

ANNUAL REPORT 2014



ASSAM COMPANY INDIA LIMITED



Member
Duncan Macneill Group



Board of Directors

Mr. A. K. Jajodia, Managing Director
Mr. Amit Halder
Mr. Sanjay Khandelwal

Chief Financial Officer

Mr. Sanjay Sharma

Registered Office

Greenwood Tea Estate
P.O. Dibrugarh
Assam - 786 001

Head Office

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

Auditors

De Chakraborty & Sen
Chartered Accountants
Kolkata

Solicitors

Khaitan & Co.

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

Bankers

Allahabad Bank
Bank of Baroda
State Bank of Bikaner & Jaipur
State Bank of Hyderabad
Oriental Bank of Commerce
Central Bank of India
Indian Overseas Bank
Syndicate Bank
Union Bank of India

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NOTICE

Notice is hereby given that the Thirty-Eighth Annual General Meeting of the Members of Assam Company India Limited will be held at 11:00 A. M., on Wednesday, 24th June, 2015, 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 year ended 31st December, 2014, together with the Report of the Board of Directors and the Auditors thereon.
2. To appoint directors in place of those retiring:

Mr Amit Halder, a director of the Company whose office is liable to retirement by rotation and retires at this meeting, is sought to be appointed at this meeting as an Independent Director pursuant to item no.4 as part of Special Business.

3. To appoint Auditors and to fix their remuneration, and for this purpose, to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to Section 139 of the Companies Act, 2013 read with Rule 6 of the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, in this regard, M/s. De Chakraborty & Sen, Chartered Accountants, Auditors of the Company, having Firm Registration No. 303029E, allotted by The Institute of Chartered Accountants of India (ICAI), be and are hereby appointed as the Statutory Auditors of the Company for the maximum number five consecutive years for which the said firm can be appointed and shall hold office from the conclusion of the thirty eighth Annual General Meeting until the conclusion of the forty third Annual General Meeting subject to ratification by members at every annual general meeting held in between at a remuneration to be fixed at the beginning of each financial year by the Board of Directors of the Company.”

Special Business :

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

“RESOLVED THAT Mr. Amit Halder (holding DIN 05231811) an existing director of the Company whose office is liable to retirement by rotation and retires at this meeting, be and is hereby appointed as an Independent Director of the Company in terms of Section 149(6) of the Companies Act, 2013, whose period of office is not liable to retire by rotation under Section 149 (13) of the Companies Act, 2013, to hold office for a term up to 5 (five) consecutive years from the conclusion of the thirty eighth annual general meeting of the Company until the conclusion of its forty third annual general meeting.”

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

“RESOLVED THAT Mr. Sanjay Khandelwal, (holding DIN 00193472) who was appointed as an Additional Director by the Board of Directors at its Meeting held on 5th February, 2015 and who holds office up to the date of this Annual General Meeting and in respect of whom a Notice under Section 160 of the Companies Act, 2013, has been received from a Member, signifying his intention to propose Mr. Sanjay Khandelwal as a candidate for the Office of an Independent Director in terms of Section 149(6) of the Companies Act, 2013, whose period of office is not liable to retire by rotation under Section 149(13) of the Act, be and is hereby appointed as an Independent Director of the Company in terms of Section 149(6) of the Act, to hold office for a term up to 5 (five) consecutive years from the conclusion of the thirty eighth annual general meeting of the Company until the conclusion of its forty third annual general meeting.”

6. To consider and if thought fit to pass the following Resolution as a **Special Resolution**:

“RESOLVED THAT in accordance with the provisions of Sections 197 and 196 read with Schedule V and other applicable provisions of the Companies Act, 2013 and also subject to the approval of the Members, consent of the Company be and is hereby accorded to the re-appointment of Mr. Aditya Kumar Jajodia as the Managing Director of Company for a period of 3 (three) years with effect from 1st October, 2015 until 30th September, 2018, on the terms and conditions including Remuneration as set out in the Statement annexed to this Notice, with the liberty to the Board of Directors to alter and vary the terms and conditions including the Remuneration so as not to exceed the limits specified in Schedule V to the Act, including any statutory modification(s) or reenactment(s) thereof for the time being in force or any amendments and modifications that may hereafter be made and as may be agreed to between the Board of Directors and Mr. Aditya Kumar Jajodia.



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

7. To consider and if thought fit to pass the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013, read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or reenactment thereof, for the time being in force), the draft new regulations contained in the Articles of Association submitted before this meeting be and are hereby approved and adopted in replacement of the regulations contained in the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorised to do all acts, deeds and things which may be necessary to give effect to this Resolution.”

8. To consider and if thought fit to pass the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to Section 186 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification thereof for the time being in force and as may be enacted from time to time), consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include any Committee of the Board constituted or any person(s) authorized by the Board) to give loans to any person or body corporate including subsidiary(ies) and/or give guarantee or providing securities in connection with a loan to any other body corporate or person and/or acquired by way of subscription, purchase or otherwise, the securities of any other body corporate including subscription up to an aggregate amount not exceeding Rs. 1,000 Crores (Rupees One Thousand Crores only);

RESOLVED FURTHER THAT the Board be and is hereby authorized to take from time to time all decisions and steps necessary, expedient or proper, in respect of the above mentioned investments, loans, guarantees or security (collectively “transactions”) including the timing, the amount and other terms and conditions of such transactions and also take all other decisions including varying any of them, through transfer or sale, divestment or otherwise, either in part or in full, as it may, in its absolute discretion, deem appropriate, subject to the specified limits for effecting the aforesaid transaction.”

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

“**RESOLVED THAT** in terms of Section 148 of the Companies Act, 2013, the remuneration payable to the Cost Auditors namely M/s. BCD & Associates, Cost Accountants for conducting Audit of Cost Accounting records maintained by the Company as applicable, for the year ending 31st March, 2016, as approved by the Board of Directors based on the recommendation of the Audit Committee, the details of which are given in the Statement in respect of this item of business be and is hereby ratified.”

Registered Office:

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

Dated: 27th February, 2015

By Order of the Board

Assam Company India Limited

A. K. Jajodia

Managing Director

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. Those Members, who have not so far encashed their Dividend Warrants from the year ended 31st December, 2007, onwards may immediately approach the Company for revalidation of such Dividend Warrants. Please note that pursuant to Section 124 of the Companies Act, 2013, the Company is obliged to transfer any money lying in the Unpaid Dividend Accounts, which remain unpaid or unclaimed for a



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period of seven years from the date of the transfer in such Unpaid Dividend Accounts to the credit of Investor Education and Protection Fund (the Fund) established by the Central Government. In accordance with Section 125 of the said Act, no claim shall lie against the Fund or the Company in respect of individual amounts of dividend remaining unclaimed and unpaid for a period of seven years from the dates they first became due for payment and no payment shall be made in respect of such claims.

4. As required under the provisions of Clause 49(VIII)(E)(1) of the Listing Agreements, particulars relating to Mr. Aditya Kumar Jajodia, Mr. Amit Halder and Mr. Sanjay Khandelwal, whose appointments are being proposed at the forthcoming Annual General Meeting, are enclosed in the Annexure to this Notice.
5. 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 Registrar and Share Transfer Agent (RTA).
6. Members are requested to notify immediately any change in their addresses to the Company's RTA.
7. 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.
8. 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.
9. 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.
10. 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.
11. 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.
12. Members are requested to bring their Attendance Slip along with their copy of the Annual Report to the Meeting.
13. 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.
14. Members are requested to quote their registered Folio Number / DP ID, Client ID in all correspondence with the Company or its Registrars.
15. 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.
16. Members holding shares under multiple folios are requested to submit their applications to RTA, for consolidation of folios into single folio.
17. 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.
18. 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.
19. 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.



20. The Register of Members and Share Transfer Books of the Company shall remain closed from 17th June, 2015 to 24th June, 2015, both days inclusive.

21. 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 pleased to provide 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 an initial password.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.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 or ssarkarandassociates@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) Initial password is annexed along with the notice.
- (ii) Please follow all steps from Sl. No (ii) to Sl. No. (xii) above, to cast vote.

II. In case of 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 17th June, 2015(9:00 A. M.) and ends on 19th June, 2015 (6:00 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) of 15th May, 2015, 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.



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- 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 the cut-off date, i.e. 15th May, 2015.
- VIA. Members acquiring shares after the cut-off date, i.e. 15 May 2015 but prior to closure of register of members and share transfer books of the Company on 17 June 2015 shall be eligible for physical voting at the meeting.
- VII. S. Sarkar & Associates, Company Secretaries, holding C. P. No. 9483 has been appointed as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.
- VIII. The Scrutinizer shall within a period of not exceeding three (3) working days from the conclusion of the e-Voting period unlock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company by 22nd June, 2015
- IX. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.assamco.com and on the website of NSDL within two (2) days of passing of the resolutions and communicated to National Stock Exchange of India Limited and Bombay Stock Exchange Limited.

Registered Office:

Greenwood Tea Estate
P. O. Dibrugarh, Assam 786 001
Dated: 27th February, 2015

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

A. K. Jajodia
Managing Director

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

Item No. 4

The Company had appointed Mr. Amit Halder to discharge the role and functions of Independent Directors in terms of Clause 49 of the Listing Agreement with the Stock Exchanges at the Annual General Meeting of the Company held on 29th September, 2012.

The Board at its meeting held on 27th February, 2015, has formed the opinion that Mr Amit Halder is a person of integrity, possesses requisite expertise and experience and fulfills the conditions specified in the Companies Act, 2013 for his appointment as an independent director of the Company. Mr Halder has also at the said Board meeting filed a declaration under Section 149(7) of the Act stating that he can function as Independent Director within the meaning of Section 149(6) of the Act.

Accordingly, in compliance with Sections 149, 150 and 152 read with Schedule IV of the Act, Mr. Amit Halder is proposed to be appointed Independent Director within the meaning of Section 149(6) for a term up to five consecutive years on the Board of the Company starting from the conclusion of the thirty eighth Annual General Meeting of the Company until the conclusion of its forty third Annual General Meeting.

A brief profile of Mr Halder is included as an Annexure to this Notice as per the requirements of Clause 49(VIII)(E)(1) of the Listing Agreements with the Stock Exchanges and in the Report on Corporate Governance.

The Company and Mr Halder shall abide by the provisions specified in Schedule IV of the Act, and the appointment shall be governed and guided by the guidelines of professional conduct, role and functions, duties, manner of appointment, reappointment, resignation or removal, separate meetings and evaluation mechanism as provided therein, The appointment once made at the meeting shall be formalized through a letter of appointment, which will set out:

- (a) the term of his appointment;
- (b) the expectation of the Board; the Board-level committee(s) in which he is expected to serve and its tasks;
- (c) the fiduciary duties that come with such an appointment along with accompanying liabilities;
- (d) provision for Directors and Officers (D and O) insurance, if any;
- (e) the Code of Business Ethics that the company expects its Directors and employees to follow;
- (f) the list of actions that a Director should not do while functioning as such in the company; and
- (g) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.



Formal letter of appointment shall be issued to Mr Halder upon confirmation of his appointment. The terms and conditions of the appointment shall be open for inspection at the registered office of the company by any member during normal business hours, and shall also be posted on the company's website. The Board accordingly, recommends the Resolution set out in item no. 4 of the Notice for approval of the Members.

None of the Directors other than Mr. Amit Halder, Managers or Key Managerial Personnel or any of the relatives of any of the Directors, Managers or Key Managerial Personnel of the Company is interested or deemed to be interested, financial or otherwise, in the proposed resolution and the proposed resolution does not relate to or affect any other company.

Item No. 5

Mr. Sanjay Khandelwal, was appointed on 5th February, 2015, as an Additional Director of the Company to hold office till the date of the ensuing Annual General Meeting.

The Company has received Notice under Section 160 of the Companies Act, 2013, from a Member signifying the candidature of Mr. Sanjay Khandelwal for the office of a Director of the Company.

The Board at its meeting held on 27th February, 2015, has formed the opinion that Mr Sanjay Khandelwal is a person of integrity, possesses requisite expertise and experience and fulfills the conditions specified in the Companies Act, 2013 for his appointment as an independent director of the Company. Mr Khandelwal has also at the said Board meeting filed a declaration under Section 149(7) of the Act stating that he can function as Independent Director within the meaning of Section 149(6) of the Act.

Accordingly, in compliance with Sections 149, 150 and 152 read with Schedule IV of the Act, Mr Sanjay Khandelwal is proposed to be appointed Independent Director within the meaning of Section 149(6) for a term up to five consecutive years on the Board of the Company starting from the conclusion of the thirty eighth Annual General Meeting of the Company until the conclusion of its forty third Annual General Meeting.

A brief profile of Mr Khandelwal is included as an Annexure to this Notice as per the requirements of Clause 49(VIII)(E)(1) of the Listing Agreements with the Stock Exchanges and in the Report on Corporate Governance.

The Company and Mr Khandelwal shall abide by the provisions specified in Schedule IV of the Act, and the appointment shall be governed and guided by the guidelines of professional conduct, role and functions, duties, manner of appointment, reappointment, resignation or removal, separate meetings and evaluation mechanism as provided therein, The appointment once made at the meeting shall be formalized through a letter of appointment, which will set out:

- (a) the term of his appointment;
- (b) the expectation of the Board; the Board-level committee(s) in which he is expected to serve and its tasks;
- (c) the fiduciary duties that come with such an appointment along with accompanying liabilities;
- (d) provision for Directors and Officers (D and O) insurance, if any;
- (e) the Code of Business Ethics that the company expects its Directors and employees to follow;
- (f) the list of actions that a Director should not do while functioning as such in the company; and
- (g) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.

Formal letter of appointment shall be issued to Mr Khandelwal upon confirmation of his appointment. The terms and conditions of the appointment shall be open for inspection at the registered office of the company by any member during normal business hours, and shall also be posted on the company's website. The Board, accordingly, recommends the Resolution set out in Item No. 5 of the Notice for approval of the Members.

None of the Directors other than Mr. Sanjay Khandelwal, Managers or Key Managerial Personnel or any of the relatives of any of the Directors, Managers or Key Managerial Personnel of the Company is interested or deemed to be interested, financial or otherwise, in the proposed resolution and the proposed resolution does not relate to or affect any other company.

Item No. 6

The tenure of Mr. Aditya Kumar Jajodia, as the Managing Director of the Company, will cease on 30th September, 2015. Based on the recommendations of the Nomination and Remuneration Committee, the Board, at its



Corporate Information

Meeting held on 27th February, 2015, proposed the re-appointment of Mr. Aditya Kumar Jajodia as the Managing Director for a further period of three years commencing from 1st October, 2015 to 30th September, 2018, on the terms and conditions set out in the disclosures made herein pursuant to Schedule V of the Companies Act 2013, subject to approval by the Members of the Company at this Annual General Meeting:

The Remuneration payable to Mr. Aditya Kumar Jajodia as contained in the draft Agreement to be signed between Mr. Aditya Kumar Jajodia and the Company is within the limits prescribed in Schedule V of the Companies Act, 2013 (the Act).

The payment of remuneration has been also approved by the Nomination and Remuneration Committee.

A brief profile of Mr. Aditya Kumar Jajodia is included as an Annexure to this Notice as per the requirements of Clause 49(VIII)(E)(1) of the Listing Agreements with the Stock Exchanges.

The relevant disclosures pursuant to Schedule V are provided below:

I. GENERAL INFORMATION :

1. Nature of Industry :

The Company is involved in the cultivation, manufacture and sale of tea, Oil and Gas Exploration and Infrastructure.

2. Date of commencement of commercial production :

Tea – Since 1845 and as Assam Company India Limited, since 1977;

Oil and Gas – Since April, 2006.

3. In case of new companies, the expected date of commencement of activities as per project approved by the Financial Institutions appearing in the prospectus – **Not Applicable.**

4. Financial Performance based on given indicators:

In the Financial Year 2014, total Income increased by 1.7% as compared with the Income of Financial Year 2013.

5. Foreign investments or collaborators, if any (31st December, 2014):

Foreign Investors hold 39.59% in the Equity Share Capital of the Company.

II. INFORMATION ABOUT THE APPOINTEE :

1. Background details :

Mr. A. K. Jajodia has over 30 years of experience in the area of Finance and Business Management. Mr. Jajodia is the Leader of the enterprise and also serves as a Member on a number of business forums like the Indian Tea Association. He has been actively involved in the development of Oil and Gas Division and has played an important role in the structuring of Oil and Gas Division to its present level of operation.

2. Past Remuneration : Rs.

2014	63,21,679
2013	62,63,420
2012	59,34,830

3. Job Profile and his suitability :

Mr. A. K. Jajodia, aged about 52 years, is the Managing Director of the Company. He is a graduate in Commerce. Mr. Jajodia has over two decades of experience in the areas of finance and Business Management. He has played an important role in the structuring and positioning of the Company's Oil and Gas Division to its present level of operation with his active involvement. He holds many executive positions including being on the Committee of Indian Tea Association and is also its Chairman of Finance & Infrastructure Sub-Committee.

4. Remuneration proposed:

Rs. 2,00,000/- per month and other allowable perquisites and allowances as applicable to the Managing Director of a Company, in consonance with Schedule V to the Companies Act, 2013.

5. Comparative remuneration profile with respect to industry, size of the company, profile of the position



and person (in case of expatriates the relevant details would be with respect to the country of his origin):

As the Company is engaged in Tea and also Oil and Gas business, there is no known Company with similar activity and hence comparison is not possible.

6. Pecuniary Relationship directly or indirectly with the Company or relationship with the Managerial Personnel, if any :

Mr. A. K. Jajodia is the son of Late Dr. K. K. Jajodia, who was the Non-Executive Chairman.

III. OTHER INFORMATION:

1. Reasons for loss or inadequate profits.
2. Steps taken or proposed to be taken for improvement.
3. Expected increase in productivity and profits in measurable term.

These have been dealt with in the Directors' Report and Report on Management Discussion and Analysis.

IV. DISCLOSURES

Requisite disclosures required to be mentioned under Schedule V have been included in the Report on Corporate Governance.

The Board recommends the Special Resolution for the approval by the Members.

The terms and conditions on which Mr. Aditya Kumar Jajodia is proposed to be reappointed as Managing Director are as under:

1. Term:
The term of Managing Director is for a period commencing from 1st October, 2015 to 30th September, 2018.
2. Salary:
Rs. 2,00,000/- (Rupees Two Lacs only) per month with such increments as may be decided by the Board from time to time.
3. Commission and Performance Bonus up to 50% of the Annual Salary.
4. Free fully furnished accommodation including furnishings, gas, electricity and water up to Rs. 17,00,000/- (Rupees Seventeen Lacs only) per annum.
5. Medical re-imbursment for self and family Rs. 6,00,000/- (Rupees Six Lacs only) per annum.
6. Club Fees along with membership of Credit Cards (for official purpose) upto Rs. 4,10,000/- (Rupees Four Lacs and Ten Thousands only) per annum.
7. Telephone and Car with driver – as actuals up to Rs. 4,50,000/- (Rupees Four Lacs Fifty Thousand only) per annum.
8. Leave Travel Allowance up to Rs. 15,00,000/- (Rupees Fifteen Lacs only) per annum.
9. Personal Accident cover of Rs. 1,00,00,000/- (Rupees One Crore Only) for self, Medical Insurance for self and family for sum insured of Rs. 25,00,000/- (Rupees Twenty Five Lacs only), India First Life Insurance up to Rs. 2,05,000/- (Rupees Two Lacs Five Thousands only) per annum and encashment of unavailed leave – as per Company Rules.
10. Contribution to Provident Fund 12% of Annual Salary, Gratuity Fund applicable as per Act and Pension Fund 15% of Annual Salary.

None of the Directors other than Mr. A. K. Jajodia, Managers or Key Managerial Personnel or any of the relatives of any of the Directors, Managers or Key Managerial Personnels are interested or deemed to be interested, financial or otherwise, in the proposed Resolution and the proposed Resolution does not relates to or affects any other company.

This may also be treated as an abstract of the terms of the contract or variation together with the Memorandum of Interest under Section 190 of the Companies Act, 2013.



Corporate Information

Item No. 7

The existing Articles of Association (AoA) of the Company are based on the provisions of the erstwhile Companies Act, 1956, and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the new Companies Act, 2013 (the Act).

With the commencement of the Act, several regulations of the existing AoA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles.

The new AoA to be substituted in place of the existing AoA are based on Table 'F' of the Act.

The proposed new draft of AoA is uploaded on the Company's website for perusal by the shareholders.

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

The Board accordingly, recommends the Resolution set out in Item No.7 of the Notice for approval of the Members.

Item No. 8

Pursuant to the Section 186 of the Companies Act, 2013, in order to give loan(s)/ guarantee(s) and/or making investments to any person or other body corporate, approval of the Members is required when the amount of loan(s)/ guarantee(s) and/or making investments exceeds sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account, whichever is more.

As a measure of complying with the said requirement and in order to utilize the surplus fund in a profitable manner, this permission is sought to empower the Board of Directors or any duly constituted Committee to exercise powers for giving loan(s)/ guarantee(s) and/or making investments up to an aggregate amount not exceeding 1,000 Crores (Rupees One Thousand Crores only) in accordance with the conditions provided under the said Section 186 read with relevant rules prescribed for the same.

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

Item No. 9

In terms of Section 148 of the Companies Act, 2013, read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 ('the Rule'), the Board of Directors of the Company at its Meeting held on 27th February, 2015 appointed M/s BCD & Associates, Cost Accountants, as the Cost Auditors of the Company.

The Board, in terms of the Rule, approved the remuneration of the Cost Auditors as recommended by the Audit Committee, which is subject to ratification by the Shareholders of the Company.

The remuneration fixed by the Board is as under:

Remuneration : Rs. 2,00,000/-

The Resolution set out in Item No. 9 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.

Registered Office:

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

Dated: 27th February, 2015

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

A. K. Jajodia
Managing Director



Annexure to Annual General Meeting Notice

Information on Director seeking appointment / re-appointment at the ensuing Annual General Meeting (Pursuant to Clause 49(IV)(G)(i) of the Listing Agreements.)

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
Aditya Kumar Jajodia	01.02.1963	01.10.1992	Business Management	B.Com	Aditya Estates Private Limited North East Hydrocarbon Limited Chandra Estates Private Limited Gujarat Hydrocarbons & Power Sez Limited Dune Leasing & Finance Limited	NIL	Promoter Director No. of Shares held: 1152170	Re-appointment as the Managing Director
Amit Halder	15.02.1939	19.03.2012	Legal and Company Law	Fellow Member of The Institute of Company Secretaries of India, LLB, B.Com(Hons)	NIL	NIL	Director No. of Shares held : NIL	Retires by rotation at the Annual General Meeting
Sanjay Khandelwal	18.01.1965	05.02.2015	Business Management	Fellow Member of The Institute of Chartered Accountants of India, Associate Member of The Institute of Cost & Management Accountants of India B.Com (Hons.)	Sangrail Commercial Limited Brijwasi Retail Private Limited Growing Agencies Private Ltd Swarnayug Projects Limited Swarnayug Engineering Limited Swarnayug Agro Limited Swarnayug Food & Beverages Ltd Swarnayug Human Resources Ltd Dyuti Jewellery Limited Swarnayug Logistics Limited Mashaal Gems & Stones Limited Mashaal Fisheries Limited Eastern Synthetics Pvt Ltd Sunita Bonds & Holdings Ltd	NIL	Additional Director No. of Shares held : NIL	Additional Director



Directors' Report

DIRECTORS' REPORT

The Board presents the Thirty Eighth Annual Report and Accounts for the year ended 31st December, 2014. The Financial Results are set out below :

	Year ended 31st December, 2014 ₹	Year ended 31st December, 2013 ₹
Income	2,52,00,34,153	2,58,54,94,472
Profit before Interest, Depreciation and Amortisation	71,97,23,376	78,33,26,300
Interest and Finance Charges	62,21,06,894	61,29,26,436
Depreciation / Amortisation	4,94,46,718	5,80,91,424
Profit before Tax	4,81,69,764	11,23,10,440
Provision for Tax & Tax Adjustment	3,63,94,250	3,67,00,000
Profit after Tax	1,17,75,514	7,56,10,440
Balance brought forward from previous year	1,02,02,57,213	94,46,46,773
Available for Appropriation	1,03,20,32,727	1,02,02,57,213
Balance Carried Forward	1,03,20,32,727	1,02,02,57,213
	-	-

Directors' Responsibility Statement

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956 ("the Act") and based upon the representations from the Management, the Board states that:

- in preparing the Annual Accounts, applicable Accounting Standards have been followed and there are no material departures;
- the Directors have selected such accounting policies, applied them consistently and made judgements and estimates that are reasonable and prudent 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 of the Company for the year;
- the Directors have taken proper and sufficient care in maintaining adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared the Annual Accounts of the Company on a "going concern" basis.

Dividend

With a view to conserve resources to meet capital expenses required in oil and tea business in near future, your Directors feel it prudent not to recommend any Dividend for the Financial Year 2014.

Management Discussion and Analysis Report

The annexed Management Discussion and Analysis Report forms a part of this Report and covers, amongst other matters, the performance of the Company during the Financial Year 2014 as well as the future outlook.

Subsidiary Companies

The Statement pursuant to Section 212 of the Companies Act, 1956, containing details of Subsidiary Companies forms part of this Report.

In accordance with the General Circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Statement of Profit and Loss and other documents of the Subsidiary Companies are not being attached with the Balance Sheet of the Company.

Subject to prior arrangement, the Audited Annual Accounts of the Subsidiary Companies will be available for inspection by any Member at the Company's Registered Office on all working days (except Saturday) between 11:00 a.m. and 1:00 p.m. prior to the date of Annual General Meeting.



Directors

Mr. Amit Kumar Ghosh resigned from the Board with effect from 26th February, 2015. The Board wishes to place on record its appreciation of the valuable guidance and support given by him during his tenure as a Director of the Company.

At the Meeting of the Board of Directors of the Company held on 5th February, 2015, Mr. Sanjay Khandelwal was appointed as a Non-Executive Independent Director. Mr. Khandelwal retires at the ensuing Annual General Meeting. The Company has received a Notice under Section 160 of the Companies Act, 2013, from a Member signifying his intention to propose Mr. Khandelwal as a candidate for Directorship of the Company.

All the Directors have filed requisite forms and declarations as required under Section 164(2) and 184 (1) of the Companies Act, 2013. The brief resume/details relating to Directors who is to be appointed is furnished in the Notice of the ensuing Annual General Meeting.

Cost Audit

The Central Government has made it mandatory for the Company to conduct a cost audit and accordingly, the Company has appointed M/s. BCD & Associates, Cost Accountants, as its Cost Auditors.

Auditors

M/s. De Chakraborty & Sen, Chartered Accountants, the Statutory Auditors of the Company, retire at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment for a period of 5 (five) years. The Audit Committee has recommended their re-appointment as the Auditors of the Company.

Auditors' Observations

The remarks in the Auditors' Report are already explained in the Notes to the Accounts and as such, does not call for any further explanation or elucidation.

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. The Report is self-explanatory and does not call for any further comments.

Report on Corporate Governance

In accordance with the Listing Agreements with the Stock Exchanges, the Report on Corporate Governance in accordance with Clause 49 of the Listing Agreements along with the Auditors' Certificate is annexed to and forms a part of this Report.

Particulars as per Section 217 of the Companies Act, 1956

The information relating to Energy Conservation, Technology Absorption, Foreign Exchange Earnings and Outgo, pursuant to Section 217 (1) (e) of the Companies Act, 1956, is set out in Annexure "A" forming part of this Report.

Particulars of Employees as required under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, are set out in Annexure "B" forming part of this Report.

Acknowledgement

The Board sincerely thanks the Government of India, Ministry of Petroleum and Natural Gas, other Ministries, the Government of Assam, the Indian Tea Association, Tea Board, the Consortium and other Bankers, Customers, Shareholders, Vendors and other Stakeholders for their continued assistance and co-operation.

The Board also takes this opportunity to acknowledge the industrial harmony at all the tea gardens and other locales and also thanks the employees and other workmen for their commitment and dedication.

On behalf of the Board of Directors

A. K. Jajodia – *Managing Director*

Amit Halder – *Director*

Sanjay Khandelwal - *Director*

Kolkata

27th February, 2015



Directors' Report

ANNEXURE – 'A' FORMING PART OF THE DIRECTORS' REPORT

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO IN TERMS OF SECTION 217(1)(e) OF THE COMPANIES ACT, 1956, READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988, FOR THE YEAR ENDED 31ST DECEMBER, 2014.

FORM "A"		Year ended 31st December, 2014	Year ended 31st December, 2013
CONSERVATION OF ENERGY			
A. Power & Fuel Consumption			
1. Electricity			
a.	Purchased Units (KWH)	68,49,787	75,52,182
	Total Amount (Rs.)	6,47,37,206	6,34,75,223
	Rate per Unit (Rs.)	9.45	8.40
b.	Through diesel generator Units (KWH)	27,03,364	35,17,547
	Units per Litre of Diesel	2.69	3.01
	Cost / Unit (Rs.)	20.66	17.32
2. Coal			
	Quantity (Tonnes)	10,26,000	1,181,590
	Total Cost (Rs.)	81,88,575	77,16,177
	Average Rate (Rs. / Tonne)	7,985	6,530
3. Furnace Oil			
	Quantity in K. Litres (KL)	25,328	8.68
	Total Cost (Rs.)	12,48,976	4,65,102
	Average Rate (Rs. / KL)	49,312	53,589
4. Gas			
	Quantity (Scum)	49,72,178	70,45,291
	Total Cost (Rs.)	5,93,59,241	7,57,18,682
	Rate (Rs. / Scum)	11.94	10.75
B. Consumption Per Unit of Production			
	Production of Tea (Kgs.)	1,06,70,616	1,25,68,077
	Electricity (KWH)	0.90	0.88
	Furnace Oil (Litres)	0.64	0.62
	Coal (Kgs.)	1.35	1.30
	Gas (Scum)	0.47	0.56



ANNEXURE TO THE DIRECTORS' REPORT (CONTD.)

RESEARCH AND DEVELOPMENT (R&D)

- | | |
|-------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Specific Areas in which R & D carried out by the Company | Tea productivity and quality improvement, implementation of low input sources like biofertilisers, biopesticides and other biocontrol agents for pesticide free organic tea production and environment protection. Regular soil status study, exploitation of natural products from tea. |
| 2. Benefits derived as a result of the above R & D | Tea quality improvement, reduction of risk on pest & disease infestation. Adoption of technology from time to time in accordance with the work done by the Tea Research Association, Institute of Market Ecology and in-house R & D. |
| 3. Future plan of action | Development of suitable biocompost, biofertilisers and extensive usage of biological agents to control disease manifestation. Exploitation of natural ingredients in tea. |
| 4. Expenditure on R & D | |
| a) Capital | Nil |
| b) Recurring | Nil |
| c) Total | Nil |
| d) Total R&D expenditure as a percentage of total turnover | Nil |

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

- | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Efforts in brief made towards technology absorption, improvement, adaptation and innovation. | Efforts are made to improve indigenous cost effective technology for productive and quality improvement. Keeping co-ordination with Tea Research Association Laboratories and Company's in-house R & D Units. |
| 2. Benefits derived as a result of above efforts improvement, cost reduction, product development e.g. product import substitution etc. | Product improvement and Tea Quality improvement. |
| 3. In case of imported technology (imported during the last five years reckoned from the beginning of the financial year), following information may be furnished : | |
| a. Technology imported |] NOT APPLICABLE |
| b. Years of import | |
| c. Has technology been fully absorbed | |
| d. If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action. | |

FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year, foreign exchange outgo was Rs. 4.54 Crores. The foreign exchange earnings during the period was Rs. 45.92 Crores as against Rs. 42.10 Crores in the previous year. The details of the foreign exchange earnings and outgo are available in Note No. 37 and 38 to the Accounts.



Directors' Report

ANNEXURE TO THE DIRECTORS' REPORT

FORM "B"

STATEMENT PURSUANT TO SECTION 217(2A) OF THE COMPANIES ACT, 1956, READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975 FOR THE YEAR ENDED 31ST DECEMBER, 2014.

Name	Designation	Remuneration ₹	Qualifications	Experience (Years)	Date of Commencement of Employment	Age (Years)	Particulars of last Employment	Designation
Mr. Aditya Kumar Jajodia	Managing Director	63,21,679	B.Com	30	1st October, 1992	52	Worldlink Finance Limited	Managing Director

Notes:

1. Remuneration shown above includes Salary and Allowances, Commission, Bonus, Contribution to the Provident and Superannuation Funds, Leave Travel Assistance, Medical Expenses, actual House Rent and other perquisites valued in accordance with Income Tax Rules, 1962, for the year ended 31st December, 2014.
2. Nature of appointment – Contractual and is subject to the Rules and Regulations of the Company in force from time to time.
3. Except Mrs. Ruchika Jajodia, no other employee is a relative of any Director of the Company.

On behalf of the Board of Directors

A.K. Jajodia - Managing Director
Amit Halder - Director
Sanjay Khandelwal - Director

Kolkata
27th February, 2015



MANAGEMENT DISCUSSION & ANALYSIS REPORT INDUSTRY STRUCTURE AND DEVELOPMENT

TEA

The production of World tea crop was appx. 4800 Million Kgs. in 2014 as compared to 4819 Million Kgs. in 2013. Production of tea crop in India was 1184.80 Million Kgs. in 2014 as compared to 1200.40 Million Kgs. in 2013. The Indian tea production was declined by appx. 15 Million Kgs. mainly due to shortfall of similar quantity in North India. The crop in North India declined primarily due to unfavourable weather condition. The other major producing country i.e. Kenya was ahead in production by 13 Million Kgs. However, Sri Lankan crop was marginally down by 2 Million Kgs.

During 2014, average auction price in North India was marginally higher by ₹ 3.13/Kg. South India experienced as much as ₹ 16/Kg. downfall in prices during 2014 whereas Darjeeling tea price declined by over ₹ 60/Kg. during 2014. Domestic demand for tea continued to grow by 15-20 Million Kgs. each year. There was a strong domestic demand for good quality CTC teas which fetched a premium.

Total exports from India during 2014 were 201 Million Kgs. as against 219 Million Kgs. during 2013 – a decline of 18 Million Kgs. Declined export registered in almost all the countries.

In North India, an increase in wage cost due to wage revision as per the agreement and loss of crop has resulted in increase in the cost of production.

The Company, during 2014 produced 10.67 Million Kgs. of tea as against 12.57 Million Kgs. in 2013. The Company, during 2014 sold 10.38 Million Kgs. of tea at an average price of ₹ 207.83/Kg. as against 12.11 Million Kgs. sold in 2013 at an average price of 188.21/Kg.

Unlike in the industry, the Company's exports were higher. The Company during 2014, exported 1.845 Million Kgs. as against 1.661 Million Kgs. in 2013. The average price was ₹ 249/Kg. as compared to ₹ 253/Kg. in 2013.

In view of certain decisions taken by the Company in the 'field practice' of all its Estates, we are confident that the Year 2015 would yield better results for the Company in terms of revenues. This quality upgradation initiative of the Company will further enhance the Company's image in the Industry as 'Quality Tea makers'.

OIL AND NATURAL GAS :

India is the fourth-largest energy consumer (2013) of oil & gas in the world, accounting for 37 per cent of total energy consumption. With the limited availability of Crude Oil and Natural Gas, the country is still compelled to import over 75% of its domestic requirement.

India's oil demand is projected to grow by 40% during the next decade, which means domestic oil output will have to be more than tripled just to be on equal footing with the prevailing input scenario.

This would call for urgent proactive measures by the Government of India (GOI) to streamline the Exploration & Production (E & P) business and associated rules to make it more investor friendly.

Certain action already initiated by the GOI in the form of revision of Production Sharing Contract (PSC) rules and pricing norms are calculated positive steps in this direction. They would go a long way towards boosting of Exploration & Production efforts through indigenous and outside investments. Large scale innovations in the Oil and Gas Sector have become an essential prerequisite for India, purely on economic considerations.

The Oil and Gas scenario in India during 2013-14 is illustrated through the following parameters.

The estimated Balance Recoverable Reserves of crude oil and natural gas in India as on 1st April, 2014, was 762.74 Million Metric Tonnes and 1427.15 Billion Cubic Meters respectively.

Crude oil production during 2013-14 was 37.79 Million Metric Tonnes, which was 0.19% higher than the production during 2012-13 (37.86 Million Metric Tonnes). However, the gross production of natural gas in the country during 2013-14 was 35.41 Billion Cubic Meters, which was 12.96% lower than that of 2012-13 (40.68 Billion Cubic Meters).

During 2013-14, the country imported 189.24 Million Metric Tonnes of crude oil and 9.70 Million Tonnes of LNG, against 184.79 Million Metric Tonnes of crude oil and 9.70 Million Tonnes of LNG during 2012-13.

Crude oil production estimated during 2014-15 is 44.76 Million Metric Tonnes, which is 18.46% higher than



Management Discussion & Analysis Report

the production during 2013-14 (37.79 Million Metric tonnes). However, the gross estimated production of Natural Gas in the country during 2014-15 is 47.17 Billion Cubic Meters, which is 33.22% higher than that of 2013-14 (35.41 Billion Cubic Meters).

Indigenous production of oil and natural gas during 2015-16 has been projected at 42.54 Million Metric Tonnes and 50.815 Billion standard cubic meters.

The present Status on Oil and Gas Project with ACIL

The Company has three Oil and Gas Fields/Blocks in Assam Arakan Basin – Amguri (Discovered Field), AA-ON/7 (Exploration Block) and AA-ONN-2005/1 (Exploration Block) having Participating Interest (PI) of 40%, 35% and 10% 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 while AA-ONN-2005/1 Exploration Block is under consortium with Oil & Natural Gas Corporation Limited (ONGC) and Oil India Limited (OIL).

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 prolong 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 on 23rd December, 2014, with ONGC to takeover the field from them and to commence operations by the Company. The handover of the field to the Company by ONGC is awaiting for the approval of Bilateral Agreement by the GOI. The approval is expected to be received shortly.

The Company's rightful claim on 60% PI earlier held by CRL is being contested by the Company before an Arbitral Tribunal Board, where GOI is a party. The Company expects that the Award of the Tribunal will be available during the next financial year as the Arbitral proceeding are under progress.

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 (₹ 247.95 Crores) against CRL. The Tribunal had assigned a value of US\$ 4.16 million (₹ 26.35 Crores) for 60% PI in Amguri and US\$ 2.2071 million (₹ 13.97 Crores) for 52.9% shares of CRL, thereby awarding a net damage claim of US\$ 32.75 million (₹ 207.41 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 07.03.14 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.

Having finally appointed as the operator of the Field, the company is quite upbeat in commencing the production of oil and gas, which has remained suspended after the Field was closed by CRL in December, 2010.

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. The company feels that once the ownership of 60% PI in Amguri is resolved, GOI will take similar decision on AA-ON/7. GOI earlier vide letter Ref.No.O- 19024/29/2000-ONG-DV (Pt.1) dated 24.05.2013 had conveyed that they would take up the matter of execution of the new PSC alongwith the Company's claim of 65% PI with operatorship after resolution of Nagaland issue.



The Company is hopeful that the Nagaland issue between the State of Nagaland and GOI would be resolved soon as E & P activities by all operators have been stopped in the State of Nagaland. Considering high potential basin, GOI will ensure to resolve the issue for operators to commence exploration activities to step up domestic production, which is the need of the Country to save foreign exchange. GOI has reconfirmed the said status vide its communication DGH/(AA-ON/7)/New PSC/03 dated 9th February, 2015.

With regard to AA-ONN-2005/1 Exploration Block where ONGC is the operator, the Geological and Geophysical (G&G) activities are under progress, which are the activities in phase -1 of Exploration phase. The drilling activities in AA-ONN-2005/1 Exploraton Block will only commence after G & G activities are concluded and drilling potential is identified.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

In the Financial Year 2014, the Company had operations in two geographical segments, viz. domestic market and export market whereas around 83 per cent of the Company's Turnover is from the domestic market segment, the balance is from the export market segment.

The Company has 14 Tea Estates and 3 Oil Blocks all in the State of Assam.

In respect of the Tea business, total Sales is aggregated to ₹ 215.78 Crores, out of which, Domestic Sales was 85.37 Lacs Kg amounting to ₹ 169.85 Crores and Export Sales was 18.45 Lacs Kg amounting to ₹ 45.93 Crores.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Internal Control Systems of the Company is adequate and commensurate 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 employee and their dependent members at all levels in the Tea Estates, Oil & Gas field and other locales continue to remain cordial.

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 Hospital 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.



Management Discussion & Analysis Report

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 programmes “Annaprasan” a nutritious food programme for six month old babies is hold 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 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 give 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 activities 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 provide 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 snakes 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 environments impact from the use of pesticides and herbicides by only using environmentally friendly chemicals. The Estate have taken measures to reduce environments 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 programme 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 (NINE 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 PRACTISE

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 is 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.

Kolkata
27th February, 2015

On behalf of the Board of Directors

A. K. Jajodia – *Managing Director*
Amit Halder – *Director*
Amit Kumar Ghosh – *Director*



Secretarial Audit Report

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st December, 2014

To The Members of Assam Company India Limited

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 the 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 31.12.2014 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 31/12/2014 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under(As per Annexure-1);
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; (As per Annexure-2)
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; (As per Annexure- 3)
 - (iv) 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;
 - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):- (Details are as per annexure-4)
 - (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;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (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 Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - (vi) Factories Act, 1948 (Details are as per annexure-5)
 - (vii) Plantation Labour Act, 1951.(Details are as per annexure-5)
 - (viii) Provident Fund Act, (Details are as per annexure-6)
 - (ix) Payment of Gratuity Act, 1972 (Details are as per annexure-7)
 - (xii) Sexual Harrasment (Prevention and Redressal) Act, 2013 (Details are as per annexure-8)
 - (xii) The West Bengal State Tax on Professions, Trades, Callings and Employments Act, 1979 (Details are as per Annexure-9)
- We have also examined compliance with the applicable clauses of the following:
- (i) The Listing Agreements entered into by the Company with National Stock Exchange and Bombay Stock Exchange, (Details are as per annexure-10)



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 duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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. However, the Nomination and Remuneration Committee formed by the Company is not constituted with the conformity of the Companies Act, 2013.

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.

We further report that during the audit period the Members of the Company has passed a Special Resolution at the Annual General Meeting of the Company held on 27th June, 2014, to authorize the Company to borrow a sum not exceeding ₹ 1500 Crore and the said Resolution was filed with the Registrar of Companies within the specified time limit.

For S.SARKAR & ASSOCIATES

Company Secretaries

SANDIP SARKAR

(Proprietor)

Membership No-FCS 7524

CP No-9483

27th February, 2015

Kolkata

Companies Act, 1956 and Companies Act, 2013

Annexure-1

The Financial Year of the Company commenced with effect from 1st January, 2014 and ended on 31st December, 2014. Therefore, the Company was required to follow certain provisions of the Companies Act, 1956 during the period 1st day of January, 2014 to 31st March, 2014. On the basis of our verification and examination we hereby report the details of the compliance under the Companies Act as follows:

1. The Board of Directors duly met 5 (Five) times respectively on 26/02/2014, 15/05/2014, 13/08/2014, 17/10/2014 and 14/11/2014 as per information and explanations given by the Management, in respect of which, proper notices were sent to all the Directors and the gap between two Board Meetings was within one hundred and twenty days. The proceedings were properly recorded and the Minutes Book maintained for the purpose were signed.

Further, the Company held it's Meeting of Independent Directors on 17/10/2014 in compliance of Schedule IV of the Companies Act, 2013 and as per Clause 49 of the Listing Agreement.

The Company also held meetings of various committees like Audit Committee, Nomination and Remuneration Committee and Stake Holders Relationship Committee.

2. The Company closed its Register of Members from 02/06/2014 to 27/06/2014.
3. The Annual General Meeting for the Financial Year ended on 31st December, 2013 was held on 27th June, 2014 as per the information and explanation given by the Management. The Company had given adequate notice to the Members of the Company and the Resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
4. No Extra-ordinary General Meeting was held during the Financial Year.
5. The Company has not advanced any loans to its Directors or persons or firms or companies referred to under Section 185 of the Companies Act 2013.
6. The Company has duly complied with the provisions of Section 188 of the Companies Act, 2013 in respect of contracts specified in that Section.



Secretarial Audit Report

7. The Company has made necessary entries in the Register maintained under Section 184 of the Act.
8. The Board of Directors duly constituted Committee of Directors like Audit Committee, Nomination and Remuneration 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.
9. The Company has :
 - (i) delivered all certificates on allotment of securities and on lodgement thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act;
 - (ii) transferred the amounts in Unpaid Dividend Account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund (applicable when Rules are notified).
10. The Company has a Managing Director. However, the remuneration paid to the Managing Director during the reporting period is not within the limit as specified under the Companies Act.
11. The Company has not obtained any approval of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act during the Financial Year in relation to any matter.
12. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under .
13. The Company has not issued any shares or other securities during the Financial Year.
14. The Company has not bought back any shares during the Financial Year.
15. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
16. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A of the Companies Act, 1956 and Section 74 of the Companies Act, 2013 during the Financial Year.
17. 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 charged the interest on inter corporate loan in conformity with the Section 186 of the Companies Act, 2013.
18. The Company has not altered the provisions of Memorandum with respect to situation of the Company's Registered Office from one State to another during the year under scrutiny.
19. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
20. The Company has not altered the provisions of the Memorandum with respect to the name of the Company during the year under scrutiny.
21. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
22. The Company has not altered its Articles of Association during the Financial Year.
23. There was/were no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the Financial Year for offenses under the Act.
24. The Company has appointed all Key Managerial Personnel as per Section 203 of the Companies Act, 2013 within the period of six months from the date of commencement of the said Section and it has been reported to the Registrar of Companies within the due date. Further the office of any Key Managerial Personnel was not vacated for a period more than six months.



Annexure- 2

The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;

The Company has already complied all the provisions in relation to the Securities Contracts (Regulation) Act, 1956 and the Rules made there under.

Annexure- 3

The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

The Company has entered with National Securities Depositories Limited (NSDL) and Central Depository Services Limited (CDSL) to dematerialize it's shares and it has complied all the required compliance under this Act. The Company has complied with Clause 55A of SEBI (Depositories and Participants) Regulation, 1996 in respect to the Share Reconciliation Audit.

Annexure-4

Securities and Exchange Board of India Act, 1992 ('SEBI Act') and Rules made there under

The Company has complied all the provisions under the Securities and Exchange Board of India Act, 1992. However, there were five instances where the Company had failed to disclose under Regulation 29(2) and 31(2) of The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 within the stipulated time period.

During the reporting period the Company has not made any buy back of it's securities.

Factories Act, 1948 and Plantation Labour Act, 1951

Annexure -5

The Company is engaged in tea plantation and tea manufacturing business. It has Fourteen number of tea estate and adjacent factories. The Company has complied the requirements in relation to working hours of women and child labour in the factory. It also complied in relation to health, safety and welfare measures in the factories. The Company has also appointed the Factory Occupier.

All the factories have valid factory license to operate it's activities. The Company has obtained pollution control clearance from the appropriate authority to operate it's activities.

Provident Fund Act, 1952

Annexure-6

The Company has send monthly return in Form 5 together with declaration in Form 2 to the Commissioner. Further the employer has prepared the contribution card in respect of every employee in his employment. The Consolidated annual contribution statement has been send by the Company to the PF commissioner.

Payment of Gratuity Act, 1972

Annexure-7

The Company has properly constituted the gratuity trust and appointed trustees over there. We have found that the all payments made during the period were according to the provisions of the Act.

The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013

Annexure-8

The Company has not properly constituted any Committee to prevent the sexual harassment at the work place as per Vishakha Guidelines during the reporting period. However, as per explanation given by the Management that they are on the process to constitute a proper Guideline and a Committee to prevent the sexual harassment at the Organization.

The West Bengal State Tax on Professions, Trades, Callings And Employments Act, 1979

Annexure-9

The Company has timely deposited the Professional Tax deducted from the salary of it's employees and the Professional Tax of the Company also and timely filed the Returns under the above Act.

However the Company has not registered it's Directors under the above Act and not deposited the said tax for the Directors of the Company.

Listing Agreement-

Annexure-10

The Company is listed on Bombay Stock Exchange and National Stock Exchange and has complied most of the listing requirements on time.



Report on Corporate Governance 2014

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 CLAUSE 49 (II) (E) (2) OF THE STOCK EXCHANGE LISTING AGREEMENT

As the Managing Director of Assam Company India Limited and as required by Clause 49(II) (E) (2) of the Stock Exchange Listing Agreements, I hereby declare that all the Board Members and Senior Management Personnels of the Company have affirmed Compliance with the Company's Code of Business Conduct and Ethics for the Financial year ended 31st December, 2014.

Kolkata
27th February, 2015

A. K. Jajodia
Managing Director

2. Board of Directors:

The Board of the Company as at 31st December, 2014, comprised of three Directors (Managing Director and two Non-Executive Directors). The Board is headed by the Executive Managing Director, Mr. A. K. Jajodia.

During the year under review, Five (5) Board Meetings were held, the dates being, 26th February, 15th May, 13th August, 17th October and 14th November, 2014. The last Annual General Meeting was held on 27th June, 2014.

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		Directorships and Chairmanships/ Memberships of Board and Board Committees in other Companies****		
			BOARD MEETING	LAST AGM	Director (1)	Member (2)	Chairman (3)
Dr.K.K.Jajodia*	Chairman, Promoter	Non-Executive Non Independent	-	No	NIL	NIL	NIL
Mr.A.K.Jajodia	Managing Director, Promoter	Executive	1	No	5	NIL	NIL
Mr.Amit Halder	Director	Non-Executive Independent	5	Yes	NIL	NIL	NIL
Mr. Amit Kumar Ghosh**	Director	Non-Executive Independent	5	No	NIL	NIL	NIL
Mr. Sanjay Khandelwal***	Director	Non-Executive Independent	N.A.	N.A.	14	NIL	NIL

* Dr. K. K. Jajodia had left for the heavenly abode at 4:30 a.m. on Wednesday, 14th May, 2014.



- ** Mr. Amit Kumar Ghosh resigned as an Independent Director with effect from 26th February, 2015.
- *** Mr. Sanjay Khandelwal was appointed as an Additional Director on the Board of the Company with effect from 5th February, 2015.
- **** Excluding directorship in private limited companies, foreign companies and companies incorporated under Section 25 of the Companies Act, 1956.
- (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. Amit Halder will retire by rotation at the forthcoming Annual General Meeting and is sought to be appointed as an Independent Director pursuant to Item No. 4 as part of Special Business of the Notice. A brief resume of the Director and nature of his expertise in specific functional areas has been provided in the Statement to the Notice convening the forthcoming Annual General Meeting.
 - (4) The Company has 2 (two) Independent Directors as on 31st December, 2014. As required by Clause 49 (II) (B) (6) the Independent Directors held their Meeting on 17th October, 2014, 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.

3. Audit Committee:

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

During the year under review, four (4) Audit Committee Meetings were held on 26th February, 15th May, 13th August, and 14th November, 2014. The attendance at the aforesaid Meetings was as follows:

Composition	Mr. Amit Halder (Chairman)	Mr. Amit Kumar Ghosh *	Mr. A. K Jajodia
Committee Meetings attended	4	4	1

*Mr. Amit Kumar Ghosh resigned as a Member of the Committee with effect from 26th February, 2015. Mr. Sanjay Khandelwal became a Member of the Committee with effect from 27th February, 2015.

Terms of Reference

The Terms of Reference of the Audit Committee are in accordance with those specified in Clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013, though the Financial Statements have been prepared following the Companies Act, 1956.

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 as and when the necessity arises. The Committee consists of:

Mr. Amit Halder	Chairman
Mr. Amit Kumar Ghosh	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.10,000 for attending each Meeting of the Board or Audit Committee upto 30th October, 2014. The Sitting fees was increased to Rs.20,000 with effect from 1st November, 2014, for attending each Meeting of the Board or Audit Committee. They were further paid a Sitting Fees of Rs. 1500 for attending each Meeting of the Stakeholders Relationship Committee.



Report on Corporate Governance 2014

The details of Directors' remuneration for the year ended 31st December, 2014, are as follows:

Name of Director	Sitting Fees ₹	Salary ₹	Benefits ₹	Provident Fund & Pension Fund ₹	Total ₹	Notice period in month(s)
Dr. K. K. Jajodia, Chairman	NIL	NIL	NIL	NIL	NIL	NA
Mr. A. K. Jajodia, Managing Director	NIL	24,00,000	32,73,679	6,48,000	63,21,679	3
Mr. Amit Halder	1,40,000	NA	NA	NA	1,40,000	NA
Mr. Amit Kumar Ghosh	1,19,000	NA	NA	NA	1,19,000	NA
Total	2,59,000	24,00,000	32,73,679	6,48,000	65,80,679	

During the year ended 31st December, 2014, 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.

5. Stakeholders Relationship Committee:

The Committee comprises of the following Directors:

Mr. Amit Halder	Chairman (Non – Executive)
Mr. A.K. Jajodia	Member (Managing Director)
Mr. Amit Kumar Ghosh	Member (Non – Executive)
Mr. Sanjay Sharma	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 19 meetings of the Committee were held.

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

	Number of shares
Physical Transfer:	8,81,050
Physical Transmission :	56,420
Dematerialization:	18,40,650
Rematerialisation :	1

Note : One request for physical transfer of shares was pending as on 31st December, 2014

There are no complaints from Members pending unresolved as at 31st December, 2014. 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	...	4
b) No. of complaints not resolved/no action taken	...	Nil
c) No. of pending Complaints as on 31st December, 2014	...	Nil

6. General Body Meetings:

Details of last three Annual General Meeting

No. of AGM	Date	For the Year	Venue	Special Resolutions passed
35th	29th September, 2012	2011	Registered Office: Greenwood Tea Estate, P.O. Dibrugarh, Assam	Nil
36th	29th June, 2013	2012	Registered Office: Greenwood Tea Estate, P.O. Dibrugarh, Assam	Nil
37th	27th June, 2014	2013	Dibrugarh & District Planters' Club Lahoal, P.O. Dibrugarh, Assam	2

7. 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 year ended 31st December, 2014, that may have a potential conflict with the interests of the Company at large.
- 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.

8. Risk Management Committee:

The Committee comprises of the following Directors and Senior Officials :

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

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

9. Means of Communication:

- Quarterly, half-yearly and Annual Financial Results in the forms prescribed in the Listing Agreement are published in The Financial Express/ Business Standard and Azir Assam/Niyomiya Barta (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 Shareholding Pattern and Quarterly Report on Corporate Governance under BSE Listing Centre of Bombay Stock Exchange Limited and NEAPS mode of National Stock Exchange of India Limited.

10. General Shareholder Information:

Annual General Meeting

Date & Time	: 24th June, 2015, Wednesday, at 11.00 a.m.
Venue	: Dibrugarh & District Planters' Club, Lahoal, P.O. Dibrugarh, Assam.
Financial Year	: Financial Year of the Company is January to December.
Date of Book Closure	: 17th June to 24th June, 2015, both days inclusive.



Report on Corporate Governance 2014

Stock Market Data

MONTH	BSE		NSE		SENSEX		NIFTY	
	High ₹	Low ₹	High ₹	Low ₹	High	Low	High	Low
January, 2014	6.99	5.00	7.00	5.00	21409.66	20343.78	6358.30	6027.25
February, 2014	5.60	3.94	5.60	3.90	21140.51	19963.12	6282.70	5933.30
March, 2014	4.74	4.16	4.75	4.15	22467.21	20920.98	6730.05	6212.25
April, 2014	5.65	4.50	5.55	4.65	22939.31	22197.51	6869.85	6650.40
May, 2014	7.84	4.65	7.80	4.65	25375.63	22277.04	7563.50	6638.55
June, 2014	8.50	5.70	8.50	5.75	25725.12	24270.20	7700.05	7239.50
July, 2014	7.39	5.31	7.35	5.35	26300.17	24892.00	7840.95	7422.15
August, 2014	5.99	3.98	5.95	3.95	26674.38	25232.82	7968.25	7540.10
September, 2014	5.67	4.26	5.65	4.25	27354.99	26220.49	8180.20	7841.80
October, 2014	4.50	4.26	4.75	4.30	27894.32	25910.77	8330.75	7723.85
November, 2014	5.17	4.35	5.20	4.35	28822.37	27739.56	8617.00	8290.25
December, 2014	5.84	3.88	5.80	3.85	28809.64	26469.42	8626.95	7961.35

Listing on Stock Exchanges :

National Stock Exchange of India Ltd. (NSE)
“Exchange Plaza”
Bandra Kurla Complex
Bandra (E), Mumbai - 400 051.

Bombay Stock Exchange Limited (BSE)
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai - 400 001.

The Company has paid the Annual Listing Fees for the year 2014-2015.

Stock Code

NSE – ASSAMCO

BSE – 500024

ISIN No. for NSDL & CDSL

ISIN-INE 442A01024

Registrar & Share Transfer Agent:

C. B. Management Services Pvt. Ltd.,
P-22, Bondel Road, Kolkata - 700 019.
Tel: 4011 6700/11/18/23, 2280-6692/93/94
Fax: 2287-0263 Email: rta@cbmsl.com
Website: www.cbmsl.com

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 Clause 47 (c) of the Listing Agreement with the Stock Exchanges and files a copy of the Certificate with the Stock Exchanges.

(a) Distribution of Shareholding as on 31st December, 2014:

Group of shares		Number of Shareholders	% of Total Shareholders	Number of Shares	% Shares
From	To				
1	500	33,917	54.49	80,85,482	2.61
501	1000	10,692	17.18	96,25,673	3.11
1001	2000	7,163	11.51	1,17,52,290	3.79
2001	3000	2,860	4.59	77,10,696	2.49
3001	4000	1,283	2.06	47,43,935	1.53
4001	5000	1,779	2.86	86,06,421	2.78
5001	10000	2,397	3.85	1,87,25,447	6.05
10001	99999999	2,158	3.46	24,05,11,019	77.64
TOTAL		62,249	100.00	30,97,60,963	100.00

(b) Shareholding Pattern as on 31st December, 2014:

Promoter	Number of Shares held	% Shares
Indian	85,99,463	2.78
Foreign	12,26,42,596	39.59
Sub Total	13,12,42,059	42.37
Public		
Foreign Institutional Investors/ Overseas Body Corporate	NIL	NIL
Non Resident Individuals	25,64,868	0.83
Financial Institutions & Banks	75,68,058	2.44
Mutual Fund/UTI	20,160	0.01
Others	16,83,60,818	54.35
Foreign National	NIL	NIL
Trust	5,000	0.00
Sub Total	17,85,18,904	57.63
TOTAL	30,97,60,963	100.00

Physical / Dematerialisation of Shares as on 31st December, 2014 :

	Number of Shareholders	Number of Shares	%
Physical	2,460	38,87,243	1.26
Demat	59,789	30,58,73,720	98.74
TOTAL	62,249	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, 1992, as amended in February, 2002, 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 Chief Financial Officer was appointed as the Compliance Officer for this purpose.



Report on Corporate Governance 2014

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. The Company has obtained permission from Reserve Bank of India (RBI) for extending the time for redemption of Outstanding FCCBs beyond the maturity date.

Address for Investors' correspondence for Queries, if any

C. B. Management Services Pvt. Ltd.,
P-22, Bondel Road,
Kolkata - 700 019.
Tel : 4011 6700 / 11 / 18 / 23
2280-6692 / 93 / 94
Fax : 2287-0263
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.

11. OFFICES OF THE COMPANY:

Registered Office

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

Head Office

52, Chowringhee Road,
Kolkata - 700 071.

Branch Offices

- (i) Girish Chandra Bardalai Path,
Bamunimaidam, Guwahati - 781 021
- (ii) 2nd 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 three Oil and Gas Blocks located as follows :

State	Block
Assam	Amguri
Assam	AAONN-2005/1
Assam & Nagaland	AA-ON/7

12. Compliance with Clause 47 (f) of the Listing Agreement :

In compliance with the provisions of Clause 47(f) of the Listing Agreement, a separate e-mail ID **redressal@assamco.com** operates as a dedicated ID solely for the purpose of registering Complaints.

13. Compliance Certificate of the Auditors :

The Company has obtained a Certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreements. The Certificate is annexed.

COMPLIANCE WITH NON-MANDATORY REQUIREMENTS

The Company has adopted all mandatory requirements of Clause 49 of the Listing Agreements and the status of compliance in respect of non-mandatory requirements stipulated by the said Clause is as under:

- The tenure of Independent Directors is not being restricted to the period of 9 years in aggregate since the Board of Directors is unanimously of the opinion that the length of the tenure on the Board would not have any material negative impact on the performance of Independent Directors and discharge of their duties towards the Company.
- The quarterly / half yearly financial results are published in leading English newspapers and also in Assamese Newspapers circulating in the District where the Registered Office of Company is situated and are also accessible on the Company's website. The Results are, therefore, not separately circulated to the Members.
- 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.
- The Company is in the process to constitute a proper guideline and a Committee to prevent the sexual harassment at the Organization.

On behalf of the Board of Directors

Kolkata
27th February, 2015

A.K. Jajodia
Managing Director



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 under Clause 49 of the Listing Agreement with Stock Exchanges 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 December, 2014 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 December, 2014, 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

27th February, 2015

A. K. Jajodia

Managing Director

Sanjay Sharma

Chief Financial Officer



AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To
The Members of Assam Company India Limited

1. We have examined the compliance of the conditions of Corporate Governance by Assam Company India Limited, for the year ended 31st December, 2014, as stipulated in Clause 49 of the Listing Agreements of the said Company with the Stock Exchanges in India.
2. The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementations 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.
3. 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 Listing Agreements.
4. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For De Chakraborty & Sen
Chartered Accountants
FR No. 303029E

(S.Chakraborty)
Partner
(Membership No. 055317)

Kolkata
27th February, 2015



IMPORTANT COMMUNICATION FOR MEMBERS

27th February, 2015

Dear Sir(s) / Madam,

The Ministry of Corporate Affairs (MCA) has issued a Circular on 21st April, 2011, stating that the service of documents by a company may be made through electronic mode. The Circular has been issued in pursuance of “Green Initiative in the Corporate Governance” taken by MCA.

Keeping in view the above Circular, it is proposed to send documents like Notice of the Annual General Meeting and Annual Reports and Postal Ballot papers etc., in electronic form. These documents will be sent to those Members, who have already provided their E-mail IDs, unless they exercise their option to receive them in physical form by visiting the following Website of our Registrar and Share Transfer Agents (RTA).

Those who are holding Shares in Dematerialized mode but have not provided their E-mail IDs, are requested to please provide the same to their respective Depository Participants immediately. Those who, however, intend to receive the above documents in physical form, are requested to please exercise their option immediately by visiting the following Web Page of our RTA : www.cbmsl.com/green.php

Members holding Shares in Physical mode are requested to visit the following Website and register their E-mail IDs and also exercise their option if you intend to receive the documents in physical form www.cbmsl.com/green.php

Thanking you,

Yours faithfully,

For **ASSAM COMPANY INDIA LIMITED**

A. K. Jajodia

Managing Director



To The Members of Assam Company India Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Assam Company India Limited**, which comprise the Balance Sheet as at December 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the Year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the companies act, 1956 ("the act") read with the General circular 15/2013 dated 13th September 2013 of the Ministry of corporate Affairs in respect of section 133 of the companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at December 31, 2014.
- (b) In the case of the Statement of Profit and Loss Account, of the loss for the year ended on that date.
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

- a. Without qualifying our opinion, we draw your attention to Note No.11 in relation to rate of depreciation on certain oil and gas producing assets of the company whose net book value at the year-end aggregate to Rs. 5,175.76 lakhs that are being depreciated on consistent basis in accordance with the "Unit of Production" method as per guidance note on "Accounting for Oil & Gas Producing Activities" issued by The Institute of Chartered Accountants of India in February 2003 because no rates have been specified for the aforesaid class of fixed assets under Schedule XIV to the Act. The depreciation on the balance oil and gas producing assets, whose net book value aggregating to Rs.102.35 lakhs has been provided as per Schedule XIV to the Act. The company is still awaiting the response to application to Central Government pursuant to Section 205 of the Act seeking approval to depreciate the aforesaid assets in accordance with the "Unit of Production" method. This financial statement does not include any adjustments on consequential impact



Auditors' Report

should the Central Government direct the company to adopt any other method on rate of depreciation other than "Unit of Production" method.

- b. Without qualifying our opinion, attention is drawn to Note No. 39 in relation to the AA ON/7 Exploration & Production (E&P) Asset, we are unable to express any opinion on the outcome of the project, pending execution of the new Production Sharing Contract (PSC).
- c. Without qualifying our opinion, attention is drawn to Note No. 52 in relation to sale of assets both immovable and moveable, of Salonah Tea Estate pending execution of the conveyance in respect to the immovable properties.

Report on Other Legal and Regulatory Requirements

1. The Companies Act 2013 has been made effective since 1st April 2014. The Ministry of Corporate Affairs has not passed any Order under section 143(11) of the Companies Act, 2013 so far. Hence, until any Order, as aforesaid, is issued, no additional reporting under section 143(11) of the Companies Act, 2013 is required by the Auditors for Financial Year 2014-15. However, as the Financial Statements have been prepared as required under the Companies Act 1956, as required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches and tea estates / gardens not visited by us.
 - bb. the accounts of tea estates / gardens have been audited under section 228 by the company's auditors. Hence, the requirement of forwarding the report by other auditors on the accounts of such branch offices, tea estates / gardens and dealing with the same in our report did not arise.
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from branches and tea estates.
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of corporate Affairs in respect of section 133 of the companies Act, 2013.
 - e. on the basis of written representations received from the directors as on December 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on December 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For De Chakraborty & Sen
Chartered Accountants
F.R. No. 303029E

(Srijit Chakraborty)
Partner

Membership No.: 055317

Place: Kolkata
Date: 27th February 2015



Annexure to The Auditors' Report

(Referred to in paragraph 3 of our report of even date to the member of Assam Company India Limited on the financial statements ended on 31st December, 2014)

- 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 company has in the year 2012 entered into an Agreement for Sale of a substantial part (being a unit). The conveyance of the immovable property is pending.
- ii (a) Physical verification of inventory has been conducted at reasonable intervals during the year by the management except for Oil and Gas Division.
- (b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company has maintained proper records of inventory. No material discrepancies were noticed on physical verification.
- iii (a) According to the information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of The Companies Act, 1956.
- (b) According to the information and explanations given to us, the company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of The Companies Act, 1956.
- (c) In our opinion, and according to information and explanations given to us, the rate of interest and other terms and conditions of loans given or taken by the company, secured or unsecured, are generally not prejudicial to the interest of the company, except in one case which in our opinion was prima facie prejudicial to the interest of the company on the ground of rate of interest paid and charged.
- iv In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the company, and according to the information and explanations given to us, we have neither come across nor we have been informed of any continuing or habitual failure to correct major weaknesses in the aforesaid internal control system.
- v On the basis of our examination of the books of account, the company has not entered into any contract or arrangement with any party during the financial year that need to be entered in the register pursuant to Section 301 of the Companies Act, 1956.
- vi The Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the Act and the rules framed there under.
- vii The company has an internal audit system commensurate with the size and nature of its business.
- viii 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 clause (d) of sub-section (1) of Section 209 of the Act and are of the opinion 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.
- ix (a) According to records examined by us, in our opinion, the company is regular in depositing undisputed statutory dues including TDS, Provident Fund, Investor Education and Protection Fund, Income-tax, Sales tax, Wealth Tax, Service Tax, Excise Duty, Tea Cess, profession tax and the outstanding dues



Auditors' Report

on the last date of financial year are not for a period of more than 6 months from the day they become payable.

- (b) According to information and explanations given to us, there is no disputed dues regarding service tax, professional tax, wealth tax, provident fund, tea cess, investor Education and Protection Fund, but the details of disputed dues of sales tax and income tax are as follows:

Sl. No.	Name of the Statute	Nature of dues	Amount ₹	Period to which relates	Forum where dispute is pending
1	Income Tax Act, 1961	Income Tax	28,631,700	2011-12	Under Assessment.
2	The West Bengal Sales tax Act, 1994	West Bengal Sales tax Act, 1994	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
3	Central Sales Tax, 1956	Central Sales Tax	75,34,984	2001-02	Appellate & Revisional Board of Commercial Taxes
	Do	Do	1,68,552	2002-03	Do
	Do	Do	61,83,248	2003-04	Do
	Do	Do	2,37,701	2004-05	Do
	Do	Do	1,34,56,558	2006-07	Sr. Jt. Comm., South Circle
	Do	Do	34,44,737	2008-09	Appellate & Revisional Board of Commercial Taxes
4	Assam General Sales Tax Act, 1993	Assam Sales Tax	6,63,927	2001-02	Commissioner of Taxes
5.	The Assam Professions, TRADE, Calling & Employment Taxation Act, 1947	Professional Tax	2,35,000	2013-14	Profession Tax Authority

- x The company has no accumulated losses as at 31st December, 2014 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- xi 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.121.45 crores (Rs 2.08 crores since repaid), fell due on various dates during the year 2014. The company has also defaulted in repayment of principal matured Foreign Currency Convertible Bonds of \$3.1 million (Rs.19.63 crores) details of the same is given in note 40 forming part of the Financial Statements.
- xii The company has not granted any loans and advances on the basis of security by way pledge of shares, debentures and other securities.
- xiii The provisions of any special statute applicable to chit fund/ nidhi/ mutual benefit fund/ society are not applicable to the company.



- xiv In our opinion, the company is not a dealer or trader in shares, securities, debentures and other investments.
- xv In our opinion and according to information and explanations given to us, the terms and conditions of the guarantees given by the company, for loans taken by others from banks or financial institutions during the year are not prejudicial to the interest of the company.
- xvi In our opinion and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained.
- xvii On the basis of an overall examination of the Balance Sheet of the company, in our opinion and according to the information and explanations, given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
- xviii On the basis of an overall examination of the Balance Sheet of the company, in our opinion and according to the information and explanations, given to us, the company has not made any preferential allotment to parties and Companies covered in the register maintained under 301 of the Act.
- xix On the basis of an overall examination of the Balance Sheet of the company, in our opinion and according to the information and explanations, given to us, the company has not issued any debentures during the year.
- xx On the basis of an overall examination of the Balance Sheet of the company, in our opinion and according to the information and explanations, given to us, the company has not raised any money by public issues during the year.
- xxi 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 on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

**For De Chakraborty & Sen
Chartered Accountants
F.R. No. 303029E**

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

Place: Kolkata
Date: 27th February 2015

**BALANCE SHEET AS AT 31st DECEMBER, 2014**

	Notes	31st December, 2014 (₹)	31st December, 2013 (₹)
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	309,760,963	309,760,963
Reserves and Surplus	3	3,367,749,518	3,364,617,434
		<u>3,677,510,481</u>	<u>3,674,378,397</u>
Non-current Liabilities			
Long - Term Borrowings	4	2,489,706,334	4,396,235,474
Other Long - Term Liabilities	5	792,993	2,541,389
Long - Term Provisions	6	446,311,755	385,848,375
		<u>2,936,811,082</u>	<u>4,784,625,238</u>
Current Liabilities			
Short - Term Borrowings	7	1,814,610,679	1,662,887,929
Trade Payables	8	148,125,052	119,499,888
Other Current Liabilities	9	3,622,885,034	2,658,858,407
Short - Term Provisions	10	383,227,465	362,613,606
		<u>5,968,848,230</u>	<u>4,803,859,830</u>
TOTAL		12,583,169,793	13,262,863,465
ASSETS			
Non-current Assets			
Fixed assets	11		
Tangible assets		3,390,804,526	3,417,934,105
Intangible assets		1,677,124	2,211,119
Capital work in progress	12	4,957,459,081	4,367,550,405
Non-current Investments	13	85,824,219	84,024,219
Long - term Loans and advances	14	152,288,541	105,124,249
Other non - current assets	15	222,791,633	243,453,173
		<u>8,810,845,124</u>	<u>8,220,297,270</u>
Current Assets			
Current Investments	13	900,000	900,000
Inventories	16	308,437,498	255,832,079
Trade Receivables	17	591,613,159	1,239,296,362
Cash and Bank balances	18	236,210,922	75,860,512
Short - term loans and advances	19	2,606,934,115	3,273,994,596
Other current assets	20	28,228,975	196,682,646
		<u>3,772,324,669</u>	<u>5,042,566,195</u>
TOTAL		12,583,169,793	13,262,863,465

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
Place: Kolkata
Date: 27.02.2015

On behalf of the Board

A.K. Jajodia - Managing Director
Amit Halder - Director
Sanjay Khandelwal - Director


STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST DECEMBER, 2014

	Notes	31st December, 2014 (₹)	31st December, 2013 (₹)
INCOME			
Revenue from Operations	21	2,157,799,055	2,277,802,640
Other Income	22	362,235,098	307,691,832
Total Revenue		2,520,034,153	2,585,494,472
EXPENSES			
Cost of Raw Materials Consumed	23	–	12,493,936
Changes in inventories of finished goods	24	(33,427,323)	(13,045,220)
Employee benefits expense	25	730,962,496	698,931,879
Finance costs	26	622,106,894	612,926,436
Depreciation and amortisation expense	11	49,446,718	58,091,424
Other expenses	27	1,102,775,604	1,103,785,577
Total Expenses		2,471,864,389	2,473,184,032
PROFIT BEFORE TAX		48,169,764	112,310,440
Tax Expenses:			
Income Tax		32,300,000	36,500,000
Wealth Tax		65,000	200,000
Earlier years Tax adjustments		4,029,250	–
PROFIT FOR THE YEAR		11,775,514	75,610,440
Earnings per Equity Share			
[Nominal value per share: Re.1/- (31.12.2013- Re. 1/-)]			
Earnings per Equity Share (Basic and Diluted)		0.04	0.24

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

Place: Kolkata

Date: 27.02.2015

On behalf of the Board

A.K. Jajodia - Managing Director

Amit Halder - Director

Sanjay Khandelwal - Director



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2014

	Year Ended 31st December, 2014 (₹)	Year Ended 31st December, 2013 (₹)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	48,169,764	112,310,440
Adjustments for:		
Interest income	(62,344,099)	(20,894,200)
(Profit) on sale of Fixed Assets	(4,789,122)	(108,285,648)
(Profit) on sale of Investments	-	(13,680,349)
(Income) from Investments other than trade	(203,206)	(48,454)
Provision for Retirement Benefits	54,590,865	8,837,378
Interest and Finance Charges (net of subsidy)	446,129,234	430,302,727
Depreciation/Amortisation	49,446,718	58,091,424
Provision for doubtful advances, deposits and interest accrued	-	1,146,586
Fixed Asset Written off	-	589,751
Unrealised foreign exchange difference-net (gain)/loss	45,547,291	106,303,666
Provision for doubtful advances, deposits and interest accrued no longer req w/b	(171,267,406)	(5,689,292)
Liabilities no longer required written back	(53,956,047)	(13,486,458)
Operating Profit before Working Capital Changes	351,323,992	555,497,571
Adjustments for:		
Trade and other receivables	2,467,824,699	68,381,845
Inventories	(52,605,419)	(10,227,958)
Trade payables and other liabilities	1,036,132,277	2,614,379
Cash generated from Operations	3,802,675,549	616,265,837
Direct Taxes Paid (Net of Refund)	(13,497,727)	13,193,032
Net Cash from Operating Activities	3,789,177,822	629,458,869
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(615,967,980)	(117,346,325)
Sale of fixed assets	6,598,761	90,671,048
Purchase of investments	(1,800,000)	-
Investment in Subsidiaries	-	(650,000)
Sale of investments Revauation Reserve	-	21,179,530
Loans / deposits made with subsidiaries / third parties	14,344,098	(31,469,734)
Refund of loans / deposits made with subsidiaries / third parties	(831,399,224)	5,126,900
Income from Investments other than trade	203,206	48,454
Interest received	39,822,377	8,548,993
Net Cash (used in) Investing Activities	(1,388,198,762)	(23,891,134)



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2014

	Year Ended 31st December, 2014 (₹)	Year Ended 31st December, 2013 (₹)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Net increase/(decrease) in Cash/Export Credit Facilities and other Short Term Loans	151,722,750	(102,925,750)
Proceeds from long term borrowings	875,640,985	291,276,041
Repayment of long term borrowings	(2,822,022,100)	(302,102,473)
Dividend paid	–	(16,621,823)
Dividend tax on distributable profits	–	(2,512,549)
Interest paid	(446,129,234)	(546,223,309)
Net Cash from / (used in) Financing Activities	(2,240,787,599)	(679,109,863)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	160,191,461	(73,542,128)
Cash and Cash Equivalents (opening Balance as at 1st January, 2014)	75,860,512	148,577,072
Cash and Cash Equivalents (closing Balance as at 31st December, 2014)	236,210,922	75,860,512
Effect of exchange rate changes	158,949	825,568
	160,191,461	(73,542,128)

Notes:

1. Cash and Cash Equivalents comprise Cash & Bank balances as per Note No 18 of the audited accounts.
2. 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.
3. Previous year's figures have been regrouped / rearranged wherever necessary.

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

For De Chakraborty & Sen
Chartered Accountants
Firm Registration No 303029E
(S Chakraborty)
Membership No. 055317
Partner
Place: Kolkata
Date: 27.02.2015

On behalf of the Board

A.K. Jajodia - Managing Director
Amit Halder - Director
Sanjay Khandelwal - Director



Notes to Financial Statements

Note : 1 - Significant Accounting Policies

[a] Convention

The financial statements are prepared to comply in all material aspects with all the applicable accounting principles in India, the applicable accounting standards, notified u/s 211(3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956.

[b] Basis of Accounting

The Financial Statements are prepared under the historical cost convention, modified by revaluation of certain fixed assets as detailed below.

[c] Fixed Assets

Fixed assets are stated at cost of acquisition including appropriate incidental / installation expenses. Cost of extension planting is 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. Impairment loss, if any, ascertained as per the Accounting Standard of the Companies (Accounting Standards) Rules, 2006 is recognised.

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, other than on Oil and Gas producing properties, is provided on the Written Down Value method at the rates prescribed in Schedule XIV to the Companies Act, 1956. Cost of certain fixed assets located in leasehold properties under the head Building and Furniture as mentioned below have been depreciated over their respective lease periods which is higher than the Schedule XIV rates.

Building and Furniture : Lease period - between 3 to 9 years.

Cost of certain fixed assets at estates under the head Buildings and Vehicles are depreciated at rates based on the estimated life of each asset and the aggregate depreciation so calculated is higher than the Schedule XIV rates.

The following depreciation rates are considered and applied:

Building 25 % and 33.33 %

Vehicles 30 %

[ii] Capitalised software costs are amortised over its useful life of five years on a straight line basis.



- [iii] 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.
- [iv] Depreciation in respect of oil and gas producing assets is calculated on the capitalized cost according to the "Unit of Production Method", under which the oil and gas assets are written off at the same rate as the quantitative depletion of the related reserve. Unit of Production depletion rates are revised when there is an indication of the need for revision based on revised reserve estimate. Such revisions are also accounted for prospectively to give effect in the Books of Accounts of the Company.
- [v] Assets like Building, Plant and Machinery etc. included in Oil and Gas producing properties for which depreciation rates have been prescribed in Schedule XIV of the Companies Act, 1956 are depreciated on Written Down Value method at the rates prescribed in Schedule XIV of the Companies Act, 1956. Other assets are depreciated according to the 'unit of production' method as prescribed by The Institute of Chartered Accountants of India in the 'Guidance Note on Accounting for Oil and Gas Producing Activities'.

[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 31st January, 2020, 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. Other items are accounted for on accrual basis.



[k] Replanting and Other Subsidies

Replanting and other 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 Provident 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, 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.

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 assets. 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 DECEMBER 2014 (₹)	31st DECEMBER 2013 (₹)
Authorised		
(a) 500,000,000 (31.12.2013- 500,000,000) Equity Shares of Re 1/-each	500,000,000	500,000,000
(b) 1,000,000 (31.12.2013- 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 (31.12.2013- 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 DECEMBER 2014	31st DECEMBER 2013
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 Re1/- each. Each holder of Ordinary Shares ('Equity Shareholders') 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.

The Board of Directors has not recommended any dividend for the year ended 31st December, 2014, (31.12.2013 - Re Nil per Share)

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

Name of the Shareholders	31st DECEMBER 2014		31st DECEMBER 2013	
	No. of Shares Held	%	No. of Shares Held	%
1. Assam Oil Company Limited	119,088,048	38.45	119,088,048	38.45
2. Dune Leasing & Finance Ltd.	6,031,643	1.95	16,830,000	5.43
3. Siriyari Tradecom Pvt. Ltd.	5,033,944	1.63	20,556,952	6.64

**Notes to Financial Statements****Note : 3 - RESERVES AND SURPLUS**

	As at 31st December, 2014 (₹)	As at 31st December, 2013 (₹)
Capital Reserve (Reserve on Amalgamation)	15,037,398	15,037,398
Revaluation Reserve		
As per Last Account	775,441,103	886,029,414
Adjusted on account of depreciation on revalued assets	(8,557,198)	(9,381,942)
Adjusted on account of disposal of revalued assets	(86,232)	(101,206,369)
	<u>766,797,673</u>	<u>775,441,103</u>
Securities Premium		
As per Last Account	1,375,673,385	1,252,765,172
Adjusted on account of FCCB Redemption	– 1,375,673,385	<u>122,908,213</u>
		1,375,673,385
General Reserve		
As per Last Account	177,333,735	177,333,735
Transferred from Surplus in Profit and Loss Account	–	–
Adjusted during the year	– 177,333,735	– 177,333,735
	<u>–</u>	<u>–</u>
Capital Redemption Reserve	874,600	874,600
Surplus in Statement of Profit & Loss Account		
As per last account	1,020,257,213	944,646,773
Profit for the year	11,775,514	75,610,440
Appropriations:-		
Proposed Dividend	–	–
Dividend Tax on proposed Dividend	–	–
Transferred to General Reserve	– 1,032,032,727	– 1,020,257,213
	<u>3,367,749,518</u>	<u>3,364,617,434</u>

Note: Capital Reserve includes Rs.4,753,152 being 26% of the profit for the year ended 31st December,1977 of the Sterling Companies,the Indian undertakings of which were amalgamated with this Company.



Notes to Financial Statements

Note: 4 - Long Term Borrowings

	31st December, 2014 (₹)	31st December, 2013 (₹)
Secured		
Term Loans from Banks [Refer (a) to (g) below]	2,489,706,334	4,396,235,474
	2,489,706,334	4,396,235,474

Sl. No.	Nature of Security	Terms of Repayment
(a)	Term Loan from Banks amounting to ₹463,406,231/- (31.12.2013 - ₹ 470,905,736/-) 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	i) Term Loan amounting to ₹ 52,336,963/- repayable in 36 quarterly installments commencing from June, 2006. ii) Term Loan amounting to ₹ 157,341,409/- repayable in 12 half-yearly installments commencing from June, 2012. iii) Term Loan amounting to ₹ 253,727,859/- repayable in 7 half yearly installments commencing from May, 2015.
(b)	Term loan from Banks amounting to ₹472,264,913/-(31.12.2013 - ₹ 447,331,618/-) 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 8 quarterly installments commencing from November, 2013.
(c)	Term Loan from Banks amounting to ₹2,934,552,158/- (31.12.2013 - ₹4,187,989,423/-) 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 AAON 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.	i) Term Loan amounts to ₹ 1,040,973,126/- repayable in 8 half yearly installment commencing from July, 2011. ii) Term Loan amounting to ₹ 411,309,112/- repayable in 2 yearly installments commencing from December, 2013. iii) Term Loan amounting to ₹ 480,094,879/- repayable in 22 quarterly installments commencing from December, 2016. iv) Term Loan amounting to ₹ 17,328,791/- repayable on July, 2015. v) Term Loan amounting to ₹ 114,212,021/- repayable in 26 quarterly installments commencing from February, 2013. vi) Term Loan amounting to ₹ 616,052,495/- repayable in 27 quarterly installments commencing from October, 2012. vii) Term Loan amounting to ₹ 254,581,732/- repayable in 27 quarterly installment commencing from May, 2013.



Notes to Financial Statements

SI. No.	Nature of Security	Terms of Repayment
(d)	<p>Term Loan from Banks amounting to ₹596,197,501/- (31.12.2013 - ₹ 536,795,461/-) 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 AAON 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 second charge holders of the Company.</p> <p>(iii) Personal guarantee of Managing Director of the Company.</p>	<p>Repayable in 25 quarterly installments commencing from December, 2014.</p>
(e)	<p>Term Loan from Banks amounting to ₹490,842,626/- (31.12.2013 - ₹493,857,232/-) 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 AAON 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) Term Loan amounts to Rs. 461,054,333/- repayable in 27 quarterly installment commencing from July, 2013.</p> <p>ii) Term Loan amounting to Rs.29,788,293/- 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>	
(g)	<p>Interest rates on Term Loan from Banks are based on spread over respective lenders bench mark rate (for Rupee Term Loan) and on spread over libor (for Foreign Currency Loan).</p>	



Notes to Financial Statements

	31st December, 2014 (₹)	31st December, 2013 (₹)
Note: 5 - Other Long Term Liabilities		
Others	792,993	2,541,389
	792,993	2,541,389
Note: 6 - Long - term Provisions		
Provision for Employee Benefits	443,546,755	383,083,375
Provision for Site Restoration	2,765,000	2,765,000
	446,311,755	385,848,375
Note: 7 - Short - term borrowings		
Secured		
Loans repayable on demand from Banks [Refer (a) below]		
Working Capital Loan including Cash Credit from Banks	1,799,964,658	1,607,902,809
Unsecured		
Intercorporate Deposit	14,646,021	54,985,120
	1,814,610,679	1,662,887,929
Nature of Security		
(a) Loan repayable on demand from Banks		
Outstanding loans of ₹ 1,799,964,659/- (31.12.13 - ₹ 1,607,902,809/-) 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.		
Note: 8 - Trade Payables		
Acceptances	25,916,625	23,281,432
Sundry Creditors	122,208,427	96,218,456
	148,125,052	119,499,888
Note: 9 - Other current Liabilities		
Current maturities of Long-term borrowings	2,467,557,091	1,757,802,485
Interest accrued but not due on borrowings	141,039,365	152,118,561
Advance from Customers	330,317,795	108,259,014
Unclaimed Dividends	2,412,944	2,666,777
Due to FCCB Holders including Redemption Premium	361,145,944	352,965,752
Others	320,411,895	285,045,818
	3,622,885,034	2,658,858,407
Note: 10 - Short term provisions		
Provisions for Employee Benefits	54,590,865	60,463,380
Provision for tax (Net of Advance Tax)	174,719,015	155,851,742
Others	153,917,585	146,298,484
	383,227,465	362,613,606

Notes to Financial Statements

Note : 11 - FIXED ASSETS

[Figures in ₹]

Class of Assets	COST / VALUATION				DEPRECIATION / AMORTISATION					NET BLOCK	
	As At 1st January 2014	Additions during the year	Sale/discard /adjustments during the year	Total as at 31st December 2014	As At 1st January 2014	Additions during the year	On Revaluation during the year	Sale / discard during the year	Total as at 31st December 2014	Net Block Value as on 31st December, 2014	Net Block Value as on 31st December, 2013
Tangible Assets											
Land and Development (including leasehold land)	2,375,694,572	5,321,295	278,232	2,380,737,635	-	-	-	-	-	2,380,737,635	2,375,694,572
Buildings (on leasehold land)	970,958,535	7,016,732	-	977,975,267	674,579,650	9,316,180	8,356,095	-	692,251,925	285,723,342	296,378,885
Plant and Machinery	845,716,691	15,441,903	1,584,070	859,574,524	672,682,745	26,077,056	201,101	343,340	698,617,562	160,956,962	173,033,946
Oil and Gas Producing Properties	743,969,970	-	-	743,969,970	212,232,088	3,926,729	-	-	216,158,817	527,811,153	531,737,882
Vehicles	169,258,466	4,421,222	2,121,092	171,558,596	135,312,005	8,324,958	-	1,744,181	141,892,782	29,665,814	33,946,461
Furniture	17,975,514	35,065	-	18,010,579	10,833,157	1,267,800	2	-	12,100,959	5,909,620	7,142,357
Intangible Assets											
Computer Software	4,459,121	-	-	4,459,121	2,248,002	533,995	-	-	2,781,997	1,677,124	2,211,119
TOTAL	5,128,032,869	32,236,217	3,983,394	5,156,285,692	1,707,887,647	49,446,718	8,557,198	2,087,521	1,763,804,042	3,392,481,650	3,420,145,222
Previous Year	5,729,532,235	18,368,763	619,868,129	5,128,032,869	1,859,000,479	58,091,424	9,381,942	218,586,198	1,707,887,647	3,420,145,222	

- NOTES: 1. Land and Development (including leasehold land) include certain freehold lands the amount of which is not ascertainable.
2. Vehicles include assets acquired on hire purchase - ₹ 37,465,467/- (31.12.2013 - ₹ 37,465,467/-)
3. Addition to Plant and Machinery is net off of subsidy received from Tea Board for quality upgradation and product development scheme activities amounting to ₹ NIL (31.12.2013 - ₹ 364,000/-).
4. Deletion to Land and Development (including leasehold land) is inclusive of subsidy received from Tea Board for replanting activities amounting to ₹ NIL (31.12.2013 - ₹ 9,214,140/-)
5. The cost of Oil and Gas producing properties represents Company's share (40%) in jointly held properties.





Notes to Financial Statements

	31st December, 2014 (₹)	31st December, 2013 (₹)
Note : 12 - CAPITAL WORK IN PROGRESS		
A. Oil and Gas Project		
Opening Balance	4,357,811,505	3,798,222,882
Add: Addition during the year	590,831,578	559,588,623
Closing Balance	4,948,643,083	4,357,811,505
B. Others		
Opening Balance	9,738,900	18,311,804
Add: Addition during the year	3,896,940	2,976,190
	13,635,840	21,287,994
Less: Capitalised / Adjusted during the year	4,819,842	11,549,094
Closing Balance	8,815,998	9,738,900
Total (A + B)	4,957,459,081	4,367,550,405
	31st December, 2014 (₹)	31st December, 2013 (₹)
Note: 13 - Non-current Investments		
Long Term - At cost, fully paid unless otherwise stated		
A. Quoted		
Other than Trade		
237,800 (31.12.2013- 237,800) Equity Shares of		
Canoro Resources Ltd. of CAD 1/- each	692,467	692,467
Others *	5,401,068	3,601,068
	6,093,535	4,293,535



Notes to Financial Statements

	31st December, 2014 (₹)	31st December, 2013 (₹)
B. Unquoted (Fully paid unless otherwise stated)		
(i) Trade		
In Subsidiary Companies**	159,469,240	159,469,240
(ii) Other than Trade		
20,000 (31.12.2013- 20,000) Equity Shares of Rs.10/- each in Assam Bengal Cereals Ltd.	200,000	200,000
2450 (31.12.2013- 2450) Equity shares of Rs 10/- each in Woodlands Multispeciality Hospital Ltd (Received on conversion of 5% Non Redeemable Debentures of East India Clinic Ltd)	24,500	24,500
	224,500	224,500
	165,787,275	163,987,275
Less: Provision for diminution in value of certain investments	79,963,056	79,963,056
	85,824,219	84,024,219
Current Investment - At cost (Fully paid unless otherwise stated)		
Quoted		
SBI Magnum Multiplier Plus Scheme -93 - Dividend	800,000	800,000
Baroda Pioneer Mutual Fund	100,000	100,000
	900,000	900,000
	86,724,219	84,924,219

* Particulars	Description	Number as on 31.12.14	Number as on 31.12.13	Face value [₹]	Cost as on 31.12.14 [₹]	Cost as on 31.12.13 [₹]
Allahabad Bank	Equity	23	23	10	1,886	1,886
Bank of Baroda	Equity	9	9	10	2,070	2,070
Bhairav Enterprises Limited	Equity	65,000	–	10	650,000	–
The Bombay Burmah Trading Corp. Ltd	Equity	25	25	2	2,346	2,346
Dhunseri Petrochem & Tea Ltd	Equity	55	55	10	10,359	10,359
Dhunseri Investments Ltd	Equity	27	27	10	–	–
Dhunseri Tea & Industries Ltd	Equity	11	–	10	–	–
Gammon India Ltd	Equity	5	5	2	2,246	2,246
Gillanders Arbuthnot & Company Ltd	Equity	7	7	10	518	518
GMR Infrastructure Ltd	Equity	30,000	30,000	1	2,393,532	2,393,532
Goodricke Group Ltd	Equity	5	5	10	333	333
Grasim Industries Ltd.	Equity	50	50	10	16,550	16,550
Hindalco Industries Ltd	Equity	5	5	1	807	807
Indian Oil Corporation Ltd	Equity	10	10	10	2,201	2,201
Jayshree Tea & Industries Ltd	Equity	10	10	5	547	547
McLeod Russel India Ltd	Equity	300	300	5	6,095	6,095



Notes to Financial Statements

* Particulars	Description	Number as on 31.12.14	Number as on 31.12.13	Face value [₹]	Cost as on 31.12.14 [₹]	Cost as on 31.12.13 [₹]
Oil & Natural Gas Corporation Ltd	Equity	20	20	5	4,541	4,541
Oriental Bank Of Commerce	Equity	5	5	10	1,250	1,250
Reliance Industries Ltd.	Equity	36	36	10	1,350	1,350
Reliance Power Ltd	Equity	7,000	7,000	10	1,039,500	1,039,500
Rishabh Enterprises Limited	Equity	65,000	–	10	650,000	–
Selan Exploration Ltd	Equity	5	5	10	540	540
Shiv - Vani Oil & Gas Exploration Services Ltd	Equity	5	5	10	1,753	1,753
Shri Gurudev En-Trade Limited	Equity	50,000	–	10	500,000	–
State Bank of Bikaner & Jaipur	Equity	1,850	1,850	10	97,495	97,495
Suzlon Energy Ltd	Equity	25	25	2	7,534	7,534
Tata Chemicals Ltd.	Equity	4	4	10	247	247
Tata Coffee Ltd	Equity	5	5	10	1,441	1,441
Tata Steel Ltd	Equity	3	3	10	224	224
Tata Global Beverages Ltd.	Equity	120	120	1	2,280	2,280
Ultratech Cements Ltd	Equity	28	28	10	–	–
UTI Master Share	Equity	116	116	10	3,050	3,050
James Warren Tea Limited	Equity	8	–	10	186	–
Warren Tea Ltd	Equity	8	8	10	187	373
(3 Bonus Share received during the year)					5,401,068	3,601,068
Dahej Offshore Infrastructure SEZ Ltd (Formerly Assam Estates Limited)	Equity	50,570	50,570	10	505,700	505,700
Assam Oil & 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 & 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	50,000	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	–	1USD	29,776,200	29,776,200
					159,469,240	159,469,240

Notes:-

Aggregate market value of quoted investments ₹ 3,437,358 /- (31.12.2013 - ₹ 3,121,997/-)

Aggregate book value of quoted investments ₹ 6,993,935/- (31.12.2013 - ₹ 5,193,535/-)

Aggregate book value of unquoted investments ₹ 159,693,740/- (31.12.2013 - ₹ 159,693,740/-)

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

**Notes to Financial Statements**

	31st December, 2014 (₹)	31st December, 2013 (₹)
Note : 14 - Long- term loans and advances		
(Unsecured considered good unless otherwise stated)		
Loans and advances to subsidiary companies		
Considered good	21,956,792	3,758,257
Considered doubtful	24,759,808	24,759,808
Less: Provision for doubtful advances	(24,759,808)	(24,759,808)
Deposits	28,926,129	28,982,792
Employees loans and advances	3,353,528	3,097,665
Intercorporate Deposits		
Considered good	85,000,000	62,000,000
Considered doubtful	6,500,000	35,855,000
Less: Provision for doubtful advances	(6,500,000)	(35,855,000)
Other Loans and Advances		
Considered good		
Capital advances	231,367	328,367
Other advances	12,820,725	6,957,168
Considered doubtful	12,062,049	22,781,941
Less: Provision for doubtful advances	(12,062,049)	(22,781,941)
	152,288,541	105,124,249
Note : 15 - Other non-current assets		
FCMIT Difference account	134,045,860	165,916,130
Interest Receivable		
Considered good	63,885,971	48,217,516
Considered doubtful	12,224,928	15,296,222
Less: Provision for doubtful advances	(12,224,928)	(15,296,222)
Others	24,859,802	29,319,527
	222,791,633	243,453,173
Note : 16 - Inventories		
(Valued at lower of cost and net realisable value)		
Stores & Spare Parts		
Considered good	56,820,025	37,641,929
Considered doubtful of recovery	566,606	566,606
Less: Provision for doubtful of recovery	(566,606)	(566,606)
Stock of Teas	251,617,473	218,190,150
	308,437,498	255,832,079



Notes to Financial Statements

	31st December, 2014 (₹)	31st December, 2013 (₹)
Note : 17 - Trade Receivables		
Unsecured		
Debts outstanding for a period exceeding six months		
Considered good	310,769,041	449,961,080
Considered doubtful	4,793,840	4,793,840
Less: Provision for doubtful debts	(4,793,840)	(4,793,840)
Other debts:		
Considered good	280,844,118	789,335,282
	591,613,159	1,239,296,362
Note : 18 - Cash and Bank Balances		
Cash on hand	2,854,472	2,598,019
Balance with banks in :		
Current Accounts	118,555,409	25,012,123
Unpaid Dividend Accounts	2,412,944	2,666,777
On Short- term Deposits	92,689,029	27,145,502
Margin Money Deposit	19,699,068	18,438,091
	236,210,922	75,860,512
Note : 19 - Short-term loans and advances		
(Unsecured- considered good unless otherwise stated)		
Advances and loans to subsidiaries		
Considered good	2,543,099,716	3,225,784,824
Considered doubtful	–	128,121,220
Less: Provision for doubtful advances	–	(128,121,220)
Employees loans and advances	1,558,506	3,260,161
Other loans and advances	62,275,893	44,949,611
	2,606,934,115	3,273,994,596
Note : 20 - Other current assets		
FCMIT Difference account	–	179,085,235
Interest Receivable on Deposits	22,521,722	12,597,160
Others	5,707,253	5,000,251
	28,228,975	196,682,646

**Notes to Financial Statements**

	31st December, 2014 (₹)	31st December, 2013 (₹)
Note : 21- Revenue from operations		
Sales		
Tea	2,157,799,055	2,277,802,640
	2,157,799,055	2,277,802,640
Note : 22- Other Income		
Interest Income	62,344,099	20,894,200
Sale of Tea Waste	4,422,058	6,239,125
Tea Subsidy	8,352,660	5,436,093
Income from Investments other than trade	203,206	48,454
Profit on Sale of Investment	–	13,680,349
Profit on sale of Fixed Assets	4,789,122	108,285,648
Liabilities / Sundry Balances written back / off (Net)	53,956,047	13,060,950
Provision for doubtful advances, deposits stores and interest accrued no longer required written Back	171,267,406	4,542,706
Premium on sale of export Licenses	51,595,258	25,054,622
Export Incentive and Duty Drawback	4,623,356	1,608,060
Miscellaneous Receipts	5,316,736	9,285,857
Exchange Fluctuations	(4,634,850)	99,555,768
	362,235,098	307,691,832
Note : 23- Cost of Raw Materials Consumed		
Purchase of Green Leaf	–	12,493,936
	–	12,493,936
Note : 24 - Changes in Inventories of Finished goods		
Stock as at the beginning of the year		
Tea	218,190,150	205,144,930
	218,190,150	205,144,930
Stock as at the end of the year		
Tea	251,617,473	218,190,150
	251,617,473	218,190,150
(Increase) / Decrease	(33,427,323)	(13,045,220)



Notes to Financial Statements

	31st December, 2014 (₹)	31st December, 2013 (₹)
Note : 25- Employee benefits expense		
Establishment Charges	363,745,943	359,905,826
Contribution to Provident, Gratuity and other Funds	182,045,853	159,673,210
Labour and Staff Welfare	140,536,998	135,668,059
Concession on Food grains	44,633,702	43,684,784
	730,962,496	698,931,879
Note : 26- Finance Costs		
Interest Expenses	427,378,327	410,084,600
Bank Charges Including fees and other costs	18,324,250	19,152,709
Exchange Fluctuation on Borrowings	175,977,660	182,623,709
Others	426,657	1,065,418
	622,106,894	612,926,436
Note : 27- Other Expenses		
Garden Cultivation Costs	233,431,161	188,831,676
Plucking and Manufacturing Expenses	283,779,881	288,505,348
Power and Fuel	193,183,913	217,709,624
Directors' Fees	259,000	302,000
Repairs to Buildings	31,004,059	31,553,630
Repairs to Plant & Machinery	31,830,460	30,959,564
Upkeep of Roads & Bridges	25,179,984	32,806,289
Garden Transport	46,776,346	44,010,742
Insurance	6,013,771	8,254,650
Rent, Rates & Taxes	21,488,452	13,436,722
Office Maintenance	3,693,582	4,150,292
General Charges	77,158,832	84,035,446
Freight, Warehouse & Sale Charges	75,211,212	81,312,871
Agency Commission	36,739,781	35,601,853
Brokerage	13,192,273	13,403,928
Cess on Tea and Green Leaf	23,832,897	28,321,191
Fixed Asset Written off	—	589,751
	1,102,775,604	1,103,785,577

**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 - ₹ Nil (net of advance - ₹ Nil), [31.12.2013 - ₹ 97,000/- (net of advance - ₹ Nil)]
- [b]** Other Commitment - For Hire Purchase and Lease payments, Refer Note No 35 [a] and 35 [b].
- 30.** Contingent Liabilities not provided for in respect of :
- [a]** Income tax demand amounting to ₹ 28,631,700/- (31.12.2013 - ₹ 28,631,700/-) is under assessment.
- [b]** Sales Tax assessments disputed in appeals ₹ 142,225,852/- and Professional Tax of ₹ 235,000/- (31.12.2013 - ₹174,185,080/- and Professional Tax - ₹ Nil)
- [c]** Liability towards Interest on unpaid FCCB Bonds and Redemption premium amounting to ₹ 25,128,053/- (31.12.2013 - ₹ 16,952,210/-).
- [d]** Liability towards fringe benefit tax under adjudication - ₹70,929,211/- (31.12.2013 - ₹70,929,211/-).
- [e]** Guarantees given in favour of third parties ₹ 3,000,000,000/- (31.12.2013 - ₹ 1,050,000,000/-).
- [f]** Pledged 5,000,000 shares (having cost of ₹ 50,000,000/-) representing investment in 51% Equity shares in Gujarat Hydrocarbon & Power SEZ Ltd in favour of third parties.
- [g]** Uncalled liability on partly paid shares - ₹ 6,999,510/- (31.12.2013 - ₹ 6,999,510/-).
- 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 has been made as per the Income Tax Act, 1961 and the rules framed thereunder with reference to the profit for the year ended 31st December, 2014 which extends over two assessment years, Assessment Year 2014-2015 and Assessment Year 2015 - 2016. The ultimate tax liability for the Assessment Year 2015-2016 will be determined on the total income for the period from 1st April, 2014 to 31st March, 2015.

32 [i] Amount paid / payable to the auditors included under general charges (Net of Service Tax)	31.12.2014 (₹)	31.12.2013 (₹)
[a] Statutory audit fees	1,200,000	1,200,000
[b] Fees for other services	1,505,000	1,360,000
[c] Reimbursement of out of pocket expenses	38,564	176,931
[ii] Expenditure includes in aggregate :		
Salary, Wages and Bonus	776,244,517	715,443,250
Stores and Spare Parts consumed	297,043,875	277,371,653



Notes to Financial Statements

33. Value of Raw Materials and Stores and Spare parts consumed	%	(₹)	%	(₹)
- Purchased Green Leaf and Tea	100	-	100	12,493,936
- Stores and Spare Parts	100	297,043,875	100	277,371,653
		297,043,875		289,865,589

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. [a] Assets acquired under Hire Purchase (HP) comprise of vehicles. These agreements are of a period of 36 months and more and in certain cases provide for revision of hire charges for variation in prime lending rates of the bank. There are no restrictive covenants in the HP agreements.

The minimum rentals as at 31st December, 2014 and the present value as at 31st December, 2014 of minimum rentals in respect of assets acquired under HP are as follows:

	31.12.2014 (₹)	31.12.2013 (₹)
Minimum Hire Purchase Payments		
- Payable not later than one year	774,119	802,746
- Payable later than one year but not later than 5 years	1,999,719	2,767,945
Total of Minimum Hire Purchase Payments	2,773,838	3,570,691
Finance Charges		
- Payable not later than one year	240,761	300,792
- Payable later than one year but not later than 5 years	287,543	528,305
Total of Finance Charges	528,304	829,097
Present Value of Minimum HP Payments		
- Payable not later than one year	533,358	501,954
- Payable later than one year but not later than 5 years	1,712,176	2,239,640
Total of Present Value of Minimum HP Payments	2,245,534	2,741,594

[b] 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 ₹ 2,012,400/- (31.12.2013- ₹ 2,012,400/-) has been debited to the Statement of Profit and Loss.

**Notes to Financial Statements****36. Provision for Site Restoration :**

[Figures in ₹]

Year	Opening Balance	Provision made during the year	Amounts utilised/reversed during the year	Closing Balance
2014	2,765,000	–	–	2,765,000
2013	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 (on accrual basis) :

	31.12.2014 (₹)	31.12.2013 (₹)
Commission	36,739,781	35,601,853
Travelling Expenses	6,397,844	3,195,071
Bank Charges	498,586	206,395
Interest	1,787,455	2,606,420
Consultancy Fees	–	54,883

38 Earnings in Foreign Exchange (on accrual basis) :

Export Sale on F.O.B. Basis	459,251,013	420,949,506
Interest Income	–	2,787

39 [a] The Company has three Oil and Gas Fields/Blocks in Assam Arakan Basin – Amguri (Discovered Field), AA-ON/7 (Exploration Block) and AA-ONN-2005/1 (Exploration Block) having Participating Interest (PI) of 40%, 35% and 10% 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 while AA-ONN-2005/1 Exploration Block is under consortium with Oil & Natural Gas Corporation Limited (ONGC) and Oil India Limited (OIL).

[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 prolong 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 on 23rd December, 2014, with ONGC to takeover the field from them and to commence operations by the Company. The handover of the field to the Company by ONGC is awaiting for the approval of Bilateral Agreement by the GOI. The approval is expected to be received shortly.

[d] The Company's rightful claim on 60% PI earlier held by CRL is being contested by the Company before an Arbitral Tribunal Board, where GOI is a party. The Company expects that the Award of the Tribunal will be available during the next financial year as the Arbitral proceeding are under progress.

[e] As per the Award of the Arbitral Tribunal against CRL dated 21st November, 2011, the Company has



Notes to Financial Statements

got a damage claim of US\$ 39.12 million (₹ 247.95 Crores) against CRL. The Tribunal had assigned a value of US\$ 4.16 million (₹ 26.35 Crores) for 60% PI in Amguri and US\$ 2.2071 million (₹ 13.97 Crores) for 52.9% shares of CRL, thereby awarding a net damage claim of US\$ 32.75 million (₹ 207.41 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 07.03.14 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

- [f] Having finally appointed as the operator of the Field, the company is quite upbeat in commencing the production of oil and gas, which has remained suspended after the Field was closed by CRL in December, 2010.
- [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. The company feels that once the ownership of 60% PI in Amguri is resolved, GOI will take similar decision on AA-ON/7. GOI earlier vide letter Ref. No. O- 19024/29/2000-ONG-DV (Pt.1) 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.

The Company is hopeful that the Nagaland issue between the State of Nagaland and GOI would be resolved soon as E & P activities by all operators have been stopped in the State of Nagaland. Considering high potential basin, GOI will ensure to resolve the issue for operators to commence exploration activities to step up domestic production, which is the need of the Country to save foreign exchange. GOI has reconfirmed the said status vide its communication DGH/(AA-ON/7)/New PSC/03 dated 9th February, 2015.

- [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] With regard to AA-ONN-2005/1 Exploration Block where ONGC is the operator, the Geological and Geophysical (G&G) activities are under progress, which are the activities in phase -1 of Exploration phase. The drilling activities in AA-ONN-2005/1 Exploration Block will only commence after G & G activities are concluded and drilling potential is identified.



Notes to Financial Statements

- [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 Operator (CRL) which has since been maintained by ONGC as the custodian operator and 40% share of cost was booked by ACIL for each of the assets in Amguri Field.
- [l] In respect of oil and gas producing assets for which depreciation rates has not been prescribed in Schedule XIV of the Companies Act, 1956, the Company has applied to the Central Government for its approval to adopt the unit of production method of computing depreciation for the purpose of provision of Section 205 of the Companies Act, 1956, which is awaited.
- [m] Cost Record Order is applicable for Oil and Gas. There was no production of oil & gas during the year.
- [n] 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	40 (40)
2.	AA-ON/7	35 (35)
3.	AA-ONN-2005/1	10 (10)

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

- [o] Net quantities of Company's interest in proved reserves and proved developed reserve within India:

	Proved Reserves MT		Proved Developed Reserves MT	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
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	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
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 have an option of converting these Bonds into Equity Shares at a conversion price of ₹ 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:

	31.12.2014 [₹]	31.12.2013 [₹]
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)	94,632,789	94,632,789

Unutilised FCCB proceeds amounting to ₹692,467/- (31.12.2013 - ₹ 692,467/-) have been invested in securities and the balance ₹ 235893/- (31.12.2013 - ₹ 236,119/-) is lying with banks at the year end.

As at the year end, the total Principal FCCBs outstanding is USD 3.10 million. The Company had obtained permission from Reserve Bank of India (RBI) for extending the time for redemption of Outstanding FCCBs beyond the maturity date.

41. Advances and loans to subsidiaries include an amount of ₹ 2,527,479,375/- (including interest ₹ 1,111,049,664/- Net of TDS) (31.12.13 ₹ 2,526,631,406/- including interest ₹ 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 had acquired 315 hectares of land for its project from Gujarat Industrial Development Corporation (GIDC) out of which 296 hectares possession was received and the balance 19 Hectares is in the process of acquisition. The loan was given towards acquisition and development of the acquired area by GHPSL. In view of the assurance of repayment received from GHPSL and also in order to protect the long term interest of the Company the Board considered prudent not to charge interest for the year on the loan provided to GHPSL.

42. Advances and loans to subsidiaries include interest free loan of ₹ Nil (31.12.13 ₹ 813,732,224/-) due from Duncan Macneill Natural Resources Limited (DMNRL) a wholly owned subsidiary of the company located in UK, The loan was given to acquire E & P assets. The Company, in order to expand its oil and gas activities in upstream sector desire to make a strong presence at overseas countries by acquiring E & P assets. Since no overseas E & P assets could be acquired over the last few years, DMNRL has refunded the entire amount in January, 2014.
43. Advances and loans to subsidiaries include interest free loan of ₹13,558,077/- (31.12.13 ₹12,991,165/-) due from Assam Oil and Natural Gas Limited a wholly owned subsidiary of the company located in Cayman Islands, as loan. The loan was given to acquire E & P (Oil and gas) assets in Colombia.

**Notes to Financial Statements**

44. The major components of deferred tax assets and liabilities are as follows :

	31.12.2014	31.12.2013
	(₹)	(₹)
Deferred Tax Liability		
Excess of tax depreciation over book depreciation	547,584,549	525,976,029
	547,584,549	525,976,029
Deferred Tax Assets		
Expenditure under section 43B of the Income Tax Act, 1961 (recognised to the extent of deferred tax liability)	547,584,549	525,976,029
	547,584,549	525,976,029
Net Balance	Nil	Nil

45. 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 :

	31.12.2014	31.12.2013
	(₹)	(₹)
Sundry Creditors	3,887,649	2,617,031
- Due to Small and Micro Enterprise:		
[a] Principal amount remaining unpaid to any supplier as at the end of the year	537,613	117,951
The interest remaining unpaid to any supplier as at the end of the year	3,350,036	2,499,080
[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 year	13,831,740	8,026,623
[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, until such date when the interest dues as above are actually paid to the small enterprise.	850,956	31,880
[e] Amount of interest accrued and remaining unpaid at the end of the year	3,350,036	2,499,080

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.

46. **Net dividend remitted in foreign exchange :
Year to which it relates**

	31.12.2014	31.12.2013
	2013	2012
Number of non-resident shareholders	1	1
Number of Equity Shares held on which dividend was due	119,088,048	119,088,048
Amount remitted (₹)	-	5,954,402



Notes to Financial Statements

47. Primary Segment Report - Business Segments

[Figures in ₹]

Particulars	Plantations	Oil and Gas	Total
Segment Revenue: External Customers	2,157,799,055	-	2,157,799,055
	2,277,802,640	-	2,277,802,640
Other Segment Revenue	214,658,792	137,055,928	351,714,720
	273,068,829	2,880,033	275,948,862
Total Segment Revenue	2,372,457,847	137,055,928	2,509,513,775
	2,550,871,469	2,880,033	2,553,751,502
Segment Result	114,237,122	(53,897,196)	60,339,926
	307,288,261	(195,681,888)	111,606,373
Add:Unallocable Income			203,206
			13,728,803
Less:Unallocable expenses			22,690,540
			31,038,903
Unallocated Interest income			10,317,172
			18,014,167
Profit before Tax			48,169,764
			112,310,440
Tax Expenses			
Current Tax			36,394,250
			36,700,000
Profit for the year			11,775,514
			75,610,440
Other Information			
Segment Assets	4,125,658,225	5,635,874,279	9,761,532,504
	3,921,484,565	5,679,248,514	9,600,733,079
Unallocated Assets			2,821,637,289
			3,662,130,386
Total Assets			12,583,169,793
			13,262,863,465
Segment Liabilities	4,263,258,036	4,450,623,296	8,713,881,332
	4,002,562,733	5,281,105,332	9,283,668,065
Unallocated Liabilities			191,777,980
			304,817,003
Total Liabilities			8,905,659,312
			9,588,485,068
Capital Expenditure	31,313,315	590,831,578	622,144,893
	8,629,863	559,588,623	568,218,486
Depreciation / Amortisation	45,519,989	3,926,729	49,446,718
	52,505,994	5,585,430	58,091,424
Non Cash Expenditure other than depreciation and amortisation	(39,147,435)	(85,937,862)	(125,085,297)
	(74,051,157)	171,752,788	97,701,631

**Notes to Financial Statements****Secondary Segment Report - Geographical Segment**

[Figures in ₹]

	Within India	Outside India	Total
1. Segment Revenue: External Customers	1,698,548,042	459,251,013	2,157,799,055
	1,856,853,134	420,949,506	2,277,802,640
2. Segment Assets	12,460,086,727	123,083,066	12,583,169,793
	11,759,005,933	1,503,857,532	13,262,863,465
3. Capital Expenditure	622,144,893	–	622,144,893
	568,218,486	–	568,218,486

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.

48. 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. 183,043,098 /-(31.12.13 - Rs.131,842,159/- being the amortisation charge of 'Foreign Currency Monetary item Translation Difference Account' (FCMITDA) for the year.

[ii] carried forward Rs.134,045,860/- (31.12.13- Rs.345,001,365 /-) in the FCMITDA, amortisable by 31st January, 2020.

49. 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.



Notes to Financial Statements

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

PARTICULARS	CURRENCY	31.12.2014	31.12.2013
Cash and Bank Balance	USD	\$51,788	\$115,600
Investment	USD	\$675,453	\$675,453
Investment	GBP	£911,000	£911,000
Sundry Debtors	USD	\$299,216	\$4,924,731
Sundry Debtors	GBP	£466,646	£3,565,815
Sundry Debtors	EURO	€ 94,165	€ 1,348,162
Secured Loan	USD	\$22,399,155	\$49,403,731
Liabilities payable	USD	\$6,881,094	\$6,109,697
Liabilities payable	GBP	£90,688	£26,201
Liabilities payable	EURO	€ 6,562	€ 29,176

50. 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.

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.

A. Defined Contribution Plans

Contributions for Defined Contribution Plans amounting to ₹103,787,952/- (31.12.2013 ₹ 95,063,234/-) has been recognised in the Statement of Profit & Loss.



Notes to Financial Statements

B.(i) Defined Benefit Plans

	Gratuity		Pension		Leave Encashment		Medical Benefit	
	2014 (₹)	2013 (₹)	2014 (₹)	2013 (₹)	2014 (₹)	2013 (₹)	2014 (₹)	2013 (₹)
a) Component of employees expenses								
Current Service Cost	22,181,142	20,081,364	6,805,909	7,350,461	1,206,497	1,198,627	-	-
Interest Cost	28,755,424	27,227,515	8,366,220	8,363,293	483,453	443,000	1,388,757	1,366,081
Expected Return on Plan Assets	(1,083,958)	(1,246,343)	(3,993,861)	(3,779,610)	-	-	-	-
Curtailement Cost	-	-	-	-	-	-	-	-
Settlement Cost	-	-	-	-	-	-	-	-
Past Service Cost	(4,724,532)	-	-	-	(180,278)	-	(1,956,408)	-
Net actuarial (gain)/loss recognised during the year	17,851,162	12,755,919	4,461,323	(3,040,088)	(629,675)	861,672	(18,712)	394,175
Total component of employees expenses	62,979,238	58,818,455	15,639,591	8,894,056	879,997	2,503,299	(586,363)	1,760,256
b) Actual Return on Plan Assets								
Expected Return on Plan Assets	1,083,958	1,246,343	3,993,861	3,779,610	-	-	-	-
Actuarial gain / (loss) on Plan Assets	1,839,726	(1,145,993)	(195,602)	(1,101,478)	-	-	-	-
Actual Return on Plan Assets	2,923,684	100,350	3,798,259	2,678,132	-	-	-	-
c) Change in Defined Benefit Obligation during the year								
Opening Defined Benefit Obligation	371,927,418	327,638,782	109,963,873	98,391,685	6,580,345	6,346,481	17,678,311	16,225,029
Current Service cost	22,181,142	20,081,364	6,805,909	7,350,461	1,206,497	1,198,627	-	-
Interest Cost	28,755,424	27,227,515	8,366,220	8,363,293	483,453	443,000	1,388,757	1,366,081
Settlement Cost	-	-	-	-	-	-	-	-
Past Service Cost	(4,724,532)	-	-	-	(180,278)	-	(1,956,408)	-
Benefits Paid	(24,969,240)	(14,630,169)	(10,772,231)	-	(1,074,359)	(2,269,435)	(637,709)	(306,974)
Actuarial (gain) / loss on Obligation	19,690,888	11,609,926	4,265,721	(4,141,566)	(629,675)	861,672	(18,712)	394,175
Closing Defined Benefit Obligation	412,861,100	371,927,418	118,629,492	109,963,873	6,385,983	6,580,345	16,454,239	17,678,311
d) Change in Fair Value of Assets during the year								
Fair value of Plan Assets as at beginning of the year	13,549,465	15,579,284	49,923,258	47,245,126	-	-	-	-
Expected Return on Plan Assets	1,083,958	1,246,343	3,993,861	3,779,610	-	-	-	-
Contributions Made	21,740,000	12,500,000	-	-	-	-	-	-
Benefits Paid	(24,969,240)	(14,630,169)	(10,772,231)	-	-	-	-	-
Actuarial gain / (loss) on Plan Assets	1,839,726	(1,145,993)	(195,602)	(1,101,478)	-	-	-	-
Fair value of Plan Assets as at end of the year	13,243,909	13,549,465	42,949,286	49,923,258	-	-	-	-



Notes to Financial Statements

e) Categories of Plan Assets as a %age of total planned Assets	Gratuity (Funded)		Pension (Funded)	
	2014	2013	2014	2013
Administered by Private Insurance Company	95.00%	80.42%	-	-
Administered by Life Insurance Corporation of India	-	-	99.98%	99.81%
Special Deposit with Scheduled Bank	2.84%	2.32%	-	-
Others	2.16%	17.26%	0.02%	0.19%

f) Actuarial Assumptions	Gratuity		Pension		Leave Encashment (Unfunded)		Medical Benefit (Unfunded)	
	2014	2013	2014	2013	2014	2013	2014	2013
Mortality Table	LICI-1994-1996	LICI-1994-1996	LICI-1994-1996	LICI-1994-1996	LICI-1994-1996	LICI-1994-1996	LICI-1994-1996	LICI-1994-1996
Discount Rate (%)	8.00%	8.50%	8.00%	8.50%	8.00%	8.50%	8.00%	8.50%
Inflation Rate (%)	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	0.00%	0.00%
Expected Return on Plan Assets (%)	8.00%	8.00%	8.00%	8.00%	0.00%	0.00%	0.00%	0.00%

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

	2014		2013	
	Increase	Decrease	Increase	Decrease
Effect on the aggregate of the service cost and interest cost	16,618,781	16,289,696	17,855,094	17,501,528
Effect on defined benefit obligation	14,701,450	18,588,046	15,854,460	19,886,658

B(ii) Defined Benefit Plans	2014	2013	2012	2011	2010
	(₹)	(₹)	(₹)	(₹)	(₹)
I. GRATUITY (FUNDED)					
a) Net (Asset) / Liability					
Present Value of the Defined Benefit Obligation	412,861,100	371,927,418	361,633,906	337,046,814	319,279,843
Fair value of Plan Assets	13,243,909	13,549,465	15,579,284	39,776,782	66,945,709
Net (Asset) / Liability	399,617,191	358,377,953	346,054,622	297,270,032	252,334,134
b) Experience Adjustment					
(Gain)/Loss adjustment on plan liabilities	19,690,888	11,609,926	12,075,531	59,477,481	22,724,684
(Gain)/Loss adjustment on plan assets	1,839,726	(1,145,993)	3,752,822	1,569,703	8,556,424
(Gain)/Loss adjustment on plan liabilities due to change in assumption	-	-	-	(59,779,472)	33,620,449
	21,530,614	10,463,933	15,828,353	1,267,712	64,901,557
II. PENSION (FUNDED)					
a) Net (Asset) / Liability					
Present Value of the Defined Benefit Obligation	118,629,492	109,963,873	107,259,648	102,585,860	97,717,055
Fair value of Plan Assets	42,949,286	49,923,258	47,245,126	40,105,792	39,473,694
Net (Asset) / Liability	75,680,206	60,040,615	60,014,522	62,480,068	58,243,361



Notes to Financial Statements

	2014	2013	2012	2011	2010
	(₹)	(₹)	(₹)	(₹)	(₹)
b) Experience Adjustment					
(Gain)/Loss adjustment on plan liabilities	4,265,721	(4,141,566)	(10,413,103)	(12,933,629)	14,315,261
(Gain)/Loss adjustment on plan assets	(195,602)	(1,101,478)	3,930,871	220,440	1,716,744
(Gain)/Loss adjustment on plan liabilities due to change in assumption	-	-	-	4,654,660	(26,635,050)
	4,070,119	(5,243,044)	(6,482,232)	(8,058,529)	(10,603,045)
III. LEAVE ENCASHMENT (UNFUNDED)					
a) Net (Asset) / Liability					
Present Value of the Defined Benefit Obligation	6,385,983	6,580,345	6,346,481	6,321,411	5,987,259
Fair value of Plan Assets	-	-	-	-	-
Net (Asset) / Liability	6,385,983	6,580,345	6,346,481	6,321,411	5,987,259
b) Experience Adjustment					
(Gain)/Loss adjustment on plan liabilities	(629,675)	861,672	(239,460)	397,126	(618,236)
(Gain)/Loss adjustment on plan assets	-	-	-	-	-
(Gain)/Loss adjustment on plan liabilities due to change in assumption	-	-	(739,554)	-	-
	(629,675)	861,672	(979,014)	397,126	(618,236)
IV. MEDICAL BENEFIT (UNFUNDED)					
a) Net (Asset) / Liability					
Present Value of the Defined Benefit Obligation	17,678,311	16,225,029	16,425,768	15,837,008	-
Fair value of Plan Assets	-	-	-	-	-
Net (Asset) / Liability	17,678,311	16,225,029	16,425,768	15,837,008	-

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) Since the company has adopted Accounting Standard 15 (Revised 2005) on Employee Benefits during the year 2007, figures for five financial years are available and have been disclosed except for post retirement medical benefits which have been actuarially valued from the year 2011.
- (iii) The contribution expected to be made by the company for the year ending 31st December 2015 cannot be ascertained at this stage.



Notes to Financial Statements

51. 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 & Gas Limited
 Duncan Macneill Natural Resources Limited
 Dahej Offshore Infrastructure SEZ Limited
 Gujarat Hydrocarbons & Power SEZ Limited
 Duncan Macneill Power India Ltd
 Assam Oil & Natural Gas Limited.

[b] Stepdown subsidiaries

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

[c] Key Managerial Personnel

Mr. A.K.Jajodia, Managing Director

[d] Relatives of Key Managerial Personnel

Ms. Ruchika Jajodia

[e] Joint Venture through jointly controlled operations

Oil and Natural Gas Corporation Limited
 Oil India Limited

II Transactions with related parties

Sl. No.	Related Party	Outstanding as on 31.12.14 (₹)	Outstanding as on 31.12.13 (₹)	Nature of transaction	Year ended 31st December 2014 (₹)	Year ended 31st December 2013 (₹)
[A]	North East Hydrocarbon Limited	10,624,790 Receivable	10,597,924 Receivable	Advances given	26,866	-
[B]	Assam Oil & Gas Limited	4,157,848 Receivable	4,140,000 Receivable	Expenses recoverable Advance given	3,600 14,248	- -
[C]	Camellia Cha Bar Limited	4,711,186 Receivable	4,711,186 Receivable	Expenses Recoverable		8,606
[D]	Duncan Macneill Power India Limited	575,000 Receivable	500,000 Receivable	Advance given	75,000	500,000
[E]	Duncan Macneill Natural Resources Limited	- Receivable	813,732,224	Advance Refunded	(813,732,224)	-
[F]	Gujarat Hydrocarbons & Power SEZ Limited	2,527,479,375 Receivable 1,000,000,000 Guarantees given	2,526,631,406 Receivable 1,000,000,000 Guarantees given	Loan given Expenses recoverable Remuneration of manager on deputation recoverable	511,000 336,969	4,292,500 2,082,239
					-	135,455



Notes to Financial Statements

Sl. No.	Related Party	Outstanding as on 31.12.14 (₹)	Outstanding as on 31.12.13 (₹)	Nature of transaction	Year ended 31st December 2014 (₹)	Year ended 31st December 2013 (₹)
[G]	Assam Oil and Natural Gas Limited	13,558,077 Receivable	12,991,165 Receivable	Expenses recoverable	566,912	2,405,452
[H]	Assam Oil & Natural Gas Columbia Limited	1,460,810 Receivable	1,167,909 Receivable	Expenses recoverable	292,901	1,045,482
[I]	Dahej Offshore Infrastructure Limited (Formerly known as Assam Estates Limited)	27,244,164 Receivable	27,169,164 Receivable	Advance given	75,000	-
[J]	Lord Inchcape Financial Services Limited	5,066 Receivable	5,066 Receivable	Expenses recoverable	-	-
[K]	Mr. A K Jajodia	-	-	Remuneration paid	6,321,679	6,263,420
[L]	Ms. Ruchika Jajodia	-	-	Remuneration paid	1,180,000	1,400,000

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	Year ended 31st December 2014 (₹)	Year ended 31st December 2013 (₹)
[A]	North East Hydrocarbon Limited	11,098,625	11,098,625
[B]	Assam Oil & Gas Limited	5,040,000	5,040,000
[C]	Camellia Cha Bar Limited	5,193,441	5,193,441
[D]	Dahej Offshore Infrastructure Limited (Formerly known as Assam Estates Limited)	5,934,748	5,934,748
[E]	Duncan Macneill Power India Limited (Formerly Duncan Macneill Power and Utilites Limited)	500,000	500,000
[F]	Duncan Macneill Natural Resources Limited	76,036,035	204,157,255



Notes to Financial Statements

IV. Amounts due from Subsidiaries	Balance as at 31.12.2014 (₹)	Balance as at 31.12.2013 (₹)
Dahej Offshore Infrastructure SEZ Ltd (Formerly known as Assam Estates Limited)	27,244,164	27,169,164
Assam Oil & Gas Limited	4,157,848	4,140,000
Assam Oil & Natural Gas Limited	13,558,077	12,991,165
Assam Oil & Natural Gas Columbia Limited	1,460,810	1,167,909
North East Hydrocarbon Limited	10,624,790	10,597,924
Camellia Cha Bar Limited	4,711,186	4,711,186
Gujarat Hydrocarbons & Power SEZ Limited	2,527,479,375	2,526,631,406
Duncan Macneill Power India Limited	575,000	500,000
Duncan Macneill Natural Resources Limited	–	813,732,224
	2,589,811,250	3,401,640,978

Maximum amount due at any time during the year

Dahej Offshore Infrastructure SEZ Ltd (Formerly known as Assam Estates Limited)	27,244,164	27,169,164
Assam Oil & Gas Limited	4,157,848	4,140,000
Assam Oil & Natural Gas Limited	15,018,887	14,159,074
North East Hydrocarbon Limited	10,624,790	10,597,924
Camellia Cha Bar Limited	4,711,186	4,711,186
Gujarat Hydrocarbons & Power SEZ Limited	2,527,886,253	2,526,631,406
Duncan Macneill Power India Limited	500,000	500,000
Duncan Macneill Natural Resources Limited	813,732,224	813,732,224

52. Pursuant to a Resolution passed by the shareholders on 26.06.2012 and the subsequent approval of the Board on 02.08.2012, the Company had entered into an “Agreement for sale” on 03.08.2012 with Salonah Tea Private Limited for sale of Salonah Tea Estate. The requisite approvals and NOCs from the concerned authorities have been received and accordingly necessary entries have been booked in the year 2013. The amount due is shown under Trade Receivables. The Conveyance in respect of the immovable property is pending.

53. Basic and Diluted Earnings Per Share :

	31.12.2014 (₹)	31.12.2013 (₹)
Numerator used :		
Profit after Tax	11,775,514	75,610,440
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	0.04	0.24



Notes to Financial Statements

- 54 The Company has obtained a stay from the Hon'ble Guwahati High Court restraining the taxation authorities from imposing and collecting Fringe Benefit Tax (FBT) under section 115WA of the Income Tax Act, 1961. In view of this, the Company has not provided the liability for FBT till the year-end December 2009.
- 55 Previous year 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: 27.02.2015

On behalf of the Board

A.K. Jajodia - Managing Director
Amit Halder - Director
Sanjay Khandelwal - Director



INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To

The Board of Directors of Assam Company India Limited

We have audited the accompanying consolidated financial statements of Assam Company India Limited ("the Company") and its subsidiaries hereinafter referred as the "Group" (refer Note 1 (c) on Note 1 to the attached consolidated financial statements) which comprise the consolidated Balance Sheet as at December 31, 2014, and the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for 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 Standards notified under the Companies Act, 1956 ("the act") read with the General circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

The consolidated financial statements have been prepared by the management of Assam Company India Limited in accordance with the requirements of Accounting Standards (AS) 21, Consolidated Financial Statements issued by The Institute of Chartered Accountants of India.

Auditor's Responsibility

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at December 31, 2014.
- (b) In the case of the Statement of Profit and Loss Account, of the profit/ loss for the year ended on that date.
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



Emphasis of Matter

Without qualifying our opinion, we draw your attention to Note No. 11 in relation to rate of depreciation on certain oil and gas producing assets of the company whose net book value at the year-end aggregate to ₹5,175.76 lakhs that are being depreciated on consistent basis in accordance with the “Unit of Production” method as per guidance note on “Accounting for Oil & Gas Producing Activities” issued by The Institute of Chartered Accountants of India in February 2003 because no rates have been specified for the aforesaid class of fixed assets under Schedule XIV to the Act. The depreciation on the balance oil and gas producing assets, whose net book value aggregating, to ₹ 102.35 lakhs has been provided as per Schedule XIV to the Act. The company is still awaiting the response to application to Central Government pursuant to Section 205 of the Act seeking approval to depreciate the aforesaid assets in accordance with the “Unit of Production” method. This financial statement does not include any adjustments on consequential impact should the Central Government direct the company to adopt any other method on rate of depreciation other than “Unit of Production” method.

Without qualifying our opinion attention is drawn to Note No. 35 in relation to the AA-ON/7 Exploration & Production (E&P) Asset about which we are unable to express any opinion on the outcome of the project, pending execution of the new Production Sharing, Contract (PSC).

Without qualifying our opinion attention is drawn to Note No. 45 in relation to sale of assets both immovable and moveable assets of Salonah Tea Estate that describes the uncertainty related to execution of the conveyance in respect to the immovable properties.

Other Matter

We did not audit the financial statements of the subsidiaries whose financial statements reflect total assets of ₹ 4,409,796,790/- as at December 31, 2014, total revenues of ₹ 5,43,219/- and net cash inflows amounting to ₹ 2,22,610/- for the year then ended. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management. and our opinion is based solely on the reports of the other auditors. Our opinion is not qualified in respect of this matter.

We further report that in absence of audited financial statement of two of the subsidiaries for the current year (refer Note no 1(d) on Note 1 to the attached consolidated financial statements), the same has not been considered financial statements and consequently we are unable to comment on true and fair view of the said two subsidiaries.

**For De Chakraborty & Sen
Chartered Accountants
F.R. No. 303029E**

**(Srijit Chakraborty)
Partner**

Membership No.: 055317

Place: Kolkata
Date: 27.02.2015


CONSOLIDATED BALANCE SHEET AS AT 31st DECEMBER, 2014

Notes	31st December, 2014 (₹)	31st December, 2013 (₹)
EQUITY AND LIABILITIES		
Shareholders' Funds		
Share Capital	2	309,760,963
Reserves and Surplus	3	2,202,208,519
		<u>2,511,969,482</u>
Minority Interest		46,840,004
		45,991,554
Non-current liabilities		
Long - Term Borrowings	4	2,489,706,334
Other Long - Term Liabilities	5	792,993
Long - Term Provisions	6	446,311,755
		<u>2,936,811,082</u>
		4,784,625,238
Current Liabilities		
Short - Term Borrowings	7	1,814,762,749
Trade Payables	8	84,562,745
Other Current Liabilities	9	5,241,577,568
Short - Term Provisions	10	383,276,944
		<u>7,524,180,006</u>
		6,181,104,596
TOTAL		13,019,800,574
ASSETS		
Non-current assets		
Fixed assets	11	
Tangible assets		4,027,267,446
Intangible assets		1,677,123
Capital work in progress	12	6,197,680,862
Non-current Investments	13	5,924,594
Long - term Loans and advances	14	1,251,537,958
Other non - current assets	15	222,791,633
		<u>11,706,879,616</u>
		10,938,439,713
Current assets		
Current Investments	13	900,000
Inventories	16	309,545,620
Trade Receivables	17	670,260,766
Cash and Bank balances	18	237,504,647
Short - term loans and advances	19	66,480,950
Other current assets	20	28,228,975
		<u>1,312,920,958</u>
		2,582,558,186
TOTAL		13,019,800,574
		13,520,997,899

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

Place: Kolkata

Date: 27th February, 2015

On behalf of the Board

A.K. Jajodia - Managing Director

Amit Halder - Director

Sanjay Khandelwal - Director



CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST DECEMBER, 2014

	Notes	31st December, 2014 (₹)	31st December, 2013 (₹)
INCOME			
Revenue from Operations	21	2,158,139,564	2,278,525,837
Other Income	22	362,437,808	199,920,066
Total Revenue		<u>2,520,577,373</u>	<u>2,478,445,903</u>
EXPENSES			
Cost of Raw Materials Consumed	23	144,028	12,784,963
Changes in inventories of finished goods	24	(33,227,441)	(12,613,752)
Employee benefits expenses	25	730,963,049	698,931,879
Finance costs	26	622,106,894	612,931,698
Depreciation and amortisation expense	11	49,464,440	58,114,455
Other expenses	27	1,104,579,517	1,007,764,834
Total Expenses		<u>2,474,030,487</u>	<u>2,377,914,077</u>
PROFIT BEFORE TAX		46,546,886	100,531,826
Provision for Taxation :			
Income Tax		32,300,000	36,513,898
Wealth Tax		65,000	200,000
Earlier Year Tax Adjustments		4,029,250	
PROFIT AFTER TAX BEFORE MINORITY INTEREST		<u>10,152,636</u>	<u>63,817,928</u>
MINORITY INTEREST		(56,268)	(222,887)
PROFIT FOR THE YEAR		<u>10,208,904</u>	<u>64,040,815</u>
Earnings per Equity Share			
[Nominal value per share: Re.1/- (31.12.2013 - Re. 1/-)]			
Earnings per Equity Share (Basic and Diluted)		0.03	0.21

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

Place: Kolkata

Date: 27th February, 2015

On behalf of the Board

A.K. Jajodia - Managing Director

Amit Halder - Director

Sanjay Khandelwal - Director


CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2014

	Year Ended 31st December, 2014 (₹)	Year Ended 31st December, 2013 (₹)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation but after exceptional items	46,546,886	100,531,826
Adjustments for:		
Interest income	(62,344,099)	(20,894,200)
(Income) from investments other than trade	(203,206)	(48,454)
Interest and Finance Charges (net of subsidy)	446,129,234	430,302,727
Depreciation and Amortisation (net of withdrawal from Revaluation Reserve)	49,464,440	58,114,455
(Profit) on sale of Fixed Assets	(4,789,064)	(108,265,998)
(Profit) on sale of Investments	–	(13,680,349)
Provision for doubtful advances, deposits and interest accrued	(171,267,406)	1,146,586
Fixed Assets Written Off	–	589,751
Provision for Retirement Benefits	54,590,865	8,837,378
Unrealised foreign exchange difference-net (gain)/loss	45,547,291	106,308,928
Provision for doubtful advances, deposits and interest accrued no longer req w/b	–	2,988,607
Liabilities no longer required written back	(53,956,047)	(13,458,908)
Opening Reserve	1,012	
Operating Profit before Working Capital Changes	349,719,906	552,472,349
Adjustments for:		
Trade and Other Receivables	2,468,749,124	68,761,360
Inventories	(52,605,419)	(9,883,574)
Trade payables and other payables	1,032,749,247	494,041
Cash generated from Operations	3,798,612,858	611,844,176
Direct Taxes Paid (Net)	(13,497,727)	13,179,134
Net Cash Flow from Operating Activities	3,785,115,131	625,023,310
B. CASH FLOW FROM INVESTING ACTIVITIES		
Addition to fixed assets / CWIP	(616,929,113)	(123,729,587)
Sale of fixed assets	6,598,761	90,707,048
Purchase of investments	(1,800,000)	–
Sale of investments	–	21,179,530
Investment in Equity Shares	(62,303)	
Investment in Subsidiaries	–	(650,000)
Loans / deposits made with third parties	19,143,001	(20,999,999)
Refund of loans / deposits made with third parties	(831,119,313)	5,126,900
Income from Investments other than trade	203,206	48,454
Interest received	39,822,377	8,548,993
Net Cash used in Investing Activities	(1,384,143,384)	(19,768,661)

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2014**

	Year Ended 31st December, 2014 (₹)	Year Ended 31st December, 2013 (₹)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Net increase / (decrease) in Cash / Export Credit Facilities and other Short Term Loans		
Proceeds from long term borrowings	151,952,674	(102,931,012)
Repayment of long term borrowings	875,640,985	291,276,041
Dividend paid	(2,822,022,101)	(302,102,473)
Dividend tax on distributable profits	–	(16,621,823)
Interest and Finance Charges paid	–	(2,512,549)
	(446,129,234)	(546,223,309)
Net Cash from / (used in) Financing Activities	(2,240,557,676)	(679,115,125)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	160,414,071	(73,860,476)
Cash and Cash Equivalents (Opening Balance as at 1st January, 2014)	77,469,255	150,473,250
Adjustment on Inclusion/deletion of Assam Natural Gas Colombia Ltd /NTCL	(543,863)	(543,863)
Cash and Cash Equivalents (Closing Balance as at 31st December, 2014)	237,504,641	76,925,393
Effect of exchange rate changes	165,178	856,482
	160,414,071	(73,860,476)

Notes:

1. Cash and Cash Equivalents comprise Cash and Bank balances as per Schedule–6(c) of the audited accounts.
2. The Cash Flow Statement has been prepared under the 'Indirect Method' as given in Accounting Standard on Cash Flow Statement (AS – 3) as per Companies Accounting Standard Rules, 2006.
3. Previous year's figures have been regrouped / rearranged wherever necessary.

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

For De Chakraborty & Sen
Chartered Accountants
Firm Registration No 303029E
(S Chakraborty)
Membership No. 055317
Partner
Place: Kolkata
Date: 27th February, 2015

On behalf of the Board

A.K. Jajodia - Managing Director
Amit Halder - Director
Sanjay Khandelwal - Director



NOTE : 01 - NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

- (a) The Consolidated Financial Statements comprises of the financial statements of Assam Company India Limited (the holding company) and its subsidiaries. The Consolidated Financial Statements have been prepared in accordance with the Accounting Standard 21 on "Consolidated Financial Statements" notified under Companies (Accounting Standard) Rules, 2006.
- (b) The Consolidated Financial Statements are prepared on the following basis :-
- 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.
 - The financial statements of the subsidiaries used in the consolidation are drawn upto the same reporting date as that of the Holding Company.

- (c) The subsidiaries, considered in the Consolidated Financial Statements are :-

Name of the Subsidiaries	Country of Incorporation	Percentage of Ownership Interest as at 31.12.2014
Assam Oil and Gas Limited	India	100.00
North East Hydro Carbon Ltd	India	100.00
Camelia Cha Bar Limited	India	100.00
Dahej Offshore Infrastructure SEZ Ltd. (Formerly Known as Assam Estates Ltd)	India	100.00
Assam Oil & Natural Gas Ltd	Columbia	100.00
Assam Oil & Natural Gas Colombia Ltd (through subsidiary)	Columbia	100.00
Gujarat Hydrocarbons & Power SEZ Ltd	India	51.00
Duncan Macneill Power India Ltd. (Formerly Known as Duncan Macneill Power and Utilities Ltd)	India	100.00

- (d) In absence of financial statements for the current period the following subsidiaries have not been considered in preparation of Consolidated Financial Statements :-

Name of the Subsidiaries	Country of Incorporation	Percentage of Ownership Interest as at 31.12.2014
Lord Inchcape Financial Services Limited (through two subsidiaries)	India	60.00
Duncan Macneill Natural Resources Ltd	United Kingdom	100.00

(e) Accounting Convention

The consolidated financial statements are prepared to comply in all material aspects with all the applicable accounting principles in India and the applicable Accounting Standards, notified under companies (Accounting Standard) Rules, 2006. A summary of important accounting principles are set out below:

(f) Basis of Accounting

The Financial Statements are prepared under the historical cost convention, modified by revaluation of certain fixed assets as detailed below.

**(g) Fixed Assets**

Fixed assets are stated at cost of acquisition including appropriate incidental/ installation expenses. Cost of Extension planting is 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. Impairment loss, if any, ascertained as per the Accounting Standard of the Companies (Accounting Standards) Rules, 2006 is recognised. 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" 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 are the 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 Statement of Profit and Loss.

Assam Oil and Gas Limited

Dahej Offshore Infrastructure SEZ Ltd (Formerly Known as Assam Estates Ltd)

Assam Oil & Natural Gas Ltd

Gujarat Hydrocarbons & Power SEZ Ltd

Duncan Macneill Power India Ltd (Formerly Known as Duncan Macneill Power and Utilities Ltd)

(h) Depreciation

[i] Depreciation, other than on Oil and Gas producing properties, is provided on the Written Down Value method at the rates prescribed in Schedule XIV to the Companies Act, 1956. Cost of certain fixed assets located in leasehold properties under the head Building and Furniture as mentioned below have been depreciated over their respective lease periods which is higher than the Schedule XIV rates.

Building and Furniture : Lease period - between 3 to 9 years.

Cost of certain fixed assets at estates under the head Buildings and Vehicles are depreciated at rates based on the estimated life of each asset and the aggregate depreciation so calculated is higher than the Schedule XIV rates.

The following depreciation rates are considered and applied:

Building	25 % and 33.33 %
Vehicles	30 %

[ii] Capitalised software costs are amortised equally over its useful life of five years on a straight line basis.



- [iii] 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.
- [iv] Depreciation in respect of oil and gas producing assets is calculated on the capitalized cost according to the "Unit of Production Method", under which the oil and gas assets are written off at the same rate as the quantitative depletion of the related reserve. Unit of Production depletion rates are revised when there is an indication of the need for revision based on revised reserve estimate, which is carried out once in a year. Such revisions are also accounted for prospectively to give effect in the Books of Accounts of the Company.
- [v] Assets like Building, Plant and Machinery etc. included in Oil and Gas producing properties for which depreciation rates have been prescribed in Schedule XIV of the Companies Act, 1956 are depreciated on Written Down Value method at the rates prescribed in Schedule XIV of the Companies Act, 1956. Other assets are depreciated according to the 'unit of production' method as prescribed by The Institute of Chartered Accountants of India in the 'Guidance Note on Accounting for Oil and Gas Producing Activities'.

(i) 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.

(j) 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.

(k) 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.

(l) 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.

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

(m) 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.

(n) 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 collectibility exist. Other items are accounted for on accrual basis.



(o) Replanting and Other Subsidies

Replanting and other subsidies of revenue nature are recognised as income in the Statement of Profit and Loss .

(p) 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.

(q) Leases

Rentals in respect of operating leases are charged off to Statement of Profit and Loss.

(r) Retirement Benefits

The Group 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 Group.

The Group 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 Group, based on actuarial valuation carried out every year at the year end, to Trust and Life Insurance Corporation of India (LIC) respectively, except one of the subsidiaries wherein the Fund is actuarially valued but not yet funded.

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.

(s) 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.

(t) 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.

(u) 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. 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.

(v) 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 DECEMBER	31st DECEMBER
	2014 (₹)	2013 (₹)
Authorised		
(a) 500,000,000 Equity Shares of Rs 1/-each	500,000,000	500,000,000
(b) 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 Equity Shares of Rs 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 of Holding Company is set out below:-

Particulars

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 Re1/- each. Each holder of Ordinary Shares ('Equity Shareholders') is entitled to one vote per Share. The Holding Company declares and pays dividend in Indian Rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting of the Holding 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.

The Board of Directors of Holding company has not recommended any dividend for the year ended 31st December, 2014 (31.12.2013 - Re Nil per share).

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

Name of the Shareholders	31st DECEMBER, 2014		31st DECEMBER 2013	
	No. of Shares Held	%	No. of Shares Held	%
1. Assam Oil Company Limited	119,088,048	38.45	119,088,048	38.45
2. Dune Leasing & Finance Ltd.	6,031,643	1.95	16,830,000	5.43
3. Siriyari Tradecom Pvt. Ltd.	5,033,944	1.63	20,556,952	6.64

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

	<u>31st December 2014 (₹)</u>	<u>31st December 2013 (₹)</u>
A Capital Reserve (Reserve on Amalgamation)	15,037,398	15,037,398
B Capital Reserve on Consolidation	(2,379)	110,999,417
Adjusted during the year	—	(111,001,796)
Closing Balance	(2,379)	(2,379)
C Capital Redemption Reserve	874,600	874,600
D Revaluation Reserve	775,441,103	885,480,934
Adjusted on account of depreciation on revalued assets	(8,557,198)	(9,381,942)
Adjusted on account of disposal of revalued assets	(86,232)	(101,206,369)
Adjusted during the year	—	548,480
Closing Balance	766,797,673	775,441,103
E Foreign Currency Translation Reserve	13,772,549	6,350,984
Adjusted during the year	(678,382)	7,421,565
Closing Balance	13,094,167	13,772,549
F Share Premium		
As per Last Account	1,375,673,385	1,252,765,172
Adjusted during the year	—	122,908,213
Closing Balance	1,375,673,385	1,375,673,385
G General Reserve		
As per Last Account	177,333,735	178,018,231
Transferred from Statement of Profit and Loss	—	—
Adjusted during the year	—	684,496
	177,333,735	177,333,735
H Surplus in Statement of Profit & Loss		
As per last account	(158,614,845)	(222,873,533)
Profit for the year	10,208,904	64,040,815
Adjustment to balance brought forward on dilution/Inclusion of Gujarat Hydrocarbons and Power SEZ limited, DMNRL, AONGCL	1,805,881	217,872
	(146,600,060)	(158,614,845)
TOTAL RESERVE AND SURPLUS	2,202,208,519	2,199,515,546

Note : Capital Reserve includes Rs.47,53,152 being 26% of the profit for the year ended 31st December, 1977 of the Sterling Companies, the Indian undertakings of which were amalgamated with the Holding Company.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

	31st December 2014 (₹)	31st December 2013 (₹)
Note: 4 - Long term borrowings		
Secured		
Term Loans from Banks [Refer (a) to (e) below]	2,489,706,334	4,396,235,474
	2,489,706,334	4,396,235,474

Sl. No.	Nature of Security	Terms of Repayment
(a)	Term Loan from Banks amounting to ₹ 463,406,231/- (31.12.2013 - ₹ 470,905,736/-) 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 ₹52,336,963/- repayable in 36 quarterly installments commencing from June, 2006.</p> <p>ii) Term Loan amounting to ₹157,341,409/- repayable in 12 half-yearly installments commencing from June, 2012.</p> <p>iii) Term Loan amounting to ₹253,727,859/- repayable in 7 half yearly installments commencing from May, 2015.</p>
(b)	Term loan from Banks amounting to ₹ 472,264,913/- (31.12.2013 - ₹ 447,331,618/-) 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 8 quarterly installments commencing from November, 2013.
(c)	Term Loan from Banks amounting to ₹ 2,934,552,158/-(31.12.2013 - ₹ 4,187,989,423/-) 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 AAON 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 amounts to ₹1,040,973,126/- repayable in 8 half yearly installment commencing from July, 2011.</p> <p>ii) Term Loan amounting to ₹411,309,112/- repayable in 2 yearly installments commencing from December, 2013.</p> <p>iii) Term Loan amounting to ₹480,094,879/- repayable in 22 quarterly installments commencing from December, 2016.</p> <p>iv) Term Loan amounting to ₹17,328,791/- repayable on July, 2015.</p> <p>v) Term Loan amounting to ₹114,212,021/- repayable in 26 quarterly installments commencing from February, 2013.</p>



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Sl. No.	Nature of Security	Terms of Repayment
		<p>vi) Term Loan amounting to ₹616,052,495/- repayable in 27 quarterly installments commencing from October, 2012.</p> <p>vii) Term Loan amounting to ₹254,581,732/- repayable in 27 quarterly installment commencing from May, 2013.</p>
(d)	<p>Term Loan from Banks amounting to ₹ 596,197,501/-(31.12.2013 - ₹ 536,795,461/-) 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 AAON 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 second charge holders of the Company.</p> <p>(iii) Personal guarantee of Managing Director of the Company.</p>	<p>Repayable in 25 quarterly installments commencing from December, 2014.</p>
(e)	<p>Term Loan from Banks amounting to ₹ 490,842,626/- (31.12.2013 - ₹ 493,857,232) 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 AAON 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) Term Loan amounts to ₹461,054,333/- repayable in 27 quarterly installment commencing from July, 2013.</p> <p>ii) Term Loan amounting to ₹29,788,293/- 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 lenders bench mark rate (for Rupee Term Loan) and on spread over libor (for Foreign Currency Loan).</p>	<p>—</p>



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

	31st December 2014 (₹)	31st December 2013 (₹)
Note: 5 - Other Long - term liabilities		
Others	792,993	2,541,389
	792,993	2,541,389

Note: 6 - Long - term Provisions

Provision for Employee Benefits	443,546,755	383,083,375
Provision for Site Restoration	2,765,000	2,765,000
	446,311,755	385,848,375

Note: 7 - Short - term borrowings

Secured Loans

Loans repayable on demand from Banks [Refer (a) below]

Working Capital Loan including Cash Credit from Banks	1,799,964,658	1,607,902,809
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Unsecured Loans

Loan from a Director of a Subsidiary	152,070	150,000
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Intercorporate Deposit	14,646,021	54,985,120
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	1,814,762,749	1,663,037,929
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Nature of Security

(a) Loan repayable on demand from Banks

Outstanding loans of ₹ 1,607,902,809/- (31.12.13 - ₹1,665,813,679/-) 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.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

	<u>31st December 2014 (₹)</u>	<u>31st December 2013 (₹)</u>
Note: 8 - Trade Payables		
Acceptances	25,916,625	23,281,432
Sundry Creditors	58,646,120	98,278,558
	<u>84,562,745</u>	<u>121,559,990</u>
Note: 9 - Other current Liabilities		
Current maturities of Long-term borrowings	3,842,541,459	2,984,286,856
Interest accrued but not due on borrowings	141,039,365	152,118,561
Advance from Customers	330,317,795	-
Unclaimed Dividends	2,412,944	2,666,777
Due to FCCB Holders including Redemption Premium	361,145,944	352,965,752
Others	564,120,061	541,785,429
	<u>5,241,577,568</u>	<u>4,033,823,375</u>
Note: 10 - Short term provisions		
Provisions for Employee Benefits	54,590,865	60,474,625
Provision for tax (Net of Advance Tax)	174,768,494	155,910,193
Others	153,917,585	146,298,484
	<u>383,276,944</u>	<u>362,683,302</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note : 11 - FIXED ASSETS

[Figures in ₹]

Class of Assets	COST / VALUATION				DEPRECIATION / AMORTISATION					NET BLOCK	
	As At 1st January 2014	Additions during the year	Sale/discard /adjustments during the year	Total as at 31st December 2014	As At 1st January 2014	Additions during the year	On Revaluation during the year	Sale / discard during the year	Total as at 31st December 2014	Net Book Value as on 31st December, 2014	Net Book Value as on 31st December, 2013
Tangible Assets											
Goodwill on consolidation	1,322,792	-	-	1,322,792	1,322,792	-	-	-	1,322,792	-	-
Land and Development (including leasehold land)	3,010,861,436	5,321,295	278,232	3,015,904,499	-	-	-	-	-	3,015,904,499	3,010,861,436
Buildings (on leasehold land)	970,958,535	7,016,732	-	977,975,267	674,579,651	9,318,681	8,356,095	-	692,254,427	285,720,840	296,378,884
Plant and Machinery	846,659,230	15,441,902	1,584,070	860,517,062	673,264,935	26,139,683	201,101	343,340	699,262,379	161,254,683	173,394,295
Oil and Gas Producing Properties	743,969,970	-	-	743,969,970	212,232,088	3,926,729	-	-	216,158,817	527,811,153	531,737,882
Vehicles	169,258,467	4,421,222	2,121,091	171,558,598	135,312,004	8,324,958	-	1,744,181	141,892,781	29,665,817	33,946,463
Furniture	20,116,151	35,063	1,170	20,150,044	11,760,671	1,480,029	2	1,112	13,239,590	6,910,454	8,355,480
Intangible Assets											
Computer Software	4,459,121	-	-	4,459,121	2,248,003	533,995	-	-	2,781,998	1,677,123	2,211,118
TOTAL	5,767,605,702	32,236,214	3,984,563	5,795,857,353	1,710,720,144	49,724,075	8,557,198	2,088,633	1,766,912,784	4,028,944,569	4,056,885,558
Previous Year	6,369,280,355	18,399,763	620,074,416	5,767,605,702	1,861,586,595	58,444,966	9,381,942	218,693,359	1,710,720,144	4,056,885,558	

- NOTES: 1. Land and Development (including leasehold land) include certain freehold lands the amount of which is not ascertainable.
2. Vehicles include assets acquired on hire purchase - ₹ 37,465,467 /- (31.12.2013 - ₹ 37,465,467/-) .
3. Addition to Plant and Machinery is net off of subsidy received from Tea Board for quality upgradation and product development scheme activities amounting to ₹ NIL (31.12.2013 - ₹ 364,000).
4. Deletion to Land and Development (including leasehold land) is inclusive of subsidy received from Tea Board for replanting activities amounting to ₹ NIL (31.12.2013 - ₹ 9,214,140).
5. The cost of Oil and Gas producing properties represents Company's share (40%) in jointly held properties.





NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

	31st December 2014 (₹)	31st December 2013 (₹)
Note : 12 - CAPITAL WORK IN PROGRESS		
A. Oil and Gas Project		
Opening Balance	4,357,811,505	3,798,222,882
Add: Addition during the year	590,831,578	559,588,623
	4,948,643,083	4,357,811,505
Less: Capitalised during the year	—	—
Closing Balance	4,948,643,083	4,357,811,505
B. SEZ Project		
Opening Balance	1,043,534,423	855,761,800
Add: Addition during the year	178,843,366	187,772,624
	1,222,377,789	1,043,534,424
Less: Capitalised during the year	—	—
Closing Balance	1,222,377,789	1,043,534,424
C. Agar Cultivation Project		
Opening Balance	17,843,992	21,124,548
Add: Addition during the year	—	—
	17,843,992	21,124,548
Less: Provision	—	3,280,556
Closing Balance	17,843,992	17,843,992
D. Others		
Opening Balance	9,738,900	18,311,804
Add: Addition during the year	3,896,940	2,976,190
	13,635,840	21,287,994
Less: Capitalised during the year	4,819,842	11,549,094
Closing Balance	8,815,998	9,738,900
Total (A + B+C+D)	6,197,680,862	5,428,928,821



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

	31st December 2014 (₹)	31st December 2013 (₹)
Note: 13 - Non-current Investments		
Long Term - At cost, fully paid unless otherwise stated		
A. Quoted		
(ii) Other than Trade		
237,800 (31.12.2013-237800) Equity Shares of Canoro Resources Ltd. of CAD 1/- each	692,467	692,467
Others*	5,472,643	3,610,340
	6,165,110	4,302,807
B. Unquoted (Fully paid unless otherwise stated)		
(i) Trade		
In Subsidiary Companies**	76,491,035	76,491,035
(ii) Other than Trade		
20,000 (31.12.2013-20000) Equity Shares of Rs.10/- each in Assam Bengal Cereals Ltd.	200,000	200,000
2450 (31.12.2013- 2450) Equity shares of Rs 10/- each in Woodlands Multispeciality Hospital Ltd	24,500	24,500
(Received on conversion of 5% Non Redeemable Debentures of East India Clinic Ltd)		
	224,500	224,500
	82,880,645	81,018,342
Less: Provision for diminution in value of certain investments	76,956,051	76,956,051
	5,924,594	4,062,291
Current Investment - At cost or fair value whichever is lower, fully paid unless otherwise stated		
Quoted		
SBI Magnum Multiplier Plus Scheme -93 - Dividend	800,000	800,000
Baroda Pioneer Mutual Fund	100,000	100,000
	6,824,594	4,962,291



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTES : 13 - INVESTMENTS

Long Term - At Cost (contd)

* Particulars	Description	Number as on 31.12.14	Number as on 31.12.13	Face value [₹]	Cost as on 31.12.14 [₹]	Cost as on 31.12.13 [₹]
Allahabad Bank	Equity	23	23	10	1,886	1,886
Bank of Baroda	Equity	9	9	10	2,070	2,070
Bhairav Enterprises Limited	Equity	65,000	10	650,000		
Bombay Burmah Trading Corp. Ltd	Equity	25	25	2	2,346	2,346
Dhunseri Petrochem & Tea Ltd (Formerly Dhunseri Tea & Industries Ltd)	Equity	55	55	10	10,359	10,359
Dhunseri Investments Ltd	Equity	27	27	10	-	-
Gammon India Ltd	Equity	5	5	2	2,246	2,246
Gillanders Arbuthnot & Company Ltd	Equity	7	7	10	518	518
GMR Infrastructure Ltd	Equity	30,000	30,000	1	2,393,532	2,393,532
Goodricke Group Ltd	Equity	5	5	10	333	333
Grasim Industries Ltd.	Equity	50	50	10	16,550	16,550
Hindustan Oil Exploration Ltd.	Equity	166	166	10	9,272	9,272
Hindalco Industries Ltd	Equity	5	5	1	807	807
Indian Oil Corporation Ltd	Equity	10	10	10	2,201	2,201
Jayshree Tea & Industries Ltd	Equity	10	10	5	547	547
Mcleod Russel India Ltd	Equity	300	300	5	6,095	6,095
Mexia Resources Limited, UK	Equity	520	120	62,303		
Oil & Natural Gas Corporation Ltd	Equity	20	20	5	4,541	4,541
Oriental Bank Of Commerce	Equity	5	5	10	1,250	1,250
Reliance Industries Ltd.	Equity	36	36	10	1,350	1,350
Reliance Power Ltd	Equity	7,000	7,000	10	1,039,500	1,039,500
Rishabh Enterprises Limited	Equity	65,000	10	650,000		
Selan Exploration Ltd	Equity	5	5	10	540	540
Shiv - Vani Oil & Gas Exploration Services Ltd	Equity	5	5	10	1,753	1,753
Shri Gurudev En-Trade Limited	Equity	50,000	10	500,000		
State Bank of Bikaner & Jaipur	Equity	1,850	1,850	10	97,495	97,495
Suzlon Energy Ltd	Equity	25	25	2	7,534	7,534
Tata Chemicals Ltd.	Equity	4	4	10	247	247
Tata Coffee Ltd	Equity	5	5	10	1,441	1,441
Tata Iron & Steel Company Ltd.	Equity	3	3	10	224	224
Tata Global Beverages Ltd.(Formerly Tata Tea Ltd)	Equity	120	120	1	2,280	2,280
Ultratech Cements Ltd	Equity	28	28	10	-	-
UTI Master Share	Equity	116	116	10	3,050	3,050
James Warren Tea Limited	Equity	8	-	10	186	
Warren Tea Ltd	Equity	8	8	10	187	373
(3 Bonus Shares received during the Year)					5,472,643	3,610,340

** Particulars	Description	Number as on 31.12.14	Number as on 31.12.13	Face value [₹]	Cost as on 31.12.14 [₹]	Cost as on 31.12.13 [₹]
Duncan Macneill Natural Resources Ltd	Equity	911,000	911,000	1GBP	76,036,035	76,036,035
Lord Inchcape Financial Services Ltd.	Equity	600,000	600,000	10	300,000	300,000
Lord Inchcape Financial Services Ltd.	Equity	1,200,000	1,200,000	10	120,000	120,000
Lord Inchcape Financial Services Ltd.	Preference	350,000	350,000	100	35,000	35,000
					76,491,035	76,491,035

Notes:-

Aggregate market value of quoted investments ₹ 3,493,188/- (31.12.2013 - ₹ 3,396,956/-)

Aggregate book value of quoted investments ₹ 7,065,110/- (31.12.2013 - ₹ 5,202,807/-)

Aggregate book value of unquoted investments ₹ 76,715,535/- (31.12.2013 - ₹ 76,715,535/-)



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

	31st December 2014 (₹)	31st December 2013 (₹)
Note : 14 - Long- term loans and advances		
(Unsecured considered good unless otherwise stated)		
Loans and advances to subsidiary companies		
Considered good	29,187,833	11,433,148
Deposits	28,929,809	29,386,013
Employees loans and advances	3,353,528	3,097,665
Intercorporate Deposits		
Considered good	85,000,000	62,000,000
Considered doubtful	6,500,000	35,855,000
Less: Provision for doubtful advances	(6,500,000)	(35,855,000)
Other loans and advances		
Capital advances	10,231,367	10,097,000
Other advances	1,094,835,421	1,089,096,044
Considered doubtful	12,062,049	22,781,941
Less: Provision for doubtful advances	(12,062,049)	(22,781,941)
	1,251,537,958	1,205,109,870
Note : 15 - Other non-current assets		
FCMIT Difference account	134,045,860	165,916,130
Interest Receivable		
Considered good	63,885,971	48,217,516
Considered doubtful	12,224,928	15,296,222
Less: Provision for doubtful advances	(12,224,928)	(15,296,222)
Others	24,859,802	29,319,527
	222,791,633	243,453,173
Note : 16 - Inventories		
Stores & Spare Parts	56,820,025	37,641,929
Considered good	566,606	566,606
Considered doubtful of recovery	(566,606)	(566,606)
Stock of Teas	251,617,473	218,190,150
Stock of Shares	1,105,269	1,300,961
Stock of Others	2,853	7,042
	309,545,620	257,140,082
Note : 17 - Trade Receivables		
Unsecured		
Debts outstanding for a period exceeding six months		
Considered good	310,845,198	450,037,237
considered doubtful	4,829,679	4,829,679
Less: Provision for doubtful debts	(4,829,679)	(4,829,679)
Other debts:	78,454,492	77,030,012
Considered good	280,961,076	789,390,840
	670,260,766	1,316,458,089



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

	31st December 2014 (₹)	31st December 2013 (₹)
Note : 18 - Cash and Bank Balances		
Cash on hand	2,952,896	2,694,918
Balance with banks in :		
Current Accounts	119,364,002	25,706,631
Dividend Accounts	2,412,944	2,666,777
On Short- term Deposits	93,068,152	27,418,976
Margin Money Deposit	19,699,068	18,438,091
Other Banks on Current account	7,585	-
	237,504,647	76,925,393
Note : 19 - Short-term loans and advances		
(Unsecured- considered good unless otherwise stated)		
Advances and loans to subsidiaries		
Considered good	2,624,145	686,157,222
Considered doubtful	-	128,121,220
Less: Provision for doubtful advances	-	(128,121,220)
Employees loans and advances	1,558,506	3,260,161
Other loans and advances	62,298,299	45,034,593
	-	-
	66,480,950	734,451,976
Note : 20 - Other current assets		
FCMIT Difference account	-	179,085,235
Interest Receivable on Deposits and Intercompany Deposits	22,521,722	12,597,160
Others	5,707,253	5,000,251
	28,228,975	196,682,646
Note : 21- Revenue from operations		
Sales		
Tea	2,158,139,564	2,277,802,640
Sale of Product & Services	-	723,197
	2,158,139,564	2,278,525,837
Note : 22 - Other Income		
Interest Income	62,377,966	20,920,852
Sale of Tea Waste	4,422,058	6,239,125
Tea Subsidy	8,352,660	5,436,093
Income from Investments other than trade	203,206	48,454
Profit on sale of Investment	-	13,680,349
Profit on sale of Fixed Assets	4,789,122	108,285,648
Liabilities no longer required written back	53,956,047	13,486,458
Provision for doubtful advances deposits stores and interest accrued no longer required written back	171,267,406	(4,137,850)
Prem on sale of export Licences	51,595,258	25,054,622
Export Incentive and Duty Drawback	4,623,356	1,608,060
Exchange Fluctuations	(4,634,850)	2,667
Miscellaneous Receipts	5,485,579	9,295,588
	362,437,808	199,920,066



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

	31st December 2014 (₹)	31st December 2013 (₹)
Note : 23 - Cost of Raw Materials Consumed		
Purchase of Green Leaf	–	12,493,936
Purchase-Other	144,028	291,027
	144,028	12,784,963
Note : 24 - Changes in Inventories of Finished goods		
Stock as at 31st December, 2013		
Tea	218,190,150	205,144,930
Shares	1,300,961	1,645,345
Other	7,042	94,126
	219,498,153	206,884,401
Stock as at 31st December, 2014		
Tea	251,617,473	218,190,150
Shares	1,105,269	1,300,961
Other	2,852	7,042
	252,725,594	219,498,153
(Increase) / Decrease	(33,227,441)	(12,613,752)
Note : 25- Employee benefits expnses		
Establishment Charges	363,746,496	359,905,826
Contribution to Provident, Gratuity and other Funds	182,045,853	159,673,210
Labour and Staff Welfare	140,536,998	135,668,059
Concession on Foodgrains	44,633,702	43,684,784
	730,963,049	698,931,879
Note : 26- Finance Costs		
Interest Expenses	427,378,327	410,084,600
Bank Charges Including processing fees and other costs	18,324,250	19,157,971
Exchange Fluctuation on Borrowings	175,977,660	182,623,709
Others	426,657	1,065,418
	622,106,894	612,931,698



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

	<u>31st December 2014 (₹)</u>	<u>31st December 2013 (₹)</u>
Note : 27- Other Expenses		
Garden Cultivation Costs	233,431,161	188,831,676
Plucking and Manufacturing Expenses	283,779,881	288,505,348
Power and Fuel	193,183,913	217,709,624
Directors' Fees	259,000	302,000
Repairs to Buildings	31,004,059	31,553,630
Repairs to Plant & Machinery	31,831,492	30,959,564
Upkeep of Roads & Bridges	25,179,984	32,806,289
Garden Transport	46,776,346	44,010,742
Insurance	6,013,771	8,254,650
Rent, Rates & Taxes	21,541,153	13,527,858
Office Maintenance	3,693,582	4,150,292
General Charges	78,903,012	87,026,277
Freight, Warehouse & Sale Charges	75,211,212	81,312,871
Agency Commission	36,739,781	35,601,853
Brokerage	13,192,273	13,403,928
Cess on Tea and Green Leaf	23,832,897	28,321,191
Sundry balance written off	-	453,058
Fixed Assets Written off	-	589,751
Loss on Exchange	6,000	(99,555,768)
	<u>1,104,579,517</u>	<u>1,007,764,834</u>



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 ₹ Nil (net of advance - ₹ NIL) [31.12.2013 - ₹ 97,000/- (net of advance - ₹ Nil)
 (b) Other Commitment - for hire purchase and lease payments, Refer Note No 32(a) and 32(b).

29. Contingent Liabilities not provided for in respect of the holding company :

- (a) Income Tax demand amounting to ₹ 28,631,700/-(31.12.2013 - ₹ 28,631,700/-) is under assessment.
 (b) Sales Tax assessments disputed in appeals ₹ 142,225,852/- and Professional Tax of ₹ 235,000/- (31.12.2013 - ₹174,185,080/-) and Professional Tax ₹ Nil.
 (c) Liability towards Interest on Unpaid FCCB Bonds and Redemption premium amounting to ₹ 25,128,053/- (31.12.2013 - ₹16,952,210/-).
 (d) Liability towards fringe benefit tax under adjudication - ₹ 70,929,211/- (31.12.2013 - ₹ 70,929,211/-).
 (e) Guarantees given on behalf of third parties ₹ 3,000,000,000/- (31.12.2013 - ₹ 1,050,000,000/-).
 (f) Pledged 5,000,000 shares (having cost of ₹ 50,000,000/-) representing investment in 51% Equity shares in Gujarat Hydrocarbon & Power SEZ Ltd in favour of third parties.
 (g) Uncalled liability on partly paid shares - ₹ 6,999,510/- (31.12.2013 - ₹ 6,999,510/-).

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

30. Provision for taxation has been made as per the Income Tax Act, 1961 and the rules framed thereunder with reference to the profit for the year ended 31st December, 2014 which extends over two assessment years, Assessment Year 2014-2015 and Assessment Year 2015 - 2016. The ultimate tax liability for the Assessment Year 2015-2016 will be determined on the total income for the period from 1st April, 2014 to 31st March, 2015.

31. The major components of deferred tax assets and liabilities are as follows:

	31.12.2014 [₹]	31.12.2013 [₹]
Deferred Tax Liability		
Excess of tax depreciation over book depreciation	547,584,549	525,976,029
	547,584,549	525,976,029
Deferred Tax Assets		
Expenditure under Section 43B of the Income Tax Act, 1961	547,584,549	525,976,029
	547,584,549	525,976,029
Net Balance	Nil	Nil

32. (a) Assets acquired by the Holding Company under Hire Purchase (HP) comprise of vehicles. These agreements are of a period of 36 months and more and in certain cases provide for revision of hire charges for variation in prime lending rates of the bank. There are no restrictive covenants in the HP agreements.

The minimum rentals as at 31st December, 2014 and the present value as at 31st December, 2014 of minimum rentals in respect of assets acquired under HP are as follows:

	31.12.2014 [₹]	31.12.2013 [₹]
Minimum Hire Purchase Payments		
Payable not later than one year	774,119	802,746
Payable later than one year but not later than 5 years	1,999,719	2,767,945
Total of Minimum Hire Purchase Payments	2,773,838	3,570,691



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

	<u>31.12.2014</u>	<u>31.12.2013</u>
	[₹]	[₹]
Finance Charges		
Payable not later than one year	240,761	300,792
Payable later than one year but not later than 5 years	287,543	528,305
Total of Finance Charges	528,304	829,097
Present Value on Minimum HP Payments		
Payable not later than one year	533,358	501,954
Payable later than one year but not later than 5 years	1,712,176	2,239,640
Total of Present Value on Minimum HP Payments	2,245,534	2,741,594

(b) 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 ₹ 2,012,400/- (31.12.2013- ₹ 2,012,400/-) has been debited to the Statement of Profit and Loss.

33. In one of the subsidiaries 'Agar Cultivation' is being done from 2007 at different Tea Estates of the holding company located in Assam, the gestation period of which is 8-15 years (approx.) and the life of the plant is 30 years (approx.).

34. Provision for Site Restoration : [Figures in ₹]

Year	Opening Balance	Provision made during the year	Amounts utilised/reversed during the year	Closing Balance
2014	2,765,000	-	-	2,765,000
2013	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 Holding Company has three Oil and Gas Fields/Blocks in Assam Arakan Basin – Amguri (Discovered Field), AA-ON/7 (Exploration Block) and AA-ONN-2005/1 (Exploration Block) having participating interest (PI) of 40%, 35% and 10% 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 while AA-ONN-2005/1 Exploration Block is under consortium with Oil & Natural Gas Corporation Limited (ONGC) and Oil India Limited (OIL).

(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 prolong 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 Holding Company has entered into a Bilateral Agreement on 23rd december, 2014, with ONGC to takeover the field from them and to commence operations by the Company. The handover of the field to the Company by ONGC is awaiting for the approval of Bilateral Agreement by the GOI. The approval is expected to be received shortly.

(d) The Holding Company's rightful claim on 60% PI earlier held by CRL is being contested by the Company before an Arbitral Tribunal Board, where GOI is a party. The Company expects that the Award of the Tribunal will be available during the next financial year as the Arbitral proceeding are under progress. As per the Award of the Arbitral Tribunal against CRL dated 21st November, 2011, the Holding Company has got a damage claim of US\$ 39.12 million (₹ 247.95 Crores) against CRL. The Tribunal had assigned a value of US\$ 4.16 million (₹ 26.35 Crores) for 60% PI in Amguri and US\$ 2.2071



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

million (₹ 13.97 Crores) for 52.9% shares of CRL, thereby awarding a net damage claim of US\$ 32.75 million (₹ 207.41 Crores) against CRL.

For enforcement of the Arbitral Tribunal award before Canadian Court, the holding 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 07.03.14 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

- (e) Having finally appointed as the operator of the Field, the Holding Company is quite upbeat in commencing the production of oil and gas, which has remained suspended after the Field was closed by CRL in December, 2010.
- (f) 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 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 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 Holding Company as per PSC is also entitled to 65% PI and operatorship of AA-ON/7 Block, earlier held by Canoro, as the Holding company remained as the sole non-defaulting contractor. The Holding Company has already claimed the PI and operatorship from GOI. The Holding Company feels that once the ownership of 60% PI in Amguri is resolved, GOI will take similar decision on AA-ON/7. GOI earlier vide letter Ref.No.O- 19024/29/2000-ONG-DV (Pt.1) dated 24.05.2013 had conveyed that they would take up the matter of execution of the new PSC alongwith the Company's claim of 65% PI with operatorship after resolution of Nagaland issue.

- (g) The Company is hopeful that the Nagaland issue between the State of Nagaland and GOI would be resolved soon as E & P activities by all operators have been stopped in the State of Nagaland. Considering high potential basin, GOI will ensure to resolve the issue for operators to commence exploration activities to step up domestic production, which is the need of the Country to save foreign exchange. GOI has reconfirmed the said status vide its communication DGH/(AA-ON/7)/New PSC/03 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 capitalisation/impairment provision/adjustment as per AS- 10 and 28 and Guidance Note on Accounting for Oil & Gas producing activities.

- [h] With regard to AA-ONN-2005/1 Exploration Block where ONGC is the operator, the Geological and Geophysical (G&G) activities are under progress, which are the activities in phase -1 of Exploration phase. The drilling activities in AA-ONN-2005/1 Exploration Block will only commence after G & G activities are concluded and drilling potential is identified.
- (i) The Holding 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 Operator (CRL) which has since been maintained by ONGC as the custodian operator and 40% share of cost was booked by ACIL for each of the assets in Amguri Field.
- [k] In respect of oil and gas producing assets for which depreciation rates has not been prescribed in Schedule XIV of the Companies Act, 1956, the Company has applied to the Central Government for its approval to adopt the unit of production method of computing depreciation for the purpose of provision of Section 205 of the Companies Act, 1956, which is awaited.
- [l] Cost Record Order is applicable for Oil and Gas. There was no production of oil & gas during the year.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****(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	40 (40)
2.	AA-ON/7	35 (35)
3.	AA-ONN-2005/1	10 (10)

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

(n) Net quantities of Company's interest in proved reserves and proved developed reserve within India:

Oil :	Proved Reserves MT		Proved Developed Reserves MT	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
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	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
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 have an option of converting these Bonds into Equity Shares at a conversion price of ₹ 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 are 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:

	31.12.2014	31.12.2013
	[₹]	[₹]
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)	94,632,789	94,632,789

Unutilised FCCB proceeds amounting to ₹ 692,467/- (31.12.2013 - ₹ 692,467/-) have been invested in securities and the balance ₹ 235,893/- (31.12.2013 - ₹ 236,119/-) is lying with banks at the year end.

As at the year end, the total Principal FCCBs outstanding is USD 3.10 million. The Company had obtained permission from Reserve Bank of India (RBI) for extending the time for redemption of Outstanding FCCBs beyond the maturity date.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

37. The Holding Company has obtained a stay from the Hon'ble Guwahati High Court restraining the taxation authorities from imposing and collecting Fringe Benefit Tax (FBT) under section 115WA of the Income Tax Act, 1961. In view of this, the Holding Company has not provided the liability for FBT till the year-end December 2009.
38. In line with the notification dated 31st March, 2009 and notification dated 29.12.11 issued by the Ministry of Corporate Affairs, amending Accounting Standard (AS) 11 - "Effects of Changes in Foreign Exchange Rate", the Holding Company in the current year has:
- [i] charged to the Statement of Profit and Loss ₹183,043,098/-(31.12.13 - ₹131,842,159/-, being the amortisation charge of 'Foreign Currency Monetary Item Translation Difference Account' (FCMITDA) for the year.
- [ii] carried forward ₹134,045,860/- (31.12.13- ₹ 345,001,365/-) in the FCMITDA, amortisable by 31st January, 2020.

39. Basic and Diluted Earnings Per Share

	31.12.2014 [₹]	31.12.2013 [₹]
Numerator used :		
Profit after Tax	10,208,904	64,040,815
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	0.03	0.21

40. (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 ₹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 ₹ 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.

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.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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.

Post Retirement Medical Benefit

The Company has a scheme of re-imbursement of post retirement medical expenses to certain categories of employees and their surviving spouses, upon retirement, subject to a monetary limit.

A. Defined Contribution Plans

Contributions for Defined Contribution Plans amounting to ₹103,787,952/- (31.12.2013 ₹ 95,063,234/-) has been recognised in the Statement of Profit & Loss.

B. (i) Defined Benefit Plans

	Gratuity		Pension		Leave Encashment		Medical Benefit	
	2014 (₹)	2013 (₹)	2014 (₹)	2013 (₹)	2014 (₹)	2013 (₹)	2014 (₹)	2013 (₹)
a) Component of employees expenses								
Current Service Cost	22,181,142	20,081,364	6,805,909	7,350,461	1,206,497	1,198,627	-	-
Interest Cost	28,755,424	27,227,515	8,366,220	8,363,293	483,453	443,000	1,388,757	1,366,081
Expected Return on Plan Assets	(1,083,958)	(1,246,343)	(3,993,861)	(3,779,610)	-	-	-	-
Curtailment Cost	-	-	-	-	-	-	-	-
Settlement Cost	-	-	-	-	-	-	-	-
Past Service Cost	(4,724,532)	-	-	-	(180,278)	-(1,956,408)	-	-
Net actuarial (gain)/loss recognised during the year	17,851,162	12,755,919	4,461,323	(3,040,088)	(629,675)	861,672	(18,712)	394,175
Total component of employees expenses	62,979,238	58,818,455	15,639,591	8,894,056	879,997	2,503,299	(586,363)	1,760,256
b) Actual Return on Plan Assets								
Expected Return on Plan Assets	1,083,958	1,246,343	3,993,861	3,779,610	-	-	-	-
Actuarial gain/(loss) on Plan Assets	1,839,726	(1,145,993)	(195,602)	(1,101,478)	-	-	-	-
Actual Return on Plan Assets	2,923,684	100,350	3,798,259	2,678,132	-	-	-	-
c) Change in Defined Benefit Obligation during the year								
Opening Defined Benefit Obligation	371,927,418	327,638,782	109,963,873	98,391,685	6,580,345	6,346,481	17,678,311	16,225,029
Current Service cost	22,181,142	20,081,364	6,805,909	7,350,461	1,206,497	1,198,627	-	-
Interest Cost	28,755,424	27,227,515	8,366,220	8,363,293	483,453	443,000	1,388,757	1,366,081
Settlement Cost	-	-	-	-	-	-	-	-
Past Service Cost	(4,724,532)	-	-	-	(180,278)	-(1,956,408)	-	-
Benefits Paid	(24,969,240)	(14,630,169)	(10,772,231)	-	(1,074,359)	(2,269,435)	(637,709)	(306,974)
Actuarial (gain)/loss on Obligation	19,690,888	11,609,926	4,265,721	(4,141,566)	(629,675)	861,672	(18,712)	394,175
Closing Defined Benefit Obligation	412,861,100	371,927,418	118,629,492	109,963,873	6,385,983	6,580,345	16,454,239	17,678,311
d) Change in Fair Value of Assets during the year								
Fair value of Plan Assets as at beginning of the year	13,549,465	15,579,284	49,923,258	47,245,126	-	-	-	-
Expected Return on Plan Assets	1,083,958	1,246,343	3,993,861	3,779,610	-	-	-	-
Contributions Made	21,740,000	12,500,000	-	-	-	-	-	-
Benefits Paid	(24,969,240)	(14,630,169)	(10,772,231)	-	-	-	-	-
Actuarial gain/(loss) on Plan Assets	1,839,726	(1,145,993)	(195,602)	(1,101,478)	-	-	-	-
Fair value of Plan Assets as at end of the year	13,243,909	13,549,465	42,949,286	49,923,258	-	-	-	-



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

e) Categories of Plan Assets as a %age of total planned Assets	Gratuity (Funded)		Pension (Funded)	
	2014	2013	2014	2013
Administered by Private Insurance Company	95.00%	80.42%	-	-
Administered by Life Insurance Corporation of India	-	-	99.98%	99.81%
Special Deposit with Scheduled Bank	2.84%	2.32%	-	-
Others	2.16%	17.26%	0.02%	0.19%

f) Actuarial Assumptions	Gratuity		Pension		Leave Encashment (Unfunded)		Medical Benefit (Unfunded)	
	2014	2013	2014	2013	2014	2013	2014	2013
Mortality Table	LICI-1994-1996	LICI-1994-1996	LICI-1994-1996	LICI-1994-1996	LICI-1994-1996	LICI-1994-1996	LICI-1994-1996	LICI-1994-1996
Discount Rate (%)	8.00%	8.50%	8.00%	8.50%	8.00%	8.50%	8.00%	8.50%
Inflation Rate (%)	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	0.00%	0.00%
Expected Return on Plan Assets (%)	8.00%	8.00%	8.00%	8.00%	0.00%	0.00%	0.00%	0.00%

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

	2014		2013	
	Increase	Decrease	Increase	Decrease
Effect on the aggregate of the service cost and interest cost	16,618,781	16,289,696	17,855,094	17,501,528
Effect on defined benefit obligation	14,701,450	18,588,046	15,854,460	19,886,658

B (ii) Defined Benefit Plans

I. GRATUITY (FUNDED)	2014	2013	2012	2011	2010
	[₹]	[₹]	[₹]	[₹]	[₹]
a) Net (Asset) / Liability					
Present Value of the Defined Benefit Obligation	412,861,100	371,927,418	361,633,906	337,046,814	319,279,843
Fair value of Plan Assets	13,243,909	13,549,465	15,579,284	39,776,782	66,945,709
Net (Asset) / Liability	399,617,191	358,377,953	346,054,622	297,270,032	252,334,134
b) Experience Adjustment					
(Gain)/Loss adjustment on plan liabilities	19,690,888	11,609,926	12,075,531	59,477,481	22,724,684
(Gain)/Loss adjustment on plan assets	1,839,726	(1,145,993)	3,752,822	1,569,703	8,556,424
(Gain)/Loss adjustment on plan liabilities due to change in assumption	-	-	-	(59,779,472)	33,620,449
	21,530,614	10,463,933	15,828,353	1,267,712	64,901,557



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

	2014	2013	2012	2011	2010
	[₹]	[₹]	[₹]	[₹]	[₹]
II. PENSION (FUNDED)					
a) Net (Asset) / Liability					
Present Value of the Defined Benefit Obligation	118,629,492	109,963,873	107,259,648	102,585,860	97,717,055
Fair value of Plan Assets	42,949,286	49,923,258	47,245,126	40,105,792	39,473,694
Net (Asset) / Liability	75,680,206	60,040,615	60,014,522	62,480,068	58,243,361
b) Experience Adjustment					
(Gain)/Loss adjustment on plan liabilities	4,265,721	(4,141,566)	(10,413,103)	(12,933,629)	14,315,261
(Gain)/Loss adjustment on plan assets	(195,602)	(1,101,478)	3,930,871	220,440	1,716,744
(Gain)/Loss adjustment on plan liabilities due to change in assumption	-	-	-	4,654,660	(26,635,050)
	4,070,119	(5,243,044)	(6,482,232)	(8,058,529)	(10,603,045)
III. LEAVE ENCASHMENT (UNFUNDED)					
a) Net (Asset) / Liability					
Present Value of the Defined Benefit Obligation	6,385,983	6,580,345	6,346,481	6,321,411	5,987,259
Fair value of Plan Assets	-	-	-	-	-
Net (Asset) / Liability	6,385,983	6,580,345	6,346,481	6,321,411	5,987,259
b) Experience Adjustment					
(Gain)/Loss adjustment on plan liabilities	(629,675)	861,672	(239,460)	397,126	(618,236)
(Gain)/Loss adjustment on plan assets	-	-	-	-	-
(Gain)/Loss adjustment on plan liabilities due to change in assumption	-	-	(739,554)	-	-
	(629,675)	861,672	(979,014)	397,126	(618,236)
IV. MEDICAL BENEFIT (UNFUNDED)					
a) Net (Asset) / Liability					
Present Value of the Defined Benefit Obligation	17,678,311	16,225,029	16,425,768	15,837,008	-
Fair value of Plan Assets	-	-	-	-	-
Net (Asset) / Liability	17,678,311	16,225,029	16,425,768	15,837,008	-

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) Since the company has adopted Accounting Standard 15 (Revised 2005) on Employee Benefits during the year 2007, figures for five financial years are available and have been disclosed except for post retirement medical benefits which have been actuarially valued from the year 2011.
- (iii) The contribution expected to be made by the company for the year ending 31st December 2015 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

[b] Relatives of Key Managerial Personnel

Ms. Ruchika Jajodia

[c] Joint Venture through jointly controlled operations

Oil and Natural Gas Corporation Limited

Oil India Limited

II Transactions with related parties

Sl No.	Related Party	Outstanding as on 31.12.14 [₹]	Outstanding as on 31.12.13 [₹]	Nature of transaction	Year ended 31st December 2014 [₹]	Year ended 31st December 2013 [₹]
[a]	Mr. A K Jajodia	–	–	Remuneration paid Advance given	6,321,679	6,263,420
[b]	Ms. Ruchika Jajodia	–	–	Remuneration paid	1,180,000	1,400,000

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

[Figures in ₹]

By Business Segments:

Particulars	Plantations	Oil and Gas	Special Economic Zone (SEZ)	Others	Unallocated	Total
Segment Revenue:						
External Customers	2,157,799,055	-	-	340,509		2,158,139,564
	2,277,802,640	-	-	723,197		2,278,525,837
Other Segment Revenue	214,658,792	137,055,928	-	202,710		351,917,430
	273,068,829	2,880,033	-	39,050		275,987,912
Total Segment Revenue	2,372,457,847	137,055,928	-	543,219		2,510,056,994
	2,550,871,469	2,880,033	-	762,247		2,554,513,749
Segment Result	114,237,122	(53,897,196)	(114,833)	(1,508,046)		58,717,047
	307,288,261	(195,681,888)	(454,871)	(11,323,743)		99,827,759
Add: Unallocable Income	-	-	-	-		203,206
	-	-	-	-		13,728,803
Less: Unallocable Expenses	-	-	-	-		22,690,540
	-	-	-	-		31,038,903
Less: Unallocated Interest Income net of Interest expense	-	-	-	-		10,317,172
	-	-	-	-		18,014,167
Profit before Tax and Exceptional Items	-	-	-	-		46,546,885
	-	-	-	-		100,531,826
Exceptional Items	-	-	-	-		-
Profit before taxation	-	-	-	-		46,546,885
	-	-	-	-		100,531,826
Provision for Taxation	-	-	-	-		36,394,250
	-	-	-	-		36,713,898
Profit after Taxation before Minority Interest	-	-	-	-		10,152,635
	-	-	-	-		63,817,928
Segment Assets	4,125,658,229	1,662,708,268	4,173,755,486	236,041,303	2,821,637,288	13,019,800,574
	3,921,484,565	1,709,360,876	3,995,399,753	232,622,320	3,662,130,385	13,520,997,899
Segment Liabilities	4,263,258,036	1,770,216,659	4,080,009,999	155,728,414	191,777,980	10,460,991,088
	4,002,562,733	2,603,348,096	3,901,539,432	153,462,570	304,817,003	10,965,729,834
Capital Expenditure	31,313,312	590,831,578	178,843,365	-	-	800,988,255
	9,795,859	559,588,623	187,776,124	27,500	-	757,188,106
Depreciation/Amortisation	45,519,989	3,926,729	259,635	17,722	-	49,724,075
	52,505,994	5,585,430	330,511	23,031	-	58,444,966
Non Cash Expenditure other than depreciation and amortisation	(39,147,435)	(85,937,862)	-	-	-	(125,085,297)
	(74,051,157)	171,752,788	-	8,680,556	-	106,382,187



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

By Geographical Segments:

		Within India	Outside India	Total
1.	Segment Revenue : External Customers	1,698,888,551	459,251,013	2,158,139,564
		1,857,576,331	420,949,506	2,278,525,837
2.	Segment Assets	12,926,218,726	93,581,851	13,019,800,577
		12,139,167,301	1,381,830,598	13,520,997,899
3.	Capital Expenditure	800,988,255	—	800,988,255
		757,188,106	—	757,188,106

Notes :

- The Company has considered business segment as the primary segment for disclosure. The components of these business segments are:
Plantations Products
Oil and Gas Activities
SEZ
Others
- 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.
- Geographical segments is on the basis of the geographical location of the customer namely :
Sales within India
Sales outside India
- Figures in bold represent previous year's figures.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****44. Derivative Instruments**

The Holding 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	31.12.2014	31.12.2013
Cash and Bank Balance	USD	\$51,788	\$115,600
Investment	USD	\$675,453	\$675,453
Investment	GBP	£911,000	£911,000
Sundry Debtors	USD	\$299,216	\$4,924,731
Sundry Debtors	GBP	£466,646	£3,565,815
Sundry Debtors	EURO	€ 94,165	€ 1,348,161
Secured Loan	USD	\$22,399,155	\$49,403,731
Liabilities payable	USD	\$6,881,094	\$6,109,697
Liabilities payable	GBP	£90,688	£26,201
Liabilities payable	EURO	€ 6,562	€ 29,176

45. Pursuant to a Resolution passed by the shareholders on 26.06.2012 and the subsequent approval of the Board on 02.08.2012, the Holding Company had entered into an "Agreement for sale" on 03.08.2012 with Salonah Tea Private Limited for sale of Salonah Tea Estate.

The requisite approvals and NOCs from the concerned authorities have been received and accordingly necessary entries have been booked in the year 2013. The amount due is shown under Trade Receivables. The Conveyance in respect of the immovable property is pending.

46 Advances and loans to subsidiaries include interest free loan of ₹ Nil (31.12.13 ₹ 813,732,224/-) due from Duncan Macneill Natural Resources Limited (DMNRL) a wholly owned subsidiary of the Holding Company located in UK, the loan was given to acquire E & P assets. The Company, in order to expand its oil and gas activities in upstream sector desire to make a strong presence at overseas countries by acquiring E & P assets. Since no overseas E & P assets could be acquired over the last few years, DMNRL has refunded the entire amount in January, 2014.

47 Previous year 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: 27th February, 2015

On behalf of the Board

A.K. Jajodia - Managing Director
Amit Halder - Director
Sanjay Khandelwal - Director



DISCLOSURE PURSUANT TO GENERAL CIRCULAR ISSUED BY THE MINISTRY OF COMPANY AFFAIRS, GOVERNMENT OF INDIA, UNDER SECTION 212(8) OF THE COMPANIES ACT, 1956, FOR THE YEAR ENDED 31ST DECEMBER, 2014.

(₹ 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.	Assam Oil & Natural Gas Ltd.
Paid up Capital	5.05	30.00	5.01	5.01	980.39	11.50	USD 6.60
Reserves & Surplus (Excluding Revaluation Reserve)	(98.44)	(69.20)	(185.84)	(46.45)	(42.94)	(15.42)	USD 4.01
Total Assets	183.55	3.19	345.30	6.58	41,737.55	2.49	USD 20.73
Total Liabilities	183.55	3.19	345.30	6.58	41,737.55	2.49	USD 20.73
Details of Investment (Except in case of Investment in the subsidiaries)	3.00	1.55	0.09	Nil	Nil	Nil	Nil
Turnover	Nil	Nil	Nil	3.41	Nil	Nil	Nil
Profit before Taxation	(0.30)	0.18	(1.95)	0.27	(1.15)	(0.44)	(USD 0.10)
Provision for Taxation	Nil	Nil	Nil	0.07	Nil	Nil	Nil
Profit after Taxation	(0.30)	0.15	(1.95)	0.20	(1.15)	(0.44)	(USD 0.10)
Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes :

1. The Audited Accounts of Duncan Macneill Natural Resources Ltd. for the year ended 31st December, 2014, are awaited.

On behalf of the Board of Directors

A. K. Jajodia – Managing Director

Amit Halder – Director

Sanjay Khandelwal – Director

Kolkata

27th February, 2015



**STATEMENT PURSUANT TO SECTION 212 (1)(E) OF THE COMPANIES ACT, 1956,
FOR THE YEAR ENDED 31ST DECEMBER, 2014.**

(₹ 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.	Assam Oil & Natural Gas Ltd.
Shares held in the Subsidiary Company or by the Subsidiary Company in the Sub – Subsidiary Company at the end of the Financial Year of the Subsidiary or Sub – Subsidiary Company as the case may be – Number (Extent of Holding)	50,570 Equity Shares of ₹ 10 each 100%	70 Equity Shares of ₹ 10 each fully paid up & 9,99,930 Equity Shares of ₹ 10 each, ₹ 3 partly paid up 100%	50,070 Equity Shares of ₹ 10 each. 100%	50,060 Equity Shares of ₹ 10 each. 99.98%	50,00,000 Equity Shares of ₹ 10 each. 51%	1,15,000 Equity Shares of ₹ 10 each. 100%	6,60,000 Equity Shares of USD 1 each 100%
The net aggregate Profit/ (Loss) of the Subsidiary Company not dealt with the Holding Company Accounts							
a) For the Subsidiary Financial Year (₹ in Lacs)	(0.30)	0.18	(1.95)	0.27	(1.15)	(0.44)	(USD 0.10)
b) For the previous Financial Year (₹ in Lacs)	(87.11)	(0.40)	(4.06)	(2.75)	(4.55)	(5.66)	USD 0.11
The net aggregate Profit/ (Loss) of the Subsidiary Company dealt with the Holding Company Accounts							
a) For the Subsidiary Financial Year (₹ in Lacs)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
b) For the previous Financial Year (₹ in Lacs)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Notes : The Audited Accounts of Duncan Macneill Natural Resources Ltd. for the year ended 31st December, 2014, are awaited.

On behalf of the Board of Directors

A. K. Jajodia – Managing Director

Amit Halder – Director

Sanjay Khandelwal – Director

Kolkata

27th February, 2015



Assam Company India Limited

(Member Duncan Macneill Group)
CIN : L01132AS1977PLC001685

PROXY FORM
FORM No. MGT-11

Registered Office : Greenwood Tea Estate, P. O. Dibrugarh, Assam - 786 001
Head Office : 52, Chowringhee Road, Kolkata - 700 071
Telephones : 033-2283-8306/8309/8312, 0373-2100818, E-mail : assamco@vsnl.com,
Fax : 033-2283-8334, Website : www.assamco.com

Name of the Member (s):	
Registered address :	
E-mail Id:	
Folio No./Client Id:	
DPID:	

I/We, being the Member(s) of shares of the above named Company, hereby appoint

(1) Name:

Address:

E-mail Id:

Signature : _____, or failing him;

(2) Name:

Address:

E-mail Id:

Signature : _____, or failing him;

(3) Name:

Address:

E-mail Id:

Signature : _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Wednesday, June 24, 2015 at Dibrugarh & District Planters' Club, Lahoal, P.O. Dibrugarh, Assam, at 11.00 A.M, and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Description	Optional (✓)	
		For	Against
1	To receive, consider and adopt the Financial Statement of the Company for the year ended 31 st December, 2014.		
2	To appoint Mr. Amit Halder whose office is liable to retirement by rotation.		
3	To appoint M/s De Chakraborty & Sen, as Auditors of the Company.		
4	To appoint Mr. Amit Halder as an Independent Director		
5	To appoint Mr. Sanjay Khandelwal as an Independent Director.		
6	To re-appoint Mr. Aditya Kumar Jajodia, as the Managing Director of the Company, for a period of 3 (three) years.		
7	To approve and adopt the draft new regulations contained in the Articles of Association, in replacement of the regulations contained in the existing Articles of Association of the Company.		
8	To give loans and/or to make investment to any person or body corporate including subsidiary(ies) and/or give guarantee or providing securities up to an aggregate amount not exceeding Rs. 1,000 Crores (Rupees One Thousand Crores only) pursuant to Section 186 of the Companies Act, 2013.		
9	To approve the remuneration payable to M/s BCD & Associates, Cost Accountants of the Company.		

Signed this _____ day of _____ 2015

Signature of Shareholder(s) _____

Signature of Proxy holder(s) _____

Affix
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



Assam Company India Limited

(Member Duncan Macneill Group)

CIN : L01132AS1977PLC001685

Registered Office : Greenwood Tea Estate, P. O. Dibrugarh, Assam - 786 001

Head Office : 52, Chowringhee Road, Kolkata - 700 071

Telephones : 033-2283-8306/8309/8312, 0373-2100818, E-mail : assamco@vsnl.com,

Fax : 033-2283-8334, Website : www.assamco.com

ATTENDANCE SLIP

I/We hereby record my/our presence at the 38th ANNUAL GENERAL MEETING of the Company held on Wednesday, June 24, 2015 at Dibrugarh & District Planters' Club, Lahoal, P.O. Dibrugarh, Assam, at 11.00 A.M. or any adjournment thereof.

Registered Folio No/ DP ID & Client Id	
Name and Address of the Shareholder	
Name of joint holders, if any	
No. of Shares held	

SIGNATURE OF THE SHAREHOLDER(S)

SIGNATURE OF PROXY

- Notes :**
- Members/Proxy holders are requested to bring this slip with them when they come to the Meeting and hand it over at the entrance of the Meeting Hall duly signed.
 - The electronic voting particulars are set out below :

EVEN (E-Voting Event Number)	USER ID	PASSWORD

Please refer to the attached AGM Notice for instructions on E - Voting.

- E-Voting facility is available during the following voting period:

Commencement of E-Voting	End of E-Voting
June 17, 2015 from 9.00 am	June 19, 2015 till 6.00 pm



If undelivered please return to :

ASSAM COMPANY INDIA LIMITED

Assam Tea House
52, Chowringhee Road,
Kolkata 700 071