900,000	0.29
				03/03/2017	900,000	0.2905	Sale	0	0.00
	At the end of the year (31.03.2017)	0	0.00						
6	Kavita Nayar								
	At the beginning of the year (01.04.2016)	795,000	0.26						
				-	0	0.00	No Change		
	At the end of the year (31.03.2017)	795,000	0.26						
7	Shrenik Deepak Shah								
	At the beginning of the year (01.04.2016)	791,200	0.26						
				08/04/2016	5,000	0.0016	Sale	786,200	0.25
				29/04/2016	7,404	0.0024	Sale	778,796	0.25
				06/05/2016	2,000	0.0006	Sale	776,796	0.25
				13/05/2016	685	0.0002	Sale	776,111	0.25
				20/05/2016	6,200	0.0020	Sale	769,911	0.25
				17/06/2016	15,000	0.0048	Sale	754,911	0.24
				24/06/2016	15,400	0.0050	Sale	739,511	0.24
				30/06/2016	4,200	0.0014	Sale	735,311	0.24
				08/07/2016	10,940	0.0035	Sale	724,371	0.23
				15/07/2016	6,900	0.0022	Sale	717,471	0.23
				22/07/2016	5,000	0.0016	Sale	712,471	0.23
				06/01/2017	12,271	0.0040	Sale	700,200	0.23
				20/01/2017	19,500	0.0063	Sale	680,700	0.22
				27/01/2017	3,700	0.0012	Sale	677,000	0.22
				03/02/2017	1,700	0.0005	Sale	675,300	0.22
				10/02/2017	4,300	0.0014	Sale	671,000	0.22
				24/02/2017	6,400	0.0021	Sale	664,600	0.21
				03/03/2017	12,400	0.0040	Sale	652,200	0.21
				10/03/2017	8,500	0.0027	Sale	643,700	0.21
				17/03/2017	3,200	0.0010	Sale	640,500	0.21
				31/03/2017	3,300	0.0011	Sale	637,200	0.21
	At the end of the year (31.03.2017)	637,200	0.21						
8	Vishwa Nath M Pujara								
	At the beginning of the year (01.04.2016)	740,000	0.24						
				24/06/2016	150,000	0.0484	Sale	590,000	0.19
				15/07/2016	100,000	0.0323	Sale	490,000	0.16
				10/03/2017	190,000	0.0613	Sale	300,000	0.10
				17/03/2017	100,000	0.0323	Sale	200,000	0.06
	At the end of the year (31.03.2017)	200,000	0.06						



ASSAM COMPANY INDIA LIMITED

Sl. No.	For each of the Top 10 Shareholders	Share holding at the beginning and end of the year (01.04.2016 - 31.03.2017)		Date wise increase / decrease in Share holding during the year				Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	Date	No. of Shares	% of total Shares of the Company	Reason	No. of Shares	% of total Shares of the Company
9	Sandeep Shrikant Shah								
	At the beginning of the year (01.04.2016)	722,826	0.23						
				08/04/2016	5,000	0.0016	Sale	717,826	0.23
				29/04/2016	7,000	0.0023	Sale	710,826	0.23
				06/05/2016	2,000	0.0006	Sale	708,826	0.23
				20/05/2016	6,200	0.0020	Sale	702,626	0.23
				17/06/2016	15,000	0.0048	Sale	687,626	0.22
				24/06/2016	15,400	0.0050	Sale	672,226	0.22
				30/06/2016	4,200	0.0014	Sale	668,026	0.22
				08/07/2016	9,800	0.0032	Sale	658,226	0.21
				15/07/2016	6,900	0.0022	Sale	651,326	0.21
				22/07/2016	5,000	0.0016	Sale	646,326	0.21
				06/01/2017	12,500	0.0040	Sale	633,826	0.20
				20/01/2017	19,500	0.0063	Sale	614,326	0.20
				27/01/2017	3,700	0.0012	Sale	610,626	0.20
				03/02/2017	1,700	0.0005	Sale	608,926	0.20
				10/02/2017	4,300	0.0014	Sale	604,626	0.20
				24/02/2017	6,400	0.0021	Sale	598,226	0.19
				03/03/2017	12,400	0.0040	Sale	585,826	0.19
				10/03/2017	9,000	0.0029	Sale	576,826	0.19
				17/03/2017	3,400	0.0011	Sale	573,426	0.19
				31/03/2017	3,600	0.0012	Sale	569,826	0.18
	At the end of the year (31.03.2017)	569,826	0.18						
10	Nitin Bhanukant Parikh								
	At the beginning of the year (01.04.2016)	0	0.00						
				20/01/2017	1,650	0.0005	Buy	1,650	0.00
				24/02/2017	2,398,350	0.7743	Buy	2,400,000	0.77
				10/03/2017	800,000	0.2583	Sale	1,600,000	0.52
	At the end of the year (31.03.2017)	1,600,000	0.52						
11	Ketan Damodhar Baheti								
	At the beginning of the year (01.04.2016)	0	0.00						
				30/12/2016	311,000	0.1004	Buy	311,000	0.10
				06/01/2017	291,343	0.0941	Buy	602,343	0.19
				13/01/2017	191,243	0.0617	Sale	411,100	0.13
				20/01/2017	332,011	0.1072	Buy	743,111	0.24
				10/02/2017	159,979	0.0516	Buy	903,090	0.29
				24/02/2017	159,711	0.0516	Buy	1,062,801	0.34
				03/03/2017	235,271	0.0760	Buy	1,298,072	0.42
				10/03/2017	210,576	0.0680	Buy	1,508,648	0.49
				24/03/2017	88,352	0.0285	Buy	1,597,000	0.52
	At the end of the year (31.03.2017)	1,597,000	0.52						

Sl. No.	For each of the Top 10 Shareholders	Share holding at the beginning and end of the year (01.04.2016 - 31.03.2017)		Date wise increase / decrease in Share holding during the year				Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	Date	No. of Shares	% of total Shares of the Company	Reason	No. of Shares	% of total Shares of the Company
12	Joindre Capital Services Limited								
	At the beginning of the year (01.04.2016)	0	0.00						
				02/09/2016	2,400	0.0008	Buy	2,400	0.00
				04/11/2016	40,000	0.0129	Buy	42,400	0.01
				18/11/2016	10,000	0.0032	Buy	52,400	0.02
				13/01/2017	590,100	0.1905	Buy	642,500	0.21
				03/03/2017	2,500	0.0008	Sale	640,000	0.21
				10/03/2017	885,000	0.2857	Buy	1,525,000	0.49
				17/03/2017	2,500	0.0008	Sale	1,522,500	0.49
	At the end of the year (31.03.2017)	1,522,500	0.49						
13	Chandrakant Namdeo Mindhe								
	At the beginning of the year (01.04.2016)	514,838	0.17						
				08/04/2016	38,637	0.0125	Sale	476,201	0.15
				06/05/2016	5,092	0.0016	Sale	471,109	0.15
				13/05/2016	16,299	0.0053	Sale	454,810	0.15
				20/05/2016	315	0.0001	Buy	455,125	0.15
				27/05/2016	5,175	0.0017	Sale	449,950	0.15
				03/06/2016	12,011	0.0039	Buy	461,961	0.15
				10/06/2016	1,350	0.0004	Sale	460,611	0.15
				17/06/2016	1,170	0.0004	Buy	461,781	0.15
				30/06/2016	12,560	0.0041	Sale	449,221	0.15
				08/07/2016	54,000	0.0174	Sale	395,221	0.13
				22/07/2016	59,999	0.0194	Sale	335,222	0.11
				29/07/2016	2,700	0.0009	Sale	332,522	0.11
				05/08/2016	20,700	0.0067	Buy	353,222	0.11
				12/08/2016	21,954	0.0071	Buy	375,176	0.12
				19/08/2016	601	0.0002	Sale	374,575	0.12
				26/08/2016	446	0.0001	Buy	375,021	0.12
				02/09/2016	31,599	0.0102	Buy	406,620	0.13
				16/09/2016	9,540	0.0031	Buy	416,160	0.13
				23/09/2016	2,273	0.0007	Sale	413,887	0.13
				14/10/2016	135	0.0000	Buy	414,022	0.13
				21/10/2016	7,002	0.0023	Buy	421,024	0.14
				28/10/2016	14,427	0.0047	Buy	435,451	0.14
				04/11/2016	5,481	0.0018	Buy	440,932	0.14
				11/11/2016	10,143	0.0033	Buy	451,075	0.15
				18/11/2016	89,140	0.0288	Buy	540,215	0.17
				25/11/2016	141,589	0.0457	Buy	681,804	0.22
				02/12/2016	5,986	0.0019	Buy	687,790	0.22
				09/12/2016	73,449	0.0237	Buy	761,239	0.25
				13/01/2017	4,616	0.0015	Buy	765,855	0.25
				27/01/2017	10,350	0.0033	Buy	776,205	0.25
				10/02/2017	630	0.0002	Buy	776,835	0.25
				17/02/2017	21,600	0.0070	Buy	798,435	0.26
				24/02/2017	3600	0.0012	Buy	802,035	0.26
				17/03/2017	18,000	0.0058	Buy	820,035	0.26
	At the end of the year (31.03.2017)	820,035	0.26						



Sl. No.	For each of the Top 10 Shareholders	Share holding at the beginning and end of the year (01.04.2016 - 31.03.2017)		Date wise increase / decrease in Share holding during the year				Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	Date	No. of Shares	% of total Shares of the Company	Reason	No. of Shares	% of total Shares of the Company
14	Chandrakant Namdeo Mindhe								
	At the beginning of the year (01.04.2016)	30,141	0.01	30/06/2016	565,780	0.1827	Buy	595,921	0.19
				07/10/2016	82	0.0000	Buy	596,003	0.19
				23/12/2016	4,365	0.0014	Buy	600,368	0.19
				30/12/2016	143,800	0.0464	Buy	744,168	0.24
				20/01/2017	6	0.0000	Buy	744,174	0.24
	At the end of the year (31.03.2017)	744,174	0.24						
15	General Insurance Corporation of India								
	At the beginning of the year (01.04.2016)	700,015	0.23						
				08/04/2016	75,000	0.0242	Sale	625,015	0.20
				15/04/2016	25,000	0.0081	Sale	600,015	0.19
				24/06/2016	100,000	0.0323	Sale	500,015	0.16
				08/07/2016	100,000	0.0323	Sale	400,015	0.13
				15/07/2016	70,000	0.0226	Sale	330,015	0.11
				22/07/2016	30,000	0.0097	Sale	300,015	0.10
				07/10/2016	300,015	0.0969	Sale	0	0.00
	At the end of the year (31.03.2017)	0	0						

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	For each of the Directors and KMP	Share holding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Aditya Kumar Jajodia (Director and KMP)				
a)	At the beginning of the year (01.04.2016)	152,170	0.05		
b)	Date wise increase / decrease in Share holding during the year	0	0	152,170	0.05
c)	At the end of the year (31.03.2017)	152,170	0.05		
2	Aditya Kumar Jajodia (HUF) (Director and KMP)				
a)	At the beginning of the year (01.04.2016)	1,000,000	0.32		
b)	Date wise increase / decrease in Share holding during the year	0	0	1,000,000	0.32
c)	At the end of the year (31.03.2017)	1,000,000	0.32		

3	Amit Halder (Non-Executive Director)				
a)	At the beginning of the year (01.04.2016)	0	0		
b)	Date wise increase / decrease in Share holding during the year	0	0		
c)	At the end of the year (31.03.2017)	0	0		
4	Sanjay Khandelwal (Non-Executive Director)				
a)	At the beginning of the year (01.04.2016)	0	0		
b)	Date wise increase / decrease in Share holding during the year	0	0		
c)	At the end of the year (31.03.2017)	0	0		
5	Sanjay Sharma (Chief Financial Officer)				
a)	At the beginning of the year (01.04.2016)	0	0		
b)	Date wise increase / decrease in Share holding during the year	0	0	0	0
c)	At the end of the year (31.03.2017)	0	0		
6	Sreya Mitra (Company Secretary)				
a)	At the beginning of the year (01.04.2016)	0	0		
b)	Date wise increase / decrease in Share holding during the year	-	-	0	0
c)	At the end of the year (31.03.2017)	0	0		

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment				
	Secured Loans excluding deposits (Rs.)	Unsecured Loans (Rs.)	Deposits (Rs.)	Total Indebtedness (Rs.)
Indebtedness at the beginning of the Financial year				
(i) Principal Amount	5,556,945,470	35,000,000	0	5,591,945,470
(ii) Interest due but not paid	131,652,813	0	0	131,652,813
(iii) Interest accrued but not due	1,273,886,203	0	0	1,273,886,203
Total (i+ii+iii)	6,962,484,486	35,000,000	0	6,997,484,486
Changes in Indebtedness during the Financial Year				
	357,589,539	7,500,000	0	365,089,539
Indebtedness at the end of the Financial year				
(i) Principal Amount	5,469,509,251	42,500,000	0	5,512,009,251
(ii) Interest due but not paid	125,789,449	0	0	125,789,449
(iii) Interest accrued but not due	1,724,775,325	0	0	1,724,775,325
Total(i+ii+iii)	7,320,074,025	42,500,000	0	7,362,574,025



VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole Time Director and /or Manager:

Sl.No.	Particulars of Remuneration	Name of MD / WTD / Manager	Total Amount (Rs.)
1	Gross Salary	Mr. A. K. Jajodia - Managing Director	
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961		3,727,949
	(b) Value of Perquisites u/s 17(2) Income Tax Act, 1961		249,600
	(c) Profits in lieu of salary u/s 17(3) Income Tax Act, 1961		Nil
2	Stock Option		Nil
3	Sweat Equity		Nil
4	Commission		Nil
5	Others, Please Specify (Retiral Funds and other benefits)		888,333
	Total Amount	4,865,882	
	Overall Ceiling as per the Act	On the basis of Schedule V	

B. Remuneration to Other Directors

Sl.No.	Particulars of Remuneration	Name of the Directors	Total Amount (Rs.)
1	Independent Directors	Mr. Amit Halder	
	(a) Fees for attending Board and Committee Meetings		189,000
	(b) Commission		NIL
	(a) Fees for attending Board and Committee Meetings	Mr. Sanjay Khandelwal	189,000
	(b) Commission		NIL
	Total Managerial Remuneration (A+B)		
	Overall Ceiling as per the Act		Within Limits

C. Remuneration to Key Managerial Personnel Other than MD / MANAGER / WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Sanjay Sharma (Chief Financial Officer)	Sreya Mitra (Company Secretary)	Total (Rs.)
1	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	N.A.	3,946,040	517,397	4,463,437
	(b) Value of Perquisites u/s 17(2) Income Tax Act, 1961	N.A.	767,708*	0	767,708*
	(c) Profits in lieu of salary u/s 17(3) Income Tax Act, 1961	N.A.	0	0	0
2	Stock Option	N.A.	N.A.	N.A.	N.A.
3	Sweat Equity	N.A.	N.A.	N.A.	N.A.
4	Commission	N.A.	N.A.	N.A.	N.A.
5	Others, Please Specify (Retiral Funds and other benefits)	N.A.	588,863	89,938	678,801
	Total Amount	N.A.	5,302,611	607,335	5,909,946

* Includes Notional Income for Income Tax Purpose amounting to Rs. 600,574

VII PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :

Penalties / Punishment / Compounding of Offences against the Company, Directors and other Officers in default under Companies Act, 2013 : **NONE**

On behalf of the Board of Directors

A. K. Jajodia – Managing Director
(DIN - 00056074)

Amit Halder – Director
(DIN - 05231811)

Sanjay Khandelwal – Director
(DIN - 00193472)

Kolkata
30th May, 2017

**AOC – 2**

{Pursuant to Clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014}

ASSAM COMPANY INDIA LIMITED

Particulars of contracts / arrangements entered into by the Company with Related Parties referred to in sub-section (l) of Section 188 of the Companies Act, 2013, for the year ended 31st March, 2017.

Sl. No.	Name of Related Parties	Nature of Contract	Amount paid as advances (Rs.)
1.	Assam Oil and Gas Limited (Subsidiary)	Advance given	1,220,000
2.	Gujarat Hydrocarbons and Power SEZ Limited (Subsidiary)	Advance given	121,000
3.	Duncan Macneill Natural Resources Limited (Subsidiary)	Advance given	192,855,754
4.	Assam Oil and Natural Gas Limited (Subsidiary)	Expenses Payable	(215,313)
5.	Assam Oil & Natural Gas Columbia Limited (Subsidiary)	Expenses Recoverable	70,121
6.	Mrs. Anjali Devi Jajodia (Relative of Key Managerial Personnel)	Rent Paid	1,200,000
7.	Mrs. Anita Sharma (Relative of Key Managerial Personnel)	Rent Paid	1,471,650
8.	Mr. Jay Prakash Sharma (Relative of Key Managerial Personnel)	Service Charges Paid	67,500

On behalf of the Board of Directors

A. K. Jajodia – Managing Director
(DIN - 00056074)

Amit Halder – Director
(DIN - 05231811)

Sanjay Khandelwal – Director
(DIN - 00193472)

Kolkata
30th May, 2017

MANAGEMENT DISCUSSION & ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENT

TEA

The production of World tea crop was approx. 5,462 Million Kgs. in 2016, as compared to 5,200 Million Kgs. in 2015. Production of tea crop in India for 2016 was 1,239.15 Million Kgs., as compared to 1,208.66 Million Kgs. in 2015. The Indian tea production had increased by approx. 30.49 Million Kgs. The other major producing countries, i.e., Kenya was ahead in production by 75.59 Million Kgs, whereas, Sri Lanka was marginally down by 36.60 Million Kgs.

In North India there was an overall increase in domestic demand for tea by 23.84 Million Kgs. and 7.32 Million Kgs. for CTC Tea and Orthodox Tea respectively. However, in both the cases, there was a decrease in sale price by Rs. 4.19/Kg. and Rs. 5.07/Kg. respectively. Domestic demand for tea continued to grow by 7% each year.

Total exports from India during 2016 were 216.79 Million Kgs. as against 228.66 Million Kgs. during 2015 – a decrease of 11.87 Million Kgs. Declined export registered in almost all the countries.

In North India, an increase in wage & salary cost due to revision as per the agreement and increase in food grain price due to withdrawal of Government support has resulted in increase in the cost of production.

The Company, during its 12 months year ended on 31st March, 2017, produced 10.86 Million Kgs. of tea as against 11.62 Million Kgs. during its 15 months period ended on 31st March, 2017. The Company during its 12 months year ended on 31st March, 2017, sold 10.73 Million Kgs. of tea at an average price of Rs. 197.25/Kg. as against 12.46 Million Kgs. sold during its 15 months period ended on 31st March, 2016, at an average price of 216.90/Kg.

There was a decrease in the Company's export on account of more remunerative prices domestically. The Company during 2016-17, exported 0.46 Million Kgs., as against 1.14 Million Kgs. in 2015-16. The average price was Rs.266.87/Kg. in 2016-17, as compared to Rs. 254/Kg. in 2015-16.

In view of certain key decisions taken by the Company in the 'field practice' of all its Estates, we are confident that the Year 2017-18 would yield better results for the Company in terms of revenues. The quality upgradation initiative of the Company will further enhance the Company's image in the Industry as 'Quality Tea makers'.

INDIAN OIL AND GAS SECTOR

The Oil and Gas Sector is among the six core industries in India and plays a major role in influencing decision making for all the other important sections of the economy.

The revival in growth of industrial sector and decline in international prices of crude oil led to a boost in consumption in petroleum products.

Demand for petroleum products increased by 10.86% in 2015-16, over the same period in 2014-15; the country is obliged to import more than 75% of its domestic requirement of petroleum products.

Crude oil production during 2015-16 was 36,950 MMT., which was marginally less than the production of 2014-15 (37.46 MMT).

Similarly, production of natural gas during 2015-16 is at 32,249 Billion Cubic Metres, which is lower than the production in 2014-15 (33,657 BCM).

To combat the situation effectively, GOI has initiated a number of measures to :

- a) enhance the pace of exploration in new areas through the Hydrocarbon Exploration censing policy NELP, followed by Open Acreage Licensing (OAL) Policy.
- b) increase the recovery of oil gas from the aging fields through the use of latest OAL Technology.



- c) encourage private participation in the exploitation of marginal oil gas fields, so that focused attention to the specific requirement of the field towards enhanced recovery can be organized.

The present Status on Oil and Gas Project with ACIL

The Company has two Oil and Gas Fields/Blocks in Assam, Arakan Basin – Amguri (Discovered Field) and AA-ON/7 (Exploration Block) having Participating Interest (PI) of 40% and 35% respectively. Amguri Oil Field and AA-ON/7 Exploration Block were operated under a consortium with Canoro Resources Limited (CRL), a Canadian based E&P Company.

Government of India (GOI) terminated 60% PI and operatorship of Canoro Resources Limited (CRL) with effect from 29th August, 2010, for breach of Production Sharing Contract (PSC). CRL closed the operation of Amguri in December, 2010 and GOI considering its vesting right on 60% PI handed over the Amguri Field to ONGC on 16th March, 2011, to continue the operations till the ownership of 60% PI and operatorship were finalized. The Company had already staked its claim on 60% PI in accordance with the provisions of PSC being the sole non-defaulting contractor. After a prolonged delay, GOI had finally appointed the Company as the operator of Amguri Field vide its letter dated 2nd January, 2013.

Pursuant to the appointment as an operator, the Company has entered into a Bilateral Agreement (BA) on 23rd December, 2014, with ONGC for their investment in the Amguri Field for & on behalf of GOI and to take over the Field and to commence operation. The said BA was approved by GOI on 31st March, 2016.

The Company's rightful claim on 60% PI earlier held by CRL was contested by the Company before an Arbitral Tribunal Board, where GOI was a party. The Arbitral Tribunal Board has on 25th February, 2017, pronounced the Award on the Arbitral proceedings of ACIL with GOI in respect of Amguri Field. ACIL is declared the owner of 60% of the PI currently held by GOI and thereby has now become the owner of 100% of PI of the Amguri Field. The contract period of the PSC of the Amguri Field shall stand extended by five years beyond its original term. A sum of US\$ 3.54 Million is granted to ACIL as compensation alongwith interest at 6% per annum from March, 2011, till the date of payment. The cost of Arbitral proceedings amounting to INR 1.25 Crore shall also accrue to ACIL.

Pursuant to the Arbitral Tribunal's Award dated 25th February, 2017, ACIL has proposed GOI for an amicable settlement and submitted an unconditional undertaking to withdraw all its existing claim. GOI vide its letter dated 25th May, 2017, has approved ACIL's ownership of 100% PI in the Amguri Field.

As per the Award of the Arbitral Tribunal against CRL dated 21st November, 2011, the Company has got a damage claim of US\$ 39.12 Million (Rs. 253.64 Crores) against CRL. The Tribunal had assigned a value of US\$ 4.16 Million (Rs. 26.97 Crores) for 60% PI in Amguri and US\$ 2.2071 Million (Rs. 14.31 Crores) for 52.9% shares of CRL, thereby Awarding a net damage claim of US\$ 32.75 Million (Rs.212.34 Crores) against CRL.

For enforcement of the Arbitral Tribunal Award before Canadian Court, the Company had initiated legal steps by filing execution petition on 9th November, 2012, before the Supreme Court of British Columbia. The Hon'ble Court has recognised the Arbitral Award vide its Order dated 7th March, 2014, as legally enforceable in British Columbia. The Company has taken necessary legal steps for execution and realisation of the damaged claim as recognised by the Hon'ble Court.

In respect of AA-ON/7 Exploration Block, the area falls into two States – Assam and Nagaland. The exploration activities in Assam were completed and the area has been relinquished in March, 2008, as there was no discovery of oil and gas. In order to pursue exploration activities in the State of Nagaland, a new PSC in continuation of the earlier PSC on the basis of the terms and conditions not inferior to the existing PSC will be executed as approved by the Cabinet Committee of Economic Affairs (CCEA) on 5th December, 2009.

Though execution of a new PSC was approved by CCEA, GOI was unable to enter into a new contract due to Nagaland (Ownership of land and execution) Act, 1990, which entitles the Government of Nagaland to formulate their own exploration policy and continue E&P activities by them.

Similar to Amguri Field, the Company as per PSC is also entitled to 65% PI and operatorship of AA-ON/7 Block, earlier held by Canoro, as the Company remained as the sole non-defaulting contractor. The Company has already claimed the PI and operatorship from GOI. GOI earlier vide letter dated 24th May, 2013, had conveyed

that they would take up the matter of execution of the new PSC along with the Company's claim of 65% PI with operatorship after resolution of Nagaland issue. GOI has reconfirmed the said status vide its letter dated 9th February, 2015.

Though a new PSC will be executed, the name of the Block will remain as AA-ON/7 as the Nagaland portion for which a new PSC will be executed was part of the original acreage of AA-ON/7. Accordingly, all past investment costs in Assam area would be eligible for cost recovery. Since, the Block in totality was not relinquished and execution of a new PSC was mere an administrative action having already approved by CCEA, legally the Block still exists and it does not attract any capitalization / impairment provision / adjustment as per AS-10 and 28 and Guidance Note on Accounting for Oil & Gas producing activities.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

In the Financial Year ending on 31st March, 2017, the Company had operations in two geographical segments, viz. domestic market and export market whereas around 95 per cent of the Company's Turnover is from the domestic market segment, and the balance is from the export market segment.

The Company has 14 Tea Estates and 2 Oil Blocks all in the State of Assam.

In respect of the Tea business, total Sales is aggregated to 107.28 Lakh Kgs amounting to Rs. 211.61 Crores, out of which, Domestic Sales was 102.73 Lakh Kgs amounting to Rs. 199.46 Crores and Export Sales was 4.55 Lakh Kgs amounting to Rs. 12.15 Crores.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Internal Control Systems of the Company is adequate and commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use or losses, executing transactions with proper authorization and ensuring compliance of corporate policies. Two Independent Firms of Chartered Accountants carry out Internal Audit at the Tea Estates on a regular basis.

The Company has an Audit Committee, the details of which have been provided in the Corporate Governance Report. The Audit Committee reviews the Audit Reports submitted by the Internal Auditors. Suggestions for improvement are considered and the Audit Committee follows up the implementation of corrective actions.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL FRONT

The relationship with the employees and their dependent members at all levels in the Tea Estates, Oil & Gas field and other locales continue to remain cordial.

The Company continues to focus on recruitment and selection of talent from within Assam across all its Tea Estates. The Company strives to engage, retain and develop top talent from within Tea industry as a HR strategy. Behavioural training is conducted for all Management staff at Head Office at periodic intervals.

Employee engagement activities like quarterly open house meetings etc. is being undertaken to understand employee pulse and further assessment of prevailing engagement levels to achieve a more effective workforce.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Our Company is very much conscious of its social responsibilities and the environment in which it operates. We have continued all our welfare activities for the development of our workers. We give stress on sports, education, handicrafts, standard diet etc.

The Company views itself as a role model that manages its business for the benefit of all its stake holders through our various development and environmental projects, it has developed strong bonds and makes a difference in the life of its local communities.



HEALTH CARE

We have a very good standard of health care system. We have centrally placed Radio-diagnostic Units for the workers to undertake all necessary investigations. Our Tea Estates are tied up with National Rural Health Mission (NRHM) for the better Health Care system for all the people residing in the Estate.

The Company's Estate Hospital have Senior Medical Officers and his team of committed Paramedical staff consisting of Pharmacist, GNM, ANM, Health Assistants, Medical attendant, Dresser etc.

Antenatal Checkup of pregnant women and Immunization of children are done every week in the Estate Hospitals. Free medical checkup camp, Eye checkup camp etc. are organized in the Estate Hospital every year for the benefit of the Estate and neighboring population. The Senior Medical Officer, Welfare Officer and Health Assistant of each Estate visit the labour lines at regular intervals to create health awareness among the resident on various preventive aspect of the disease.

The Estate extends support to the ongoing ILO and UNICEF programs. "Baby show" is organized in the Estate Hospital and award given to the best healthy baby. Another program "Annaprasan" a nutritious food programme for six month old babies is held regularly. "Matri Amrit" a program for pregnant women is also organized in the Estate Hospital where they are provided with nutritional food on that day and knowledge about the nutrients are informed. Medical Checkup with relevant investigation is done for the spraying squad and Factory workers on quarterly basis.

WELFARE AND RECREATIONAL FACILITIES

The Estates have some additional welfare programmes like-

1. Mother's Club :- It's a group of women only, 1 per 500 population in number was introduced in the year 1999 to promote "Women Empowerment" in Tea Garden. Since major portion of responsibilities towards organizing the house is shared by the woman in the house, women empowerment would lead to community growth in the long run – was the idea of this Club. It gives stress on schooling, hygiene, better health care, savings, reduce alcohol, ill effect of early marriage etc. Each garden has a Mother's Club consisting of 15-20 volunteers depending on the size and population of the garden.
2. Handicraft Centre :- To impose the hidden skills and generate self-employment, Handicraft Centre was introduced few years back in the Estate. All possible type of training is given in the Centre.
3. School :- Each tea garden has sufficient school to provide primary education to all the children of the estate. School buses are provided to the children for further education at the nearby town.
4. Health Awareness Camp:- It's a regular activity in the lines, clubs, hospital and school. School children health checkup is also done on regular basis. World TB day, World Diabetic day are observed in the Estate every year.
5. Antihelmithic treatment and iron folic acid tablets are provided to the workers on the half yearly basis.

The Estates have adequate welfare and recreational facilities like Creche, Labour club, Staff club etc. These clubs are provided with television and various game items. The Estates have their own sporting sites for football, cricket, volleyball etc. The Tea garden also organizes inter garden football matches. Canteens are available in the factory premises where tea and snacks are available for the employees.

Drinking water facilities are available at the lines and worksites. Employees are given protective clothing like chapples, apron, umbrellas, shoes, blankets etc.

ENVIRONMENT

The Estate strives to reduce the environment's impact from the use of pesticides and herbicides by only using environmentally friendly chemicals. The Estate have taken measures to reduce environment's pollution by creating a vegetated protection zone-buffer zone to prevent chemical run off to terrestrial and aquatic ecosystem.

The pest management system complies with numerous minimal residual levels and is a source of pride for our code of practice.

CONSERVATION

Each of our 14 tea gardens has within their Nursery, a program designed to grow indigenous flora for planting through the Estate. The Estate have a very good canopy of shade cover of different shade tree species which are host to many birds, monkeys, squirrels and others.

RAINFOREST ALLIANCE

Nine of our Estates have been certified under the 'Rainforest alliance' certification, thereby showing commitment towards sustainability and workers health, hygiene and safety. The Rainforest Alliance certification involves a holistic approach treating environment, ethics and economic quality. To meet the standards, the Estate must commit to continuous improvements in worker welfare, farm management and environmental protection by reducing the pesticides use, eliminating wastes and introducing better farming techniques.

ISO : 22000 CERTIFICATION (9 ESTATES)

Nine of our Estates (Digulturrung, Rungagora, Dinjan, Thanai, Hazelbank, Greenwood, Doomur Dullung, Khoomtaie, Mohokutie) have been brought under International Food Safety Certification – "ISO : 22000 Certification".

RESIDENTIAL ACCOMODATION, PIPED WATER AND SANITATION

Our Estate provides free accommodation and sanitation to the employees and meets all legal obligation.

SUSTAINABLE AGRICULTURE PRACTICE

Our tea gardens mostly located in remote rural areas that do not have many alternative local employment opportunities. It has also contributed to a system which seems to be fair and in line with good employment practices. Our Estates also practice soil and water conservation through best practice field management system including composting, soil rehabilitation and reforestation.

VERMICOMPOSTING SCHEME

Assam Company India Limited follows an environmentally scheme of composting organic matter by use of earthworms. Increasing number of business worldwide is successfully employing vermiculture technology as an excellent soil conditioner and our Company has taken this sustainable practice to benefit our tea gardens, our environment and to reduce our chemical footprint.

On behalf of the Board of Directors

A. K. Jajodia – Managing Director
(DIN - 00056074)

Amit Halder – Director
(DIN - 05231811)

Sanjay Khandelwal – Director
(DIN - 00193472)

Kolkata
30th May, 2017



Information pursuant to Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014

(A) Conservation of Energy :-

- (i) The steps taken or impact on Conservation of Energy : “LED” lights are being installed in Estate factories, offices, bungalows etc. in a phased manner as a step towards energy conservation.
- (ii) The steps taken by the Company for utilizing alternate sources of energy : “Gobar Gas” infrastructure is already in place and it is being used as an alternate source of energy for some of our Estate hospitals which are running successfully.
- (iii) The capital investment on energy conservation equipments : NIL

(B) Technology Absorption :-

- (i) The efforts made towards Technology Absorption : Efforts are made to improve indigenous cost effective technology for productive and quality improvement. Keeping co-ordination with Tea Research Association Laboratories.
- (ii) The benefits derived : Product improvement and cost reduction.
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year) –
 - (a) The details of technology imported;
 - (b) The year of import;
 - (c) Whether the technology been fully absorbed;
 - (d) If not fully absorbed, areas where absorption has not taken place and the reasons thereof; and
- (iv) the expenditure incurred on Research and Development.

NOT APPLICABLE

NIL

(C) Foreign Exchange Earnings and Outgo :-

During the year, Foreign Exchange Outgo was Rs. 6.90 Crores as against Rs. 11.75 Crores in the previous year. The Foreign Exchange Earnings during the period was Rs. 12.14 Crores as against Rs. 28.94 Crores in the previous year.

On behalf of the Board of Directors

A. K. Jajodia – Managing Director
(DIN - 00056074)

Amit Halder – Director
(DIN - 05231811)

Sanjay Khandelwal – Director
(DIN - 00193472)

Kolkata
30th May, 2017

Annexure '5'
AOC – 1

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES PURSUANT TO FIRST PROVISIO OF SECTION 129(3) OF THE COMPANIES ACT, 2013, READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014, FOR THE YEAR ENDED 31ST MARCH, 2017.

SUBSIDIARIES
(Rupees in Lacs)

	Dahej Offshore Infrastructure SEZ Ltd.	Assam Oil and Gas Ltd.	North East Hydrocarbon Ltd.	Camellia Cha Bar Ltd.	Gujarat Hydrocarbons and Power SEZ Ltd.	Duncan Macneill Power India Ltd.
Paid up Capital	5.06	30.00	5.01	5.01	980.39	11.50
Reserves & Surplus	(277.57)	(82.20)	(189.56)	(46.86)	(48.53)	(819.58)
Total Assets	3.40	14.71	342.20	6.24	41,643.76	2,497.12
Total Liabilities	3.40	14.71	342.20	6.24	41,643.76	2,497.12
Investments	3.00	1.55	0.09	NIL	NIL	2,496.00
Turnover	NIL	0.07	NIL	4.75	NIL	NIL
Profit before Taxation	(0.28)	(12.49)	(0.80)	0.08	(3.28)	(270.76)
Provision for Taxation	NIL	NIL	NIL	0.02	NIL	NIL
Profit after Taxation	(0.28)	(12.49)	(0.80)	0.06	(3.28)	(270.76)
Proposed Dividend	NIL	NIL	NIL	NIL	NIL	NIL
% of Shareholding	100%	100%	100%	99.98%	51.00%	100%

Note : The Audited Accounts of Assam Oil & Natural Gas Ltd. and Duncan Macneill Natural Resources Ltd. are awaited.

On behalf of the Board of Directors

A. K. Jajodia – Managing Director
(DIN - 00056074)

Amit Halder – Director
(DIN - 05231811)

Sanjay Khandelwal – Director
(DIN - 00193472)

Kolkata
30th May, 2017



REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Code of Governance :

Corporate Governance is about managing business in an ethical and responsible manner. The Company places a strong emphasis on transparency, empowerment, accountability and integrity with the objective of continuously enhancing value for all its stakeholders. Implicit in this philosophy is also the recognition and demonstration of a two way communication between the Company and its Members.

Code of Conduct :

The Company has adopted a Code of Conduct for all Board Members and the Senior Management Team of the Company. All the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code. A Declaration to this effect, duly signed by the Managing Director is annexed hereunder. The Code of Conduct has been posted on the Website of the Company.

ANNUAL DECLARATION BY THE MANAGING DIRECTOR PURSUANT TO REGULATION 26 (3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATION, 2015

As the Managing Director of Assam Company India Limited and as required by Regulation 26 (3) of The SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, ("the Listing Regulations"), I hereby declare that all the Board Members and Senior Management Personnel of the Company have affirmed Compliance with the Company's Code of Business Conduct and Ethics for the Financial Year ended 31st March, 2017.

Kolkata
30th May, 2017

A. K. Jajodia
Managing Director
(DIN - 00056074)

2. Board of Directors :

The Board of the Company as on 31st March, 2017, comprised of three Directors (Managing Director and two Non-Executive Directors). The Board is headed by the Independent Director, Mr. Sanjay Khandelwal.

During the year under review, 4 (four) Board Meetings were held, the dates being, 27th May, 12th August, 14th November, 2016 and 10th February, 2017. The last Annual General Meeting was held on 23rd September, 2016.

The following table gives the requisite details of Directors, their Directorships in other public companies, Chairmanships / Memberships in Board Committees of other public companies and their attendance at the Board and last Annual General Meeting (AGM) are as under:

NAME	DESIGNATION	CATEGORY	ATTENDANCE		Directorship and Chairmanship / Membership of Board and Board Committees in other Companies		
			BOARD MEETING	LAST AGM	Director (1)	Member (2)	Chairman (3)
Mr. A. K. Jajodia	Managing Director, Promoter	Executive	1	No	7-	NIL	NIL
Mr. Amit Halder	Director	Non-Executive Independent	4	No	NIL	NIL	NIL
Mr. Sanjay Khandelwal	Director	Non-Executive Independent	4	Yes	6	NIL	NIL

- (1) No Director of the Company was a Board Committee Member of any other Company.
- (2) During the year, the Non-Executive Directors did not hold any shares of the Company.
- (3) Mr. A. K. Jajodia retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment. A brief resume of the Director and nature of his expertise in specific functional areas has been provided in the Explanatory Statement to the Notice convening the forthcoming Annual General Meeting.
- (4) The Company has 2 (two) Independent Directors as on 31st March, 2017. As required by Clause 25 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Independent Directors held their Meeting on 14th November, 2016, wherein they discussed and reviewed the performance of the Non-Independent Director and the Board as a whole. Further, the Independent Directors assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board to effectively and reasonably perform their duties.
- (5) Details of the familiarization program imparted to the Independent Directors are available on our Website (www.assamco.com).

3. Audit Committee :

During the year under review, the Audit Committee comprised of the following : Mr. A. K. Jajodia, Mr. Amit Halder and Mr. Sanjay Khandelwal. Mr. Amit Halder and Mr. Sanjay Khandelwal are Non-Executive - Independent Directors. All the Members of Audit Committee are financially literate.

During the year under review, 4 (four) Audit Committee Meetings were held on 27th May, 12th August, 14th November, 2016 and 10th February, 2017. The attendance at the aforesaid Meetings was as follows:

Composition	Mr. Sanjay Khandelwal (Chairman)	Mr. Amit Halder	Mr. A. K. Jajodia
Committee Meetings attended	4	4	1

Terms of Reference :

The Terms of Reference of the Audit Committee are in accordance with those specified in the Listing Regulations and Section 177 of the Companies Act, 2013.

4. Nomination and Remuneration Committee :

The Nomination and Remuneration Committee determines and recommends to the Board, the Remuneration including Commission, Perquisites and Allowances payable to the Managing Director and other Senior Officers as and when the necessity arises. The Committee consists of :

Mr. Sanjay Khandelwal	Chairman
Mr. Amit Halder	Member

The Company has adopted a Remuneration Policy and the Policy has been uploaded in the Website of the Company.

The Non-Executive Independent Directors were paid a Sitting Fees of Rs.20,000 for attending each Meeting of the Board or Audit Committee. They were further paid a Sitting Fee of Rs. 1,500 for attending each Meeting of the Stakeholders Relationship Committee.

**5. The details of Directors' remuneration for the year ended 31st March, 2017, are as follows :**

Name of Director	Sitting Fees (Rs.)	Salary (Rs.)	Benefits (Rs.)	Provident and Pension Fund	Total (Rs.)	Notice period in month(s)
Mr. A. K. Jajodia, Managing Director	NIL	3,727,949	489,933	648,000	4,865,882	3
Mr. Amit Halder	189,000	NA	NA	NA	189,000	NA
Mr. Sanjay Khandelwal	189,000	NA	NA	NA	189,000	NA
Total	378,000	3,727,949	489,933	648,000	5,243,882	

During the Financial Year ended 31st March, 2017, the Company did not have any stock option plans for its Directors. No severance fee is payable to the Directors.

There were no pecuniary relationships or transactions between the Non-Executive Directors and the Company, other than those disclosed above.

6. Stakeholders Relationship Committee :

The Committee comprises of the following Directors :

Mr. Sanjay Khandelwal	Chairman (Non – Executive)
Mr. A. K. Jajodia	Member (Managing Director)
Mr. Amit Halder	Member (Non – Executive)
Ms. Sreya Mitra	Company Secretary (Compliance Officer)

Terms of Reference

The Committee monitors the response of the Company to investor complaints. It is also authorized to approve the issue of duplicate share certificates in lieu of those lost or destroyed.

During the year 8 (eight) Meetings of the Committee were held.

During the year under review, the following valid requests were complied with :

Number of shares

Physical Transfer :	3,400
Physical Transmission :	11,720
Dematerialization :	56,210
Rematerialisation :	40

Note : NIL request for physical transfer of shares was pending as on 31st March, 2017.

There are no complaints from Members pending unresolved as at 31st March, 2017. All complaints / requests for transfers etc. from Members during the period were redressed / resolved within a period of 30 days.

Given below is the position of complaints and other correspondence received and attended to during the aforesaid period :

a) No. of complaints received	... Nil
b) No. of complaints not resolved/no action taken	... Nil
c) No. of pending complaints as on 31 st March, 2017	... Nil

7. Risk Management Committee :

The provisions of the Listing Regulations are not applicable to the Company. However, the Company has a Risk Management Committee comprises of the following Directors and Senior Officials:

Mr. Amit Halder	Chairman (Non – Executive)
Mr. A. K. Jajodia	Member (Managing Director)
Mr. Sanjay Khandelwal	Member (Non – Executive)
Mr. Sanjay Sharma	Chief Financial Officer
Mr. Sunil Kumar	Vice President – IT, HR, Admin.

The Committee from time to time informed the Board members about the risk assessment and minimization procedures.

8. General Body Meetings :
Details of last three Annual General Meeting :

No. of AGM	Date	Year	Venue	Special Resolutions passed	Time
37 th	27 th June, 2014	2014	Dibrugarh & District Planters' Club, Lahoal, P. O. Dibrugarh, Assam	2	11:00 AM
38 th	24 th June, 2015	2015	Dibrugarh & District Planters' Club, Lahoal, P. O. Dibrugarh, Assam	3	11:00 AM
39 th	23 rd September, 2016	2016	Dibrugarh & District Planters' Club, Lahoal, P. O. Dibrugarh, Assam	Nil	11:00 AM

9. Means of Communication :

- Quarterly, half-yearly and Annual Financial Results in the forms prescribed in the Listing Regulations are published in The Financial Express and Amar Asom (Assamese) and uploaded in the Website of the Company.
- Half-yearly Results are not sent to the Members individually.
- Management Discussion and Analysis Report forms a part of the Directors' Report.
- No formal presentation has been made to the Institutional Investors / analysts during the period.
- The Company's Website is www.assamco.com, which also displays official news releases and Financial Results.
- The Company is also making electronic filing of all compliances under BSE Listing Centre of BSE Limited and NEAPS mode of National Stock Exchange of India Limited.



10. General Shareholder Information :

Annual General Meeting :

Date & Time	:	30 th August, 2017, Wednesday, at 10:00 A.M.
Venue	:	Dibrugarh & District, Planters' Club, Lahoal, P.O. Dibrugarh, Assam.
Financial Year	:	Financial Year of the Company is April to March.
Date of Book Closure	:	24 th August, 2017 to 30 th August, 2017, both days inclusive.
Listing on Stock Exchange	:	National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051. BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.

The Company has paid the Annual Listing Fees for the year 2016-17.

Stock Code	–	NSE – ASSAMCO
	–	BSE – 500024
ISIN No. for NSDL & CDSL	–	ISIN-INE 442A01024
Registrar & Share Transfer Agent :		C. B. Management Services (P) Limited P-22, Bondel Road, Kolkata – 700 019. Tel : (033) 4011 6700/11/18/23, 2280 6692/93/94 Fax: (033) 2287 0263 E-mail : rta@cbmsl.com Website : www.cbmsl.com

Stock Market Data

MONTH	BSE		NSE		SENSEX		NIFTY	
	High Rs.	Low Rs.	High Rs.	Low Rs.	High	Low	High	Low
April, 2016	6.67	5.04	6.65	5.00	26100.54	24523.20	7992.00	7516.85
May, 2016	6.50	4.81	6.40	4.80	26837.20	25057.93	8213.60	7678.35
June, 2016	6.66	4.75	6.70	4.70	27105.41	25911.33	8308.15	7927.05
July, 2016	8.13	5.90	8.15	5.85	28240.20	27034.14	8674.70	8287.55
August, 2016	7.24	5.55	7.25	5.55	28532.25	27627.97	8819.20	8518.15
September, 2016	6.60	5.14	6.60	5.10	29077.28	27716.78	8968.70	8555.20
October, 2016	6.38	5.00	6.40	4.95	28477.65	27488.30	8806.95	8506.15
November, 2016	5.83	4.35	5.85	4.35	28029.80	25717.93	8669.60	7916.40
December, 2016	5.64	4.75	5.65	4.75	26803.76	25753.74	8274.95	7893.80
January, 2017	8.10	5.05	8.10	5.05	27980.39	26447.06	8672.70	8133.80
February, 2017	7.29	6.15	7.25	6.15	29065.31	27590.10	8982.15	8537.50
March, 2017	9.30	7.22	9.30	7.10	29824.62	28716.21	9218.40	8860.10

Liquidity :

The Company's shares are compulsorily traded in the Dematerialized Form under Depository Systems of both the National Securities Depository Limited (NSDL) and the Central Depository Services Limited (CDSL).

Share Transfer System :

Securities in physical mode which are lodged for transfer are processed and returned to the Members within the stipulated time, subject to the documents being valid and complete in all respects. The Company adopts the transfer-cum-demat system to facilitate Dematerialization of Shares. The power to approve transfers, transmissions, sub-division, consolidation etc. of the shares has been delegated to the Registrar and Share Transfer Agent (RTA). The Company obtains from a Company Secretary in Practice half-yearly Certificate of Compliance with the share transfer formalities as required under Regulation 49 of LODR with Stock Exchanges and files a copy of the Certificate with the Stock Exchanges.

(a) Distribution of Shareholding as on 31st March, 2017 :

Group of Shares		No. of Shareholders	% of total Shareholders	No. of Shares	% Shares
From	To				
1	5000	54758	92.18	49003989	15.82
5001	10000	2388	4.02	18736023	6.05
10001	20000	1139	1.92	16899994	5.46
20001	30000	413	0.70	10377060	3.35
30001	40000	163	0.27	5838937	1.88
40001	50000	138	0.23	6529521	2.11
50001	100000	224	0.38	15969644	5.15
100001	999999999	180	0.30	186405795	60.18
TOTAL		59403	100.00	309760963	100.00

(b) Shareholding Pattern as on 31st March, 2017 :

	Shares	%
Promoter		
Indian	70,99,463	2.29
Foreign	12,26,22,596	39.59
Public		
Mutual Fund / UTI	20,160	0.01
Financial Institutions & Banks	4,22,982	0.14
Insurance Company	68,33,313	2.21
Foreign Institutional Investors / Overseas Body Corporate / Foreign Portfolio Investor	20000	0.01
Foreign National	-	-
Non Resident Individuals	23,90,575	0.77
Bodies Corporate / Trust	2,74,96,558	8.87
Others	14,28,55,316	46.11
TOTAL	30,97,60,963	100.00

Physical / Dematerialisation of Shares as on 31st March, 2017 :

	No. of holders	Shares	%
Physical	2,379	36,95,453	1.19
Demat	57,024	30,60,65,510	98.81
TOTAL	59,403	30,97,60,963	100.00



Insider Trading Regulations :

To comply with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a code of internal procedures for prevention of any unauthorized trading in the shares of the Company by the insiders. For the year under review, the Company Secretary was appointed as the Compliance Officer for this purpose.

Outstanding GDRs / ADRs / Warrants / Convertible bonds, conversion dates and likely impact on Equity :	The Principal amount of FCCBs outstanding at the end of the year is USD 3.1 Million.
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OFFICES OF THE COMPANY :

Registered Office	:	Greenwood Tea Estate P.O. Dibrugarh, Assam – 786 001.
Head Office	:	52, Chowringhee Road, Kolkata – 700 071.
Other Offices	:	(i) Girish Chandra Bardoloi Path, Bamunimaidam, Guwahati – 781 021 (ii) 2 nd Floor, 22, Community Centre, Basant Lok, Vasant Vihar, New Delhi – 110 057.

PLANT LOCATIONS :

A. TEA ESTATES :

The Company owns Fourteen Tea Estates in the State of Assam.

District

Doom Dooma	:	Digulturrung / Oakland
Tinsukia	:	Dinjan Rungagora
Dibrugarh	:	Borborooah Greenwood Hazelbank Maijan Nudwa Thanai
Moran	:	Doomur Dullung Khoomtaie / Hajua Mohokutie
Jorhat	:	Kotalgoorie
Nagaon	:	Kondoli

B. OIL & NATURAL GAS DIVISION :

The Company has two Oil and Gas Blocks located as follows :

<u>State</u>	<u>Block</u>
Assam	Amguri
Assam & Nagaland	AA-ON/7

11. Other Disclosures :

- Materially significant Related Party Transactions. There have been no materially significant Related Party Transactions, pecuniary transactions or relationships between Assam Company India Limited and its Directors for the Financial Year ended 31st March, 2017, that may have a potential conflict with the interests of the Company at large. The policy of Related Party Transaction has been uploaded in the Website of the Company (www.assamco.com).
- There has been two cases of non compliances in relation to the appointment of Woman Director and Composition of the Nomination and Remuneration Committee under the Listing Obligations and Disclosure Requirements.
- There were no instances of non compliance by the Company related to penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets during the last three years.
- The Company has adopted a Whistle Blower Policy (Vigil Mechanism Policy) and the Policy has been uploaded in the Website of the Company (www.assamco.com).
- Compliance related to the mandatory requirements relevant to the Company has been complied with.
- The Directors are kept informed of the latest developments in Laws, Rules and Regulations. The need for formal training on these issues therefore is not felt necessary at present.

12. Discretionary Requirements under Regulation 27(1) of Listing Regulations :

The status of compliance with discretionary recommendations of the Regulation 27(1) of the Listing Regulations with Stock Exchanges is provided below :

- Non – Executive Chairman’s Office : Chairman’s Office is separate from that of Managing Director.
- Shareholders’ Right : As the quarterly and half yearly financial performance along with significant events are published in the news papers and are also posted on the Company’s Website, the same are not being sent to the shareholders.
- Modified Opinion in Auditors Report : The Company’s Standalone Financial Statement for the Financial Year ended on 31st March, 2017, does not contain any modified audit opinion, whereas, the Consolidated Financial Statement for the Financial Year ended on 31st March, 2017, contains modified audit opinions.
- Separate post of Chairman & CEO : The Chairman of the Board is a Non–Executive Director and his position is separate from that of the Managing Director.
- Reporting of Internal Auditor : The Internal Auditors report to the Audit Committee.

13. Compliance with Clause 46 (2) (j) of the Listing Regulation :

In compliance with the provisions of Clause 46 (2) (j) of the Listing Regulation, a separate e-mail ID redressal@assamco.com operates as a dedicated ID solely for the purpose of registering Complaints.



14. Address for Investors' correspondence for Queries, if any :

Ms. Sreya Mitra
Company Secretary,
52, Chowringhee Road,
Kolkata - 700 071
Tel. : (033) 2283 8306 / 8309 / 8312
Fax : (033) 2283 8334
E-mail : acil@assamco.com
Website : www.assamco.com

C. B. Management Services (P) Limited
P-22, Bondel Road,
Kolkata - 700 019
Tel. : (033) 4011 6700 / 11 / 18 / 23, 2280 6692 / 93 / 94
Fax : (033) 4011 6739
E-mail: rta@cbmsl.com
Website : www.cbmsl.com
Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants.

15. Compliance Certificate of the Practicing Company Secretaries :

The Company has obtained a Certificate from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance as stipulated in the Listing Regulations. The Certificate is annexed.

On behalf of the Board of Directors

**Kolkata
30th May, 2017**

A. K. Jajodia
Managing Director
(DIN - 00056074)



MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION

**The Board of Directors,
Assam Company India Limited
Assam Tea House
52, Chowringhee Road
Kolkata – 700 071**

As stipulated in Regulation 33 of the Securities and Exchange Board of India Listing Obligations and Disclosure Requirements (“LODR”), Regulations, 2015, we, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Assam Company India Limited, to the best of our knowledge and belief certify that:

- a) We have reviewed the Financial Statements and the Cash Flow Statement for the year ended 31st March, 2017 and that to the best of our knowledge and belief:
 - i) these Statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading;
 - ii) these Statements together present a true and fair view of the Company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) We further state that, to the best of our knowledge and belief, there are no transactions entered into by the Company during the year ended 31st March, 2017, which are fraudulent, illegal or violative of the Company’s Code of Conduct.

We hereby declare that all the Members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.

- c) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
 - i) significant changes, if any, in Internal Control over Financial Reporting during the year;
 - ii) significant changes, if any, in the accounting policies made during the year and that the same have been disclosed in the Notes to the Financial Statement; and
 - iii) instances of significant frauds of which we have become aware and the involvement therein, if any, of the Management or an employee having a significant role in the Company’s Internal Control System over the Financial Reporting.

**Kolkata
30th May, 2017**

Aditya Kumar Jajodia
Managing Director
(DIN - 00056074)
Sanjay Sharma
Chief Financial Officer



CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

**To
The Members of
Assam Company India Limited
Greenwood Tea Estate,
Dibrugarh – 786 001**

We have examined the compliance of conditions of Corporate Governance by Assam Company India Limited (the Company) for the year ended 31st March, 2017, for the period from 1st April, 2016 to 31st March, 2017 and as per the relevant provisions of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 (Listing Regulations) as referred to in Regulation 15(2) of the Listing Regulation, for the said period.

The compliance of 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 explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations, as applicable.

We further state that such compliance is neither an assurance as to future viability of the Company, nor the efficiency and effectiveness with which the Management has conducted the affairs of the Company.

**For S. SARKAR & ASSOCIATES
Company Secretaries**

**SANDIP SARKAR
(Proprietor)
Membership No. – FCS 7524
CP No. – 9483**

**Kolkata
30th May, 2017**



Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

**To,
The Members,
Assam Company India Limited
Greenwood Tea Estate
Dibrugarh – 786 001**

We have conducted the Secretarial Audit in compliance with the applicable statutory provisions and adherence to good corporate practices by Assam Company India Limited, (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of Assam Company India Limited (name of the Company's) books, papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31.03.2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, Minute Books, Forms and Returns filed and other records maintained by Assam Company India Limited (“the Company”) for the financial year ended on 31.03.2017, according to the provisions of :

- I) The Companies Act, 2013 (the Act) and the rules made there under (As per Annexure);
- II) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under:
 - (i) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under
 - (ii) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. (As per Annexure)
- (III) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, Act 1992.
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable)
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable)



- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Secretarial Standard 1 has been complied *with certain deviations*. However, Secretarial Standard II has been complied by the Company during the reporting period;
 - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable)
- (IV) Factories Act, 1948
 - (V) Plantations Labour Act, 1951 (As per Annexure)
 - (VI) Provident Fund Act, 1952 (As per Annexure)
 - (VII) Payment of Gratuity Act, 1972 (As per Annexure)
 - (VIII) Sexual Harassment (Prevention and Redressal) Act, 2013
 - (IX) Tea Act, 1953
 - (X) Food Safety and Standards Act, 2006
 - (XI) Environmental laws

We have also examined compliance with the applicable clauses of the following :

- (XII) Listing Obligation and Disclosure Requirements Regulation, 2015, entered into by the Company with National Stock Exchange of India Limited and BSE Limited. (As per Annexure)

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, subject to the following observations :

We further report that :

The Board of Directors of the Company is not duly constituted as per provision of Section 152(6) of the Companies Act, 2013. No change took place in the composition of the Board of Directors during the period under review.

Adequate Notice was given to all Directors to schedule the Board Meetings, Agenda and detailed Notes on Agenda were sent at least seven days in advance. A system exists for seeking and obtaining further information and clarifications on the Agenda items before the Meeting and for meaningful participation at the Meeting.

Majority decision is carried through and recorded as part of the Minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For S. SARKAR & ASSOCIATES
Company Secretaries**

**SANDIP SARKAR
(Proprietor)**

**Membership No. – FCS 7524
CP No. – 9483**

**Kolkata
29th May, 2017**

Annexure – 1

1. In terms of the various provisions of the Companies Act, 2013:
 - (i) The Board of Directors duly constituted Committee of Directors like Audit Committee and Stake Holders Relationship Committee. *However, the Nomination and Remuneration Committee was not properly constituted and there is a shortfall of one Non Executive Director.*
 - (ii) The Company has made loans and investments, or given guarantees or provided securities to other bodies corporate in compliance with the provisions of the Act and has made necessary entries in the Register kept for the purpose. *However, the Company did not charge the interest on inter-corporate loan according to Section 186 of the Companies Act, 2013.*
 - (iii) *The Company has not appointed any Women Director in the Board.*
 - (iv) *We are unable to comment on the status of the huge number charges appeared in the Website of the Ministry of Corporate Affairs, since the related documents were not made available to us.*
2. **Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under:**

The Company had issued Foreign Currency Convertible Bonds (FCCB) and the last date of repayment was 31.03.2015. The Company did not repay the said FCCB during the reporting period under review.
3. **Listing Obligation and Disclosure Requirements Regulation, 2015,**
 - a. *Pursuant to Regulation 40(10), submission of half yearly Compliance Report to Stock Exchange for the period ended 31st March, 2016, was beyond the stipulated time period.*
 - b. *The Reconciliation of Share Capital Audit Report was submitted to the Stock Exchange for the quarter ended 31st March, 2016, as per SEBI-D&P Regulation 55A, beyond the stipulated time period.*
 - c. *Pursuant to Regulation 31, the Shareholding Pattern for the quarter ended 31st March, 2016, was submitted to the Stock Exchanges beyond the stipulated time period.*
4. **Plantations Labour Act, 1951**

The Company is having fourteen Tea Estates and out of that four Tea Estates of the Company do not have the qualified Medical Practitioner and one Tea Estate does not have the Welfare Officer.
5. **Provident Fund Act, 1952**

There are irregularities in relation to depositing of the amount with the Authority.
6. **Payment of Gratuity Act, 1972**

The Company was unable to pay the Gratuity amount within thirty days from the date of relinquishment of the service of the employees.



PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given below:

- a. The ratio of the remuneration of each Director to the Median Remuneration of the employees of the Company for the Financial Year :

Non – Executive Directors		Remuneration for the year ended 31.03.2017 (Sitting Fees)	Ratio to Median Remuneration
1.	Mr. Amit Halder	Rs. 189,000	2.57:1
2.	Mr. Sanjay Khandelwal	Rs. 189,000	2.57:1
Executive Director			
1.	Mr. A. K. Jajodia	Rs. 4,865,882	66.20:1

The Median Remuneration of Employees for the Financial Year ended on 31st March, 2017, is Rs. 73,500.

- b. The percentage increase in Remuneration of each Director, Chief Financial Officer and Company Secretary in the Financial Year :

Sl. No.	Name	Designation	% increase / (decrease) in Remuneration in the Financial Year
1.	Mr. A. K. Jajodia	Managing Director	*(29.12)
2.	Mr. Amit Halder	Independent Director	** (38.93)
3.	Mr. Sanjay Khandelwal	Independent Director	** (19.06)
4.	Mr. Sanjay Sharma	Chief Financial Officer	64.48
5.	Ms. Sreya Mitra	Company Secretary	***164.07

* Remuneration received is for the 12 (twelve) months period ended 31st March, 2017, as compared to the 15 (fifteen) months period ended 31st March, 2016.

** The number of meetings attended, for the 12 (twelve) months period ended 31st March, 2017, was less as compared to the 15 (fifteen) months period ended 31st March, 2016.

*** The remuneration calculated for the 15 (fifteen) months period ended 31st March, 2016, was for 4 months i.e. from November to March, as compared to the 12 (twelve) months period ended 31st March, 2017, which is for 12 months.

- c. There has been a decrease in Median Remuneration of the Employees (MRE) in the Financial Year ended 31st March, 2017, by (13.11%), as this was for 12 months whereas previous year's period was for 15 months.
- d. There were 17,335 permanent employees on the rolls of the Company as on 31st March, 2017.
- e. There was an average percentile increase in the salaries of eighteen employees (at the estates) during the financial year ended 31st March, 2017.
- f. The remuneration is as per the remuneration policy of the Company.

Details pertaining to Employees as required under Section 197(12) of the Companies Act, 2013

The Statement containing particulars of Employees under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the Financial Year ended 31st March, 2017

Sl. No.	Name	Designation	Nature of Employment, whether contractual or otherwise	Qualification	Age (in years)	Date of Appointment	Experience- No. of years including previous employment	Remuneration (Rs.)	Last Employment- Designation
1.	Mr. Sanjay Sharma	Chief Financial Officer	Permanent	Chartered Accountant	51	01.03.1995	22	5,302,611	N. A.
2.	Mr. A. K. Jajodia	Managing Director	Permanent	B.Com.	54	01.10.1992	31	4,865,882	Worldlink Finance Limited
3.	Mr. Arun Killa	Senior Vice President -Operations	Permanent	B.Com.	59	13.07.2013	24	3,440,828	Duncan Industries Limited- Vice President Corporate
4.	Mr. A. K. Sinha	Advisor – Oil and Gas	Consultant	Chartered Accountant	69	01.07.2006	45	3,097,500	IBP Company Limited- Director Finance
5.	Mr. Sunil Kumar	Executive Assistant to MD & Vice President - IT	Permanent	M.S.C	58	05.05.1985	32	2,950,123	N. A.
6.	Mr. Saurabh Shankar	Assistant Visiting Agent	Permanent	B.Sc. and M.A.	55	21.07.1993	34	2,145,421	N. A.
7.	Mr. Vivek Anand	Assistant Visiting Agent	Permanent	M.B.A in Marketing	53	02.07.1984	33	1,567,296	N. A.
8.	Mr. Mohit Kumar Sharma	Vice President – Corporate Affairs	Consultant	B. Com.	38	01.05.2016	17	1,560,000	SKIL Group- Associate Vice President
9.	Mr. Mukundan Raman	Vice President – Marketing	Permanent	B.Com.	56	15.06.2016	33	1,424,355	Gujarat Tea Packers & Processors - Vice President
10.	Mr. C. K. Baruwa	Vice President - Estate Commercial	Permanent	B.Sc, L.L.B and Fellow Chartered Accountant	61	21.05.2012	35	1,264,959	Hindustan Unilever Limited - Sr. Manager Profit Centre

On behalf of the Board of Directors

A. K. Jajodia – Managing Director
(DIN - 00056074)

Amit Halder – Director
(DIN - 05231811)

Sanjay Khandelwal – Director
(DIN - 00193472)

Kolkata
30th May, 2017



INDEPENDENT AUDITOR'S REPORT

To
The Members of Assam Company India Limited
Report on the Financial Statements

We have audited the accompanying Standalone Financial Statements of **Assam Company India Limited**, which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the Financial Year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements that give a true and 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 the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguard of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the Audit Report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Financial Statements. The procedures selected depend on the Auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the Auditor considers internal financial control relevant to the Company's preparation of the 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 our audit opinion on the Standalone Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017 and its loss and its cash flows for the Financial Year ended on that date.

Emphasis of Matter

We draw attention to the following matters in the Notes to the Financial Statements :

- a. Attention is drawn to Note No. 12, in relation to the AA-ON/7 Exploration & Production (E&P) Asset, appearing in the Capital Work in Progress, about which we are unable to express any opinion on the outcome of the project, pending execution of the new Production Sharing Contract (PSC). Our opinion is not qualified in respect of this.
- b. Attention is drawn to Note No. 30 (j) & 39, which includes the Contingent Liability in relation to the Bilateral Agreement with Oil & Natural Gas Corporation Limited for operationalization of Amguri Field. As the quantum of this Contingent Liability is not ascertainable at present, no provision for liability has been made in respect to this "Onerous Contract". Our opinion is not qualified in respect of this.
- c. Attention is drawn to Note No. 49, in relation to the interest free loans of Rs. 279.07 Crores given to Subsidiaries. According to Section 186(7) of the Act, "No loan shall be given under this Section at the rate of interest lower than the prevailing yield of one year, three year, five year or ten year Government Security closer to the tenor of the loan". The impact of this contravention on the profit / loss and the liability is not ascertainable readily. Our opinion is not qualified in respect of this.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and 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 it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from branches not visited by us.
- (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) The impact, of the matters described in the Emphasis of Matter paragraph above, is not ascertainable and therefore, we are unable to express an opinion if these will have an adverse effect on the functioning of the Company.
- (f) On the basis of the written representations received from the Directors as on 31st March, 2017, taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2016, from being appointed as a Director in terms of Section 164 (2) of the Act.
- (g) In our opinion, the Company has, subject to the reservations stated in "Annexure A", adequate internal financial controls system and such controls are operating effectively.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, in our opinion and to the best of our information and according to the explanations given to us :
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements – Refer Note 30 to the Financial Statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.



- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. The Company has provided requisite disclosures in Note 46 of its Financial Statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company.

**For De Chakraborty & Sen
Chartered Accountants
FRN: 303029E**

**(Srijit Chakraborty)
(Partner)
(Membership No. 055317)**

**Kolkata
30th May, 2017**

Annexure to the Independent Auditor's Report

(Referred to in paragraphs in relation to Report on Other Legal and Regulatory Requirements of our report of even date to the member of Assam Company India Limited on the Financial Statements ended on 31st March, 2017)

- i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets other than Oil and Gas Division. However, a list of Fixed Assets acquired for Oil & Gas Operation is maintained.
- b) The Fixed Assets of the Company has been physically verified by the Management periodically in phased manner, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In respect of assets physically verified, the details have been compared with the book records and discrepancies noticed were not material and have been properly dealt with in the books of account.
- c) The conveyance of any immovable property is not pending.
- ii) Physical verification of inventory has been conducted at reasonable intervals during the year by the Management except for Oil and Gas Division.
- iii) The Company has given interest free loan to 8 Subsidiaries and 1 Step-down Subsidiary amounting to Rs. 279.07 Crores.
 - a) In our opinion, and according to information and explanations given to us, the rate of interest and other terms and conditions of loans given by the Company, secured or unsecured, are generally not prejudicial to the interest of the Company,
 - b) The loans are interest free and repayable on demand;
 - c) As the loans are repayable on demand and no call has been made, no amount is overdue;
- iv) In respect of loans, investments, guarantees and security provisions of Section 185 and 186 of the Companies Act, 2013, have been generally complied with; with the exception of interest free loans of Rs. 279.07 Crores given to 8 Subsidiaries and 1 step-down Subsidiary which is in contravention to Section 186(7) of the Act.
- v) The Company has not accepted any Deposits from the public.
- vi) We have broadly reviewed the accounts maintained by the Company in respect of tea products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed under sub-section (1) of Section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete. No

cost record has been maintained with respect to its Oil and Gas products.

- vii) (a) The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Duty of Customs, Duty of Excise, Cess and any other statutory dues with the appropriate authorities except Central Sales Tax amounting to Rs.97,53,672, VAT amounting to Rs. 31,07,266, Income Tax Rs. 55,21,355, Service Tax Rs. 37,00,812 and Provident Fund Rs. 16,42,06,352, as on the last day of the Financial Year concerned for a period of more than six months from the date they became payable.
- (b) Details of amounts involved and the forum where dispute is pending, is mentioned below for cases where dues of Income Tax or Sales Tax or Service Tax or Duty of Customs or Duty of Excise or Value Added Tax or cess have not been deposited on account of any dispute.

Sri. No.	Name of the Statute	Nature of dues	Amount Rs.	Period to which relates	Forum where dispute is pending
1.	Income Tax Act, 1961	Income Tax	10,23,57,960	2010-11	Commissioner of Income Tax (Appeals)
	Do	Do	5,23,09,314	2011-12	-Do-
	Do	Do	3,54,69,510	2012-13	-Do-
	Do	Do	8,25,81,806	2013-14	-Do-
	Do	Do	8,71,93,850	2014-15	-Do-
2.	Agricultural Income Tax	Do	4,99,82,364	2013-14	Hon'ble Guwahati High Court
	Agricultural Income Tax	Do	4,51,82,296	2014-15	-Do-
3.	The West Bengal Sales tax Act, 1994	West Bengal Sales Tax	1,93,70,205	2002-03	Sr. Jt. Comm. of Commercial Taxes
	Do	Do	15,36,066	2003-04	Appellate & Revisional Board of Commercial Taxes
	Do	Do	87,24,464	2004-05	-Do-
	Do	Do	1,90,72,936	2006-07	-Do-
	Do	Do	6,18,32,474	2008-09	-Do-
	Do	Do	15,55,430	2013-14	
4.	The Central Sales Tax Act, 1956	Central Sales Tax	1,68,552	2002-03	Sr. Jt. Comm. of Commercial Taxes
	Do	Do	61,83,248	2003-04	Appellate & Revisional Board of Commercial Taxes
	Do	Do	2,37,701	2004-05	-Do-
	Do	Do	1,34,56,558	2006-07	-Do-
	Do	Do	34,44,736	2008-09	-Do-
	Do	Do	15,56,162	2013-14	
5.	Service Tax		12,25,527	2013-14	Office of the Commissioner of Service Tax-II
	Do		2,63,79,459	Oct 2009- Dec 13	-Do-
	Do		79,86,535	Oct 2009- Dec 13	-Do-



	Do		3,77,71,996	Oct 2009- Sept 15	-Do-
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- viii) According to the records of the Company examined by us and the information and explanations made available to us, at the Balance Sheet date, ***the Company has defaulted in repayment of Bank Term Loans of Rs.158.63 Crores, fell due on various dates during the year ending on 31st March, 2017. The Company has also defaulted in repayment of principal part of the matured Foreign Currency Convertible Bonds amounting to USD 3.1 Million (Rs.20.10 Crores) details of the same is given in Note 40 forming part of the Financial Statements.***

Loans	Over due
Allahabad Bank	4,85,00,000
State Bank of Hyderabad	22,45,00,000
State Bank of Bikaner & Jaipur	1,01,94,07,927
Central Bank of India	1,18,90,000
Bank of Baroda	28,20,47,910
Total	1,58,63,45,837

- ix) No moneys were raised during the year by way of initial public offer or further public offer (including debt instruments). Term Loans taken during (by way of restructuring) the year were applied for the purpose for which those are raised.
- x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the Management.
- xi) The Managerial Remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii) The provisions of any special statute applicable to Nidhi Company are not applicable to the Company.
- xiii) All transactions with the Related Parties are in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable Accounting Standards.
- xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with Directors or persons connected with such Director.
- xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For De Chakraborty & Sen
Chartered Accountants
FRN: 303029E

Kolkata

(Srijit Chakraborty)
(Partner)

30th May, 2017
(Membership No. 055317)
“Annexure A” in respect to reservations on adequacy of Internal Financial Controls system and operating effectiveness of such controls

[Referred to in paragraph (h) under the heading “Report on Other Legal and Regulatory Requirements” of our Report of even date to the member of Assam Company India Limited on the Financial Statements ended on 31st March, 2017]

Area of Control	Weakness
Control Environment	Policy on Internal Financial Control and documentation of the Standard Operating Processes has been prepared and are in the process of implementation.
Risk Assessment	Risk Assessment and identification of mitigants is in progress.
Information and Communication	As the documented policy and procedures on Internal Financial Control are yet to be fully implemented, we are unable to evaluate the effectiveness of communication and dissemination of information on the same across the organization. However, the informal system of oral communication and electronic communication is existing which at times is complemented by documented communication of information on the various aspects of Internal Controls.
Procurement Process	The evaluation of procurement process, conducted by the Management, reveals that the system of tender / multiple quotations to ensure unbiased decision is absent.
Petty Cash	Recording of transactions in petty-cash book in a timely manner.
Compliance of Law and Regulations	The process of ensuring compliance to law and regulatory requirements needs improvement.



BALANCE SHEET AS AT 31ST MARCH, 2017

	Notes	31st March, 2017 (Rupees)	31st March, 2016 (Rupees)
<u>EQUITY AND LIABILITIES</u>			
Shareholders' Funds			
Share Capital	2	309,760,963	309,760,963
Reserves and Surplus	3	1,331,927,279	2,629,223,507
		<u>1,641,688,242</u>	<u>2,938,984,470</u>
Non-current Liabilities			
Long - Term Borrowings	4	2,153,849,403	2,366,617,149
Other Long - Term Liabilities	5	432,831	635,488
Long - Term Provisions	6	676,629,260	500,902,620
		<u>2,830,911,494</u>	<u>2,868,155,257</u>
Current Liabilities			
Short - Term Borrowings	7	1,191,323,195	1,179,006,996
Trade Payables	8		
Total outstanding dues of micro enterprises and small enterprises		3,156,408	297,432
Total outstanding dues of creditors other than micro enterprises and small enterprises		193,063,663	216,065,411
Other Current Liabilities	9	5,318,106,428	4,228,464,134
Short - Term Provisions	10	506,516,275	496,135,495
		<u>7,212,165,969</u>	<u>6,119,969,468</u>
TOTAL		<u>11,684,765,705</u>	<u>11,927,109,195</u>
<u>ASSETS</u>			
Non-current Assets			
Fixed Assets	11		
Tangible Assets		2,426,595,428	3,172,139,865
Intangible Assets		1,583,738	1,608,800
Capital Work In Progress	12	5,962,424,121	5,552,403,544
Non-current Investments	13	80,482,261	85,824,219
Long - Term Loans and Advances	14	109,533,508	124,585,813
Other Non-current Assets	15	73,413,240	62,059,143
		<u>8,654,032,296</u>	<u>8,998,621,384</u>
Current Assets			
Current Investments	13	500,000	900,000
Inventories	16	104,014,768	217,214,360
Trade Receivables	17	7,080,322	15,136,022
Cash and Bank balances	18	117,593,430	88,480,299
Short - Term Loans and Advances	19	2,786,587,883	2,585,203,198
Other Current Assets	20	14,957,006	21,553,932
		<u>3,030,733,409</u>	<u>2,928,487,811</u>
TOTAL		<u>11,684,765,705</u>	<u>11,927,109,195</u>

Significant accounting policies. 1
The accompanying Notes are an integral part of the Financial Statements.

As per our Report of even date

For De Chakraborty & Sen
Chartered Accountants
Firm Registration No. 303029E
(S Chakraborty)
Membership No. 055317
Partner
Kolkata
30th May 2017

Sanjay Sharma - Chief Financial Officer
Sreya Mitra - Company Secretary

For and on behalf of the Board

A. K. Jajodia - Managing Director
(DIN - 00056074)
Amit Halder - Director
(DIN - 05231811)
Sanjay Khandelwal - Director
(DIN - 00193472)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

	Notes	15 months period ended	
		31st March, 2017 (Rupees)	31st March, 2016 (Rupees)
INCOME			
Revenue from Operations	21	2,116,143,585	2,701,733,488
Other Income	22	48,631,092	328,335,754
Total Revenue		2,164,774,677	3,030,069,242
EXPENSES			
Cost of Raw Materials Consumed	23	-	3,219,557
Changes in inventories of finished goods	24	48,129,000	155,572,473
Employee benefits expense	25	1,030,452,593	1,149,227,562
Finance costs	26	346,254,566	580,580,127
Depreciation and Amortisation expense	11	132,588,738	94,634,278
Other expenses	27	1,273,491,961	1,579,904,823
Total Expenses		2,830,916,858	3,563,138,820
PROFIT/ (LOSS) BEFORE TAX		(666,142,181)	(533,069,578)
Tax Expenses:			
Income Tax		-	-
Wealth Tax		-	-
Earlier years Tax adjustments		41,734,637	-
PROFIT/ (LOSS) FOR THE YEAR		(707,876,818)	(533,069,578)
Earnings per Equity Share			
[Nominal value per share: Re.1/- (31.03.2016 - Re. 1/-)]			
Earnings per Equity Share (Basic and Diluted)		(2.29)	(1.72)

Significant accounting policies.

1

The accompanying Notes are an integral part of the Financial Statements.

As per our Report of even date

For De Chakraborty & Sen

Chartered Accountants

Firm Registration No. 303029E

(S Chakraborty)

Membership No. 055317

Partner

Kolkata

30th May 2017

Sanjay Sharma - Chief Financial Officer

Sreya Mitra - Company Secretary

For and on behalf of the Board

A. K. Jajodia - Managing Director
(DIN - 00056074)

Amit Halder - Director
(DIN - 05231811)

Sanjay Khandelwal - Director
(DIN - 00193472)



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

	Year ended 31st March, 2017 Rs.	15 months period ended 31st March, 2016 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	(666,142,181)	(533,069,578)
Adjustments for:		
Interest income	(14,478,457)	(33,233,747)
(Profit)/Loss on sale of Fixed Assets	(162,509)	(277,334)
(Profit)/Loss on sale of Investments	(1,626,488)	
Profit on acquisition of land by the Government		(251,982,504)
Income from Investments other than trade	(144,158)	(37,417)
Provision for Retiral Benefits	129,504,958	177,713,670
Interest and Finance Charges	330,032,080	487,035,805
Depreciation/Amortisation	132,588,738	94,634,278
Diminution in value of Investments	4,139,224	
Fixed Asset written off	-	2,249,309
Unrealised Foreign Exchange difference-net (gain)/loss	16,146,181	1,884,857
Provision for doubtful advances and interest accrued no longer required written back	(4,063,742)	35,900,737
Sundry Balance Written off net of Liability written back	7,458,788	15,347,902
Operating Profit before Working Capital Changes	(66,747,566)	(3,834,022)
Adjustments for:		
Trade and other Receivables	11,001,179	674,613,665
Inventories	113,199,592	91,223,138
Trade payables and other Liabilities	666,506,290	661,321,157
Cash generated from Operations	723,959,495	1,423,323,939
Direct Taxes Paid (Net of Refund)	(4,028,701)	(14,514,414)
Net Cash from Operating Activities	719,930,794	1,408,809,525
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets including CWIP	(50,456,970)	(613,716,878)
Sale of Fixed Assets	2,367,279	216,735,258
(Purchase)/Sale of Investments	5,091,958	-
Loans / Deposits made with Subsidiaries / third parties	(194,718,559)	(30,124,886)
Refund of Loans / Deposits made with Subsidiaries / third parties	8,195,313	31,290,000
Income from Investments other than trade	144,158	37,417
Interest received	10,914,435	41,107,560
Net Cash (used in) Investing Activities	(218,462,386)	(354,671,530)

	Year ended 31st March, 2017 Rs.	15 months period ended 31st March, 2016 Rs.
C. CASH FLOW FROM FINANCING ACTIVITIES		
Net increase/(decrease) in Cash Credit Facilities and other Short Term Loans	12,316,198	(635,603,683)
Increase in Long Term Borrowings	295,631,744	156,066,659
Repayment of Long Term Borrowings	(501,729,327)	(281,928,027)
Interest paid	(278,480,546)	(440,494,097)
Net Cash from / (used in) Financing Activities	(472,261,930)	(1,201,959,148)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	29,206,478	(147,821,153)
Cash and Cash Equivalents (opening Balance as at 1st April, 2016)	88,480,299	236,210,922
Cash and Cash Equivalents (closing Balance as at 31st March, 2017)	117,593,430	88,480,299
Effect of exchange rate changes	(93,347)	90,530
	29,206,478	(147,821,153)

Notes:

- Cash and Cash Equivalents comprise Cash & Bank balances as per Note No. 18 of the audited accounts.
- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statements issued by Companies (Accounting Standard) Rules, 2006.
- Previous year's figures have been regrouped / rearranged wherever necessary.

This is the Cash Flow Statement referred to in our Report of even date.

As per our Report of even date

For De Chakraborty & Sen

Chartered Accountants

Firm Registration No. 303029E

(S Chakraborty)

Membership No. 055317

Partner

Place: Kolkata

Date: 30th May 2017

Sanjay Sharma - Chief Financial Officer

Sreya Mitra - Company Secretary

For and on behalf of the Board

A. K. Jajodia - Managing Director

(DIN - 00056074)

Amit Halder - Director

(DIN - 05231811)

Sanjay Khandelwal - Director

(DIN - 00193472)



Notes to Financial Statements

Note : 1 - Significant Accounting Policies

[a] Convention

The Financial Statements have been prepared to comply in all material aspects with the Accounting Standards, notified u/s 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rule, 2014.

[b] Basis of Accounting

The Financial Statements are prepared under the historical cost convention, modified by revaluation of certain Fixed Assets as detailed in Note 1 [c] below.

[c] Fixed Assets

Fixed Assets are stated at cost of acquisition including appropriate incidental / installation expenses. Cost of extension planting and replanting are capitalised. In respect of revalued Assets, the appreciation in value of Assets over its book value are credited to Revaluation Reserve.

The Assets acquired on hire purchase for which ownership will vest at a future date are capitalised at the cash cost of the leased Assets. Equated monthly payments are apportioned between finance charge and repayment of principal amount.

Subsidies received from Government in respect of Fixed Assets are deducted from cost of respective Assets.

The carrying amounts of Assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An Impairment Loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

Software cost is capitalised where it is expected to provide future enduring economic benefits. Software capitalisation costs include license fees, cost of packages and implementation / system integration services. The costs are capitalised in the year in which the relevant software is implemented for use.

Profit or Loss on disposal of Fixed Assets is recognised in the Statement of Profit and Loss.

Expenditure incurred in connection with Oil and Gas project

The Company has adopted "Full Cost Method" as per "Guidance Note on Accounting for Oil & Gas Producing Activities" by the Institute of Chartered Accountants of India. As per "Full Cost Method", all costs incurred for acquisition of Exploration and Production (E&P) assets, exploration and development along with other expenses including financing cost and exchange fluctuating cost on borrowings are capitalized and treated as a cost centre under "Capital Work in Progress". When discovery of oil and gas is made and the well is ready to commence commercial production, the exploratory / development cost under cost centre corresponding to the proved oil and gas reserve is capitalized from "Capital Work in Progress" to the "Fixed Assets".

Producing properties are created in respect of an oil field having developed oil reserves when the well in the field is ready to commence commercial production.

[d] Depreciation

- [i] Depreciation is provided on the Straight Line Method on the useful life of an asset as specified in part C of Schedule II to the Companies Act, 2013
- [ii] In respect of revalued assets the incremental depreciation on account of revaluation is recouped from Revaluation Reserve.
- [iii] Depreciation on Bearer Plants (Mature Tea Bushes) is provided on Straight Line Method on the useful life of the Bushes.

[e] Borrowing Costs

Borrowing Costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised. Other Borrowing Costs are charged to revenue.

[f] Investments

Investments of a long-term nature are stated at cost, less adjustment for any diminution, other than temporary, in the value thereof. Current investments are stated at lower of cost and market value.

[g] Inventories

Inventories are stated at lower of cost and net realisable value. Cost is determined on weighted average basis. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to their present location and condition and includes appropriate production overheads, where applicable.

Provision is made for obsolete, slow moving and defective stocks, where necessary.

[h] Foreign Currency Transactions

Transactions in Foreign Currency are recorded at exchange rates prevailing on the date of the transaction. Transactions in Foreign Currency with a Joint Venture for Oil and Gas project are recorded at monthly average exchange rate prevailing at the time of such transaction. Monetary items denominated in Foreign Currency are restated at the exchange rate prevailing on the Balance Sheet date. Foreign Currency non-monetary items carried in terms of historical cost are reported using the exchange rate at the date of the transactions. Exchange differences arising on settlement of transactions and / or restatements are dealt in the Statement of Profit and Loss.

Exchange differences relating to long term Foreign Currency monetary items, to the extent they are used for financing the acquisition of Fixed Assets are adjusted against the cost of such Fixed Assets and the balance is accumulated in 'Foreign Currency Monetary Item Translation Difference Account' and amortised over the balance life of the long term monetary item or 30th November, 2019, whichever is earlier.

Derivative financial instruments, i.e. forward exchange contracts are used to hedge its risk associated with Foreign Currency fluctuations relating to the underlying transactions, highly probable forecast transactions and firm commitments. In respect of forward exchange contracts with underlying transactions, the premium or discount arising at the inception of such contract is amortised as expense or income over the life of contract.

[i] Sales

Sales are recognised upon transfer of risks and rewards of ownership in the goods to the buyers. Sales represent invoiced value of goods sold less Sales Tax / Value Added Tax.

[j] Other Income

Interest income, income from investments and other incentives are accounted for on accrual basis. Export incentives are recognised only when no significant uncertainties as to measurability or collectability exist.

[k] Subsidies of Revenue nature

Subsidies of Revenue nature are recognised as income in the Statement of Profit and Loss.

[l] Compensation of Land

Compensation, if any, in respect of land surrendered / vested in the Government under various State Land legislations, is accounted for, as and when it takes place.

[m] Leases

Rentals in respect of Operating Leases are charged off to Statement of Profit and Loss.



[n] Retirement Benefits

The Company operates defined contribution schemes for a Provident Fund and a Pension Fund. Contributions to these funds are made regularly to the appropriate authority/Trust. The interest rate payable to the members of the Trust is not lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, is made good by the Company.

The Company also provides for retirement benefits with defined benefits in the form of Gratuity and Pension. Annual contributions for Gratuity and Pension are made by the Company, based on actuarial valuation carried out every year end, to independent Trust Funds.

Leave encashment on retirement and post retirement medical benefits are determined on the basis of independent actuarial valuation at the year end and such liabilities are provided for in these accounts.

Actuarial gains and losses, where applicable, are determined and recognised in the Statement of Profit and Loss.

The Company recognises gains and losses on curtailment or settlement of a defined benefit plan in the Statement of Profit and Loss as and when the curtailment or settlement occurs.

Short Term employee benefits are recognised as an expense in the Statement of Profit and Loss for the year in which the related service is rendered.

[o] Oil Production Cost

Production costs include pre well head and post well head expenses including depreciation and applicable operating costs of support equipment's and facilities.

[p] Provision

A provision is recognised when there is a present obligation as a result of a past event if it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made, and such provisions are not discounted to their present value.

[q] Taxes on Income

Current Tax represents the amount of tax payable in respect of taxable income for the period based on computation of tax as per prevailing taxation laws under the Income Tax Act, 1961.

Provision for deferred taxation is made using the liability method, at current rates of taxation, on timing differences to the extent it is probable that a liability or asset will crystallise. Permanent nature of difference is not considered in computing Deferred Tax.

Deferred Tax Assets are not recognised unless there is reasonable certainty and in case of brought forward loss and unabsorbed depreciation there is virtual certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realised. Deferred Tax Assets are only recognised to the extent there are Deferred Tax Liabilities of offsetting them.

[r] Use of Estimates

The preparation of financial statements in conformity with GAAP requires Management to make estimates and assumptions that affect the reported amounts of Assets and Liabilities, disclosure of Contingent Liabilities at the date of the Financial Statements and the results of operations during the reporting period. Examples of such estimates include estimates of Income Taxes, future obligations under employment retirement benefit plans, provision for Doubtful Debts and Advances and estimated useful life of Tangible and Intangible Sssets. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

Notes to Financial Statements

Note : 2 - SHARE CAPITAL	31st March, 2017	31st March, 2016
Authorised	(Rupees)	(Rupees)
(a) 500,000,000 (31.03.2016 - 500,000,000) Equity Shares of Re. 1/- each	500,000,000	500,000,000
(b) 1,000,000 (31.03.2016 - 1,000,000) Non Cumulative Redeemable Preference Shares of Rs. 100/- each	100,000,000	100,000,000
	<u>600,000,000</u>	<u>600,000,000</u>
Issued and Subscribed		
309,760,963 (31.03.2016 - 309,760,963) Equity Shares of Re. 1/- each fully paid up.	309,760,963	309,760,963
	<u>309,760,963</u>	<u>309,760,963</u>

(a) Reconciliation of Shares is set out below:-

Particulars	31st March, 2017	31st March, 2016
Number of Shares outstanding at the beginning of the year	309,760,963	309,760,963
Number of Shares outstanding at the end of the year	309,760,963	309,760,963

(b) Terms / rights attached to Equity Shares

The Company has only one class of Ordinary Shares (' Equity Shares') having a par value of Re.1/- each. Each holder of Ordinary Shares (' Equity Shareholder') is entitled to one vote per Share. The Company declares and pays dividend in Indian Rupees.

The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting of the Company. In the event of the Liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

(c) Details of Shares held by Shareholders holding more than 5% of the aggregate shares in the Company:

Name of the Shareholder	31st March, 2017		31st March, 2016	
	No. of Shares Held	%	No. of Shares Held	%
1. Assam Oil Company Limited	119,068,048	38.44	119,088,048	38.45



Notes to Financial Statements

Note : 3 - RESERVES AND SURPLUS

	As at 31st March, 2017 (Rupees)		As at 31st March, 2016 (Rupees)	
Capital Reserve (Reserve on Amalgamation)				
As per Last Account		15,037,398		15,037,398
Revaluation Reserve				
As per Last Account	660,122,552		766,797,673	
Adjustment for depreciation	-		(87,349,860)	
Depreciation on revalued assets transferred to General Reserve	(14,686,544)			
Adjustment of Revaluation Reserve with Bearer Plants	(619,836,150)			
Adjusted on account of disposal of revalued assets	(25,788)	25,574,070	(19,325,261)	660,122,552
Securities Premium				
As per Last Account		1,375,673,385		1,375,673,385
Foreign Currency Monetary Item Translation Difference Account				
As per Last Account	(73,247,861)		(134,045,860)	
Adjusted during the year (Net)	30,442,528	(42,805,333)	60,797,999	(73,247,861)
General Reserve				
As per Last Account	177,333,735		177,333,735	
Transferred from Revaluation Reserves	14,686,544	192,020,279	-	177,333,735
Capital Redemption Reserve				
As per Last Account		874,600		874,600
Surplus in Statement of Profit & Loss				
As per Last account	473,429,698		1,032,032,727	
Profit for the year	(707,876,818)		(533,069,578)	
Appropriations:-				
Adjustment for depreciation	-	(234,447,120)	(25,533,451)	473,429,698
		1,331,927,279		2,629,223,507

Notes to Financial Statements

Note: 4 - Long Term Borrowings

	31st March, 2017 [Rupees]	31st March, 2016 [Rupees]
Secured		
Term Loans from Banks [Refer (a) to (g) below]	2,153,849,403	2,366,617,149
	2,153,849,403	2,366,617,149

Sl. No.	Nature of Security	Terms of Repayment
(a)	Term Loan from Banks amounting to Rs 535,986,992/- (31.03.2016 - Rs 491,746,309/-) is secured by equitable mortgage created of immovable properties both present and future relating to all Tea Estates of the Company situated in Assam ranking pari passu with the Working Capital Loan including cash credit from Consortium Banks and also a first charge over all the movable properties, both present and future subject to the prior charges created in favour of the Company's bankers by way of security for Working Capital Borrowings from them.	<p>i) Term Loan amounting to Rs 263,978,501/- repayable in 20 quarterly installments commencing from September, 2016.</p> <p>ii) Term Loan amounting to Rs 272,008,491/- repayable in 7 half yearly installments commencing from May, 2015.</p>
(b)	Term Loan from Banks amounting to Rs.510,278,875/- (31.03.2016 - Rs. 480,244,194/-) is secured by way of a second or subservient charge over the assets of all Tea Estates of the Company situated in Assam ranking pari - passu with the other similar second charge holders of the Company.	Repayable in 12 half yearly installments commencing from October, 2016.
(c)	Term Loan from Banks amounting to Rs.3,382,654,444/- (31.03.2016 - Rs 3,153,157,045/-) is secured by primary charges on pari passu basis with the existing lenders of Oil & Gas Division, all the present and future receivables of Oil and Gas Division of the Company, assignment of Participating Interest in the Production Sharing Contract of the Amguri and / or AA-ON/7 Oil & Gas field to the extent permitted, Hypothecation over all the stocks, book debts, plant and machinery and equipment's both present and future, installed / to be installed at the Company's Oil and Gas field at Amguri and/or AA-ON/7 to the extent permitted. Additionally, the entire loans are secured by Personal Guarantee of Managing Director of the Company.	<p>i) Term Loan amounting to Rs.1,275,694,783/- repayable in 8 half yearly installments commencing from July, 2011.</p> <p>ii) Term Loan amounting to Rs. 512,528,292/- repayable in 2 yearly installments commencing from December, 2013.</p> <p>iii) Term Loan amounting to Rs 486,884,546/- repayable in 22 quarterly installments commencing from December, 2016.</p> <p>iv) Term Loan amounting to Rs.690,659,322/- repayable in 27 quarterly installments commencing from October, 2012</p> <p>v) Term Loan amounting to Rs.288,195,437/- repayable in 26 quarterly installments commencing from May, 2013.</p> <p>vi) Term Loan amounting to Rs. 128,692,064/- repayable in 26 quarterly installments commencing from January, 2019.</p>



Notes to Financial Statements

Sl. No.	Nature of Security	Terms of Repayment
(d)	<p>Term Loan from Banks amounting to Rs.731,840,122/- (31.03.2016 - Rs 666,068,870/-) is secured by way of -</p> <p>(i) Primary charges on pari passu basis with the existing lenders of Oil & Gas Division, all the present and future receivables of Oil & Gas Division of the Company, assignment of Participating Interest in the Production Sharing Contract of the Amguri and / or AA-ON/7 Oil & Gas field to the extent permitted, Hypothecation over all the stocks, book debts, plant and machinery and equipment's both present and future, installed / to be installed at the Company's Oil and Gas field at Amguri and / or AA-ON/7 to the extent permitted.</p> <p>(ii) First charge over the assets of all Tea Estates of the Company situated in Assam ranking pari passu with other similar charge holders of the Company.</p> <p>(iii) Personal Guarantee of Managing Director of the Company.</p>	<p>i) Term Loan amounting to Rs. 657,878,741/- repayable in 25 quarterly installments commencing from December, 2014.</p> <p>ii) Term Loan amounting to Rs.73,961,381/- repayable in 20 quarterly installment commencing from December, 2014.</p>
(e)	<p>Term Loan from Banks amounting to Rs.610,784,955/- (31.03.2016 - Rs 681,254,789/-) is secured / to be secured by way of -</p> <p>(i) Primary charges on pari passu basis with the existing lenders of Oil & Gas Division, all the present and future receivables of Oil and Gas Division of the Company, assignment of Participating Interest in the Production Sharing Contract of the Amguri and /or AA-ON/7 Oil & Gas field to the extent permitted, Hypothecation over all the stocks, book debts, plant and machinery and equipment's both present and future, installed / to be installed at the Company's Oil and Gas field at Amguri and/or AA-ON/7 to the extent permitted.</p> <p>(ii) Second charge on the Fixed Assets, both present and future, of all Tea Estates of the Company situated in Assam ranking pari passu with other similar second charge holders of the Company.</p> <p>(iii) Personal Guarantee of Managing Director of the Company.</p>	<p>i) Repayable in 26 quarterly installments commencing from January, 2018</p>
(f)	<p>Figures indicated in (a) to (e) above, include current maturity of respective borrowing which have been presented in note 9.</p>	<p>-</p>
(g)	<p>Interest rates on Term Loan from Banks are based on spread over respective lender's bench mark rate (for Rupee Term Loan) and on spread over libor (for Foreign Currency Loan).</p>	<p>-</p>

Notes to Financial Statements

	31st March, 2017 [Rupees]	31st March, 2016 [Rupees]
Note: 5 - Other Long - Term Liabilities		
Others	432,831	635,488
	432,831	635,488
Note: 6 - Long - Term Provisions		
Provision for Employee Benefits	673,864,260	498,137,620
Provision for Site Restoration	2,765,000	2,765,000
	676,629,260	500,902,620
Note: 7 - Short - Term Borrowings		
Secured		
Loans repayable on demand from Banks [Refer (a) below]		
Working Capital Loan including Cash Credit from Banks	1,148,823,195	1,144,006,996
Unsecured		
Intercorporate Deposit	42,500,000	35,000,000
	1,191,323,195	1,179,006,996
Nature of Security		
(a) Loan repayable on demand from Banks		
Outstanding loans of Rs. 1,148,823,195/- (31.03.2016 - 1,144,006,996/-) Secured by hypothecation created on stock, book debts, all moveable assets and other Current Assets of the Tea Estates both present and future and equitable mortgage created of all immovable properties both present and future relating to all Tea Estates of the Company situated in Assam ranking pari passu with all other Term Loans from Consortium Banks. Interest accrued & due on such Working Capital Loan amounting to Rs. 273,915,994/- is shown under current maturities of Long - Term Borrowings as presented in note 9.		
Note: 8 - Trade Payables		
a) Total Outstanding dues of micro enterprises and small enterprises	3,156,408	297,432
b) Total Outstanding dues of creditors other than micro enterprises and small enterprises		
(i) Acceptances	-	18,243,476
(ii) Others	193,063,663	197,821,935
	196,220,071	216,362,843
Note: 9 - Other Current Liabilities		
Current maturities of Long-Term Borrowings	3,891,611,980	3,320,207,528
Interest accrued but not due on Borrowings	125,789,449	131,652,813
Advance from Customers	149,169,316	97,873,659
Unclaimed Dividends	2,120,172	2,126,064
Due to FCCB Holders including Redemption Premium	369,740,135	378,261,336
Others	779,675,376	298,342,734
	5,318,106,428	4,228,464,134
Note: 10 - Short Term Provisions		
Provisions for Employee Benefits	131,491,988	177,713,670
Provision for Tax (Net of Advance Tax)	197,910,537	160,204,601
Others	177,113,750	158,217,224
	506,516,275	496,135,495

Notes to Financial Statements

Note : 11 - FIXED ASSETS

Class of Assets	COST / VALUATION				DEPRECIATION / AMORTISATION				Figures in Rupees NET BLOCK		
	As at 1st April, 2016	Additions during the year	Sale / discard / adjustments during the year	Total as at 31st March, 2017	As at 1st April, 2016	Additions during the year	On Revaluation during the year	Sale / discard during the year	Total as at 31st March, 2017	Net Book Value as on 31st March, 2017	Net Book Value as on 31st March, 2016
Tangible Assets											
Bearer Plants (Mature Tea Bushes)	2,376,763,232	199,746	628,352,160	1,748,610,818	-	46,153,986	-	-	46,153,986	1,702,456,832	2,376,763,232
Buildings (on leasehold land)	532,026,962	1,749,283	-	533,776,245	391,967,721	30,871,830	-	-	422,839,551	110,936,694	140,059,241
Plant and Machinery	708,109,470	11,896,481	2,772,166	717,233,785	588,477,268	27,338,101	-	997,386	614,817,983	102,415,802	119,632,202
Oil and Gas Producing Properties	743,969,970	-	-	743,969,970	238,656,457	21,463,140	-	-	260,119,597	483,850,373	505,313,513
Vehicles	143,659,650	3,532,405	3,417,302	143,774,753	117,434,662	5,686,283	-	3,172,691	119,948,254	23,826,499	26,224,988
Furniture	15,658,653	24,296	14,000	15,668,949	11,511,964	1,050,336	-	2,579	12,559,721	3,109,228	4,146,689
Intangible Assets											
Computer Software	4,459,121	-	-	4,459,121	2,850,321	25,062	-	-	2,875,383	1,583,738	1,608,800
TOTAL	4,524,647,058	17,402,211	634,555,628	3,907,493,641	1,350,898,393	132,588,738	-	4,172,656	1,479,314,475	2,428,179,166	3,173,748,665
Previous Year	5,156,285,692	18,797,106	650,435,740	4,524,647,058	1,763,804,042	94,634,278	131,312,372	638,852,299	1,350,898,393	3,173,748,665	

NOTES: 1 Land and Development (including leasehold land, the cost of which is not ascertainable) represents capital expenses incurred for plantation and replantation of Mature Tea Bushes (Bearer Plants). Hence for the purpose of presentation of the factual position the same has been renamed as Bearer Plants (Mature Tea Bushes).

2 The cost of Oil and Gas producing properties represents Company's share (40%) in jointly held properties.

3 Rs. 8,516,010/- has been transferred from Bearer Plants to Capital Work In Progress being young plants.

Notes to Financial Statements

	31st March, 2017 [Rupees]	31st March, 2016 [Rupees]
Note : 12 - CAPITAL WORK IN PROGRESS		
A. Oil and Gas Project		
Opening Balance	5,546,987,579	4,948,643,083
Add: Addition during the period	370,503,177	598,344,496
Closing Balance	5,917,490,756	5,546,987,579
B. Others		
Opening Balance	5,415,965	8,815,998
Add: Addition during the period	45,074,567	1,328,103
	50,490,532	10,144,101
Less: Capitalised / Adjusted during the period	5,557,167	4,728,136
Closing Balance	44,933,365	5,415,965
Total (A + B)	5,962,424,121	5,552,403,544
Note: 13 - Non-current Investments		
Long Term - At cost, fully paid unless otherwise stated		
A. Quoted		
Other than Trade		
Others *	2,398,335	3,601,068
	<u>2,398,335</u>	<u>3,601,068</u>
B. Unquoted (Fully paid unless otherwise stated)		
(i) Trade		
In Subsidiary Companies**	159,469,240	159,469,240
	<u>159,469,240</u>	<u>159,469,240</u>



Notes to Financial Statements

	Number as on 31.03.2017	Number as on 31.03.2017	Face value	Cost as on 31.03.2017 [Rupees]	Cost as on 31.03.2016 [Rupees]
(ii) Other than Trade					
Bhairav Enterprise	65,000	65,000	10	650,000	650,000
Rishabh Enterprise	65,000	65,000	10	650,000	650,000
Shri Gurudev Enterprise	50,000	50,000	10	500,000	500,000
Assam Bengal Cereals Ltd.	20,000	20,000	10	200,000	200,000
Canaro Resources Ltd. of CAD 1/- each	237,800	237,800	CAD 1	692,467	692,467
Woodlands Multispeciality Hospital Ltd.	2,450	2,450	10	24,500	24,500
				<u>2,716,967</u>	<u>2,716,967</u>
				164,584,542	165,787,275
Less: Provision for diminution in value of certain investments				<u>84,102,281</u>	<u>79,963,056</u>
				<u>80,482,261</u>	<u>85,824,219</u>

Current Investment - At cost (Fully paid unless otherwise stated)

Quoted

Punjab State IND 9.9 LOA Government Securities 5 Bonds of Rs. 100,000/- each

500,000 -

SBI Magnum Multiplier Plus Scheme -93 - Dividend 14652.015 Units

- 800,000

Baroda Pioneer Mutual Fund 9985 Units of Rs. 10/- each

- 100,000

500,000 **900,000**

80,982,261 **86,724,219**

* Particulars	Description	Number as on 31.03.2017	Number as on 31.03.2017	Face value [Rupees]	Cost as on 31.03.2017 [Rupees]	Cost as on 31.03.2016 [Rupees]
Allahabad Bank	Equity	-	23	10	-	1,886
Bank of Baroda	Equity	-	45	2	-	2,070
Bombay Burmah Trading Corp. Ltd.	Equity	-	25	2	-	2,346
Dhunseri Petrochem Ltd.	Equity	-	55	10	-	10,359
Dhunseri Investments Ltd.	Equity	-	27	10	-	-
Dhunseri Tea & Industries Ltd.	Equity	-	11	10	-	-
Gammon India Ltd.	Equity	-	5	2	-	2,246
Gillanders Arbuthnot & Company Ltd.	Equity	-	7	10	-	518
GMR Infrastructure Ltd.	Equity	30,000	30,000	1	2,393,532	2,393,532
Goodricke Group Ltd.	Equity	-	5	10	-	333
Grasim Industries Ltd.	Equity	-	50	10	-	16,550
Hindalco Industries Ltd.	Equity	-	5	1	-	807
Indian Oil Corporation Ltd.	Equity	-	10	10	-	2,201
James Warren Tea Ltd.	Equity	-	8	10	-	186
Jayshree Tea & Industries Ltd.	Equity	-	10	5	-	547
Mcleod Russel India Ltd.	Equity	-	300	5	-	6,095
Oil & Natural Gas Corporation Ltd.	Equity	-	20	5	-	4,541

Notes to Financial Statements

* Particulars	Description	Number as on 31.03.2017	Number as on 31.03.2016	Face value [Rupees]	Cost as on 31.03.2017 [Rupees]	Cost as on 31.03.2016 [Rupees]
Oriental Bank Of Commerce	Equity	-	5	10	-	1,250
Reliance Industries Ltd.	Equity	-	36	10	-	1,350
Reliance Power Ltd.	Equity	-	7,000	10	-	1,039,500
Selan Exploration Ltd.	Equity	-	5	10	-	540
SVOGL Oil Gas and Energy Ltd. (Formerly Shiv - Vani Oil & Gas Exploration Services Ltd.)	Equity	5	5	10	1,753	1,753
State Bank of Bikaner & Jaipur	Equity	-	1,850	10	-	97,495
Suzlon Energy Ltd.	Equity	-	25	2	-	7,534
Tata Chemicals Ltd.	Equity	-	4	10	-	247
Tata Coffee Ltd.	Equity	-	50	1	-	1,441
Tata Steel Ltd.	Equity	-	3	10	-	224
Tata Global Beverages Ltd. (Formerly Tata Tea Ltd.)	Equity	-	120	1	-	2,280
Ultratech Cements Ltd.	Equity	-	28	10	-	-
UTI Master Share	Equity	116	116	10	3,050	3,050
Warren Tea Ltd.	Equity	-	8	10	-	187
					2,398,335	3,601,068
Dahej Offshore Infrastructure SEZ Ltd. (Formerly Assam Estates Limited)	Equity	50,570	50,570	10	505,700	505,700
Assam Oil and Gas Ltd. (70 Equity Shares fully paid 999,930 Equity Shares @Rs.3/- partly paid)	Equity	1,000,000	1,000,000	10	1,000,000	1,000,000
North East Hydrocarbon Ltd.	Equity	50,070	50,070	10	500,700	500,700
Camellia Cha Bar Ltd.	Equity	50,060	50,060	10	500,605	500,605
Gujarat Hydrocarbons and Power SEZ Ltd. #	Equity	5,000,000	5,000,000	10	50,000,000	50,000,000
Duncan Macneill Power India Ltd.	Equity	115,000	115,000	10	1,150,000	1,150,000
Duncan Macneill Natural Resources Ltd.	Equity	911,000	911,000	1GBP	76,036,035	76,036,035
Assam Oil & Natural Gas Ltd.	Equity	660,000	660,000	1USD	29,776,200	29,776,200
					159,469,240	159,469,240

Notes:-

Aggregate market value of quoted investments Rs. 482,265/- (31.03.2016 - Rs. 3,392,591/-)

Aggregate book value of quoted investments Rs. 2,898,335/- (31.03.2016 - Rs. 6,301,068/-)

Aggregate book value of unquoted investments Rs. 162,186,207/- (31.03.2016 - Rs.160,386,207/-)

Pledged in favour of Srei Infrastructure Finance Limited against loan taken by Gujarat Hydrocarbons and Power SEZ Limited.



Notes to Financial Statements

	31st March, 2017 [Rupees]	31st March, 2016 [Rupees]
Note : 14 - Long-Term Loans and Advances		
(Unsecured considered good unless otherwise stated)		
Loans and Advances to Subsidiary companies		
Considered good	5,067	176,675
Considered doubtful	47,994,837	46,574,924
Less: Provision for doubtful advances	(47,994,837)	(46,574,924)
Deposits	29,194,718	28,774,077
Employees Loans and Advances	3,090,436	2,549,582
Intercorporate Deposits		
Considered good	73,600,000	76,980,000
Considered doubtful	1,900,000	6,500,000
Less: Provision for doubtful advances	(1,900,000)	(6,500,000)
Other Loans and Advances		
Considered good		
Capital advances	256,907	418,344
Other advances	3,386,380	15,687,135
Considered doubtful	15,295,670	16,147,670
Less: Provision for doubtful advances	(15,295,670)	(16,147,670)
	109,533,508	124,585,813
Note : 15 - Other Non-current Assets		
Interest Receivable		
Considered good	73,413,240	62,059,143
Considered doubtful	11,160,122	12,224,928
Less: Provision for doubtful advances	(11,160,122)	(12,224,928)
Others	-	-
	73,413,240	62,059,143
Note : 16 - Inventories		
(Valued at lower of cost and net realisable value)		
Stores & Spare Parts		
Considered good	56,098,768	121,169,360
Considered doubtful of recovery	566,606	566,606
Less: Provision for doubtful of recovery	(566,606)	(566,606)
Stock of Teas	47,916,000	96,045,000
	104,014,768	217,214,360
Note : 17 - Trade Receivables		
Unsecured		
Debts outstanding for a period exceeding six months		
Considered good	78,975	1,418,821
Considered doubtful	4,793,840	4,793,840
Less: Provision for doubtful debts	(4,793,840)	(4,793,840)
Other debts		
Considered good	7,001,347	13,717,201
	7,080,322	15,136,022

Notes to Financial Statements

	31st March, 2017 [Rupees]	31st March, 2016 [Rupees]
Note : 18 - Cash and Bank Balances		
Cash on hand	2,670,538	14,369,012
Balance with banks in :		
Current Accounts	8,237,684	16,114,156
Unpaid Dividend Accounts	2,120,172	2,126,064
On Short-Term Deposits	-	36,830,513
Margin Money Deposit	104,565,036	19,040,554
	117,593,430	88,480,299
Note : 19 - Short-Term Loans and Advances (Unsecured-considered good unless otherwise stated)		
Advances and Loans to Subsidiaries		
Considered good	2,742,052,819	2,549,864,561
Considered doubtful	615,000	-
Less: Provision for doubtful advances	(615,000)	-
Employees Loans and Advances	2,871,652	2,580,184
Other Loans and Advances		
Considered good	41,663,412	32,758,453
Considered doubtful	10,000,000	10,000,000
Less: Provision for doubtful advances	(10,000,000)	(10,000,000)
	2,786,587,883	2,585,203,198
Note : 20 - Other Current Assets		
Interest Receivable on Deposits		
Considered good	9,331,318	16,474,737
Considered doubtful	418,150	-
Less: Provision for doubtful advances	(418,150)	-
Others	5,625,688	5,079,195
	14,957,006	21,553,932
Note : 21- Revenue from operations		
Sales		
Tea	2,116,143,585	2,701,733,488
	2,116,143,585	2,701,733,488
Note : 22 - Other Income		
Interest Income	14,478,457	33,233,747
Sale of Tea Waste	3,660,180	4,472,208
Tea Subsidy	5,181,525	6,513,885
Income from Investments other than trade	144,158	37,417
Profit on sale of Fixed Assets	162,509	277,333
Profit on acquisition of Agricultural Land	-	251,982,505
Profit on Sale of Investments	1,626,488	-
Liabilities no longer required written back	7,469,509	14,447,162
Provisions no longer required written back	6,098,655	-
Premium on sale of Export Licenses	5,581,776	7,276,522
Export Incentive and Duty Drawback	1,438,750	8,290,834
Miscellaneous Receipts	3,630,582	4,635,184
Exchange Fluctuations	(841,497)	(2,831,043)
	48,631,092	328,335,754



Notes to Financial Statements

	31st March, 2017 [Rupees]	31st March, 2016 [Rupees]
Note : 23 - Cost of Raw Materials Consumed		
Purchase of Green Leaf	-	3,219,557
	-	3,219,557
Note : 24 - Changes in Inventories of Finished goods		
Stock as at 1st April, 2016		
Tea	96,045,000	251,617,473
	96,045,000	251,617,473
Stock as at 31st March, 2017		
Tea	47,916,000	96,045,000
	47,916,000	96,045,000
(Increase) / Decrease	48,129,000	155,572,473
Note : 25 - Employee Benefits Expense		
Establishment Charges	456,339,177	488,236,948
Contribution to Provident, Gratuity and other Funds	272,892,588	359,444,255
Labour and Staff Welfare	188,130,818	221,419,321
Concession on Food grains	113,090,010	80,127,038
	1,030,452,593	1,149,227,562
Note : 26 - Finance Costs		
Interest Expenses	318,392,833	459,874,408
Bank Charges Including fees and other costs	11,383,733	26,671,315
Exchange Fluctuation on Borrowings	16,222,486	93,544,322
Others	255,514	490,082
	346,254,566	580,580,127
Note : 27- Other Expenses		
Garden Cultivation Costs	296,744,745	373,993,690
Plucking and Manufacturing Expenses	395,440,205	393,944,833
Power and Fuel	172,307,614	198,120,494
Directors' Fees	378,000	599,000
Repairs to Buildings	39,573,059	53,947,186
Repairs to Plant & Machinery	29,269,176	44,500,212
Upkeep of Roads & Bridges	993,923	57,121,147
Garden Transport	61,114,018	65,881,381
Insurance	3,485,965	6,597,794
Rent, Rates & Taxes	17,119,361	24,387,063
Office Maintenance	4,514,029	5,020,206
General Charges	106,665,725	144,943,644
Freight, Warehouse & Sale Charges	72,217,481	69,617,748
Agency Commission	9,716,374	23,150,405
Brokerage	19,237,167	24,504,672
Cess on Tea and Green Leaf	23,612,685	25,172,678
Prior Period Expenditure	-	457,560
Sundry Balance written off	14,928,297	29,795,064
Provision for Dimm. in value of Investments	4,139,224	-
Provision for doubtful advances	2,034,913	35,900,737
Fixed Asset written off	-	2,249,309
	1,273,491,961	1,579,904,823

Notes to Financial Statements

28[a] All assets except Furniture as at 31st December, 1994, were revalued by an approved valuer at the then net replacement cost resulting in increase in value of these assets by Rs.427,664,732/-. All assets except Furniture as at 31st December, 1996, were revalued again by an approved valuer at the then net replacement cost resulting in a further increase in value of these assets by Rs.113,567,000/-.

[b] Taking into account the total intrinsic value of the Company's land in Assam, no adjustment in the opinion of the management is required for the loss of land lost due to flood and consequent erosion before 2009. Claim for compensation in this regard has been made to the Government of Assam. Subsequent loss of land due to flood and erosion from 2009 is yet to be ascertained.

29 Estimated amount of contracts remaining to be executed on capital account and other commitment not provided for are as follows:-

[a] On Capital Account Rs. 2,700,000/- (Net of advance - Rs. 1,800,000/-)

[b] Other Commitment - For Hire Purchase and Lease payments, Refer Note No. 35

30 Contingent Liabilities not provided for in respect of :

[a] Income Tax including Agriculture Tax demands disputed and under Appeals amounting to Rs. 448,132,760/- (31.03.2016 - Rs. 413,902,876/-) .

[b] Sales Tax assessments disputed in appeals Rs.137,138,533/- (31.03.2016 - Sales tax - Rs.134,026,941/-)

[c] Liability towards Interest on unpaid FCCB Bonds and Redemption premium amounting to Rs.45,707,183/- (31.03.2016 - Rs.36,944,028/-). (Refer Note No. 40)

[d] Liability towards Fringe Benefit Tax under adjudication - Rs. 70,929,211/- (31.03.2016 - Rs. 70,929,211/-).

[e] Liability towards Service Tax Rs. 73,363,517/- (31.03.2016 - Rs. 38,804,780/-)

[f] Claim not acknowledged as debts amounting to Rs. 50,331,256/-.

[g] Guarantees given in favour of third parties Rs 3,194,688,000/- (31.03.2016 - Rs.3,249,530,000/-).

[h] Pledged 5,000,000 shares (having cost of Rs. 50,000,000/-) representing investment in 51% Equity Shares in Gujarat Hydrocarbons and Power SEZ Ltd. in favour of third parties.

[i] Uncalled liability on partly paid shares - Rs. 6,999,510/- (31.03.2016 - Rs.6,999,510/-).

[j] There is a Contingent Liability in connection with operationalisation of Amguri Field, the amount of which can not be reliably ascertained at present.

The future cash flows on account of above cannot be determined unless the judgement / decisions / demand are received from the appropriate authorities / parties.

31 Provision for taxation for the Company's financial period of fifteen months ended 31st March, 2016, has been determined based on the results for three months ended 31st March, 2015, (Assessment Year 2015-2016) and for twelve months ended 31st March, 2016 (Assessment Year 2016-2017). The ultimate liability for the Assessment Year 2016-2017, however, will be determined on the total income of the Company for the period from 1st April, 2015 to 31st March, 2016.

32[i] Amount paid / payable to the auditors included under general charges (Net of Service Tax)	31.03.2017 [Rupees]	31.03.2016 [Rupees]
[a] Statutory Audit Fees	1,200,000	1,200,000
[b] Fees for other services	965,000	1,814,000
[c] Reimbursement of out of pocket expenses	63,234	95,453
[ii] Expenditure includes in aggregate :		
Salary, Wages and Bonus	1,113,192,363	1,102,310,336
Stores and Spare Parts consumed	361,914,661	373,700,305



Notes to Financial Statements

33 Value of Raw Materials and Stores and Spare parts consumed	%	[Rupees]	%	[Rupees]
- Purchased Green Leaf and Tea	100	-	100	3,219,557
- Stores and Spare Parts	100	361,914,661	100	373,700,305
		361,914,661		376,919,862

34 As the production of green leaf (raw materials consumed by the Company for the manufacture of Tea) from Company's own Tea Estates involves integrated process having various stages such as nursery, planting, cultivation etc., their values at intermediate stage could not be ascertained.

35 The Company has taken various premises under operating lease having tenures upto 36 months which are not non-cancellable. These are usually renewed periodically by mutual consent. The rental payable against these lease amounting to Rs.7,140,842/- (31.03.2016- Rs.7,328,058/-) has been debited to the Statement of Profit and Loss.

36 Provision for Site Restoration : [Figures in Rupees]

Year	Opening Balance	Provision made during the year	Amounts utilised/reversed during the year	Closing Balance
31.03.2017	2,765,000	-	-	2,765,000
31.03.2016	2,765,000	-	-	2,765,000

Provision for Site Restoration represents the liability that is expected to materialise once production of oil and gas from the wells cease and/or they are capped. Future cash outflow in respect of the above is determinable only on occurrence of uncertain future events.

37 Expenditure in Foreign Currency charged to Statement of Profit and Loss (on accrual basis) :	31.03.2017	31.03.2016
	[Rupees]	[Rupees]
Commission	9,716,374	23,150,405
Travelling Expenses	7,225,946	10,409,100
Bank Charges	55,625	271,356
Interest	2,553,838	4,236,135
Consultancy Fees	114,492	54,862
38 Earnings in Foreign Exchange (on accrual basis) :	31.03.2017	31.03.2016
	[Rupees]	[Rupees]
Export Sale on F.O.B. Basis	121,454,673	289,380,565

39 [a] The Company has two Oil and Gas Fields/Blocks in Assam Arakan Basin – Amguri (Discovered Field) and AA-ON/7 (Exploration Block) having Participating Interest (PI) of 40% and 35% respectively. Amguri Oil Field and AA-ON/7 Exploration Block were operated under a consortium with Canoro Resources Limited (CRL), a Canadian based E&P Company.

Notes to Financial Statements

- [b] Government of India (GOI) terminated 60% PI and operatorship of Canoro Resources Limited (CRL) with effect from 29th August, 2010 for breach of Production Sharing Contract (PSC). CRL closed the operation of Amguri in December, 2010 and GOI considering its vesting right on 60% PI handed over the Amguri Field to ONGC on 16th March, 2011, to continue the operations till the ownership of 60% PI and operatorship were finalized. The Company had already staked its claim on 60% PI in accordance with the provisions of PSC being the sole non-defaulting contractor. After a prolonged delay, GOI had finally appointed the Company as the operator of Amguri Field vide its letter dated 2nd January, 2013.
- [c] Pursuant to the appointment as an operator, the Company has entered into a Bilateral Agreement (BA) on 23rd December, 2014, with ONGC for their investment in the Amguri Field for & on behalf of GOI and to take over the field and to commence operation. The said BA was approved by GOI on 31st March, 2016.
- [d] The Company's rightful claim on 60% PI earlier held by CRL was contested by the Company before an Arbitral Tribunal Board, where GOI was a party. The Arbitral Tribunal Board has on 25.02.2017 pronounced the Award on the Arbitral proceedings of ACIL with GOI in respect of Amguri Field. ACIL is declared the owner of 60% of the PI currently held by GOI and thereby has now become the owner of 100% of PI of the Amguri Field. The contract period of the PSC of the Amguri Field shall stand extended by five years beyond its original term. A sum of US\$ 3.54 Million is granted to ACIL as compensation alongwith interest at 6% per annum from March, 2011, till the date of payment. The cost of Arbitral proceedings amounting to INR 1.25 Crore shall also accrue to ACIL.
- [e] Pursuant to the Arbitral Tribunal's Award dated 25th February, 2017, ACIL has proposed GOI for an amicable settlement and submitted an unconditional undertaking to withdraw all its existing claim. GOI vide its letter dated 25th May, 2017, has approved ACIL's ownership of 100% PI in the Amguri Field.
- [f] As per the Award of the Arbitral Tribunal against CRL dated 21st November, 2011, the Company has got a damage claim of US\$ 39.12 Million (Rs. 253.64 Crores) against CRL. The Tribunal had assigned a value of US\$ 4.16 Million (Rs. 26.97 Crores) for 60% PI in Amguri and US\$ 2.2071 Million (Rs. 14.31 Crores) for 52.9% shares of CRL, thereby awarding a net damage claim of US\$ 32.75 Million (Rs. 212.34 Crores) against CRL.

For enforcement of the Arbitral Tribunal Award before Canadian Court, the Company had initiated legal steps by filing execution petition on 9th November, 2012, before the Supreme Court of British Columbia. The Hon'ble Court has recognised the Arbitral Award vide its order dated 07.03.2014 as legally enforceable in British Columbia. The Company has taken necessary legal steps for execution and realisation of the damaged claim as recognised by the Hon'ble Court

- [g] In respect of AA-ON/7 Exploration Block, the area falls into two States – Assam and Nagaland. The exploration activities in Assam were completed and the area has been relinquished in March, 2008, as there was no discovery of oil and gas. In order to pursue exploration activities in the State of Nagaland, a new PSC in continuation of the earlier PSC on the basis of the terms and conditions not inferior to the existing PSC will be executed as approved by the Cabinet Committee of Economic Affairs (CCEA) on 5th December, 2009.

Though execution of a new PSC was approved by CCEA, GOI was unable to enter into a new contract due to Nagaland (Ownership of land and execution) Act, 1990, which entitles the Government of Nagaland to formulate their own exploration policy and continue E&P activities by them.

Similar to Amguri Field, the Company as per PSC is also entitled to 65% PI and operatorship of AA-ON/7 Block, earlier held by Canoro, as the Company remained as the sole non-defaulting contractor. The Company has already claimed the PI and operatorship from GOI. GOI earlier vide letter dated 24.05.2013 had conveyed that they would take up the matter of execution of the new PSC along with the Company's claim of 65% PI with operatorship after resolution of Nagaland issue. GOI has reconfirmed the said status vide its letter dated 9th February, 2015.



Notes to Financial Statements

- [h] Though a new PSC will be executed, the name of the Block will remain as AA-ON/7 as the Nagaland portion for which a new PSC will be executed was part of the original acreage of AA-ON/7. Accordingly, all past investment costs in Assam area would be eligible for cost recovery. Since, the Block in totality was not relinquished and execution of a new PSC was mere an administrative action having already approved by CCEA, legally the Block still exists and it does not attract any capitalisation/impairment provision/adjustment as per AS-10 and 28 and Guidance Note on Accounting for Oil & Gas producing activities.
- [i] The Company's aggregate capital investments grouped under Capital Work In Progress and Fixed Assets will be eligible for full cost recovery as per PSC against future activities and revenue from production of oil and gas.
- [j] Fixed Assets Register has not been maintained in Oil & Gas Division as details of the Assets were maintained by the erstwhile Operator (CRL) which has since been maintained by ONGC as the custodian of the Amguri Field and 40% share of cost is booked by ACIL for each of the assets in Amguri Field.
- [k] Cost Record Order is applicable for Oil and Gas. There was no production of oil & gas during the year.
- [l] Disclosure of Company's Participating Interest (P I) in the Oil and Gas project :

Sl. No.	Name of the Field	Percentage of P I
1.	Amguri	100 (40)
2.	AA-ON/7	35 (35)

[Note : Figures in brackets represent previous year's percentage of P I]

- [m] Net quantities of Company's interest in proved reserves and proved developed reserve within India (based on the Sproul Report dated 31st March, 2010) :

	Proved Reserves MT		Proved Developed Reserves MT	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Oil :				
Beginning of the year	39,763	39,763	36,913	36,913
Additions	-	-	-	-
Deletion	-	-	-	-
Production	-	-	-	-
Closing Balance for the year	39,763	39,763	36,913	36,913

	Proved Reserves M ³		Proved Developed Reserves M ³	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Gas :				
Beginning of the year	814	814	766	766
Additions	-	-	-	-
Deletion	-	-	-	-
Production	-	-	-	-
Closing Balance for the year	814	814	766	766

- 40 The Company had issued Zero Per Cent Foreign Currency Convertible Bonds ("FCCB") in 2006 aggregating to USD 48 Million (INR 2,109,120,000/-) to finance capital expenditure for modernisation, expansion and acquisitions. The Bond holders had an option of converting these Bonds into Equity Shares at a conversion price of Rs. 28.75 per share, at any time on or after 28th November, 2006, subject to compliance with certain conditions stated in the Offer Circular dated 23rd November, 2006. The Bonds were redeemable on 30th November, 2011, at 150.019 per cent of their principal amount, unless previously converted or redeemed.

Notes to Financial Statements

The proceeds of above issue has been utilised till date on an overall basis as set out below:

	31.03.2017	31.03.2016
	[Rupees]	[Rupees]
Expenditure in respect of oil and gas exploration and development	1,344,290,305	1,344,290,305
Loan to overseas Subsidiary (net)	453,849,047	453,849,047
Modernisation/expansion of existing production units	62,915,595	62,915,595
FCCB issue expenses/other incidental expenses	286,562,035	286,562,035
Others (net)	94,634,832	94,633,019

Unutilised FCCB proceeds amounting to Rs.692,467/- (31.03.2016 - Rs. 692,467/-) have been invested in securities and the balance Rs.233,850/- (31.03.2016 - Rs. 235,663/-) is lying with banks at the year end.

As at the year end, the total outstanding of FCCBs including Redemption Premium is USD 5.70 Million.

- 41 Advances and Loans to Subsidiaries include an amount of Rs.2,504,746,810/- (including interest Rs.1,111,049,664/- Net of TDS) (31.03.2016 Rs.2,504,625,810/- including interest Rs.1,111,049,664/- Net of TDS) due from Gujarat Hydrocarbons and Power SEZ Limited (GHPSL), a Subsidiary of the Company. GHPSL was incorporated for developing a Hydrocarbon and Power Special Economic Zone (SEZ) in the State of Gujarat. GHPSL has got possession of 296 hectares of land for its project from Gujarat Industrial Development Corporation (GIDC). The Loan was given towards acquisition and development of the acquired area by the GHPSL.

- 42 The major components of Deferred Tax Assets and Liabilities are as follows :

	31.03.2017	31.03.2016
	[Rupees]	[Rupees]
Deferred Tax Liability		
Excess of tax depreciation over book depreciation	261,279,715	263,322,493
	261,279,715	263,322,493
Deferred Tax Assets		
Expenditure under Section 43B of the Income Tax Act, 1961 (recognised to the extent of Deferred Tax Liability)	261,279,715	263,322,493
	261,279,715	263,322,493
Net Balance	Nil	Nil

**Notes to Financial Statements**

- 43 The Company has amounts due to suppliers under The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). The disclosure pursuant to the said Act is as under :

	31.03.2017	31.03.2016
	[Rupees]	[Rupees]
Sundry Creditors	7,799,205	3,647,468
- Due to Small and Micro Enterprise:		
[a] Principal amount remaining unpaid to any supplier as at the end of the period	3,156,408	297,432
The interest remaining unpaid to any supplier as at the end of the period	4,642,797	3,350,036
[b] Amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
Delayed payment of principal amount paid beyond the appointed day during the period	4,853,772	8,994,130
[c] Amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
[d] Amount of further interest remaining due and payable even in the succeeding years (Include interest Rs. 502,867/- not provided in the previous year) until such date when the interest dues as above are actually paid to the Small Enterprise.	1,047,315	850,956
[e] Amount of interest accrued and remaining unpaid at the end of the period	4,642,797	3,350,036

Note: The information has been given in respect of such vendors to the extent they could be identified as "Micro, Small and Medium" enterprises on the basis of information available with the Company.

Notes to Financial Statements
44 Primary Segment Report - Business Segments
[Figures in Rupees]

Particulars	Plantations	Oil and Gas	Total
Segment Revenue: External Customers	2,116,143,585	-	2,116,143,585
	2,701,733,488	-	2,701,733,488
Other Segment Revenue	34,883,540	2,971,508	37,855,048
	307,451,893	8,639,704	316,091,597
Total Segment Revenue	2,151,027,125	2,971,508	2,153,998,633
	3,009,185,381	8,639,704	3,017,825,085
Segment Result	(592,994,853)	(58,929,732)	(651,924,585)
	(329,423,879)	(149,671,732)	(479,095,611)
Add : Unallocable Income			144,158
			37,417
Less : Unallocable expenses			24,993,640
			66,218,124
Unallocated Interest income			10,631,886
			12,206,740
Profit before Tax			(666,142,181)
			(533,069,578)
Tax Expenses			-
Current Tax			-
Tax adjustments			41,734,637
			-
Profit for the year			(707,876,818)
			(533,069,578)
Other Information			
Segment Assets	2,542,043,135	6,456,325,390	8,998,368,525
	3,072,437,305	6,180,422,476	9,252,859,781
Unallocated Assets			2,686,397,180
			2,674,249,414
Total Assets			11,684,765,705
			11,927,109,195
Segment Liabilities	4,450,549,690	5,349,997,064	9,800,546,754
	3,912,043,400	4,878,750,660	8,790,794,060
Unallocated Liabilities			242,530,709
			197,330,665
Total Liabilities			10,043,077,463
			8,988,124,725
Capital Expenditure	56,919,611	370,503,177	427,422,788
	15,397,073	598,344,496	613,741,569
Depreciation / Amortisation	107,823,426	21,463,140	129,286,566
	67,191,540	22,497,640	89,689,180
Unallocated Depreciation / Amortisation			3,302,172
			4,945,098
			132,588,738
			94,634,278
Non Cash Expenditure other than Depreciation and Amortisation	6,399,606	1,134,664	7,534,270
	41,269,606	9,979,032	51,248,638



Notes to Financial Statements

Secondary Segment Report - Geographical Segment			[Figures in Rupees]
	Within India	Outside India	Total
1. Segment Revenue: External Customers	1,994,688,912	121,454,673	2,116,143,585
	2,412,352,923	289,380,565	2,701,733,488
2. Segment Assets	11,414,232,637	270,533,068	11,684,765,705
	11,803,875,502	123,233,693	11,927,109,195
3. Capital Expenditure	427,422,788	-	427,422,788
	613,741,569	-	613,741,569

Notes :

[i] The Company has considered business segment as the primary segment for disclosure. The components of these business segments are plantation products and oil and gas activities.

[ii] The segment wise revenue, results, assets and liabilities relate to the respective amounts directly identifiable to each of the segments. Unallocable income/expenditure refers to income/expenses incurred on common services at corporate level.

[iii] Geographical segment:

Segregation of revenue is on the basis of geographical location of customer i.e.

Sales within India

Sales outside India

Segregation of asset and capital expenditure is on the basis of geographical location of Assets i.e.

Asset within India

Asset outside India

[iv] Figures in bold represent previous year's figures .

- 45** In line with the notification dated 31st March, 2009 and notification dated 29th December, 2011, issued by the Ministry of Corporate Affairs, amending Accounting Standard (AS) 11 - "Effects of Changes in Foreign Exchange Rate", the Company in the current year has:

[i] charged to the Statement of Profit and Loss Rs. 24,028,345/- (31.03.2016 - Rs.74,973,167/- being the amortisation charge of 'Foreign Currency Monetary Item Translation Difference Account' (FCMITDA) for the year.

[ii] carried forward Rs.42,805,833/- (31.03.2016 - Rs.73,247,861/-) in the FCMITDA, amortisable by 30th November, 2019.

- 46** Disclosure in relation to specified bank notes transacted during 8th November, 2016 to 30th December, 2016, in accordance with Notification No. GSR 308E, dated 30.03.2017:-

	SBNs	Other denominations notes	Total
Closing cash in hand as on 08.11.2016	6,906,000	1,237,876	8,143,876
(+) Permitted Receipts	-	36,085,029	36,085,029
(-) Permitted Payments	-	36,485,222	36,485,222
(-) Amount deposited in Banks	6,906,000	-	6,906,000
Closing cash in hand as on 30.12.2016	-	837,683	837,683

- 47 Derivative Instruments :**

The Company uses Foreign Exchange Contracts to hedge its certain exposures in Foreign Currency related to firm commitments and highly probable transactions.

Notes to Financial Statements

[a] There was no Derivative Instruments (Forward Exchange Contracts) outstanding as at Balance Sheet date.

[b] Foreign Currency exposures not hedged by a Derivative Instrument or otherwise as at the Balance Sheet date:

PARTICULARS	CURRENCY	31.03.2017	31.03.2016
Cash and Bank Balance	USD	\$51,664	\$51,790
Investment	USD	\$675,453	\$675,453
Investment	GBP	£911,000	£911,000
Sundry Debtors	USD	\$0	\$0
Sundry Debtors	GBP	£0	£0
Sundry Debtors	EURO	€ 0	€ 18,175
Secured Loan	USD	\$13,070,000	\$13,070,000
Liabilities payable	USD	\$6,231,778	\$6,248,157
Liabilities payable	GBP	£58,667	£37,722
Liabilities payable	EURO	€ 10,598	€ 6,562

48. Employee Benefit Obligation

Provident Fund

Provident Fund is a defined contribution scheme whereby the Company contributes an amount determined as a fixed percentage of basic salary to the trust/government authorities every month.

Gratuity

The Company operates three gratuity schemes wherein every employee is entitled to the benefit equivalent to 15 days salary last drawn for each completed year of service subject to minimum service of five years. The same is payable on retirement or termination of service, whichever is earlier. Annual contributions based on actuarial valuation carried out at the year end are made to an independent trust fund who in turn is investing in a private insurance company under group gratuity scheme.

Pension

The Company operates two pension schemes for eligible employees, one of them being a defined benefit scheme and the other a defined contribution scheme. Annual contributions to the defined benefit scheme are made by the Company based on actuarial valuation carried out by the Company at year end. Contributions for the defined contribution scheme are deposited with a Trust and such funds are funded to a private Insurance Company.

Leave Benefit

Leave Benefit comprises of leave balances accumulated by the employees. These balances can be accumulated upto a maximum of 120 days and can be encashed only at any time of retirement/separation. The scheme is unfunded.

Post Retirement Medical Benefit

The Company has a scheme of re-imbusement of Post Retirement Medical Expenses to certain categories of employees and their surviving spouses, upon retirement, subject to a monetary limit. The scheme is unfunded.

A. Defined Contribution Plans

Contributions for Defined Contribution Plans amounting to Rs.14,39,28,214/- (31.03.2016 Rs.15,92,60,669/-) has been recognised in the Profit & Loss Account.


B (i). Defined Benefit Plans

	Gratuity		Pension		Leave Encashment		Medical Benefit	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016
	[Rupees]	[Rupees]	[Rupees]	[Rupees]	[Rupees]	[Rupees]	[Rupees]	[Rupees]
a) Component of Employees Expenses								
Current Service Cost	32,431,499	34,216,802	15,363,899	18,507,599	2,200,702	2,002,614	1,635,319	-
Interest Cost	39,824,900	40,015,347	12,772,304	11,682,798	519,555	576,232	1,233,246	1,638,195
Expected Return on Plan Assets	866,566	(1,324,391)	(3,274,378)	(4,294,929)	-	-	-	-
Curtailment Cost	-	-	-	-	-	-	-	-
Settlement Cost	-	-	-	-	-	-	-	-
Past Service Cost	-	-	-	44,050,669	-	-	-	-
Net actuarial (gain) / loss recognised during the year	31,933,411	71,175,892	(2,088,146)	(13,979,817)	(1,688,196)	(556,864)	(1,713,992)	(1,504,579)
Total component of Employees Expenses	105,056,376	144,083,650	22,773,679	55,966,320	1,032,061	2,021,982	1,154,573	133,616

b) Actual Return on Plan Assets

Expected Return on Plan Assets	866,566	(1,324,391)	3,274,378	4,294,929	-	-	-	-
Actuarial gain / (loss) on Plan Assets	(3,301,530)	(698,844)	(582,180)	17,174	-	-	-	-
Actual Return on Plan Assets	(2,434,964)	(2,023,235)	2,692,198	4,312,103	-	-	-	-

	Gratuity		Pension		Leave Encashment		Medical Benefit	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016
	[Rupees]	[Rupees]	[Rupees]	[Rupees]	[Rupees]	[Rupees]	[Rupees]	[Rupees]
c) Change in Defined Benefit Obligation during the year								
Opening Defined Benefit Obligation	532,155,048	412,861,100	175,304,900	118,629,492	7,160,637	6,385,983	16,443,285	16,454,239
Current Service cost	32,431,499	34,216,802	15,363,899	18,507,599	2,200,702	2,002,614	1,635,319	-
Interest Cost	39,824,900	40,015,347	12,772,304	11,682,798	519,555	576,232	1,233,246	1,638,195
Settlement Cost	-	-	-	-	-	-	-	-
Past Service Cost	-	-	-	-	-	-	-	-
Benefits Paid	(724,129)	(25,415,249)	(10,015,019)	(3,603,015)	(466,478)	(1,247,328)	-	(144,570)
Actuarial (gain) / loss on Obligation	31,933,411	70,477,048	(2,670,326)	(13,962,643)	(1,688,196)	(556,864)	(1,713,992)	(1,504,579)
Closing Defined Benefit Obligation	635,620,729	532,155,048	190,755,758	131,254,231	7,726,220	7,160,637	17,597,858	16,443,285

d) Change in Fair Value of Assets during the year

Fair value of Plan Assets as at beginning of the year	11,554,207	13,243,909	43,658,374	42,949,286	-	-	-	-
Expected Return on Plan Assets	866,566	(1,324,391)	3,274,378	4,294,929	-	-	-	-
Contributions made	25,000	23,100,000	-	-	-	-	-	-
Benefits paid	724,129	25,415,249	(10,015,019)	(3,603,015)	(466,478)	(1,247,328)	-	144,570
Actuarial gain / (loss) on Plan Assets	(3,301,530)	(698,844)	(582,180)	17,174	-	-	-	-
Fair value of Plan Assets as at end of the year	9,868,372	59,735,923	36,335,553	43,658,374	(466,478)	(1,247,328)	-	144,570

e) Categories of Plan Assets as a %age of total planned Assets

	Gratuity (Funded)		Pension (Funded)	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Administered by Private Insurance Company	94.63%	81.65%	-	-
Administered by Life Insurance Corporation of India	-	-	99.96%	99.97%
Special Deposit with Scheduled Bank	4.46%	3.25%	-	-
Others	0.91%	15.11%	0.04%	0.03%

f) Actuarial Assumptions	Gratuity		Pension		Leave Encashment (Unfunded)		Medical Benefit (Unfunded)	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016
	IALM	IALM	IALM	IALM	IALM	IALM	IALM	IALM
Mortality Table	2006-2008	2006-2008	2006-2008	2006-2008	2006-2008	2006-2008	2006-2008	2006-2008
Discount Rate (%)	7.50%	8.00%	7.50%	8.00%	7.50%	8.00%	7.50%	8.00%
Inflation Rate (%)	7.50%	7.00%	7.00%	7.00%	7.00%	7.00%	0.00%	0.00%
Expected Return on Plan Assets (%)	7.00%	8.00%	7.50%	8.00%	0.00%	8.00%	0.00%	0.00%

g) Effect of increase / decrease of one percentage point in the assumed Medical inflation rates:

	31.03.2017		31.03.2016	
	Increase	Decrease	Increase	Decrease
Effect on the aggregate of the service cost and interest cost	16,626,846	18,670,142	16,607,718	16,278,853
Effect on defined benefit obligation	18,405,600	16,607,099	14,753,701	18,493,665

B (ii) Defined Benefit Plans
I. GRATUITY (FUNDED)
a) Net (Asset) / Liability

	31.03.2017	31.03.2016	31.12.2014	31.12.2013	31.12.2012
Present Value of the Defined Benefit Obligation	634,032,078	532,155,048	412,861,100	371,927,418	361,633,906
Fair value of Plan Assets	8,420,114	11,554,207	13,243,909	13,549,465	15,579,284
Net (Asset) / Liability	625,611,964	520,600,841	399,617,191	358,377,953	346,054,622

b) Experience Adjustment

(Gain)/Loss adjustment on Plan Liabilities	31,933,411	70,477,048	19,690,888	11,609,926	12,075,531
(Gain)/Loss adjustment on Plan Assets	(3,301,530)	(698,844)	1,839,726	(1,145,993)	3,752,822
(Gain)/Loss adjustment on Plan Liabilities due to change in assumption	-	-	-	-	-
	28,631,881	69,778,204	21,530,614	10,463,933	15,828,353

II. PENSION (FUNDED)
a) Net (Asset) / Liability

Present Value of the Defined Benefit Obligation	190,755,758	175,304,900	118,629,492	109,963,873	107,259,648
Fair value of Plan Assets	36,335,553	43,658,374	42,949,286	49,923,258	47,245,126
Net (Asset) / Liability	154,420,205	131,646,526	75,680,206	60,040,615	60,014,522

b) Experience Adjustment

(Gain)/Loss adjustment on Plan Liabilities	(2,670,326)	(13,962,643)	4,265,721	(4,141,566)	(10,413,103)
(Gain)/Loss adjustment on Plan Assets	(582,180)	17,174	(195,602)	(1,101,478)	3,930,871
(Gain)/Loss adjustment on Plan Liabilities due to change in assumption	-	-	-	-	-
	(3,252,506)	(13,945,469)	4,070,119	(5,243,044)	(6,482,232)

III. LEAVE ENCASHMENT (UNFUNDED)
a) Net (Asset) / Liability

Present Value of the Defined Benefit Obligation	7,726,220	7,160,637	6,385,983	6,580,345	6,346,481
Fair value of Plan Assets	-	-	-	-	-
Net (Asset) / Liability	7,726,220	7,160,637	6,385,983	6,580,345	6,346,481

b) Experience Adjustment

(Gain)/Loss adjustment on Plan Liabilities	(1,688,196)	(556,864)	(629,675)	861,672	(239,460)
(Gain)/Loss adjustment on Plan Assets	-	-	-	-	-
(Gain)/Loss adjustment on Plan Liabilities due to change in assumption	-	-	-	-	(739,554)
	(1,688,196)	(556,864)	(629,675)	861,672	(979,014)

**IV. MEDICAL BENEFIT (UNFUNDED)****a) Net (Asset) / Liability**

Present Value of the Defined Benefit Obligation	17,597,858	16,443,285	16,454,239	17,678,311	16,225,029
Fair value of Plan Assets	-	-	-	-	-
Net (Asset) / Liability	17,597,858	16,443,285	16,454,239	17,678,311	16,225,029

Notes:

- (i) The estimates of future salary increases considered in the actuarial valuation takes into account factors like inflation, future salary increases, seniority, promotion, supply and demand in the employment market etc. The expected return on Plan Assets is based on the actuarial expectation of the average long term rate of return on investments of the fund during the estimated time of the obligations.
- (ii) The contribution expected to be made by the Company for the year ending 31st March, 2018, cannot be ascertained at this stage.

49 Related Party Disclosure :**I Names of Related Parties and description of relationship****[a] Subsidiaries of the Company**

Camellia Cha Bar Limited
North East Hydrocarbon Limited
Assam Oil and Gas Limited
Duncan Macneill Natural Resources Limited
Dahej Offshore Infrastructure SEZ Limited
Gujarat Hydrocarbons and Power SEZ Limited
Duncan Macneill Power India Limited.
Assam Oil & Natural Gas Limited.

[b] Stepdown Subsidiaries

Lord Inchcape Financial Services Limited (control exercised through two Subsidiaries)
Assam Oil & Natural Gas Columbia Limited
Mexia Resources Limited

[c] Key Managerial Personnel

Mr. A. K. Jajodia, Managing Director
Mr. Sanjay Sharma, Chief Financial Officer
Ms. Sreya Mitra, Company Secretary

[d] Relatives of Key Managerial Personnel

Ms. Ruchika Jajodia
Mrs. Anjali Devi Jajodia
Mrs. Anita Sharma
Mr. Jay Prakash Sharma

[e] Joint Venture through jointly controlled operations

Oil and Natural Gas Corporation Limited (on behalf of GOI)

II Transactions with Related Parties

Sl. No.	Related Party	Outstanding as on 31.03.2017 [Rupees]	Outstanding as on 31.03.2016 [Rupees]	Nature of transaction	31.03.2017 [Rupees]	31.03.2016 [Rupees]
[A]	North East Hydrocarbon Limited	10,659,790 Receivable	10,659,790 Receivable	Advance given	-	35,000
[B]	Assam Oil and Gas Limited	5,377,848 Receivable	4,157,848 Receivable	Advance given	1,220,000	-
[C]	Camellia Cha Bar Limited	4,713,036 Receivable	4,713,036 Receivable	Expenses Recoverable	-	1,850
[D]	Duncan Macneill Power India Limited	615,000 Receivable 249,530,000 Guarantees given	615,000 Receivable 249,530,000 Guarantees given	Advance given		40,000
[E]	Duncan Macneill Natural Resources Limited	220,055,754 Receivable 1,945,158,000 Guarantees given	27,200,000 Receivable 2,000,000,000 Guarantees given	Advance given	192,855,754	27,200,000
[F]	Gujarat Hydrocarbons and Power SEZ Limited	2,504,746,810 Receivable 1,000,000,000 Guarantees given	2,504,625,809 Receivable 1,000,000,000 Guarantees given	Advance given Expenses recoverable Advances refunded	121,000 - -	- 416,434 (23,270,000)
[G]	Assam Oil & Natural Gas Limited	14,817,700 Receivable	15,033,013 Receivable	Expenses payable Expenses recoverable	(215,313.00) -	- 1,474,936
[H]	Assam Oil & Natural Gas Columbia Limited	2,432,555 Receivable	2,362,434 Receivable	Expenses recoverable	70,121	901,624
[I]	Dahej Offshore Infrastructure SEZ Limited (Formerly known as Assam Estates Limited)	27,244,164 Receivable	27,244,164 Receivable			
[J]	Lord Inchcape Financial Services Limited	5,066 Receivable	5,066 Receivable			
[K]	Mr. A. K. Jajodia	-	-	Remuneration paid	4,865,882	6,864,946
[L]	Mrs. Anjali Devi Jajodia			Rent paid	1,200,000	700,000
[M]	Mr. Sanjay Sharma	-	108,000 Receivable	Remuneration	4,702,037	3,166,308
[N]	Mrs. Anita Sharma	-	-	Rent	1,471,650	1,130,625
[O]	Mr. Jay Prakash Sharma	-	-	Service Charges	67,500	84,375
[P]	Ms. Sreya Mitra	-	-	Remuneration	607,335	229,989

Note

The management certifies that there have been no payments, other than those disclosed above, to Key Managerial Personnel and/or to their relatives and/or to any other Related Party.


III Provision made against investment / recoverables from Related Parties :

Sl. No.	Related Party	31.03.2017 [Rupees]	31.03.2016 [Rupees]
[A]	North East Hydrocarbon Limited	11,160,490	11,098,625
[B]	Assam Oil and Gas Limited	6,377,848	5,040,000
[C]	Camellia Cha Bar Limited	5,213,641	5,193,441
[D]	Dahej Offshore Infrastructure SEZ Limited (Formerly known as Assam Estates Limited)	27,749,864	27,749,864
[E]	Duncan Macneill Power India Limited (Formerly Duncan Macneill Power and Utilities Limited)	1,765,000	500,000
[F]	Duncan Macneill Natural Resources Limited	-	-

IV Amounts due from Subsidiaries

(being interest free Loan / Advance)

	Balance as at 31.03.2017 [Rupees]	Balance as at 31.03.2016 [Rupees]
Dahej Offshore Infrastructure SEZ Limited (Formerly known as Assam Estates Limited)	27,244,164	27,244,164
Assam Oil and Gas Limited	5,377,848	4,157,848
Assam Oil & Natural Gas Limited	14,817,700	15,033,013
Assam Oil & Natural Gas Columbia Limited	2,432,555	2,362,434
North East Hydrocarbon Limited	10,659,790	10,659,790
Camellia Cha Bar Limited	4,713,036	4,713,036
Gujarat Hydrocarbons and Power SEZ Limited	2,504,746,810	2,504,625,809
Duncan Macneill Power India Limited	615,000	615,000
Lord Inchcape Financial Services Limited	5,066	5,066
Duncan Macneill Natural Resources Limited	220,055,754	27,200,000
	2,790,667,723	2,596,616,160
Maximum amount due at any time during the year		
Dahej Offshore Infrastructure SEZ Limited (Formerly known as Assam Estates Limited)	27,244,164	27,244,164
Assam Oil and Gas Limited	5,377,848	4,157,848
Assam Oil & Natural Gas Limited	14,817,700	15,033,103
Assam Oil & Natural Gas Columbia Limited	2,432,555	2,362,434
North East Hydrocarbon Limited	10,659,790	10,659,790
Camellia Cha Bar Limited	4,713,036	4,713,036
Gujarat Hydrocarbons and Power SEZ Limited	2,504,746,810	2,536,168,372
Duncan Macneill Power India Limited	615,000	615,000
Duncan Macneill Natural Resources Limited	220,055,754	27,200,000
Lord Inchcape Financial Services Limited	5,066	5,066

50 Effective from April, 01, 2016, the Company has charged depreciation on its Bearer Plants (Mature Tea Bushes) based on the remaining useful life of the bushes as per requirement of Accounting Standard 10 under Indian GAAP. Due to above change, the depreciation has increased by Rs. 46,153,986/-

51 **Basic and Diluted Earnings Per Share :**

	31.03.2017 [Rupees]	31.03.2016 [Rupees]
Numerator used :		
Profit after Tax	(707,876,818)	(533,069,578)
Denominator used :		
Weighted average number of Equity Shares	309,760,963	309,760,963
Face value of Equity Shares	1	1
Basic and Diluted Earnings Per Share	(2.29)	(1.72)

52 Previous year's figures have been regrouped/rearranged wherever necessary.

For De Chakraborty & Sen

Chartered Accountants

Firm Registration No. 303029E

(S Chakraborty)

Membership No. 055317

Partner

Place: Kolkata

Date: 30th May 2017

Sanjay Sharma - Chief Financial Officer

Sreya Mitra - Company Secretary

For and on behalf of the Board

A. K. Jajodia - Managing Director

(DIN - 00056074)

Amit Halder - Director

(DIN - 05231811)

Sanjay Khandelwal - Director

(DIN - 00193472)



INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS TO THE MEMBERS OF ASSAM COMPANY INDIA LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of **ASSAM COMPANY INDIA LIMITED** (hereinafter referred to as "the Holding Company") and its Subsidiaries (the Holding Company and its Subsidiaries together referred to as "the Group"), comprising the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the Significant Accounting Policies and other explanatory information (hereinafter, altogether referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended. The respective Board of Directors of the companies included in the Group and of its Associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the Audit Report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 financial control relevant to the Holding Company's preparation of the Consolidated Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial control system in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated Financial Statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other Auditors in terms of their Reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Basis of Qualified Opinion

Attention is drawn to one of the Subsidiaries, namely, Duncan Macneill Power India Limited, where the Standalone Financial Statements of these companies have been prepared and disclosures made in accordance with Accounting Standard 1, on the basis of assumption that the business will continue in near future; however, there have been cash losses in the preceding years resulting into complete erosion of net worth.

Attention is drawn to, one of the Subsidiaries, namely, Duncan Macneill Power India Limited, where the Holding Company has invested in Compulsory Convertible Preference Share of its Foreign Subsidiary Amounting to Rs. 24.95 Crores. The documents relating to investment made in Compulsory Convertible Preference Share of Foreign Subsidiary and details about terms & condition of the investment were not provided by the Management.

Attention is drawn to the Financial Statements of one of the Subsidiaries, namely, Gujarat Hydrocarbons and Power SEZ Limited (GHPSL), under the head “Current Maturities of Long Term Borrowings” includes a borrowing where the Principal amount is Rs. 100.00 Crores and Interest on the same is Rs. 37.50 Crores. The Subsidiary Company could not comply with the terms of agreement of Term Loan taken by it from the Lender and defaulted in making the payment. Considering the situation, the Board of Directors of GHPSL, at its Meeting held on 31st March, 2015, decided not to make provisions for the related interest expense of Rs. 16.50 Crores from the current Financial Year on the loan amount.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for and subject to the effects of matters described in the Basis for Qualified Opinion paragraph, the accompanying Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group as at 31st March, 2017, and their consolidated loss and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following matters in the Notes to the Financial Statements:

- a. Attention is drawn to Note No. 12 in relation to the AA-ON/7 Exploration & Production (E&P) Asset appearing in the Capital Work in Progress, about which we are unable to express any opinion on the outcome of the project, pending execution of the new Production Sharing Contract (PSC). Our opinion is not qualified in respect of this.
- b. Attention is drawn to Note No. 29(j) & 35, which includes the contingent liability in relation to the Bilateral Agreement with Oil & Natural Gas Corporation Limited for operationalization of Amguri Field. As the quantum of this contingent liability is not ascertainable at present, no provision for liability has been made in respect to this “Onerous Contract”. Our opinion is not qualified in respect of this.
- c. Attention is drawn to Note No. 33 in relation to one of the Subsidiary Companies, namely, Dahej Offshore Infrastructure SEZ Limited, which has made a provision of Rs. 1.78 Crores against in AGAR plantations in capital work in progress as in the opinion of Management the value has been completely eroded on account of non-providing inputs in last couple of years and the same has been shown under Extraordinary items. Our opinion is not qualified in respect of this.

Other Matters

We did not audit the Financial Statements / financial information of 6 Subsidiaries, whose Financial Statements / financial information reflects total Assets of Rs. 697,914,464 as at 31st March, 2017, total Revenues of Rs. 482,371 and net Cash Flows amounting to Rs. 1,340,999 for the period ended on that date and the Group’s share of net loss of Rs. 28,754,004 for the period ended 31st March, 2017, as considered in the Consolidated Financial Statements. These Financial Statements / financial information have been audited by other Auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these Subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid Subsidiaries, is based solely on the reports of the other Auditors.

Our opinion on the Consolidated Financial Statements, and our Report on Other Legal and Regulatory Requirements below, is not modified, *except for and subject to the effects of matters described in the Basis for Qualified Opinion paragraph*, in respect of the above matters with respect to our reliance on the work done and the reports of the other Auditors and the Financial Statements / financial information certified by the Management.

In relation to the interest free loans of Rs. 279.07 Crores given to Subsidiaries. According to Section 186(7) of the Act, “No loan shall be given under this Section at the rate of interest lower than the prevailing yield of one-year, three-year, five-year or ten-year Government Security closer to the tenor of the loan”. The impact of this contravention on the profit/loss and the liability is not ascertainable readily. Our opinion is not qualified in respect of this.



Attention is drawn to the fact that the Auditors of Assam Oil and Gas Limited, Dahej Offshore Infrastructure SEZ Limited and Camellia Cha Bar Limited have pointed out as an Emphasis of Matter that these Subsidiaries have prepared the Financial Statements in accordance with the Going Concern Convention though these companies have incurred cash losses in the preceding years resulting into complete erosion of net worth.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other Auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account and statements maintained for the purpose of preparation of the Consolidated Financial Statements.
- (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended.
- (e) On the basis of the written representations received from the Directors of the Holding Company as on 31st March, 2017, taken on record by the Board of Directors of the Holding Company and the Reports of the Statutory Auditors of its Subsidiary companies, incorporated in India, none of the Directors of the Group companies, companies incorporated in India, is disqualified as on 31st March, 2017, from being appointed as a Director in terms of Section 164 (2) of the Act.
- (f) In our opinion, the Holding Company has, subject to the reservations stated in "Annexure A", adequate internal financial controls system and such controls are operating effectively.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group as stated in Note 29 to the Consolidated Financial Statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its Subsidiary companies incorporated in India.
 - iv. The Group has provided requisite disclosures in Note No. 38 of the Consolidated Financial Statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on Audit procedures and relying on the Management Representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management.

**For De Chakraborty & Sen
Chartered Accountants
(Firm's Registration No. 303029E)**

**(Srijit Chakraborty)
(Partner)
(Membership No. 055317)**

**Kolkata
30th May, 2017**

“ANNEXURE A”

[Referred to in paragraph (f) under the heading “Report on Other Legal and Regulatory Requirements” of our Report of even date to the members of Assam Company India Limited on the Financial Statements for the period ended on 31st March, 2017]

ACIL :

Area of Control	Weakness
Control Environment	Policy on Internal Financial Control and documentation of the Standard Operating Processes has been prepared and are in the process of implementation.
Risk Assessment	Risk Assessment and identification of mitigants is in progress.
Information and Communication	As the documented policy and procedures on Internal Financial Control are yet to be fully implemented, we are unable to evaluate the effectiveness of communication and dissemination of information on the same across the organization. However, the informal system of oral communication and electronic communication is existing which at times is complemented by documented communication of information on the various aspects of Internal controls.
Procurement Process	The evaluation of procurement process, conducted by the Management, reveals that the system of tender / multiple quotations to ensure unbiased decision is absent.
Petty Cash	Recording of transactions in petty-cash book in a timely manner.
Compliance of Law and Regulations	The process of ensuring compliance to law and regulatory requirements needs improvement.



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2017

	Notes	31st March, 2017 (Rupees)	31st March, 2016 (Rupees)
<u>EQUITY AND LIABILITIES</u>			
Shareholders' Funds			
Share Capital	2	309,760,963	309,760,963
Reserves and Surplus	3	31,707,611	1,357,596,993
		341,468,574	1,667,357,956
Minority Interest		46,740,564	46,892,831
Non-current Liabilities			
Long - Term Borrowings	4	2,365,949,903	2,616,147,149
Other Long - Term Liabilities	5	734,883	935,488
Long - Term Provisions	6	676,629,260	500,902,620
		3,043,314,046	3,117,985,257
Current Liabilities			
Short - Term Borrowings	7	1,245,209,779	1,179,218,861
Trade Payables	8		
Total outstanding dues of micro enterprises and small enterprises		3,156,408	297,432
Total outstanding dues of creditors other than micro enterprises and small enterprises		193,234,251	216,227,675
Other Current Liabilities	9	7,002,990,804	5,848,787,111
Short - Term Provisions	10	506,565,742	496,184,084
		8,951,156,984	7,740,715,163
TOTAL		12,382,680,168	12,572,951,207
<u>ASSETS</u>			
Non-current Assets			
Fixed Assets	11		
Tangible Assets		3,061,787,754	3,807,319,423
Intangible Assets		1,583,737	1,608,799
Capital Work In Progress	12	7,232,880,556	6,822,859,979
Non-current Investments	13	279,896,582	285,238,540
Long - Term Loans and Advances	14	326,831,814	290,922,881
Other Non - current Assets	15	73,413,240	62,059,143
		10,976,393,683	11,270,008,765
Current Assets			
Current Investments	13	500,000	900,000
Inventories	16	104,886,843	218,111,449
Trade Receivables	17	7,285,122	15,336,464
Cash and Bank balances	18	119,550,364	89,185,525
Short - Term Loans and Advances	19	1,159,107,151	957,855,072
Other Current Assets	20	14,957,006	21,553,932
		1,406,286,486	1,302,942,442
TOTAL		12,382,680,168	12,572,951,207

Significant accounting policies 1
The accompanying Notes are integral part of the Financial Statements.

As per our Report of even date

**For De Chakraborty & Sen
Chartered Accountants**

Firm Registration No. 303029E

(S Chakraborty)

Membership No. 055317

Partner

Kolkata

30th May 2017

Sanjay Sharma - Chief Financial Officer

Sreya Mitra - Company Secretary

For and on behalf of the Board

**A. K. Jajodia - Managing Director
(DIN - 00056074)**

**Amit Halder - Director
(DIN - 05231811)**

**Sanjay Khandelwal - Director
(DIN - 00193472)**



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

		15 months period ended	
	Notes	31st March, 2017 (Rupees)	31st March, 2016 (Rupees)
INCOME			
Revenue from Operations	21	2,116,583,756	2,702,214,173
Other Income	22	46,638,379	328,397,915
Total Revenue		2,163,222,135	3,030,612,088
EXPENSES			
Cost of Raw Materials Consumed	23	154,166	3,434,612
Changes in inventories of finished goods	24	48,154,014	155,783,506
Employee benefits expense	25	1,030,458,120	1,174,236,544
Finance costs	26	373,277,471	633,808,479
Depreciation and Amortisation expense	11	132,591,104	94,702,541
Other expenses	27A	1,273,481,393	1,555,715,394
Total Expenses		2,858,116,268	3,617,681,076
PROFIT/(LOSS) BEFORE EXTRAORDINARY ITEMS & TAX		(694,894,133)	(587,068,988)
Extraordinary items	27B	-	17,843,992
PROFIT/(LOSS) BEFORE TAX		(694,894,133)	(604,912,980)
Tax Expenses :			
Income Tax		-	-
Deferred Tax		2,052	-
Wealth Tax		-	-
Earlier Year Tax Adjustments		41,734,637	-
PROFIT/(LOSS) AFTER TAX BEFORE MINORITY INTEREST		(736,630,822)	(604,912,980)
MINORITY INTEREST		(160,849)	(113,164)
PROFIT FOR THE YEAR		(736,469,973)	(604,799,816)
Earnings per Equity Share [Nominal value per Share: Re. 1/- (31.03.2016 - Re. 1/-)]		(2.38)	(1.95)

Significant accounting policies 1

The accompanying Notes are integral part of the Financial Statements.

As per our Report of even date

For De Chakraborty & Sen

Chartered Accountants

Firm Registration No. 303029E

(S Chakraborty)

Membership No. 055317

Partner

Kolkata

30th May 2017

Sanjay Sharma - Chief Financial Officer

Sreya Mitra - Company Secretary

For and on behalf of the Board

A. K. Jajodia - Managing Director

(DIN - 00056074)

Amit Halder - Director

(DIN - 05231811)

Sanjay Khandelwal - Director

(DIN - 00193472)



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

	31st March, 2017 [Rupees]	31st March, 2016 [Rupees]
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation but after exceptional items	(694,894,133)	(604,912,980)
Adjustments for:		
Interest income	(14,478,457)	(33,268,585)
Income from investments other than trade	(144,158)	(37,417)
Interest and Finance Charges	330,032,080	487,035,805
Depreciation and Amortisation	132,580,619	94,702,541
(Profit)/Loss on sale of Fixed Assets	(162,509)	(277,334)
Profit on acquisition of land by the Government	-	(251,982,504)
(Profit) on sale of Investments	(1,626,488)	-
Diminution in value of Investments	4,139,224	-
Provision for doubtful advances and interest accrued no longer required written back	(4,063,742)	35,900,737
Fixed Assets written off	-	2,249,309
Provision for Retiral Benefits	129,504,958	177,713,670
Unrealised Foreign Exchange difference-net (gain)/loss	16,146,181	1,884,857
Provision for Project in Progress	-	17,843,992
Sundry Balance written off net of Liability written back	7,458,788	15,438,827
Operating Profit before Working Capital Changes	(95,507,637)	(57,709,082)
Adjustments for:		
Trade and Other Receivables	11,021,843	618,546,596
Inventories	113,222,659	91,435,066
Trade Payables and Other Payables	694,897,393	714,380,899
Cash generated from Operations	723,634,258	1,366,653,480
Direct Taxes Paid (Net)	(4,028,701)	(14,539,204)
Net Cash from Operating Activities	719,605,557	1,352,114,276
B. CASH FLOW FROM INVESTING ACTIVITIES		
Addition to Fixed Assets / CWIP	(50,461,619)	(534,447,973)
Sale of Fixed Assets	2,367,279	216,735,258
(Purchase)/Sale of Investments	5,091,958	-
Investment in Equity Shares	-	(249,537,746)
Loans / Deposits made with third parties	(194,718,559)	(30,065,096)
Refund of Loans / Deposits made with third parties	8,195,313	31,290,000
Income from Investments other than trade	144,158	37,417
Interest received	10,914,435	41,107,560
Net Cash (used in) Investing Activities	(218,467,035)	(524,880,580)



	31st March, 2017 [Rupees]	31st March, 2016 [Rupees]
C. CASH FLOW FROM FINANCING ACTIVITIES		
Net increase / (decrease) in Cash Credit Facilities and other Short Term Loans	12,437,198	(409,011,891)
Increase in Long Term Borrowings	296,851,744	156,066,659
Repayment of Long Term Borrowings	(501,729,327)	(281,928,027)
Interest and Finance Charges paid	(278,480,546)	(440,769,082)
Net Cash from / (used in) Financing Activities	(470,920,931)	(975,642,341)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	30,458,185	(148,408,646)
Cash and Cash Equivalents (Opening Balance as at 1st April, 2016)	89,185,525	237,503,641
Cash and Cash Equivalents (Closing Balance as at 31st March, 2017)	119,550,364	89,185,525
Effect of exchange rate changes	(93,346)	90,530
	30,458,185	(148,408,646)

Notes:

- Cash and Cash Equivalents comprise Cash & Bank balances as per Note No. 18 of the Audited Accounts.
- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statements issued by Companies (Accounting Standard) Rules, 2006.
- Previous year's figures have been regrouped / rearranged wherever necessary.

This is the Cash Flow Statement referred to in our report of even date.

As per our Report of even date

For De Chakraborty & Sen

Chartered Accountants

Firm Registration No. 303029E

(S Chakraborty)

Membership No. 055317

Partner

Place: Kolkata

Date: 30th May 2017

Sanjay Sharma - Chief Financial Officer

Sreya Mitra - Company Secretary

For and on behalf of the Board

A. K. Jajodia - Managing Director

(DIN - 00056074)

Amit Halder - Director

(DIN - 05231811)

Sanjay Khandelwal - Director

(DIN - 00193472)



NOTE : 1 - Significant Accounting Policies

- (a) The Consolidated Financial Statements comprise the Financial Statements of Assam Company India Limited (the Holding Company) and its Subsidiaries. The Financial Statements have been prepared to comply in all material aspects with the Accounting Standards, notified u/s 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rule, 2014.
- (b) The Consolidated Financial Statements are prepared on the following basis :-
- i) The Audited Financial Statements of the Holding Company and its Subsidiary Companies have been combined on a line by line basis by adding together like items of assets, liabilities, income and expenses. The intra - group balances, intra - group transactions and unrealised profits or losses thereon have been fully eliminated.
 - ii) The Financial Statements of the Subsidiaries used in the consolidation are drawn upto the same reporting date as that of the Holding Company.
 - (iii) Previous year figures are for a period of 15 months i.e. 1st January, 2015 to 31st March, 2016 and are not comparable with current year figures which are for 12 months period from 1st April, 2016 to 31st March, 2017.
- (c) The Subsidiaries, considered in the Consolidated Financial Statements are :-

Name of the Subsidiaries	Relationship	Country of Incorporation	Percentage of Ownership Interest as at 31.03.2017
Assam Oil and Gas Limited (AOGL)	Subsidiary	India	100.00
North East Hydrocarbon Ltd. (NEHL)	Subsidiary	India	100.00
Camelia Cha Bar Limited (CCBL)	Subsidiary	India	100.00
Dahej Offshore Infrastructure SEZ Ltd. (DOISL)	Subsidiary	India	100.00
Gujarat Hydrocarbons and Power SEZ Ltd. (GHPSL)	Subsidiary	India	51.00
Duncan Macneill Power India Ltd. (DMPIL)	Subsidiary	India	100.00

- (d) In absence of Financial Statements for the current period the following Subsidiaries and step-down Subsidiaries have not been considered in preparation of Consolidated Financial Statements :-

Name of the Subsidiaries	Relationship	Country of Incorporation	Percentage of Ownership Interest as at 31.03.2017
Duncan Macneill Natural Resources Ltd. (DMNRL)	Subsidiary	United Kingdom	100.00
Assam Oil & Natural Gas Ltd. (AONGL)	Subsidiary	Columbia	100.00
Lord Inchcape Financial Services Limited (LIFSL)	Step Down Subsidiary through DOISL & AOGL	India	60.00
Assam Oil & Natural Gas Columbia Limited (AONGCL)	Step Down Subsidiary through AONGL	Columbia	100.00
Mexia Resources Limited	Step Down Subsidiary through DMPIL	United Kingdom	52.00

(e) Basis of Accounting

The Financial Statements are prepared under the historical cost convention, modified by revaluation of certain Fixed Assets as detailed in Note 1 (f) below.

(f) Fixed Assets

Fixed Assets are stated at cost of acquisition including appropriate incidental / installation expenses. Cost of Extension Planting and Replanting are capitalised. In respect of revalued assets, the appreciation in value of Assets over its book value are credited to the Revaluation Reserve.

The Assets acquired on hire purchase for which ownership will vest at a future date are capitalised at the cash cost of the leased Assets. Equated monthly payments are apportioned between the finance charge and repayment of principal amount.

Subsidies received from Government in respect of Fixed Assets are deducted from the cost of respective assets. The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An Impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

Software cost is capitalised where it is expected to provide future enduring economic benefits. Software capitalisation costs include license fees, cost of packages and implementation/system integration services. The costs are capitalised in the year in which the relevant software is implemented for use.

Profit or Loss on disposal of Fixed Assets is recognised in the Statement of Profit and Loss.

Expenditure incurred in connection with Oil and Gas project

The Holding Company has adopted "Full Cost Method" as per "Guidance Note on Accounting for Oil & Gas Producing Activities" as prescribed by the Institute of Chartered Accountants of India. As per "Full Cost Method", all cost incurred for acquisition of E&P assets, exploration and development alongwith other expenses including financing cost and exchange fluctuating cost on borrowings are capitalized and treated as a cost centre under "Capital Work in Progress". When discovery of oil and gas is made and the well is ready to commence commercial production, the exploratory / development cost under cost centre corresponding to the proved oil and gas reserve is capitalized from "Capital Work in Progress" to the "Fixed Assets".

Producing properties are created in respect of an oil field having developed oil reserves when the well in the field is ready to commence commercial production.

Expenditure incurred in connection with other projects

The following Subsidiaries are yet to commence commercial operation. Indirect expenses related to the project and incidental thereto are included under Capital Work in Progress and to be capitalised subsequently. Indirect expenses which are not directly related to the project are charged off to the Profit and Loss Account.

Assam Oil and Gas Limited

Dahej Offshore Infrastructure SEZ Ltd. (Formerly known as Assam Estates Ltd.)

Assam Oil & Natural Gas Ltd.

Gujarat Hydrocarbons and Power SEZ Ltd.

Duncan Macneill Power India Ltd. (Formerly known as Duncan Macneill Power and Utilities Ltd.)

(g) Depreciation

[i] Depreciation is provided on the Straight Line Method on the useful life of an asset as specified in part C of Schedule II to the Companies Act, 2013. .

[ii] In respect of revalued assets the incremental depreciation on account of revaluation is recouped from Revaluation Reserve. Land and Development including leasehold land are not depreciated.

[iii] Depreciation on Bearer Plants (Mature Tea Bushes) is provided on Straight Line Method on the useful life of the Bushes.



(h) Borrowing Costs

Borrowing Costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised / pending to be capitalised. Other Borrowing Costs are charged to revenue.

(i) Investments

Investments of a long-term nature are stated at cost, less adjustment for any diminution, other than temporary, in the value thereof. Current investments are stated at lower of cost and market value.

(j) Inventories

Inventories are stated at lower of cost and net realisable value. Cost is determined on weighted average basis. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to their present locations and condition and includes appropriate production overheads, where applicable. Provision is made for obsolete, slow moving and defective stocks, wherever necessary.

(k) Foreign Currency Transactions

Transactions in foreign currency are recorded at exchange rates prevailing on the date of the transaction. Transactions in foreign currency with a Joint Venturer for Oil and Gas project are recorded at monthly average exchange rate prevailing at the time of such transaction. Monetary items denominated in foreign currency are restated at the exchange rate prevailing on the Balance Sheet date. Foreign currency non-monetary items carried in terms of historical cost are reported using the exchange rate at the date of the transactions. Exchange differences arising on settlement of transactions and /or restatements are dealt in the Statement of Profit and Loss.

Exchange differences relating to Long Term Foreign Currency Monetary Items, to the extent they are used for financing the acquisition of Fixed Assets are added to or subtracted from the cost of such Fixed Assets and the balance is accumulated in 'Foreign Currency Monetary Item Translation Difference Account' and amortised over the balance life of the Long Term Monetary Item or 30th November, 2019, whichever is earlier.

Derivative Financial Instruments, i.e. forward exchange contracts are used to hedge its risk associated with foreign currency fluctuations relating to the underlying transactions, highly probable forecast transactions and firm commitments. In respect of forward exchange contracts with underlying transactions, the premium or discount arising at the inception of such contract is amortised as expense or income over the life of contract.

The income and expenditure of overseas Subsidiary is translated at the average exchange rate. Year-end balances of all assets and liabilities are restated at the year-end exchange rates. Exchange differences arising on retranslation at year-end exchange rates, of the net investment in foreign undertaking, is taken to reserves

(l) Sales

Sales are recognised upon transfer of risks and rewards of ownership in the goods to the buyers. Sales represent invoiced value of goods sold less Sales Tax / Value Added Tax.

(m) Other Income

Interest income, income from investments and other incentives are accounted for on accrual basis. Export incentives are recognised only when no significant uncertainties as to measurability or collectability exist.

(n) Subsidies of Revenue nature

Subsidies of Revenue nature are recognised as income in the Statement of Profit and Loss.

(o) Compensation of Land

Compensation, if any, in respect of land surrendered / vested in Governments under various State Land legislations is accounted for as and when it takes place.

(p) Leases

Rentals in respect of Operating Leases are charged off to Statement of Profit and Loss.

(q) Retirement Benefits

The Holding Company operates defined contribution schemes for Provident and a Pension Fund. Contributions to these funds are made regularly to the appropriate authority/Trust and a private insurance company respectively. The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Holding Company.

The Holding Company also provides for Retirement Benefits with Defined Benefits in the form of Gratuity and Pension. Annual contributions for Gratuity and Pension are made by the Holding Company, based on actuarial valuation carried out every year at the year end, to Trust and Life Insurance Corporation of India (LICI) respectively,

Leave Encashment Benefit on retirement and Post Retirement Medical Benefits, as applicable, is determined on the basis of independent actuarial valuation at the year end and such liability is provided for in these accounts.

Actuarial gains and losses, where applicable, are determined and recognised in the Statement of Profit and Loss.

Short Term Employee Benefits are recognised as an expense in the Statement of Profit and Loss for the year in which the related service is rendered.

The Group recognises gains and losses on curtailment or settlement of a defined benefit plan in the Statement of Profit and Loss as and when the curtailment or settlement occurs.

(r) Oil Production Costs

Production costs include pre well head and post well head expenses including depreciation and applicable operating costs of support equipments and facilities.

(s) Provisions

A provision is recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made and such are not discounted to their present value.

(t) Taxes on Income

Current Tax represents the amount of tax payable in respect of taxable income for the period based on computation of tax as per prevailing taxation laws under the Income Tax Act, 1961.

Provision for Deferred Taxation is made using the liability method, at current rates of taxation, on timing differences to the extent it is probable that a liability or asset will crystallise. Permanent nature of difference is not considered in computing Deferred Tax.

Deferred Tax Assets are not recognised unless there is reasonable certainty and in case of brought forward loss and unabsorbed depreciation there is virtual certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realised. Deferred Tax Assets are only recognised to the extent there are Deferred Tax Liabilities of offsetting them.

(u) Use of Estimates

The preparation of Financial Statements in conformity with GAAP requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of Contingent Liabilities at the date of the Financial Statements and the results of operations during the reporting period. Examples of such estimates include estimates of income taxes, future obligations under employment retirement benefit plans, provision for doubtful debts and advances and estimated useful life of tangible and intangible assets. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note : 2 - SHARE CAPITAL

	31st March, 2017	31st March, 2016
Authorised	(Rupees)	(Rupees)
(a) 500,000,000 (31.03.2016 - 500,000,000) Equity Shares of Re. 1/- each	500,000,000	500,000,000
(b) 1,000,000 (31.03.2016 - 1,000,000) Non Cumulative Redeemable Preference Shares of Rs.100/- each	100,000,000	100,000,000
	600,000,000	600,000,000
Issued and Subscribed		
309,760,963 (31.03.2016 - 309,760,963) Equity Shares of Re. 1/- each fully paid up.	309,760,963	309,760,963
	309,760,963	309,760,963

(a) Reconciliation of Shares is set out below:-

Particulars	31st March, 2017	31st March, 2016
Number of Shares outstanding at the beginning of the year	309,760,963	309,760,963
Number of Shares outstanding at the end of the year	309,760,963	309,760,963

(b) Terms / rights attached to Equity Shares

The Holding Company has only one class of Ordinary Shares ('Equity Shares') having a par value of Re.1/- each. Each holder of Ordinary Shares ('Equity Shareholder') is entitled to one vote per Share.

The Holding Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting of the Company. In the event of the Liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

(c) Details of Shares held by Shareholders holding more than 5% of the aggregate shares in the Holding Company:

Name of the Shareholder	31st March, 2017		31st March, 2016	
	No. of Shares Held	%	No. of Shares Held	%
1. Assam Oil Company Limited	119,088,048	38.45	119,088,048	38.45

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Note : 3 - RESERVES AND SURPLUS

	As at 31st March, 2017 (Rupees)	As at 31st March, 2016 (Rupees)
A Capital Reserve (Reserve on Amalgamation)	15,037,398	15,037,398
B Capital Reserve on Consolidation	(2,379)	(2,379)
Closing Balance	(2,379)	(2,379)
C Capital Redemption Reserve	874,600	874,600
D Revaluation Reserve	660,122,552	766,797,673
Adjustment for depreciation	-	(87,349,860)
Depreciation on revalued assets transferred to General Reserve	(14,686,544)	(19,325,261)
Adjustment of Revaluation Reserve with Bearer Plants	(619,836,149)	-
Adjusted on account of disposal of revalued assets	(25,788)	-
Closing Balance	25,574,071	660,122,552
E Foreign Currency Translation Reserve	(73,247,861)	(120,951,693)
Adjusted during the year	30,442,528	47,703,832
Closing Balance	(42,805,333)	(73,247,861)
F Share Premium		
As per Last Account	1,375,673,385	1,375,673,385
Adjusted during the year		
Closing Balance	1,375,673,385	1,375,673,385
G General Reserve		
As per Last Account	177,333,735	177,333,735
Transferred from Revaluation Reserves	14,686,544	-
Adjusted during the year		
Closing Balance	192,020,279	177,333,735
H Surplus in Statement of Profit & Loss		
As per last account	(798,194,437)	(146,600,060)
Profit for the year	(736,469,973)	(604,799,816)
Adjustment to balance brought forward on inclusion of AONGCL /AONGL	-	(21,261,110)
Adjustment for depreciation	-	(25,533,451)
Proposed Dividend	-	-
Dividend Tax on proposed Dividend	-	-
Transferred to General Reserve	-	-
	(1,534,664,410)	(798,194,437)
	31,707,611	1,357,596,993



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

	31st March, 2017 [Rupees]	31st March, 2016 [Rupees]
Note: 4 - Long Term Borrowings		
Secured		
Term Loans from Banks [Refer (a) to (h) below]	2,365,949,903	2,616,147,149
	2,365,949,903	2,616,147,149

Sl. No.	Nature of Security	Terms of Repayment
(a)	Term Loan from Banks amounting to Rs. 535,986,992/- (31.03.2016 - Rs.491,746,309/-) is secured by equitable mortgage created of immovable properties both present and future relating to all Tea Estates of the Company situated in Assam ranking pari passu with the Working Capital Loan including cash credit from Consortium Banks and also a first charge over all the movable properties, both present and future subject to the prior charges created in favour of the Company's bankers by way of security for Working Capital Borrowings from them.	<p>i) Term Loan amounting to Rs. 263,978,501/- repayable in 20 quarterly installments commencing from September, 2016.</p> <p>ii) Term Loan amounting to Rs. 272,008,491/- repayable in 7 half yearly installments commencing from May, 2015.</p>
(b)	Term Loan from Banks amounting to Rs.510,278,875/- (31.03.2016 - Rs. 480,244,194/-) is secured by way of a second or subservient charge over the assets of all Tea Estates of the Company situated in Assam ranking pari - passu with the other similar second charge holders of the Company.	Repayable in 12 half yearly installments commencing from October, 2016.
(c)	Term Loan from Banks amounting to Rs.3,382,654,444/- (31.03.2016 - Rs. 3,153,157,045/-) is secured by primary charges on pari passu basis with the existing lenders of Oil & Gas Division, all the present and future receivables of Oil and Gas Division of the Company, assignment of Participating Interest in the Production Sharing Contract of the Amguri and / or AA-ON/7 Oil & Gas field to the extent permitted, Hypothecation over all the stocks, book debts, plant and machinery and equipment's both present and future, installed/to be installed at the Company's Oil and Gas field at Amguri and/or AA-ON/7 to the extent permitted. Additionally, the entire loans are secured by Personal Guarantee of Managing Director of the Company.	<p>i) Term Loan amounting to Rs.1,275,694,783/- repayable in 8 half yearly installments commencing from July, 2011.</p> <p>ii) Term Loan amounting to Rs. 512,528,292/- repayable in 2 yearly installments commencing from December, 2013.</p> <p>iii) Term Loan amounting to Rs. 486,884,546/- repayable in 22 quarterly installments commencing from December, 2016.</p> <p>iv) Term Loan amounting to Rs.690,659,322/- repayable in 27 quarterly installments commencing from October, 2012</p> <p>v) Term Loan amounting to Rs.288,195,437/- repayable in 26 quarterly installments commencing from May, 2013.</p> <p>vi) Term Loan amounting to Rs. 128,692,064/- repayable in 26 quarterly installments commencing from January, 2019.</p>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Sl. No.	Nature of Security	Terms of Repayment
(d)	Term Loan from Banks amounting to Rs.731,840,122/- (31.03.2016 - Rs.666,068,870/-) is secured by way of - (i) Primary charges on pari passu basis with the existing lenders of Oil & Gas Division, all the present and future receivables of Oil & Gas Division of the Company, assignment of Participating Interest in the Production Sharing Contract of the Amguri and / or AA-ON/7 Oil & Gas field to the extent permitted, Hypothecation over all the stocks, book debts, plant and machinery and equipment's both present and future, installed / to be installed at the Company's Oil and Gas field at Amguri and / or AA-ON/7 to the extent permitted. (ii) First charge over the assets of all Tea Estates of the Company situated in Assam ranking pari passu with other similar charge holders of the Company. (iii) Personal Guarantee of Managing Director of the Company.	i) Term Loan amounting to Rs. 657,878,741/- repayable in 25 quarterly installments commencing from December, 2014. ii) Term Loan amounting to Rs.73,961,381/- repayable in 20 quarterly installments commencing from December, 2014.
(e)	Term Loan from Banks amounting to Rs.610,784,955/- (31.03.2016 - Rs. 681,254,789/-) is secured / to be secured by way of - (i) Primary charges on pari passu basis with the existing lenders of Oil & Gas Division, all the present and future receivables of Oil and Gas Division of the Company, assignment of Participating Interest in the Production Sharing Contract of the Amguri and /or AA-ON/7 Oil & Gas field to the extent permitted, Hypothecation over all the stocks, book debts, plant and machinery and equipment's both present and future, installed/to be installed at the Company's Oil and Gas field at Amguri and/or AA-ON/7 to the extent permitted. (ii) Second charge on the Fixed Assets, both present and future, of all Tea Estates of the Company situated in Assam ranking pari passu with other similar second charge holders of the Company. (iii) Personal Guarantee of Managing Director of the Company.	i) Repayable in 26 quarterly installments commencing from January, 2018
(f)	Figures indicated in (a) to (e) above, include current maturity of respective borrowing which have been presented in note 9.	-
(g)	Interest rates on Term Loan from Banks are based on spread over respective lender's bench mark rate (for Rupee Term Loan) and on spread over libor (for Foreign Currency Loan).	
(h)	Term Loan from ICICI Bank availed by Duncan Macneill Power India Limited amounting to Rs. 24,95,30,000/- which is secured by pledge/mortgage of specific assets.	Repayable in 4 yearly installments commencing from April, 2018.
(i)	Term Loan from SREI Infrastructure Finance Limited amounted to Rs.100,00,00,000/- which is secured by pledge/mortgage of specific assets.	Repayable in 4 equal qaterly installments commencing from 15th April, 2012.

Note: 5 - Other Long - Term Liabilities

Others

Note: 6 - Long - Term Provisions

Provision for Employee Benefits

Provision for Site Restoration

	31st March, 2017 [Rupees]	31st March, 2016 [Rupees]
	734,883	935,488
	734,883	935,488
	673,864,260	498,137,620
	2,765,000	v2,765,000
	676,629,260	500,902,620



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note: 7 - Short - Term Borrowings

	31st March, 2017 [Rupees]	31st March, 2016 [Rupees]
Secured Loans		
Loans repayable on demand from Banks [Refer (a) below]		
Working Capital Loan including Cash Credit from Banks	1,148,823,195	1,144,006,996
Unsecured Loans		
Loan from a Director of a Subsidiary	53,886,584	211,865
Intercompany Deposit	42,500,000	35,000,000
	1,245,209,779	1,179,218,861

Nature of Security

(a) Loan repayable on demand from Banks

Outstanding Loans of Rs.1,148,823,195/- (31.03.2016 - Rs.1,144,006,996/-) Secured by hypothecation created on stock, book debts, all moveable assets and other Current Assets of the Tea Estates both present and future and equitable mortgage created of all immovable properties both present and future relating to all Tea Estates of the Company situated in Assam ranking pari passu with all other Term Loans from Consortium Banks. Interest accrued & due on such Working Capital Loan amounting to Rs.273,915,994/- is shown under current maturities of Long Term Borrowings as presented in Note 9.

Note: 8 - Trade Payables

a) Total Outstanding dues of micro enterprises and small enterprises	3,156,408	297,432
b) Total Outstanding dues of creditors other than micro enterprises and small enterprises		
(i) Acceptances	-	18,243,476
(ii) Sundry Creditors	193,234,251	197,984,199
	196,390,659	216,525,107

Note: 9 - Other Current Liabilities

Current maturities of Long-Term Borrowings	4,929,041,480	4,320,207,528
Interest accrued but not due on borrowings	206,036,179	184,879,699
Advance from Customers	149,169,316	97,873,659
Unclaimed Dividends	2,120,172	2,126,064
Due to FCCB Holders including Redemption Premium	369,740,135	378,261,336
Others	1,346,883,522	865,438,825
	7,002,990,804	5,848,787,111

Note: 10 - Short Term Provisions

Provisions for Employee Benefits	131,491,988	177,713,670
Provision for Tax (Net of Advance Tax)	197,960,005	160,253,190
Others	177,113,749	158,217,224
	506,565,742	496,184,084

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note : 11 - FIXED ASSETS

[Figures in Rupees]

Class of Assets	COST / VALUATION				DEPRECIATION / AMORTISATION				NET BLOCK		
	As at 1st April, 2016	Additions during the period	Sale / discard / adjustments during the period	Total as at 31st March, 2017	As at 1st April, 2016	Additions during the period	On Revaluation during the period	Sale / discard during the period	Total as at 31st March, 2017	Net Block Value as on 31st March, 2017	Net Block Value as on 31st March, 2016
Tangible Assets											
Goodwill on consolidation	1,322,792			1,322,792	1,322,792				1,322,792	-	-
Bearer Plants (Mature Tea Bushes) (including leasehold land)	3,011,930,095	199,746	628,352,160	2,383,777,681	-	46,153,986	-	-	46,153,986	2,337,623,695	3,011,930,095
Buildings	532,026,962	1,749,283	-	533,776,245	392,017,737	30,871,830	-	-	422,889,567	110,886,678	140,009,225
Plant and Machinery	708,146,187	11,901,134	2,776,169	717,271,152	588,501,290	27,340,467	-	1,011,873	614,829,885	102,441,267	119,644,896
Oil and Gas Producing Properties	743,969,970	-	-	743,969,970	238,656,457	21,463,140	-	-	260,119,597	483,850,373	505,313,513
Vehicles	143,659,652	3,532,405	3,417,302	143,774,754	117,434,661	5,686,283	-	3,172,691	119,948,254	23,826,500	26,224,990
Furniture	15,895,139	24,295	14,000	15,905,434	11,698,436	1,050,336	-	2,579	12,746,193	3,159,241	4,196,703
Intangible Assets											
Computer Software	4,459,121	-	-	4,459,121	2,850,322	25,062	-	-	2,875,384	1,583,737	1,608,799
TOTAL	5,161,409,918	17,406,862	634,559,631	4,544,257,149	1,352,481,696	132,591,104		4,187,142	1,480,885,658	3,063,371,491	3,808,928,222
Previous Year	5,795,857,353	18,797,109	653,244,544	5,161,409,918	1,766,912,784	94,702,541	131,312,372	640,446,001	1,352,481,696	3,808,928,222	

NOTES: 1 Land and Development (including leasehold land, the cost of which is not ascertainable) represents capital expenses incurred for plantation and replantation of Mature Tea Bushes (Bearer Plants). Hence, for the purpose of presentation of the factual position, the same has been renamed as Bearer Plants (Mature Tea Bushes).

2 The cost of Oil & Gas producing properties represents Company's share (40%) is jointly held properties.

3 Rs.8,516,010/- has been transferred from Bearer Plants to Capital Work in Progress being Young Plants.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note : 12 - CAPITAL WORK IN PROGRESS

	31st March, 2017 [Rupees]	31st March, 2016 [Rupees]
A. Oil and Gas Project		
Opening Balance	5,546,987,579	4,948,643,083
Add: Addition during the year	370,503,177	598,344,496
Closing Balance	5,917,490,756	5,546,987,579
B. SEZ Project		
Opening Balance	1,270,456,435	1,222,377,789
Add: Addition during the year	-	48,078,646
Closing Balance	1,270,456,435	1,270,456,435
C. Agar Cultivation Project		
Opening Balance	-	17,843,992
Add: Addition during the year	-	-
	-	17,843,992
Less : Provision	-	17,843,992
Closing Balance	-	-
D. Others		
Opening Balance	5,415,965	8,815,998
Add: Addition during the period	45,074,567	1,328,103
	50,490,532	10,144,101
Less: Capitalised during the period	5,557,167	4,728,136
Closing Balance	44,933,365	5,415,965
Total (A + B + C + D)	7,232,880,556	6,822,859,979

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note: 13 - Non-current Investments

	31st March, 2017 [Rupees]	31st March, 2016 [Rupees]
Long Term - At cost, fully paid unless otherwise stated		
A. Quoted		
Other than Trade		
Others *	2,407,607	3,610,340
	2,407,607	3,610,340
B. Unquoted (Fully paid unless otherwise stated)		
(i) Trade		
In Subsidiary Companies**	355,867,284	355,867,284
(ii) Other than Trade		
Bhairav Enterprise	650,000	650,000
Rishabh Enterprise	650,000	650,000
Shri Gurudev Enterprise	500,000	500,000
Assam Bengal Cereals Ltd.	200,000	200,000
Canaro Resources Ltd. of CAD 1/- each	692,467	692,467
Woodlands Multispeciality Hospital Ltd.	24,500	24,500
	2,716,967	2,716,967
	360,991,858	362,194,591
Less: Provision for diminution in value of certain investments	81,095,276	76,956,051
	279,896,582	285,238,540
Current Investment - At cost or fair value whichever is lower, fully paid unless otherwise stated		
Quoted		
Punjab State IND 9.9 LOA Government Securities 5 Bonds of Rs. 100,000/- each	500,000	-
SBI Magnum Multiplier Plus Scheme -93 - Dividend	-	800,000
Baroda Pioneer Mutual Fund	-	100,000
	500,000	900,000
	280,396,582	286,138,540



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTES : 13 - INVESTMENTS

Long Term - At Cost (contd.)

* Particulars	Description	Number as on 31.03.2017	Number as on 31.03.2016	Face value Rs.	Cost as on 31.03.2017 Rs.	Cost as on 31.03.2016 Rs.
Allahabad Bank	Equity	-	23	10	-	1,886
Bank of Baroda	Equity	-	9	10	-	2,070
Bhairav Enterprise	Equity	-	65,000	10	-	650,000
Bombay Burmah Trading Corp. Ltd.	Equity	-	5	10	-	2,346
Dhunseri Petrochem Ltd.	Equity	-	55	10	-	10,359
Dhunseri Investments Ltd.	Equity	-	27	10	-	-
Dhunseri Tea & Industries Ltd.	Equity	-	11	10	-	-
Gammon India Ltd.	Equity	-	5	2	-	2,246
Gillanders Arbuthnot & Company Ltd.	Equity	-	7	10	-	518
GMR Infrastructure Ltd.	Equity	30,000	30,000	1	2,393,532	2,393,532
Goodricke Group Ltd.	Equity	-	5	10	-	333
Grasim Industries Ltd.	Equity	-	50	10	-	16,550
Hindustan Oil Exploration Ltd.	Equity	-	166	10	9,272	9,272
Hindalco Industries Ltd.	Equity	-	5	1	-	807
Indian Oil Corporation Ltd.	Equity	-	10	10	-	2,201
Jayshree Tea & Industries Ltd.	Equity	-	10	5	-	547
Mcleod Russel India Ltd.	Equity	-	300	5	-	6,095
Oil & Natural Gas Corporation Ltd.	Equity	-	20	5	-	4,541
Oriental Bank Of Commerce	Equity	-	5	10	-	1,250
Reliance Industries Ltd.	Equity	-	36	10	-	1,350
Reliance Power Ltd.	Equity	-	7,000	10	-	1,039,500
Rishab Enterprise	Equity	-	65,000	10	-	650,000
Selan Exploration Ltd.	Equity	-	5	10	-	540
Shiv - Vani Oil & Gas Exploration Services Ltd.	Equity	5	5	10	1,753	1,753
Shri Gurudev Enterprise	Equity	-	50,000	10	-	500,000
State Bank of Bikaner & Jaipur	Equity	-	1,850	10	-	97,495
Suzlon Energy Ltd.	Equity	-	25	2	-	7,534
Tata Chemicals Ltd.	Equity	-	4	10	-	247
Tata Coffee Ltd.	Equity	-	5	1	-	1,441
Tata Iron & Steel Company Ltd.	Equity	-	3	10	-	224
Tata Global Beverages Ltd. (Formerly Tata Tea Ltd)	Equity	-	120	1	-	2,280
Ultratech Cements Ltd.	Equity	-	28	10	-	-
UTI Master Share	Equity	116	116	10	3,050	3,050
James Warren Tea Ltd.	Equity	-	8	10	-	186
Warren Tea Ltd.	Equity	-	8	10	-	187
					2,407,607	5,410,340
** Particulars	Description	Number as on 31.03.2017	Number as on 31.03.2016	Face value Rs.	Cost as on 31.03.2017 Rs.	Cost as on 31.03.2016 Rs.
Duncan Macneill Natural Resources Ltd.	Equity	911,000	911,000	1 GBP	76,036,035	76,036,035
Lord Inchcape Financial Services Ltd.	Equity	1,800,000	1,800,000	10	420,000	420,000
Lord Inchcape Financial Services Ltd.	Preference	350,000	350,000	100	35,000	35,000
Assam Oil & Natural Gas Ltd.	Equity	660,000	660,000	1 USD	29,776,200	29,776,200
Mexia Resources Limited, UK	Equity	520	520	1 GBP	62,303	62,303
Mexia Resources Limited, UK	Compulsory Convertible Preference Shares				249,537,746	249,537,746
					355,867,284	355,867,284

Notes:-

Aggregate market value of quoted investments Rs. 482,265/- (31.03.2016 - Rs. 3,392,591/-)

Aggregate book value of quoted investments Rs. 2,907,607/- (31.03.2016- Rs. 6,310,340/-)

Aggregate book value of unquoted investments Rs. 358,584,251/- (31.03.2016 - Rs.358,584,251/-)

Pledged in favour of Srei Infrastructure Finance Limited against loan taken by Gujarat Hydrocarbons and Power SEZ Limited.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

	31st March, 2017 [Rupees]	31st March, 2016 [Rupees]
Note : 14 - Long-Term Loans and Advances		
(Unsecured considered good unless otherwise stated)		
Loans and Advances to Subsidiary companies		
Considered good	59,104,308	8,074,005
Considered doubtful	23,235,029	21,815,116
Less: Provision for doubtful advances	(23,226,446)	(21,815,116)
Deposits	29,194,718	28,774,077
Employees Loans and Advances	3,090,436	2,549,582
Intercorporate Deposits		
Considered good	73,600,000	76,980,000
Considered doubtful	1,900,000	6,500,000
Less: Provision for doubtful advances	(1,900,000)	(6,500,000)
Other Loans and Advances		
Capital advances	10,256,907	10,418,344
Other advances	151,576,862	164,126,873
Considered doubtful	15,295,670	16,147,670
Less: Provision for doubtful advances	(15,295,670)	(16,147,670)
	326,831,814	290,922,881
Note : 15 - Other Non-current Assets		
Interest Receivable		
Considered good	73,413,240	62,059,143
Considered doubtful	11,160,122	12,224,928
Less: Provision for doubtful advances	(11,160,122)	(12,224,928)
Others	-	-
	73,413,240	62,059,143
Note : 16 - Inventories		
(Valued at lower of cost and net realisable value)		
Stores & Spare Parts	56,098,768	121,169,360
Considered good	566,606	566,606
Considered doubtful of recovery	(566,606)	(566,606)
Stock of Teas	47,916,000	96,045,000
Stock of Shares	-	893,341
Stock of Others	872,075	3,748
	104,886,843	218,111,449



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

	31st March, 2017 [Rupees]	31st March, 2016 [Rupees]
Note : 17 - Trade Receivables		
Unsecured		
Debits outstanding for a period exceeding six months		
Considered good	152,539	1,548,833
considered doubtful	4,793,840	4,829,679
Less: Provision for doubtful debts	(4,793,840)	(4,829,679)
Other debts:	-	-
Considered good	7,132,583	13,787,631
	7,285,122	15,336,464
Note : 18 - Cash and Bank Balances		
Cash on hand	2,768,840	14,467,186
Balance with banks in :		
Current Accounts	9,738,164	16,383,400
Dividend Accounts	2,120,172	2,126,064
On Short-Term Deposits	351,747	37,160,736
Margin Money Deposit	104,565,036	19,040,554
Other Banks on Current account	6,405	7,585
	119,550,364	89,185,525
Note : 19 - Short-Term Loans and Advances		
(Unsecured- considered good unless otherwise stated)		
Advances and Loans to Subsidiaries		
Considered good	227,306,010	35,235,943
Considered doubtful	10,615,000	10,000,000
Less: Provision for doubtful advances	(10,615,000)	(10,000,000)
Employees Loans and Advances	2,871,652	2,580,184
Other Loans and Advances	928,929,489	920,038,945
	1,159,107,151	957,855,072
Note : 20 - Other Current Assets		
Interest Receivable on Deposits		
Considered good	9,331,318	16,474,737
Considered doubtful	418,150	
Less: Provision for doubtful advances	(418,150)	
Others	5,625,688	5,079,195
	14,957,006	21,553,932

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

	31st March, 2017 [Rupees]	31st March, 2016 [Rupees]
Note : 21- Revenue from operations		
Sales		
Tea	2,116,143,585	2,701,733,488
Other Sales	440,171	480,685
	2,116,583,756	2,702,214,173
Note : 22- Other Income		
Interest Income	14,510,070	33,268,585
Sale of Tea Waste	3,660,180	4,472,208
Tea Subsidy	5,181,525	6,513,885
Income from Investments other than trade	144,158	37,417
Profit on Sale of Investments	1,626,488	-
Profit on Sale of Fixed Assets	162,509	277,334
Profit on acquisition of Agricultural Land	-	251,982,504
Liabilities no longer required written back	7,479,994	14,453,829
Provisions no longer required written back	4,063,742	-
Premium on Sale of Export Licences	5,581,776	7,276,522
Export Incentive and Duty Drawback	1,438,750	8,290,834
Miscellaneous Receipts	3,630,684	4,655,840
Exchange Fluctuations	(841,497)	(2,831,043)
	46,638,379	328,397,915
Note : 23 - Cost of Raw Materials Consumed		
Purchase of Green Leaf	-	3,219,557
Purchase-Other	154,166	215,055
	154,166	3,434,612
Note : 24 - Changes in Inventories of Finished goods		
Stock as at 1st April, 2016		
Tea	96,045,000	251,617,473
Shares	-	1,055,369
Other	897,089	2,853
	96,942,089	252,675,695
Stock as at 31st March, 2017		
Tea	47,916,000	96,045,000
Shares	-	843,441
Other	872,075	3,748
	48,788,075	96,892,189
(Increase) / Decrease	48,154,014	155,783,506



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

	31st March, 2017 [Rupees]	31st March, 2016 [Rupees]
Note : 25 - Employee Benefits Expenses		
Establishment Charges	456,344,704	513,245,930
Contribution to Provident, Gratuity and other Funds	272,892,588	359,444,255
Labour and Staff Welfare	188,130,818	221,419,321
Concession on Foodgrains	113,090,010	80,127,038
	1,030,458,120	1,174,236,544
Note : 26 - Finance Costs		
Interest Expenses	345,412,677	513,101,294
Bank Charges including fees and other costs	11,386,794	26,672,781
Exchange Fluctuation on Borrowings	16,222,486	93,544,322
Others	255,514	490,082
	373,277,471	633,808,479
Note : 27A - Other Expenses		
Garden Cultivation Costs	296,744,745	373,993,690
Plucking and Manufacturing Expenses	395,440,205	393,944,833
Power and Fuel	172,307,614	198,120,494
Directors' Fees	378,000	599,000
Repairs to Buildings	39,573,059	53,947,186
Repairs to Plant & Machinery	29,269,176	44,501,056
Upkeep of Roads & Bridges	993,923	57,121,147
Garden Transport	61,114,018	65,881,381
Insurance	3,485,965	6,597,794
Rent, Rates & Taxes	17,143,211	24,413,113
Office Maintenance	4,514,029	5,020,206
General Charges	108,641,544	120,629,729
Freight, Warehouse & Sale Charges	72,217,481	69,617,748
Agency Commission	9,716,374	23,150,405
Brokerage	19,237,167	24,504,672
Cess on Tea and Green Leaf	23,612,685	25,172,678
Prior Period Expenditure	-	457,560
Sundry balance written off	14,952,973	29,892,656
Provision for Dimm. in value of Investments	4,139,224	-
Provision for Doubtful Advances	-	35,900,737
Fixed Assets written off	-	2,249,309
	1,273,481,393	1,555,715,394
Note : 27B - Extraordinary Items		
Provision for Project in Progress	-	17,843,992
	-	17,843,992

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

28 Estimated amount of contracts remaining to be executed on capital account and other commitment not provided for are as follows:-

- (a) On Capital Account Rs 2,700,000/- (Net of advance Rs 1,800,000/-)
 (b) Other Commitment - For Hire Purchase and Lease payments, Refer Note No 32

29 Contingent Liabilities not provided for in respect of :

- (a) Income Tax including Agriculture Tax demands disputed and under Appeals amounting to Rs. 448,132,760/- (31.03.2016 - Rs. 413,902,876/-) .
 (b) Sales Tax assessments disputed in appeals Rs.137,138,533/- (31.03.2016 - Sales tax - Rs.134,026,941/-)
 (c) Liability towards Interest on unpaid FCCB Bonds and Redemption premium amounting to Rs.45,707,183/- (31.03.2016 - Rs.36,944,028/-). (Refer Note No. 40)
 (d) Liability towards Fringe Benefit Tax under adjudication - Rs. 70,929,211/- (31.03.2016 - Rs. 70,929,211/-).
 (e) Liability towards Service Tax Rs. 73,363,517/- (31.03.2016 - Rs. 38,804,780/-)
 (f) Claim not acknowledged as debts amounting to Rs. 50,331,256/-.
 (g) Guarantees given in favour of third parties Rs. 3,194,688,000/- (31.03.2016 - Rs.3,249,530,000/-).
 (h) Pledged 5,000,000 shares (having cost of Rs. 50,000,000/-) representing investment in 51% Equity shares in Gujarat Hydrocarbons and Power SEZ Ltd. in favour of third parties.
 (i) Uncalled liability on partly paid shares - Rs.6,999,510/- (31.03.2016 - Rs.6,999,510/-).
 (j) There is a Contingent Liability in connection with operationalisation of Amguri Field, the amount of which can not be reliably ascertained at present.
 The future cash flows on account of above cannot be determined unless the judgment / decisions / demand are received from the appropriate authorities/parties.

30 Provision for taxation for the Company's financial period of fifteen months ended 31st March, 2016, has been determined based on the results for three months ended 31st March, 2015, (Assessment Year 2015-2016) and for twelve months ended 31st March, 2016 (Assessment Year 2016-2017). The ultimate liability for the Assessment Year 2016-2017, however, will be determined on the total income of the Company for the period from 1st April, 2015 to 31st March, 2016.

31 The major components of Deferred Tax Assets and Liabilities are as follows :

	31.03.2017 [Rupees]	31.03.2016 [Rupees]
Deferred Tax Liability		
Excess of tax depreciation over book depreciation	261,281,767	263,322,493
	261,281,767	263,322,493
Deferred Tax Assets		
Expenditure under Section 43B of the Income Tax Act, 1961 (recognised to the extent of Deferred Tax Liability)	261,281,767	263,322,493
	261,281,767	263,322,493
Net Balance	Nil	Nil



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

32 The Holding Company has taken various premises under operating lease having tenures upto 36 months which are not non-cancellable. These are usually renewed periodically by mutual consent. The rental payable against these lease amounting to Rs.7,140,842/- (31.03.2016 - Rs.7,328,058/-) has been debited to the Statement of Profit and Loss.

33 The Management has assessed the value of AGAR cultivation and found that the same has eroded completely as no input has been given in last couple of years. Hence, full provision has been made in one of the Subsidiaries.

34 Provision for Site Restoration :

Year	Opening Balance	Provision made during the year	[Figures in Rupees]	
			Amounts utilised/reversed during the year	Closing Balance
31.03.2017	2,765,000	-	-	2,765,000
31.03.2016	2,765,000	-	-	2,765,000

Provision for Site Restoration represents the liability that is expected to materialise once production of oil and gas from the wells cease and/or they are capped. Future cash outflow in respect of the above is determinable only on occurrence of uncertain future events.

35 (a) The Company has two Oil and Gas Fields/Blocks in Assam Arakan Basin – Amguri (Discovered Field) and AA-ON/7 (Exploration Block) having Participating Interest (PI) of 40% and 35% respectively. Amguri Oil Field and AA-ON/7 Exploration Block were operated under a consortium with Canoro Resources Limited (CRL), a Canadian based E&P Company.

(b) Government of India (GOI) terminated 60% PI and operatorship of Canoro Resources Limited (CRL) with effect from 29th August, 2010, for breach of Production Sharing Contract (PSC). CRL closed the operation of Amguri in December, 2010 and GOI considering its vesting right on 60% PI handed over the Amguri Field to ONGC on 16th March, 2011 to continue the operations till the ownership of 60% PI and operatorship were finalized. The Company had already staked its claim on 60% PI in accordance with the provisions of PSC being the sole non-defaulting contractor. After a prolonged delay, GOI had finally appointed the Company as the operator of Amguri Field vide its letter dated 2nd January, 2013.

(c) Pursuant to the appointment as an operator, the Company has entered into a Bilateral Agreement (BA) on 23rd December, 2014, with ONGC for their investment in the Amguri Field for & on behalf of GOI and to take over the Field and to commence operation. The said BA was approved by GOI on 31st March, 2016.

(d) The Company's rightful claim on 60% PI earlier held by CRL was contested by the Company before an Arbitral Tribunal Board, where GOI is a party. The Arbitral Tribunal Board has on 25.02.2017 pronounced the Award on the Arbitral proceedings of ACIL with GOI in respect of Amguri Field. ACIL is declared the owner of 60% of the PI currently held by GOI and thereby has now become the owner of 100% of PI of the Amguri Field. The contract period of the PSC of the Amguri Field shall stand extended by five years beyond its original term. A sum of US\$ 3.54 Million is granted to ACIL as compensation alongwith interest at 6% per annum from March, 2011, till the date of payment. The cost of Arbitral proceedings amounting to INR 1.25 Crore shall also accrue to ACIL.

(e) Pursuant to the Arbitral Tribunal's Award dated 25th February, 2017, ACIL has proposed GOI for an amicable settlement and submitted an unconditional undertaking to withdraw all its existing claim. GOI vide its letter dated 25th May, 2017, has approved ACIL's ownership of 100% PI in the Amguri Field.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(f) As per the Award of the Arbitral Tribunal against CRL dated 21st November, 2011, the Company has got a damage claim of US\$ 39.12 Million (Rs. 253.64 Crores) against CRL. The Tribunal had assigned a value of US\$ 4.16 Million (Rs. 26.97 Crores) for 60% PI in Amguri and US\$ 2.2071 Million (Rs. 14.31 Crores) for 52.9% shares of CRL, thereby awarding a net damage claim of US\$ 32.75 Million (Rs. 212.34 Crores) against CRL.

For enforcement of the Arbitral Tribunal Award before Canadian Court, the Company had initiated legal steps by filing execution petition on 9th November, 2012 before the Supreme Court of British Columbia. The Hon'ble Court has recognised the Arbitral Award vide its Order dated 07.03.2014, as legally enforceable in British Columbia. The Company has taken necessary legal steps for execution and realisation of the damaged claim as recognised by the Hon'ble Court.

(g) In respect of AA-ON/7 Exploration Block, the area falls into two States – Assam and Nagaland. The exploration activities in Assam were completed and the area has been relinquished in March, 2008, as there was no discovery of oil and gas. In order to pursue exploration activities in the State of Nagaland, a new PSC in continuation of the earlier PSC on the basis of the terms and conditions not inferior to the existing PSC will be executed as approved by the Cabinet Committee of Economic Affairs (CCEA) on 5th December, 2009.

(h) Though execution of a new PSC was approved by CCEA, GOI was unable to enter into a new contract due to Nagaland (Ownership of land and execution) Act, 1990, which entitles the Government of Nagaland to formulate their own exploration policy and continue E&P activities by them.

Similar to Amguri Field, the Company as per PSC is also entitled to 65% PI and operatorship of AA-ON/7 Block, earlier held by Canoro, as the Company remained as the sole non-defaulting contractor. The Company has already claimed the PI and operatorship from GOI. GOI earlier vide letter dated 24th May, 2013, had conveyed that they would take up the matter of execution of the new PSC along with the Company's claim of 65% PI with operatorship after resolution of Nagaland issue. GOI has reconfirmed the said status vide its letter dated 9th February, 2015.

(i) Though a new PSC will be executed, the name of the Block will remain as AA-ON/7 as the Nagaland portion for which a new PSC will be executed was part of the original acreage of AA-ON/7. Accordingly, all past investment costs in Assam area would be eligible for cost recovery. Since, the Block in totality was not relinquished and execution of a new PSC was mere an administrative action having already approved by CCEA, legally the Block still exists and it does not attract any capitalisation/impairment provision/adjustment as per AS-10 and 28 and Guidance Note on Accounting for Oil & Gas producing activities.

(j) The Company's aggregate capital investments grouped under Capital Work in Progress and Fixed Assets will be eligible for full cost recovery as per PSC against future activities and revenue from production of Oil and Gas.

(k) Fixed Assets Register has not been maintained in Oil & Gas Division as details of the assets were maintained by the erstwhile Operator (CRL) which has since been maintained by ONGC as the custodian of the Amguri Field and 40% share of cost is booked by ACIL for each of the assets in Amguri Field.

(l) Cost Record Order is applicable for Oil and Gas. There was no production of oil & gas during the year.

(m) Disclosure of Company's Participating Interest (P I) in the Oil and Gas project :

Sl. No.	Name of the Field	Percentage of P I
1.	Amguri	100 (40)
2.	AA-ON/7	35 (35)

[Note : Figures in brackets represent previous year's percentage of P I]



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[n]Net quantities of Company's interest in proved reserves and proved developed reserve within India (based on the Sproul Report dated 31st March, 2010) :

Oil :	Proved Reserves MT		Proved Developed Reserves MT	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Beginning of the year	39,763	39,763	36,913	36,913
Additions	-	-	-	-
Deletion	-	-	-	-
Production	-	-	-	-
Closing Balance for the year	39,763	39,763	36,913	36,913

Gas :	Proved Reserves M ³		Proved Developed Reserves M ³	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Beginning of the year	814	814	766	766
Additions	-	-	-	-
Deletion	-	-	-	-
Production	-	-	-	-
Closing Balance for the year	814	814	766	766

36 The Holding Company had issued Zero Per Cent Foreign Currency Convertible Bonds (“FCCB”) in 2006 aggregating to USD 48 Million (INR 2,109,120,000/-) to finance capital expenditure for modernisation, expansion and acquisitions. The Bond holders had an option of converting these Bonds into Equity Shares at a conversion price of Rs. 28.75 per share, at any time on or after 28th November, 2006, subject to compliance with certain conditions stated in the Offer Circular dated 23rd November, 2006. The Bonds were redeemable on 30th November, 2011, at 150.019 per cent of their principal amount, unless previously converted or redeemed.

The proceeds of above issue has been utilised till date on an overall basis as set out below:

	31.03.2017 [Rupees]	31.03.2016 [Rupees]
Expenditure in respect of oil and gas exploration and development	1,344,290,305	1,344,290,305
Loan to overseas Subsidiary (net)	433,849,047	453,849,047
Modernisation/expansion of existing production units	62,915,595	62,915,595
FCCB issue expenses/other incidental expenses	286,562,035	286,562,035
Others (net)	94,634,832	94,633,019

Unutilised FCCB proceeds amounting to Rs.692,467/- (31.03.2016 - Rs. 692,467/-) have been invested in securities and the balance Rs.233,850/- (31.03.2016 - Rs. 235,663/-) is lying with banks at the year end.

As at the year end, the total outstanding of FCCBs including Redemption Premium is USD 5.70 Million.

37 In line with the notification dated 31st March, 2009 and notification dated 29th December, 2011 issued by the Ministry of Corporate Affairs, amending Accounting Standard (AS) 11 - "Effects of Changes in Foreign Exchange Rate", the Company in the current year has:

- [i] charged to the Statement of Profit and Loss Rs. 24,028,345/- (31.03.2016 - Rs.74,973,167/- being the amortisation charge of 'Foreign Currency Monetary Item Translation Difference Account' (FCMITDA) for the year.
- [ii] carried forward Rs.42,805,833/- (31.03.2016 - Rs.73,247,861/-) in the FCMITDA, amortisable by 30th November, 2019.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

- 38** Disclosure in relation to specified bank notes transacted during 8th November, 2016 to 30th December, 2016, in accordance with Notification No GSR 308(E) dated 30.03.2017:-

	SBNs	Other denominations notes	Total
Closing cash in hand as on 08.11.2016	6,906,000	1,327,647	8,233,647
(+) Permitted Receipts	-	36,094,929	36,094,929
(-) Permitted Payments	-	36,496,591	36,496,591
(-) Amount deposited in Banks	6,906,000	-	6,906,000
Closing cash in hand as on 30.12.2016	-	925,985	925,985

- 39 (a)** All assets of the Holding Company except Furniture as at 31st December, 1994, were revalued by an approved valuer at the then net replacement cost resulting in increase in value of these assets by Rs.427,664,732/-. All assets of the Holding Company, except Furniture, as at 31st December, 1996, have been revalued again by an approved valuer at net replacement cost resulting in a further increase in value of these assets by Rs.113,567,000/-.

- (b)** Taking into account the total intrinsic value of the Holding Company's land in Assam, no adjustment in the opinion of the Management is required for the loss on land lost due to flood and consequent erosion in past years. Claim for compensation in this regard has been made to Government of Assam. Subsequent loss of land due to flood and erosion from 2009 is yet to be ascertained

40 Derivative Instruments :

The Company uses Foreign Exchange Contracts to hedge its certain exposures in foreign currency related to firm commitments and highly probable transactions.

[a] There was no Derivative Instruments (Forward Exchange Contracts) outstanding as at Balance Sheet date.

[b] Foreign currency exposures not hedged by a derivative instrument or otherwise as at the Balance Sheet date:

PARTICULARS	CURRENCY	31.03.2017	31.03.2016
Cash and Bank Balance	USD	\$51,664	\$51,790
Investment	USD	\$675,453	\$675,453
Investment	GBP	£911,000	£911,000
Sundry Debtors	USD	\$0	\$0
Sundry Debtors	GBP	£0	£0
Sundry Debtors	EURO	€ 18,175	€ 18,175
Secured Loan	USD	\$13,070,000	\$13,070,000
Liabilities payable	USD	\$6,231,778	\$6,248,157
Liabilities payable	GBP	£37,722	£37,722
Liabilities payable	EURO	€ 10,598	€ 6,562



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

41. Employee Benefit Obligation

Provident Fund

Provident Fund is a defined contribution scheme whereby the Company contributes an amount determined as a fixed percentage of basic salary to the trust/government authorities every month.

Gratuity

The Company operates three Gratuity Schemes wherein every employee is entitled to the benefit equivalent to 15 days salary last drawn for each completed year of service subject to minimum service of five years. The same is payable on retirement or termination of service, whichever is earlier. Annual contributions based on actuarial valuation carried out at the year end are made to an independent trust fund who in turn is investing in a private insurance company under Group Gratuity Scheme.

Pension

The Company operates two Pension Schemes for eligible employees, one of them being a Defined Benefit Scheme and the other a Defined Contribution Scheme. Annual contributions to the Defined Benefit Scheme are made by the Company based on actuarial valuation carried out by the Company at year end. Contributions for the Defined Contribution Scheme are deposited with a Trust and such funds are funded to a private insurance company.

Leave Benefit

Leave Benefit comprises of leave balances accumulated by the employees. These balances can be accumulated upto a maximum of 120 days and can be encashed only at any time of retirement/separation. The scheme is unfunded.

Post Retirement Medical Benefit

The Company has a scheme of re-imbursment of Post Retirement Medical Expenses to certain categories of employees and their surviving spouses, upon retirement, subject to a monetary limit. The scheme is unfunded

A. Defined Contribution Plans

Contributions for Defined Contribution Plans amounting to Rs.14,39,28,214/- (31.03.2016 - Rs.15,92,60,669/-) has been recognised in the Profit & Loss Account.

B (i). Defined Benefit Plans

	Gratuity		Pension		Leave Encashment		Medical Benefit	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016
	[Rupees]	[Rupees]	[Rupees]	[Rupees]	[Rupees]	[Rupees]	[Rupees]	[Rupees]
a) Component of employees expenses								
Current Service Cost	32,431,499	34,216,802	15,363,899	18,507,599	2,200,702	2,002,614	1,635,319	-
Interest Cost	39,824,900	40,015,347	12,772,304	11,682,798	519,555	576,232	1,233,246	1,638,195
Expected Return on Plan Assets	866,566	(1,324,391)	(3,274,378)	(4,294,929)	-	-	-	-
Curtailment Cost	-	-	-	-	-	-	-	-
Settlement Cost	-	-	-	-	-	-	-	-
Past Service Cost	-	-	-	44,050,669	-	-	-	-
Net actuarial (gain) / loss recognised during the year	31,933,411	71,175,892	(2,088,146)	(13,979,817)	(1,688,196)	(556,864)	(1,713,992)	(1,504,579)
Total component of employees expenses	105,056,376	144,083,650	22,773,679	55,966,320	1,032,061	2,021,982	1,154,573	133,616

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

	Gratuity		Pension		Leave Encashment		Medical Benefit	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016
b) Actual Return on Plan Assets	[Rupees]	[Rupees]	[Rupees]	[Rupees]	[Rupees]	[Rupees]	[Rupees]	[Rupees]
Expected Return on Plan Assets	866,566	(1,324,391)	3,274,378	4,294,929	-	-	-	-
Actuarial gain / (loss) on Plan Assets	(3,301,530)	(698,844)	(582,180)	17,174	-	-	-	-
Actual Return on Plan Assets	(2,434,964)	(2,023,235)	2,692,198	4,312,103	-	-	-	-

c) Change in Defined Benefit Obligation during the year

Opening Defined Benefit Obligation	532,155,048	412,861,100	175,304,900	118,629,492	7,160,637	6,385,983	16,443,285	16,454,239
Current Service cost	32,431,499	34,216,802	15,363,899	18,507,599	2,200,702	2,002,614	1,635,319	-
Interest Cost	39,824,900	40,015,347	12,772,304	11,682,798	519,555	576,232	1,233,246	1,638,195
Settlement Cost	-	-	-	-	-	-	-	-
Past Service Cost	-	-	-	-	-	-	-	-
Benefits Paid	(724,129)	(25,415,249)	(10,015,019)	(3,603,015)	(466,478)	(1,247,328)	-	(144,570)
Actuarial (gain) / loss on Obligation	31,933,411	70,477,048	(2,670,326)	(13,962,643)	(1,688,196)	(556,864)	(1,713,992)	(1,504,579)
Closing Defined Benefit Obligation	635,620,729	532,155,048	190,755,758	131,254,231	7,726,220	7,160,637	17,597,858	16,443,285

d) Change in Fair Value of Assets during the year

Fair value of Plan Assets as at beginning of the year	11,554,207	13,243,909	43,658,374	42,949,286	-	-	-	-
Expected Return on Plan Assets	866,566	(1,324,391)	3,274,378	4,294,929	-	-	-	-
Contributions made	25,000	23,100,000	-	-	-	-	-	-
Benefits paid	724,129	25,415,249	(10,015,019)	(3,603,015)	(466,478)	(1,247,328)	-	144,570
Actuarial gain / (loss) on Plan Assets	(3,301,530)	(698,844)	(582,180)	17,174	-	-	-	-
Fair value of Plan Assets as at end of the year	9,868,372	59,735,923	36,335,553	43,658,374	(466,478)	(1,247,328)	-	144,570

e) Categories of Plan Assets as a %age of total planned Assets

	Gratuity (Funded)		Pension (Funded)	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Administered by Private Insurance Company	94.63%	81.65%	-	-
Administered by Life Insurance Corporation of India	-	-	99.96%	99.97%
Special Deposit with Scheduled Bank	4.46%	3.25%	-	-
Others	0.91%	15.11%	0.04%	0.03%

f) Actuarial Assumptions

	Gratuity		Pension		Leave Encashment (Unfunded)		Medical Benefit (Unfunded)	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Mortality Table	IALM	IALM	IALM	IALM	IALM	IALM	IALM	IALM
Discount Rate (%)	2006-2008	2006-2008	2006-2008	2006-2008	2006-2008	2006-2008	2006-2008	2006-2008
Inflation Rate (%)	7.50%	8.00%	7.50%	8.00%	7.50%	8.00%	7.50%	8.00%
Expected Return on Plan Assets (%)	7.50%	7.00%	7.00%	7.00%	7.00%	7.00%	0.00%	0.00%
	7.00%	8.00%	7.50%	8.00%	0.00%	8.00%	0.00%	0.00%



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

g) Effect of increase / decrease of one percentage point in the assumed Medical inflation rates:

	31.03.2017		31.03.2016	
	Increase	Decrease	Increase	Decrease
Effect on the aggregate of the service cost and interest cost	16,626,846	18,670,142	16,607,718	16,278,853
Effect on Defined Benefit Obligation	18,405,600	16,607,099	14,753,701	18,493,665

B (ii) Defined Benefit Plans

I. GRATUITY (FUNDED)

a) Net (Asset) / Liability

Present Value of the Defined Benefit Obligation

Fair value of Plan Assets

Net (Asset) / Liability

	31.03.2017	31.03.2016	31.12.2014	31.12.2013	31.12.2012
	₹	₹	₹	₹	₹
Present Value of the Defined Benefit Obligation	634,032,078	532,155,048	412,861,100	371,927,418	361,633,906
Fair value of Plan Assets	8,420,114	11,554,207	13,243,909	13,549,465	15,579,284
Net (Asset) / Liability	625,611,964	520,600,841	399,617,191	358,377,953	346,054,622

b) Experience Adjustment

(Gain)/Loss adjustment on Plan Liabilities

(Gain)/Loss adjustment on Plan Assets

(Gain)/Loss adjustment on Plan Liabilities due to change in assumption

(Gain)/Loss adjustment on Plan Liabilities	31,933,411	70,477,048	19,690,888	11,609,926	12,075,531
(Gain)/Loss adjustment on Plan Assets	(3,301,530)	(698,844)	1,839,726	(1,145,993)	3,752,822
(Gain)/Loss adjustment on Plan Liabilities due to change in assumption	-	-	-	-	-
	28,631,881	69,778,204	21,530,614	10,463,933	15,828,353

II. PENSION (FUNDED)

a) Net (Asset) / Liability

Present Value of the Defined Benefit Obligation

Fair value of Plan Assets

Net (Asset) / Liability

Present Value of the Defined Benefit Obligation	190,755,758	175,304,900	118,629,492	109,963,873	107,259,648
Fair value of Plan Assets	36,335,553	43,658,374	42,949,286	49,923,258	47,245,126
Net (Asset) / Liability	154,420,205	131,646,526	75,680,206	60,040,615	60,014,522

b) Experience Adjustment

(Gain)/Loss adjustment on Plan Liabilities

(Gain)/Loss adjustment on Plan Assets

(Gain)/Loss adjustment on Plan Liabilities due to change in assumption

(Gain)/Loss adjustment on Plan Liabilities	(2,670,326)	(13,962,643)	4,265,721	(4,141,566)	(10,413,103)
(Gain)/Loss adjustment on Plan Assets	(582,180)	17,174	(195,602)	(1,101,478)	3,930,871
(Gain)/Loss adjustment on Plan Liabilities due to change in assumption	-	-	-	-	-
	(3,252,506)	(13,945,469)	4,070,119	(5,243,044)	(6,482,232)

III. LEAVE ENCASHMENT (UNFUNDED)

a) Net (Asset) / Liability

Present Value of the Defined Benefit Obligation

Fair value of Plan Assets

Net (Asset) / Liability

Present Value of the Defined Benefit Obligation	7,726,220	7,160,637	6,385,983	6,580,345	6,346,481
Fair value of Plan Assets	-	-	-	-	-
Net (Asset) / Liability	7,726,220	7,160,637	6,385,983	6,580,345	6,346,481

b) Experience Adjustment

(Gain)/Loss adjustment on Plan Liabilities

(Gain)/Loss adjustment on Plan Assets

(Gain)/Loss adjustment on Plan Liabilities due to change in assumption

(Gain)/Loss adjustment on Plan Liabilities	(1,688,196)	(556,864)	(629,675)	861,672	(239,460)
(Gain)/Loss adjustment on Plan Assets	-	-	-	-	-
(Gain)/Loss adjustment on Plan Liabilities due to change in assumption	-	-	-	-	(739,554)
	(1,688,196)	(556,864)	(629,675)	861,672	(979,014)

IV. MEDICAL BENEFIT (UNFUNDED)

a) Net (Asset) / Liability

Present Value of the Defined Benefit Obligation

Fair value of Plan Assets

Net (Asset) / Liability

Present Value of the Defined Benefit Obligation	17,597,858	16,443,285	16,454,239	17,678,311	16,225,029
Fair value of Plan Assets	-	-	-	-	-
Net (Asset) / Liability	17,597,858	16,443,285	16,454,239	17,678,311	16,225,029

Notes:

(i) The estimates of future salary increases considered in the actuarial valuation takes into account factors like inflation, future salary increases, seniority, promotion, supply and demand in the employment market etc. The expected return on Plan Assets is based on the actuarial expectation of the average long term rate of return on investments of the fund during the estimated time of the obligations.

(ii) The contribution expected to be made by the Company for the year ending 31st March, 2018, cannot be ascertained at this stage.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
42 Related Party Disclosure :
I Names of Related Parties and description of relationship
[a] Key Managerial Personnel

Mr. A. K. Jajodia, Managing Director
 Mr. Sanjay Sharma, Chief Financial Officer
 Ms. Sreya Mitra, Company Secretary

[b] Relatives of Key Managerial Personnel

Ms. Ruchika Jajodia
 Mrs. Anjali Devi Jajodia
 Mrs. Anita Sharma
 Mr. Jay Prakash Sharma

[c] Joint Venturer through jointly controlled operations

Oil and Natural Gas Corporation Limited (on behalf of GOI)

II Transactions with Related Parties

Sl No.	Related Party	Outstanding as on 31.03.2017	Outstanding as on 31.03.2016	Nature of transaction	Year ended 31.03.2017	Year ended 31.03.2016
		[Rupees]	[Rupees]		[Rupees]	[Rupees]
[a]	Mr. A. K. Jajodia	-	-	Remuneration	4,865,882	6,864,946
[b]	Mrs. Anjali Devi Jajodia	-	-	Rent paid	1,200,000	700,000
[c]	Mr. Sanjay Sharma	-	108,000 Receivable	Remuneration	4,702,037	3,166,308
[d]	Mrs. Anita Sharma	-	-	Rent paid	1,471,650	1,130,625
[e]	Mr. Jay Prakash Sharma	-	-	Service Charges paid	67,500	84,375
[f]	Ms. Sreya Mitra	-	-	Remuneration	607,335	229,989

Note

The Management certifies that there have been no payments, other than those disclosed above, to Key Managerial Personnel and/or to their relatives and/or to any other Related Party.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

43. Consolidated Segments Reporting

Primary Segment Report / Business Segments:

[Figures in Rupees]

Particulars	Plantations	Oil and Gas	Special Economic Zone (SEZ)	Others	Unallocated	Total
Segment Revenue: External Customers	2,116,143,585	-	-	440,171	-	2,116,583,756
	2,701,733,488	-	-	480,685	-	2,702,214,173
Other Segment Revenue	32,848,627	2,971,508	-	42,200	-	35,862,335
	307,451,893	8,639,704	-	62,161	-	316,153,758
Total Segment Revenue	2,148,992,212	2,971,508	-	482,371	-	2,152,446,091
	3,009,185,381	8,639,704	-	542,846	-	3,018,367,931
Segment Result	(592,994,853)	(58,929,732)	(328,264)	(28,423,688)	-	(680,676,537)
	(329,423,879)	(149,671,732)	(230,947)	(71,612,455)	-	(550,939,013)
Add : Unallocable Income	-	-	-	-	-	144,158
	-	-	-	-	-	37,417
Less : Unallocable Expenses	-	-	-	-	-	24,993,640
	-	-	-	-	-	66,218,124
Add : Unallocated Interest income	-	-	-	-	-	10,631,886
	-	-	-	-	-	12,206,740
Profit before Tax and Exceptional Items	-	-	-	-	-	(694,894,133)
Exceptional Items	-	-	-	-	-	(604,912,980)
	-	-	-	-	-	(604,912,980)
Profit before Taxation	-	-	-	-	-	(694,894,133)
Provision for Taxation	-	-	-	-	-	41,734,637
	-	-	-	-	-	2,052
Profit after Taxation before Minority Interest	-	-	-	-	-	(736,630,822)
	-	-	-	-	-	(604,912,980)
Segment Assets	2,542,043,135	2,703,497,394	4,164,375,743	286,366,716	2,686,397,180	12,382,680,168
	3,072,437,306	2,449,750,038	4,164,608,267	285,154,044	2,674,249,414	12,646,199,069
Segment Liabilities	4,450,549,690	2,807,915,207	4,071,189,467	422,285,957	242,530,709	11,994,471,030
	3,912,043,400	2,285,585,083	4,071,093,727	392,647,545	197,330,665	10,858,700,420
Capital Expenditure	56,872,357	370,503,177	-	4,649	-	427,380,183
	15,397,073	598,344,496	48,078,646	-	-	661,820,215
Depreciation / Amortisation	107,823,426	21,463,140	-	2,366	3,302,172	132,591,104
	72,136,638	22,497,640	-	68,263	-	94,702,541
Non Cash Expenditure other than Depreciation and Amortisation	6,399,606	1,134,664	-	18,191	-	7,552,461
	(15,619,069)	9,979,032	-	17,843,992	56,888,674	69,092,629

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Secondary Segment Report / Geographical Segments:

	Within India	Outside India	Total
1. Segment Revenue: External Customers	1,995,129,083	121,454,673	2,116,583,756
	2,412,833,608	289,380,565	2,702,214,173
2. Segment Assets	12,077,926,795	304,753,373	12,382,680,168
	12,522,965,375	123,233,693	12,646,199,068
3. Capital Expenditure	427,380,183	-	427,380,183
	661,820,215	-	661,820,215

Notes :

[i] The Company has considered business segment as the primary segment for disclosure. The components of these business segments are plantation products and oil and gas activities, Special Economic Zone (SEZ) and others.

[ii] The segment wise revenue, results, assets and liabilities relate to the respective amounts directly identifiable to each of the segments. Unallocable income/expenditure refers to income/expenses incurred on common services at corporate level.

[iii] Geographical segment:

Segregation of revenue is on the basis of geographical location of customer i.e.

Sales within India

Sales outside India

Segregation of asset and capital expenditure is on the basis of geographical location of assets i.e.

Asset within India

Asset outside India

[iv] Figures in bold represent previous year's figures.



- 44 Effective from April 01, 2016, the Company has charged depreciation on its Bearer Plants (Mature Tea Bushes) based on the remaining useful life of the Bushes as per requirement of Accounting Standard 10 under Indian GAAP. Due to above change the depreciation has increased by Rs. 62,617,571/-.

Basic and Diluted Earnings Per Share	31.03.2017 [Rupees]	31.03.2016 [Rupees]
Numerator used :		
Profit after Tax	(736,469,972.54)	(604,799,815.87)
Denominator used :		
Weighted average number of Equity Shares	309,760,963.00	309,760,963.00
Face Value of Equity Shares	1	1
Basic and Diluted Earnings Per Share	(2.38)	(1.95)

- 45 Previous year figures have been regrouped/rearranged wherever necessary.

As per our Report of even date

For De Chakraborty & Sen

Chartered Accountants

Firm Registration No. 303029E

(S Chakraborty)

Membership No. 055317

Partner

Place: Kolkata

Date: 30th May 2017

Sanjay Sharma - Chief Financial Officer

Sreya Mitra - Company Secretary

For and on behalf of the Board

A. K. Jajodia - Managing Director

(DIN - 00056074)

Amit Halder - Director

(DIN - 05231811)

Sanjay Khandelwal - Director

(DIN - 00193472)



If undelivered please return to :

ASSAM COMPANY INDIA LIMITED

Assam Tea House
52, Chowringhee Road,
Kolkata – 700 071