



ASSAM COMPANY INDIA LIMITED

Member : Duncan Macneill Group, U.K.

BOARD OF DIRECTORS

Dr. K. K. Jajodia, *Chairman*
Mr. A. K. Jajodia, *Managing Director*
Mr. Amit Halder
Mr. Sarvadaman Ray

COMPANY SECRETARY

Mr. Romit Mitra

Auditors

De Chakraborty & Sen
Chartered Accountants
Kolkata

Bankers

Allahabad Bank
Bank of Baroda
State Bank of Bikaner & Jaipur
State Bank of Hyderabad
Oriental Bank of Commerce

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

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

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The Thirty-Fifth Annual General Meeting of the Company will be held at 11.00 A.M., on Saturday, 29th September, 2012, at the Registered Office of the Company at Greenwood Tea Estate, P.O. Dibrugarh, Assam

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ASSAM COMPANY INDIA LIMITED

NOTICE

Notice is hereby given that the Thirty-Fifth Annual General Meeting of the Members of Assam Company India Limited will be held at 11.00 A.M. on Saturday, 29th September, 2012, at the Registered Office of the Company at Greenwood Tea Estate, P.O. Dibrugarh, Assam, to transact the following business:

Ordinary Business :

1. To receive, consider and adopt the Profit and Loss Account of the Company for the year ended 31st December, 2011 and the Balance Sheet made as on that date, together with the Report of the Board of Directors and the Auditors thereon.
2. To declare a Dividend for the Financial Year ended 31st December, 2011.
3. To appoint a Director in place of Dr. K.K.Jajodia, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

Special Business:

To consider and if thought fit, to pass with or without modification, the following Resolutions which will be proposed as Ordinary Resolutions:

5. **"RESOLVED THAT** Mr. Amit Halder, who was appointed as an Additional Director by the Board, to hold office upto the date of this Annual General Meeting and in respect of whom a Notice under Section 257 of the Companies Act, 1956, has been received from a Member, signifying his intention to propose Mr. Amit Halder as a candidate for the Office of a Director, be and is hereby elected as a Director of the Company, whose period of Office will be subject to retirement by rotation."
6. **"RESOLVED THAT** Mr. Sarvadaman Ray, who was appointed as an Additional Director by the Board, to hold office upto the date of this Annual General Meeting and in respect of whom a Notice under Section 257 of the Companies Act, 1956, has been received from a Member, signifying his intention to propose Mr. Sarvadaman Ray as a candidate for the Office of a Director, be and is hereby elected as a Director of the Company, whose period of Office will be subject to retirement by rotation."
7. **"RESOLVED THAT** in accordance with the provisions of Sections 198, 269, 309 and 317 read with Schedule XIII and other applicable provisions of the Companies Act, 1956 and also subject to the approval of the Members and the Central Government, consent of the Company be and is hereby accorded to the re-appointment of Mr. Aditya Kumar Jajodia as the Managing Director of the

Company for a period of 3 (three) years with effect from 1st October, 2012 until 30th September, 2015, on the terms and conditions including Remuneration as set out in the Explanatory 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 XIII to the Act, including any statutory modification(s) or re-enactment(s) thereof for the time being in force or any amendments and modifications that may hereafter be made thereto by the Central Government or 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."

8. **"RESOLVED THAT** consent under Section 293(1)(e) of the Companies Act, 1956, be and is hereby accorded to the Directors of the Company, to contribute monies on and from the financial year commencing from 2012 to Charitable and other Funds not directly related to the business of the Company or welfare of its employees, provided however, that the aggregate amount of such contributions shall not, in any financial year, exceed Rs. 2 Crores or 5% of the Company's average net profits as determined in accordance with the provisions of Sections 349 and 350 of the Companies Act, 1956, during the 3 Financial Years immediately preceding, whichever is greater.

RESOLVED FURTHER THAT the Donations amounting to Rs. 1 Crore paid during the year 2012, till 31st August, 2012, be and is hereby confirmed and ratified."

By Order of the Board

Kolkata

Romit Mitra

31st August, 2012 President-Legal & Company Secretary

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY FORM, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING. NO PHOTOCOPY/ SCANNED COPY OF A COMPLETED PROXY FORM WILL BE ACCEPTED.**
2. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of the Special Business to be conducted at this Annual General Meeting is annexed hereto.



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3. Pursuant to Section 205A of the Companies Act, 1956, all unpaid/unclaimed Dividends declared for and upto the Company's financial year ended 31st December, 2003, have been transferred to the Investor Education and Protection Fund.
4. Members are requested to quote their Registered Folio Number / DP ID / Client ID in all correspondence with the Company or its Registrars.
5. As required under the provisions of Clause 49(IV)(G)(i) of the Listing Agreements, particulars relating to Dr. K.K. Jajodia, Mr. A.K. Jajodia, Mr. Amit Halder and Mr. Sarvadaman Ray, Directors retiring and whose appointments/re-appointments are being proposed at the forthcoming Annual General Meeting, are enclosed in the Annexure to this Notice.
6. As per the provisions of Section 109A of the Companies Act, 1956, the 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 2B. For any assistance, Members should contact the Company's Registrar and Share Transfer Agent.
7. Members are requested to notify immediately any change in their addresses to the Company's Registrar and Share Transfer Agent (RTA).
8. 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.
9. The Equity Shares of the Company are under the category of compulsory dematerialised trading by all Investors. Members are requested to consider dematerialisation of their shareholding so as to avoid inconvenience.
10. To avoid loss of Dividend Warrants in transit and undue delay in respect of receipt of Dividend Warrants, the Company provides the facility of payment of Dividend through ECS. Members, desirous of availing of this facility, are requested to contact the Company's Registrar and Transfer Agent.
11. 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 his/her/their PAN card to the Company/ RTA for registration of such transfer of shares.
12. All documents referred in the Notice and the Explanatory 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.

13. 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.
14. The Members are requested to bring their Attendance Slip along with their copy of the Annual Report to the Meeting.
15. In case of joint holders attending the Meeting, only such joint holder, who is first in the order of names, will be entitled to vote.
16. The Register of Members and Share Transfer Books of the Company shall remain closed from 14th September, 2012 to 29th September, 2012, both days inclusive.

EXPLANATORY STATEMENT IN PURSUANT TO THE PROVISIONS OF SECTION 173 OF THE COMPANIES ACT, 1956, IN RESPECT TO THE SPECIAL BUSINESS

Item No. 5 and 6

Mr. Amit Halder and Mr. Sarvadaman Ray, were appointed on 19th March, 2012 and 1st August, 2012, respectively as Additional Directors of the Company to hold office till the date of the ensuing Annual General Meeting.

The Company has received respective Notices under Section 257 of the Companies Act, 1956 from two Members signifying the candidature of Mr. Amit Halder and Mr. Sarvadaman Ray for the office of a Director of the Company.

The Board recommends the appointment of Mr. Amit Halder and Mr. Sarvadaman Ray.

Other than Mr. Amit Halder and Mr. Sarvadaman Ray, no other Director is interested or concerned in this Resolution.

Item No. 7

The tenure of Mr. Aditya Kumar Jajodia, as the Managing Director of the Company, will cease on 30th September, 2012. Based on the recommendations of the Remuneration Committee, the Board, at its Meeting held on 31st August, 2012, proposed the re-appointment of Mr. Aditya Kumar Jajodia as the Managing Director for a further period of three years commencing from 1st October, 2012 to 30th September, 2015, on the following terms and conditions, subject to approval by the Members of the Company at this Annual General Meeting and from the Central Government, thereafter, if necessary :

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 XIII to the Companies Act, 1956 (the Act).

A brief profile of Mr. Aditya Kumar Jajodia is included as an Annexure to this Notice as per the requirements of Clause 49



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IV (G) (i) of the Listing Agreements with Stock Exchanges.

The relevant disclosures pursuant to Schedule XIII 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 2011, total Income increased by 24% as compared with the Income of Financial Year 2010.

5. Export performance and net Foreign Exchange earnings (Rs in crores):

2011	-	60.50
2010	-	50.64
2009	-	63.71

6. Foreign investments or collaborators, if any (31st December, 2011):

Foreign Investors hold 48.82% in the Equity Share Capital of the Company.

II. INFORMATION ABOUT THE APPOINTEE :

1. Background details :

Mr. A. K. Jajodia has over 27 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.
2011	– 56,34,302
2010	
Upto 30th September	– 44,96,847
From 1st October to 31st December	– 17,75,817
2009	– 65,99,606

3. Job Profile and his suitability :

Mr. A. K. Jajodia, aged about 49 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 Operations 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. 4,00,000/- per month and other allowable perquisites and allowances as applicable to the Managing Director of a Company, in consonance with Schedule XIII to the Companies Act, 1956.

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 Dr. K. K. Jajodia, who is the Non-Executive Chairman.

III. OTHER INFORMATION:

- Reasons for loss or inadequate profits.
- Steps taken or proposed to be taken for improvement.
- 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.

This may be treated as an abstract of the terms of the contract or variation together with the Memorandum of Interest under Section 302 of the Companies Act, 1956.

The Board recommends the Ordinary 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, 2012 to 30th September, 2015.

2. Salary:

Rs. 4,00,000/- (Rupees Four Lacs only) per month with such increments as may be decided by the Board from time to time.



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3. **Commission and Performance Bonus:** Rs. 2,00,000/- per month
4. **Leave Travel Allowance:** Rs. 2,00,000/- per month.
5. **Gratuity:** Rs. 19,085/- per month.
6. **Provident Fund:** Rs. 47,710/- per month.
7. **Superannuation Fund:** Rs. 59,640/- per month
8. **Medical Reimbursement :** Rs. 25,938/- per month
7. **Perquisites:** Rs. 4,00,000/- per month

Dr. K.K. Jajodia and Mr. A.K. Jajodia are interested in the Resolution and no other Director.

Item No.8

Section 293(1)(e) of the Companies Act, 1956, inter alia, provides that any amount contributed to any Charitable or other funds not directly relating to the business of the Company or the welfare of the employees, the aggregate of which exceeds Rs. 50,000/- or five percent of the Company's average net profits as determined in accordance with the provisions of Sections 349 and 350 of the Companies Act, 1956, during the 3 financial years immediately preceding the year in which the contribution has been made, needs the approval of the Members of the Company. The Board of Directors considers, that keeping in view the Company's obligations to the society at large and other social welfare and Charitable funds / clauses, the limit provided under Section 293(1)(e) of the Companies Act, 1956, requires an upward revision.

The Board recommends the Ordinary Resolution for the approval of the Members.

No Director is concerned or interested in this Resolution.

By Order of the Board

Kolkata

Romit Mitra

31st August, 2012 President-Legal & Company Secretary

**Annexure to Annual General Meeting Notice
Information on Directors seeking appointment / re-appointment at the ensuing Annual General Meeting (Pursuant to Clause 49(IV)(G)(i) of the Listing Agreement.)**



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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
K.K.Jajodia	02.10.1933	01.10.1992	Business Management	Doctor of Philosophy, B.Com (Hons)	Assam Oil and Gas Limited North-East Hydrocarbon Limited. Gujarat Hydrocarbons and Power SEZ Limited	Nil	Promoter Director No. of Shares held : NIL	Retires by rotation at the forthcoming Annual General Meeting
A.K.Jajodia	01.02.1963	01.10.1992	Business Management	B. Com	North-East Hydrocarbon Ltd. Gujarat Hydrocarbons and Power SEZ Limited Jacks Home Products Limited	Nil	Promoter Director No. of Shares held : 11,52,170	Re-appointment as the Managing Director
Amit Halder	15.02.1939	19.03.2012	Legal	Fellow Member of The Institute of Company Secretaries of India Lawyer B.Com (Hons)	Nil	Nil	Non-Executive Independent Director No. of Shares held : Nil	Additional Director subject to retirement by rotation
Sarvadaman Ray	23.11.1959	01.08.2012	Business Management	Fellow Member of The Institute of Chartered Accountants of India Associate Member of The Institute of Cost and Works Accountants of India B.Com (Hons)	Nil	Nil	Non-Executive Independent Director No. of Shares held : Nil	Additional Director subject to retirement by rotation



ASSAM COMPANY INDIA LIMITED

DIRECTORS' REPORT

The Board presents the Thirty-Fifth Annual Report and Accounts for the year ended 31st December, 2011.

The Financial Results are set out below :

	Year ended 31.12.2011 ₹.	Year ended 31.12.2010 ₹.
Income	2,86,34,63,147	2,31,54,55,081
Profit before Interest, Depreciation, Amortisation, Taxes and Exceptional Items	37,27,47,498	51,10,07,495
Interest and Finance Charges	6,25,26,113	4,71,43,754
Depreciation / Amortisation	7,87,35,868	11,19,20,540
Profit before Exceptional Items and Taxes	23,14,85,517	35,19,43,201
Exceptional Items	(1,50,18,849)	21,41,59,165
Profit before Tax	24,65,04,366	13,77,84,036
Provision for Tax	6,05,00,000	3,88,46,262
Profit after Tax	18,60,04,366	9,89,37,774
Balance brought forward from previous year	59,53,40,178	57,58,29,791
Available for Appropriation	78,13,44,544	67,47,67,565
The Board propose the following Appropriation:		
Proposed Dividend	1,54,88,048	6,19,52,193
Dividend Tax	25,12,549	1,00,50,194
Transferred to General Reserve	15,00,000	74,25,000
Balance Carried Forward	76,18,43,947	59,53,40,178
	78,13,44,544	67,47,67,565

In spite of the Oil and Gas Division not being able to generate any Revenue, Income increased by nearly 24% and the Profit after Tax increased by 88 %.

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 judgments 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

The Board felt it prudent keeping in view the long term interest of the Company to conserve finances for future expansion and hence recommend a Dividend of ₹ 0.50 per Equity Shares of ₹ 1 each in respect of the Financial Year 2011.

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 2011, as well as the future outlook.

Subsidiary Companies

In accordance with the general Circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Profit and Loss Account and other documents of the Subsidiary 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



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any Member at the Company's Registered Office except for Duncan Macneill Natural Resources Limited the Audited Accounts of which for the year ended 31st December, 2011, are awaited.

During the year under review, Assam Oil and Natural Gas Limited, Cayman Islands became a Wholly Owned Subsidiary of the Company.

Directors

Mr. Umesh Barasia, Mr. Bharat Anand and Mr. Pradip Tusnial resigned from the Board on 7th February, 2011, 29th February, 2012 and 21st March, 2012 respectively. The Board wishes to place on record its appreciation of the valuable guidance and support received from them during their respective tenure as a Director of the Company.

The Directors of the Company, by two Resolutions passed by Circulation on 19th March, 2012 and 1st August, 2012, appointed Mr. Amit Halder and Mr. Sarvadaman Ray respectively as Additional Directors (Non-Executive, Independent Directors). Mr. Halder and Mr. Ray retire at the respective ensuing Annual General Meeting. The Company has received Notices under Section 257 of the Companies Act, 1956, from two Members signifying their intention to propose Mr. Halder and Mr. Ray as candidates for Directorship of the Company. Mr. Halder's and Mr. Ray's period of office will be liable to retirement by rotation.

In terms of Section 256 of the Companies Act, 1956, Dr. K.K. Jajodia, retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for reappointment.

The tenure of Mr. Aditya Kumar Jajodia, as the Managing Director of the Company, will cease on 30th September, 2012. Based on the recommendations of the Remuneration Committee, the Board at its Meeting held on 31st August, 2012, proposed the reappointment of Mr. Aditya Kumar Jajodia as the Managing Director for a further period of three years commencing from 1st October, 2012 to 30th September, 2015, at a revised Remuneration. For this purpose, a suitable Resolution is being included in the Notice convening 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 BCD & Associates as its Cost Auditors.

Auditors

Walker Chandiok & Company, Chartered Accountants, were appointed as the Statutory Auditors of the Company on 29th September, 2011. They had resigned as the Auditors of the Company on 19th March, 2012. De Chakraborty & Sen, Chartered Accountants, were appointed as Statutory Auditors with effect from 9th July, 2012 to hold office until the conclusion of the ensuing Annual General Meeting.

De Chakraborty & Sen, Chartered Accountants, being eligible, wishes to offer themselves for re-appointment.

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.

The Board, however, deliberated at length with the Statutory Auditors suggestion to provide for export realisation amount which is overdue. Taking into account the 19 years long association with the Debtors, their track record of making full payment of export dues in the past and considering their request to grant them time upto 31st December, 2012, to pay the overdue amount, the Board thought it prudent, not to provide in these Accounts.

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 Agreement along with the Auditors' Certificate is attached.

With Reference to the remark in Clause 3(a) of the Auditors' Report in terms of Clause 49(I)(c)(iv) of the Listing Agreement, the Board may appoint a new Independent Director within a period of not more than 180 days from the day of such removal or resignation as the case may be. This requirement has been complied with.

With reference to the remark in Clause 3(b) of the Auditors' Report, the Limited Review of the Quarterly Financial Results were not carried out by the previous Auditors.

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, Banks and Financial Institutions, the Consortium Partners, 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

Sarvadaman Ray – Director



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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, 2011.

FORM "A"	Year ended 31.12.2011	Year ended 31.12.2010
CONSERVATION OF ENERGY		
A. Power & Fuel Consumption		
1. Electricity		
a. Purchased Units (KWH)	1,04,55,352	1,03,32,784
Total Amount (Rs.)	7,53,92,990	6,98,08,338
Rate per Unit (Rs.)	7.21	6.76
b. Through Diesel generator Units (KWH)	38,03,494	27,00,452
Units per Litre of Diesel	3.06	2.96
Cost / Unit (Rs.)	13.14	12.55
2. Coal		
Quantity (Tonnes)	4922.23	4349.74
Total Cost (Rs.)	2,87,47,842	2,28,96,406
Average Rate (Rs. / Tonne)	5,840	5,264
3. Furnace Oil		
Quantity in Kilo Litre (KL)	51.90	159.505
Total Cost (Rs.)	21,17,930	58,71,823
Average Rate (Rs. / KL)	40807.90	36,813
4. Gas		
Quantity (Scum)	74,79,303	7132254.40
Total Cost (Rs.)	63614495.00	56940697
Rate (Rs. / Scum)	8.51	7.98
B. Consumption Per Unit of Production		
Production of Tea (Kgs.)	16533682.00	14556757
Electricity (KWH)	0.86	0.90
Furnace Oil (Litres)	0.02	0.04
Coal (Kgs.)	1.55	1.44
Gas (Scum)	0.45	0.49



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ANNEXURE TO THE DIRECTORS' REPORT (CONTD.)

FORM "B"

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 e.g. product improvement, cost reduction, product development, 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
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. | NOT APPLICABLE |

FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year, foreign exchange outgo was to the extent of ₹ 6.20 Crores. The foreign exchange earnings during the period was ₹ 60.50 Crores as against ₹ 50.64 Crores in the previous year. Details of the foreign exchange earnings and outgo have been given in Schedule 13 (14) and 13 (15) to the Accounts.



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ANNEXURE TO THE DIRECTORS' REPORT: 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, 2011.

Name	Designation	Remuneration (₹)	Qualifications	Experience (Years)	Date of commencement of Employment	Age (Years)	Particulars of last Employment	Designation
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Mr. Aditya Kumar Jajodia	Managing Director	56,34,302	B. Com	27	1st October, 1992	49	Worldlink Finance Limited	Whole time 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, 2011.
 2. Nature of appointment – Contractual.
 3. Except Mr. A.K. Jajodia and Mrs. Ruchika Jajodia, no other employee is a relative of any Director of the Company.

On behalf of the Board of Directors

Aditya Kumar Jajodia – *Managing Director*

Amit Halder – *Director*

Sarvadaman Ray – *Director*

Kolkata

31st August, 2012



MANAGEMENT DISCUSSION & ANALYSIS REPORT**INDUSTRY STRUCTURE AND DEVELOPMENT
TEA**

In 2011, the Tea Industry achieved a record crop production of 4,217 million kgs compared to 4,163 million kgs in the previous year. In the current year, tea production has commenced on a positive note. Other than a higher volume, the auction price averages are also higher than the previous year. Whereas, the growth in tea production increased in India, the major competitors like Sri Lanka and Kenya achieved lower crop production.

The price increase in India, however, did not match the expectations of the Industry. On the other hand, the increase in cost of all inputs, especially labour wages, increased alarmingly.

In the year, under review, world Tea Exports reflected dismal growth and almost all countries exported less. However, the Indian Tea fetched a better price of approximately ₹ 147 per kg, an increase of ₹10 per kg over the previous year. India also imported less Tea in 2011 of 18.60 million kgs compared to 20.04 million kgs in 2010. The average unit price of imports into India was ₹ 92.84 kgs in 2011. Total Tea consumption in the country in 2011 was expected to reach 890 million kgs. The domestic demand for Tea is expected to increase from 17 million kgs to 20 million kgs every year.

As a result of a decline in crop production in the beginning of 2012, alongwith the shortage of production at the end of 2011, the price of Tea is expected to remain firm till September, 2012. This phenomenon can be confirmed looking at the world market.

OIL AND NATURAL GAS

India continues to import over 70% of its Crude Oil requirements due to inadequate domestic production causing a huge drain in foreign exchange. During the year 2011, the import bill on account of Crude Oil touched about USD 80-85 billion. The economic growth of India is largely dependent upon energy security for which, aggressive exploration and production of Oil and Gas is very critical.

During the year 2011, exploration and production in upstream Oil and Gas Sector experienced significant volatility both in supply and in price, which has become a major concern for global economy. While the global economy was in the

recovery phase in 2011, it is expected to be slower in 2012 due to internal imbalances of developed countries. Energy demand and in particular demand in Oil, has made a greater impact on the movement of Crude Oil price during 2011, was about USD 115 per barrel in the first quarter of 2011.

Enhancing domestic production of Crude Oil and pursuing exploration and production activities which involve significant capital investment has become a key challenge keeping in view the overall economic position of the country. Similarly, keeping pace of growth in energy demand will also require unprecedented levels of risk capital investment in this segment. This is a major challenge to all companies in this sector.

India is the sixth largest consumer of Oil in the world, the ninth largest crude Oil importer and its Oil and Gas sector contributes to over 15% of the country's GDP. Petroleum products have also emerged as one of the largest foreign exchange earners for the country, amounting to some 17% of total exports.

The estimated reserves of crude Oil and Natural Gas in India as on 31st March, 2011, was at 757 million tonnes (MT) and 1241 billion cubic meters (BCM), respectively. Geographical distribution of Crude oil indicates that the maximum reserves are in the Western Offshore (43%) followed by Assam (22%), whereas the maximum reserves of Natural Gas are in the Eastern Offshore (35%) followed by Western offshore (33%).

- India's gross production of Oil increased from 38.9 million tonnes in the year 2010 to 40.4 million tonnes in the year 2011, 3.9% higher.
- India's gross production of Gas decreased from 45.8 million tonnes of Oil equivalent in the year 2010 to 41.5 million tonnes of Oil equivalent in the year 2011.
- India's oil consumption increased from 156.2 million tonnes in the year 2010 to 162.3 million tonnes in the year 2011, also 3.9% higher.
- India's gas consumption decreased from 55.7 million tonnes of Oil equivalent in the year 2010 to 55.0 million tonnes of Oil equivalent in the year 2011.
- Total processing of crude Oil in the country increased from 1,92,768 thousand metric tonnes (TMT) during 2009-10 to 2,06,154 TMT during 2010-11.



ASSAM COMPANY INDIA LIMITED

- Quantity of crude Oil and fuel product imports increased only marginally by 3.5% at 186.7 million tonnes in 2011-12.

Gas

India's Natural Gas demand is expected to nearly double to 320 million standard cubic meters per day by 2015, according to a Report released by global consultancy firm McKinsey at the Sixth Asia Gas Partnership Summit.

According to the Report, the current demand of 166 million standard cubic metres per day (mscmd) made up of nearly 132 mscmd supplies from domestic fields and the rest from imported LNG is likely to rise to at least a minimum of 230 mscmd and a maximum of 320 mscmd by 2015.

Major discoveries of Oil and Gas have been made in recent years. With large areas of India's sedimentary basins remaining unexplored, the Indian Oil scenario is ripe with possibilities.

Present Status on Oil and Gas Project

The Company participating interest in 3 oil blocks namely Amguri, AA-ON/7 and AA-ONN-2005/1 in Assam Arakan Basin. The Company was pursuing its Exploration & Production (E&P) activities in upstream Oil and Gas sector in Amguri Block in Assam. Arakan Basin in the State of Assam since 2004 in association with Canoro Resources Limited (CRL) on the basis of following sharing of participating interest :

	<u>ACIL</u>	<u>CRL</u>
Amguri Development Block :	40%	60%

Production of Oil commenced in Amguri Block in 2006. In 2010, the consortium of consisting of the Company and CRL were producing Oil and Gas from its five wells in Amguri at an average rate of 1500 boe/day. CRL, the operator of Amguri Field, committed breach to the Production Sharing Contract (PSC) in 2010 due to which, Government of India (GOI) terminated their 60% Share in Participating Interest (PI) and Operatorship. Due to the termination of contract of CRL the production has been put on hold since January, 2011. Exercising the right under Joint Operating Agreement (JOA), the Company had acquired the said PI from CRL prior to purported termination by GOI through an Arbitral Tribunal Award dated 21st November, 2012. As per PSC, the Company had sought from GOI the formal consent on transfer of PI in

favour of them, which is of administrative nature. But GOI continued to delay in communicating such consent, which compelled the Company to initiate legal proceedings against GOI to reinforce its claim on PI and operatorship earlier held by CRL in Amguri Field.

The Company had already obtained a favourable interim Order from The Hon'ble High Court under which GOI has been debarred from taking any precipitative action on such PI till further Order. Since the Company recognizes that there may be a delay in settlement of the ownership of PI earlier held by CRL, the Company had initiated necessary action with GOI and through the Hon'ble High Court to commence the operations in Amguri Field without any further delay. In this connection, it will not be out of place to state that during the pendency of the dispute between CRL and GOI, CRL closed the operations in Amguri Field where the Company had no control being the non-operator of the field. Nevertheless, the Company is taking appropriate measures to immediately commence the operations in Amguri Field.

With the commencement of operations in Amguri Field, the Company expects to generate net cash flow of approximately over US\$ 20 million per year on the basis of past level of production on 100% Participating Interest. The Company believes that it will be able to get the Court's Directive / Order to commence the operations in Amguri Field soon, as the Company holds valid Mining License for commencement of Operations in Amguri Field and the only sole contractor under Amguri PSC. Considering the loss of production of Oil and Gas and foreign exchange to the country, the Company is of the opinion that a favourable verdict will be allowed by the Hon'ble High Court to commence the operations in Amguri Field.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The Company, for the financial year 2011, had operations in two geographical segments – Domestic market and Export market wherein around 67 per cent of the Company's Turnover is from the Domestic market segment and the balance from Export market segment.

The Company has 15 Tea Estates and 3 Oil Blocks all in the State of Assam.

The Company's Revenue from the sale of Oil and Gas is around ₹ 56 Lacs, constituting 0.19% of total Sales. About 1064 MCM of Gas were sold during 2011.



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In respect of the Tea business, total Sales is aggregated to ₹ 248 Crores which is 88% of the total Sales, of which, domestic Sales was 139 Lacs Kgs amounting to ₹ 187 Crores and export sales was 31 Lacs Kgs amounting to ₹ 60 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 Audit Reports submitted by the Internal Auditors. Suggestions for improvement are considered and the Audit Committee follows up the implementation of corrective actions.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL FRONT

The relationship with employees at all levels in the Tea Estates, Oil / Gas Blocks and other locales remained cordial.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company is conscious of its social responsibilities and the environment in which it operates. It has continued with its welfare activities for development in the fields of education, culture and other welfare measures and to improve the general standard of living in and around the Tea Estates.

The emphasis is on improvement of health, development of education, culture and sports. All the Estates are participating with the Ethical Tea Partnership.

The Company views itself as a role model that manages its business for the benefit of all its stakeholders. Through its various development and environmental projects, it has forged strong bonds and makes a difference in the lives of its local communities.

Health care

Medical assistance is provided to the nearby villages through medical camps.

Medical facilities are provided in excess of legal obligations in every tea garden. Considerable Investment has been made to meet this obligation and we can now boast of some of the premier medical facilities within the entire region.

Our hospitals contain state-of-the-art facilities and employ committed staff. We maintain these to the highest standards so providing for the needs of the Employees.

A high standard of medical care is provided to the workforce through well equipped Estate Hospitals and Dispensaries.

- The Company's Estate hospitals have Senior Medical Officers and committed Paramedical Staff consisting of GNM Nurses, ANM Nurses, Nursing Attendants, Pharmacists and Health Assistants.
- Antenatal checkups of Pregnant women and Immunisation of children are carried out every week in the Estate Hospitals.
- Free eye checkup camps are organized on the Estates with the help of the Department of Ophthalmologist, AMCH, Dibrugarh and many people from within the Estate and neighbouring areas have benefited from the free cataract operations.
- The Senior Medical Officer, Welfare Officer and Health Assistant of each hospital visit the labour lines at regular intervals to create Health awareness among the residents on various health related matters.
- The Estates extend support to the ongoing ILO and UNICEF programmes. "Healthy Baby show" is organized in the Estate hospitals and the baby with the best health is selected and given an award. "Annaprasanna" a nutritious food programme for six month old babies is also held regularly. "Matri Amrit" a programme for Pregnant women is also organized in the Estate Hospital where they are made aware of the nutrients required in their daily diet and they are provided with nutritional food on that day.
- Medical checkup of 'Spraying' workers and Factory workers are done regularly.
- The Estate Hospitals offer all facilities under the **NRHM (National Rural Health Mission)** Scheme.



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Welfare and Recreational Facilities :

The Estates have promoted health care programmes called the “**Mothers’ Club**” which is a unique institution consisting of 15 senior women workers of each Estate who provide guidance on health care, family planning, sexual health including prevention of AIDS, good practices in hygiene at home and for babies.

- The Estates provide adequate welfare and recreational facilities for its employees. The Estates have **Creches** and Mobile Creches for the children of the employees. The Estates also have **Labour Clubs** for the workers and **Staff Club** for the use of the Staff. These Clubs are provided with Televisions for entertainment and various games items. The Estates have its own **sporting sites** and encourage its employees and their dependents to play football and other sports like volleyball, badminton, cricket, etc. The Estates regularly send its team for inter-garden football matches.
- There are **Canteens** in the Factory premises where tea, snacks and food is available for the employees.
- Employees are given **Protective Clothing** such as Chappals, Aprons, Umbrellas, Shoes, Goggles, Masks, Harness, Helmets, Blankets, etc.
- The Estates have its own **Handicraft Training Centres** where women within the Estate and from neighbouring villages are given training for employment opportunities.

Environment

The Estates strive to reduce the environmental impact from the use of pesticides and herbicides by only **using environmentally friendly chemicals** that excludes Ethion, Tetradifon, Quinalphos and Monocrotophos and so eliminate even small traces of harmful residues.

Through strict management supervision, tight controls are achieved for both the methods of application and the frequency of use of universally approved chemicals, so the effect on tea gardens indigenous flora and fauna are minimized.

The Estates have taken measures to reduce environmental pollution by creating a vegetated protection zone – **Buffer Zone** to prevent chemical run off to Terrestrial and Aquatic Ecosystems.

The **Pest Management Systems** comply with numerous

minimal residue levels (MRL) in accordance with the European Legislation and is a source of pride for our Code of Practice.

Conservation

Each of the 15 tea gardens has, in their Nursery, a programme designed to grow indigenous flora for planting throughout the estate.

This allows maintaining the beauty of the region, whilst ensuring as bio-diverse a plant population as possible, within the confines of our tea gardens.

The Estates 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

Three of the Estates have been **certified** under the “**Rainforest Alliance**” certification and a further six Estates are in the process of being certified, thereby showing commitment towards sustainability and workers health, hygiene and safety. The Rainforest Alliance certification involves a holistic approach treating environment, ethics and economic equality. To meet the standards the Estates must commit to continuous improvements in worker welfare, farm management and environmental protection by reducing pesticide use, eliminating waste and introducing better farming techniques.

The wages and other benefits are as per legal requirements. A safe and healthy work environment is provided in the Estates.

Residential Accommodation, Piped Water and Sanitation

By law, the Estates provide **free accommodation** and **sanitation** to the employees and meets all legal obligations.

Education

By law, the Estates provides **free Primary Education** for their employees’ children and have achieved this through the construction of schools. The Estates have also provided a **free School Bus** for its employees’ children who are enrolled in schools outside the Estates.

Sustainable Agricultural Practice

The Tea Gardens are mostly located in remote rural areas that do not have many alternative local employment



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opportunities. The social welfare laws for tea plantation workers in India are the most stringent in the world. Though this has resulted in Indian tea being more costly to produce, it has also contributed to a system which is seen to be fair and in line with good employment practices.

The Estates seek out and promote methods of growing tea using sound environmental practices that encourage bio diversity and healthy soil.

The Estates also practice soil and water conservation through Best Practice field management systems which include composting, soil rehabilitation and reforestation.

To comply with the legal requirement of supplying every household with a 'Fire Wood' ration, the Estates provide its employees with uprooted tea bushes rather than allowing further destruction of the region's forests with the consequential impact on the environment.

Statutory right to join Trade Unions

By law, every employee has the right to form and join a Trade Union.

Vermicomposting Scheme :

The Company follows an environmentally friendly scheme of composting organic matter by use of earthworms.

Vermicomposting is essentially the consumption of organic material by earthworms.

Increasing numbers of businesses worldwide are successfully employing vermiculture technology as an excellent soil conditioner and the Company has taken this sustainable practice to benefit the Tea Gardens, the environment and to reduce chemical footprint.

Advantages of Vermicomposting:

- Vermicompost is an eco-friendly fertilizer prepared from biodegradable waste.
- It is free from chemicals.
- It does not have any adverse effect on soil, plant and environment.
- It improves soil aeration, texture and tilth thereby reducing soil compaction.
- It improves water retention capacity of soil because of its high organic content.
- It improves better root growth and nutrient absorption.
- It improves nutrient status of soil - both macro-nutrients and micro-nutrients.

On behalf of the Board of Directors

A. K. Jajodia – *Managing Director*

Amit Halder – *Director*

Sarvadaman Ray – *Director*



ASSAM COMPANY INDIA LIMITED

REPORT ON CORPORATE GOVERNANCE 2011

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.

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(1) (D) (ii) OF THE STOCK EXCHANGE LISTING AGREEMENT

As the Managing Director of the Assam Company India Limited and as required by Clause 49(1) (D) (ii) of the Stock Exchange Listing Agreement, I hereby declare that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Business Conduct and Ethics for the Financial year ended 31st December, 2011.

Kolkata
31st August, 2012

Aditya Kumar Jajodia
Managing Director

2. Board of Directors :

The Board of the Company as at 31st December, 2011, comprised of four Directors (Managing Director and three Non-Executive Directors). The Board is headed by the Non-Executive Chairman, Dr. K. K. Jajodia.

The Non-Executive Chairman and the Managing Director are related to each other.

During the year under review, Five(5) Board Meetings were held, the dates being, 7th February, 10th May, 12th August, 5th September, and 9th November, 2011. The last Annual General Meeting was held on 29th September, 2011.

The requisite details of Directors, their Directorships in other public companies, Chairmanships/ Memberships in Board Committees of other public companies as on 31st December, 2011 and their attendance at the Board and last Annual General Meeting (AGM) are as under:-

Directors	Directorship and Chairmanship / Membership of Board and Board Committees in other Companies			No. of Board Meetings attended	Attendance at 34th AGM held on 29th Sept., 2011
	Director (1)	Member (2)	Chairman (3)		
Dr. K. K. Jajodia, Chairman, Promoter, Non-Executive Non-Independent	3	Nil	Nil	–	No
Mr. A. K. Jajodia, Managing Director Promoter, Executive	3	Nil	Nil	5	No
Mr. Umesh Barasia* Director, Non-Executive, Independent	Nil	Nil	Nil	1	No
Mr. Pradip Tusnial,** Director, Non - Executive, Independent	5	Nil	Nil	5	Yes
Mr. Bharat Anand*** Director Non-Executive Independent	1	1	Nil	3	No

* Mr. Umesh Barasia resigned as a Director on 7th February, 2011.

** Mr. Pradip Tusnial resigned as a Director on 21st March, 2012

*** Mr. Bharat Anand was appointed as Additional Director on 12th August, 2011. Mr. Anand held office till the last Annual General Meeting held on 29th September, 2011, in which he was elected as a Director. Mr. Bharat Anand resigned as a Director on 29th February, 2012.

- (1) Excluding directorship in private limited companies, foreign companies and Companies incorporated under Section 25 of the Companies Act, 1956.
- (2) No Director of the Company was a Board Committee Member of any other Company.
- (3) Dr. K.K. Jajodia retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment. A brief resume of the Director and nature of his expertise in specific functional areas has been provided in the Explanatory Statement to the Notice convening the forthcoming Annual General Meeting.
- (4) During the year, the Non-Executive Directors did not hold any shares of the Company.

3. Audit Committee:

During the year under review, the Audit Committee comprised of the following: Mr. A.K. Jajodia, Mr. Bharat Anand and Mr. Pradip Tusnial. Mr. Pradip Tusnial and Mr. Bharat Anand are Non-Executive, Independent Directors. The Company Secretary acts as the Secretary to the Committee. All the Members of Audit Committee are financially literate.

During the year under review, five (5) Audit Committee meetings were held on 7th February, 10th May, 12th August, 5th September, and 9th November, 2011. The attendance at the aforesaid meetings was as follows:

Composition	Mr. Pradip Tusnial (Chairman)	Mr. Umesh Barasia	Mr. A. K. Jajodia	Mr. Bharat Anand
Committee meetings attended	5	1	4	3



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Mr. Pradip Tusnial was appointed Chairman for all the meetings held during the year.

Consequent to Mr. Umesh Barasia's resignation as a Director of the Company, he ceased to be a Member of the Audit Committee, with effect from 7th February, 2011.

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 292A of the Companies Act, 1956.

4. Remuneration Committee:

The 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. Pradip Tusnial	Chairman
Dr. K.K. Jajodia*	Member
Mr. Umesh Barasia*	Member

*Dr. K.K. Jajodia became a Member of the Committee on 7th February, 2011 and Mr. Umesh Barasia resigned on 7th February, 2011.

The Committee had met once on 6th February, 2011.

The Non-Executive Directors draw a sitting fee of Rs.1,500 for attending each Meeting of the Board or Audit Committee and do not draw any other Remuneration from the Company.

The details of Directors' Remuneration for the year ended 31st December, 2011 are as follows:-

Name of Director	Sitting Fees (₹)	Salary (₹)	Benefits (₹)	Provident Fund (₹)	Total (₹)	Notice period in month(s)
Dr. K. K. Jajodia, Chairman	Nil	Nil	Nil	Nil	Nil	N.A.
Mr. A. K. Jajodia Managing Director	Nil	24,00,000	25,33,539	7,00,763	56,34,302	3
Mr. Umesh Barasia	3,000	N.A.	N.A.	N.A.	3,000	N.A.
Mr. Pradip Tusnial	15,000	N.A.	N.A.	N.A.	15,000	N.A.
Mr. Bharat Anand	9,000	N.A.	N.A.	N.A.	9,000	N.A.
Total	27,000	24,00,000	25,33,539	7,00,763	56,61,302	

During the year ended 31st December, 2011, 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. Shareholders' / Investors' Grievance Committee:

The Committee comprises of the following Directors:

Mr. Bharat Anand*	Chairman (Non – Executive)
Mr. A.K. Jajodia	Member (Managing Director)
Mr. Pradip Tusnial	Member (Non – Executive)
Mr. Umesh Barasia**	Member (Non – Executive)
Mr. Romit Mitra	Compliance Officer

* The Committee was reconstituted on 5th September, 2011 to include Mr. Bharat Anand as the Chairman of the Committee.

** Consequent to Mr. Umesh Barasia's resignation as a Director of the Company, he ceased to be a Member of the Shareholders' / Investors' Grievance Committee, with effect from 7th February, 2011.

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 14 meetings were held.

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

	Number of Shares
Physical Transfer:	47,320
Physical Transmission of:	26,870
Dematerialization:	1,02,49,220
Rematerialisation :	750

Note : One request for physical transfer of shares was pending as on 31st December, 2011.

There are no complaints from Members pending unresolved as at 31st December, 2011. All complaints / requests for transfers etc. from Members during the period were redressed / resolved within the stipulated period.

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

a)	No. of complaints received	...	16
b)	No. of complaints not resolved/no action taken	...	NIL
c)	No. of pending complaints as on 31st December, 2011	...	NIL

6. General Body Meetings:

All the last three Annual General Meetings of the Company were held at Dibrugarh & District, Planters' Club, Lahoal, P.O. Dibrugarh, Assam at 11 A.M. as follows on the



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following dates:

No. of AGM	Date	Year	Details of Special Resolution passed
32nd	30.09.2009	2009	Change of name of the Company.
33rd	25.06.2010	2010	Nil
34th	29.09.2011	2011	Nil

7. Disclosures:

- (a) Materially significant related party transactions
- There have been no materially significant related party transactions, pecuniary transaction or relationships between Assam Company India Limited and its Directors for the year ended 31st December, 2011, that may have a potential conflict with the interests of the Company at large.
- (b) 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.
- (c) The Company has not adopted a Whistle Blower Policy. However, it is affirmed that no personnel has been denied access to the Audit Committee.

8. Risk Management:

The various determined aspects of risk management and minimization are reviewed and the Board is kept informed on important issues.

9. Means of Communication:

- a) 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/ Niyomia Barta (Assamese).
- b) Half-yearly Results are not sent to the Members individually.
- c) Management Discussion and Analysis Report forms a part of the Directors' Report.
- d) No formal presentation has been made to the Institutional Investors/analysts during the period.
- e) The Company's website is www.assamco.com, which also displays official news releases and Financial Results.
- f) The Company is also making electronic filing of Shareholding Pattern and quarterly Report on Corporate Governance under NEAPS mode of National Stock Exchange Limited.

10. General Shareholder Information:

Annual General Meeting

- Date & Time** : 29th September, 2012, Saturday, at 11 A.M.
- Venue** : Registered Office, Greenwood Tea Estate, P.O. Dibrugarh, Assam.
- Financial Year** : Financial year of the Company is January to December.
- Date of Book Closure** : 14th September to 29th September, 2012, both days inclusive.

Listing on Stock Exchange :

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 2011-2012.

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



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Stock Market Data

Month	NSE		BSE		SENSEX		NIFTY	
	High ₹	Low ₹	High ₹	Low ₹	High	Low	High	Low
January, 2011	21.70	16.95	21.70	16.50	20,664	18,038	6,181	5,416
February, 2011	17.60	13.90	17.55	13.90	18,690	17,295	5,599	5,177
March, 2011	19.60	15.05	20.00	15.00	19,575	17,792	5,872	5,348
April, 2011	19.80	16.85	19.35	16.80	19,811	18,976	5,944	5,693
May, 2011	17.25	15.50	17.20	15.50	19,253	17,786	5,775	5,328
June, 2011	17.10	14.40	17.05	14.50	18,873	17,314	5,657	5,195
July, 2011	16.90	14.85	16.85	14.95	19,131	18,131	5,740	5,453
August, 2011	15.40	10.40	15.35	10.55	18,440	15,765	5,551	4,720
September, 2011	12.90	10.50	12.94	10.50	17,211	15,801	5,169	4,758
October, 2011	11.55	10.10	11.69	10.00	17,908	15,745	5,399	4,728
November, 2011	11.25	7.80	11.23	7.82	17,702	15,478	5,326	4,639
December, 2011	8.25	5.80	8.35	5.75	17,003	15,135	5,099	4,531

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 Stock Exchanges and files a copy of the Certificate with the Stock Exchanges.

(a) Distribution of shareholding as on 31st December, 2011

Group of shares		No. of Share holders	% of Total Share- holders	No. of Shares	% Shares
From	To				
1	500	40,804	63.98	94,89,152	3.06
501	1000	10,284	16.12	91,54,331	2.96
1001	2000	6,018	9.44	96,95,420	3.13
2001	3000	2,185	3.43	58,50,219	1.89
3001	4000	883	1.38	32,62,477	1.05
4001	5000	1,135	1.78	54,54,557	1.76
5001	10000	1,468	2.30	1,10,98,499	3.58
10001	and above	1,001	1.57	25,57,56,308	82.57
TOTAL		63,778	100.00	30,97,60,963	100.00

(b) Shareholding Pattern as on 31st December, 2011

Category	No. of Shares held	Percentage
Promoter		
Indian	3,58,85,429	11.59
Foreign	12,26,42,596	39.59
Public		
Foreign Institutional Investors/ Overseas Body Corporate	2,70,00,000	8.72
Non Resident Individuals	15,75,692	0.50
Financial Institutions & Banks	1,16,540	0.04
Mutual Fund	20,160	0.01
Others	12,25,16,046	39.55
Foreign National	2,000	Nil
Trust	2,500	Nil
TOTAL	30,97,60,963	100.00



ASSAM COMPANY INDIA LIMITED

Physical / Dematerialisation of Shares as on 31st December, 2011

	No. of Shares	%
Physical	1,20,59,171	3.89
Demat	29,77,01,792	96.11
Total	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. The Company Secretary is appointed as the Compliance Officer for this purpose.

Outstanding GDRs / ADRs / Warrants / Convertible Bonds, conversion dates and likely impact on Equity :

The Foreign Currency Convertible Bonds matured as on 30th November, 2011, which was outstanding as on 31st December, 2011. The Company has since repaid Principal amounting to US Dollar 21.07 Million on 30th March, 2012 and the balance US Dollar 10.73 Million remains unpaid till 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

Email: 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 (iii) Flat No. 301 VIPPS Centre Greater Kailash Part-II New Delhi - 110 048

PLANT LOCATIONS:

A. TEA ESTATES:

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

District

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

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.



ASSAM COMPANY INDIA LIMITED

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 Company has constituted a Remuneration Committee. The Chairman of the Remuneration Committee was present at the last Annual General Meeting.
- 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 has not adopted a Whistle Blower Policy. The Company however recognizes the importance of reporting to the Management by an employee at any level about the unethical behaviour or suspected fraud in violation of the Company's Code of Conduct or any other point of concern.

On behalf of the Board of Directors

Kolkata
31st August, 2012

Aditya Kumar Jajodia
Managing Director

MANAGING DIRECTOR AND VICE PRESIDENT – FINANCE CERTIFICATION

To,
The Board of Directors
Assam Company India Limited

We, the undersigned, in our respective capacities as Managing Director and Vice President – Finance 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 on 31st December, 2011, and based on our knowledge and belief, we state that :
- (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, 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 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 Audit Committee:
- (i) significant changes, if any, in the 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 has been disclosed in the notes to the Financial Statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the Management or an employee having significant role in the Company's internal control system over financial reporting.

Aditya Kumar Jajodia
Managing Director

Sanjay Sharma
Vice President – Finance

Kolkata, 31st August, 2012



ASSAM COMPANY INDIA LIMITED

**AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF
CONDITIONS OF CORPORATE GOVERNANCE**

To

The Members of Assam Company India Limited

1. We have examined the compliance of conditions of Corporate Governance by Assam Company India Limited, for the year ended 31st December, 2011, as stipulated in Clause 49 of the Listing Agreements of the said Company with 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 implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
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 Agreement except the following :-
 - a) In the Meeting held on 10th May, 2011 the Audit Committee of the Board of Directors had only two Directors instead of three Directors.
 - b) The Report on Corporate Governance has not disclosed the non compliance by the Company in respect of delayed and / or non submission of the Limited Review Report of the Statutory Auditors on the un-audited results to the stock exchanges during the last year.
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.

**A. Deb
Partner**

Membership Number 051845

For De Chakraborty & Sen

Firm Registration Number – 303029E

Chartered Accountants

Kolkata, 31st August, 2012

**AUDITORS' REPORT****To The Members of Assam Company India Limited**

1. We have audited the attached Balance Sheet of Assam Company India Limited as at 31st December, 2011 and the related Profit & Loss Account and also the Cash Flow Statement of the Company for the year ended on that date annexed thereto. The said Balance Sheet, Profit & Loss Account and the Cash Flow Statement have been signed by us under reference to this report. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended by the Companies Auditor's Report) Amendment Order, 2004 (the Order), issued by the Central Government of India in terms of sub-section 4(A) of Section 227 of 'The Companies Act, 1956' (the Act) and on the basis of such checks and records as we considered appropriate and according to the information and explanations given to us, we give in the Annexure hereto, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Attention is drawn to Note No. 31 relating to overdue Export Debtors balance of Rs.15.26 crores from certain customers who has assured the Company of payment of such balance. However, the Management could not provide sufficient and appropriate evidences to confirm the realisability of the aforesaid overdue outstanding payment for our examination and we are unable to express any opinion on the Management's assertion in this respect that adequate consideration has been given to the concept of prudence set out in Accounting Standard 1—Disclosure of Accounting Policies. The amount of overdue debts that may require suitable provision, impact thereof on the reported Profit Before Tax for the year, Sundry Debtors Balance and Reserves and Surplus Balance at the year end, could not be ascertained.
5. Without qualifying our opinion, we draw your attention to Note No.17(I) of Schedule No.13 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.277.00 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.
6. Further to our comments in the Annexure referred to above, we report that :
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company, so far as it appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the places not visited by us;
 - (c) The Balance Sheet, the Profit & Loss Account and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, the Profit & Loss Account and the Cash Flow Statement read with Notes on Accounts in Schedule No.13 including Significant Accounting Policies respectively comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Act.
 - (e) On the basis of written representations from the Directors as on 31st December, 2011 and taken on record by the Board of Directors, none of the Director is disqualified on 31st December, 2011 from being appointed as a Director in terms of sub-section (1) (g) of Section 274 of the Act.
 - (f) In our opinion and to the best of our information and



ASSAM COMPANY INDIA LIMITED

according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto and including Significant Accounting Policies give, in the prescribed manner, the information required by the Act, and, except for the effects of the matter referred to in paragraph 4 above, give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of Balance Sheet, of the state of affairs of the Company as at 31st December, 2011;

- (b) in the case the Profit & Loss Account, of the profit for the year ended on that date; and
(c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

**A. Deb
Partner**

Membership Number 051845

For De Chakraborty & Sen

Firm Registration Number – 303029E

Kolkata, 31st August, 2012

Chartered Accountants

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, 2011)

- 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) In our opinion and according to information and explanations given to us, no substantial part of fixed assets have been disposed of during the year.
- 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) 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) 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.
- 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 contracts or arrangements with any party during the financial year that need to be entered in the register pursuant to the 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. However, there is scope of improving the effectiveness of Internal Audit system.
- 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 the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing provident fund, made tea cess and other material statutory dues as applicable with the appropriate authorities except that the Company is not regular in depositing income tax, value added tax, central sales tax, land revenue, corporate dividend tax and family pension fund contribution. However, according to the information and explanations given to us and the records of the Company examined by us, there are no undisputed amounts payable in respect of statutory dues which were in arrears, as at 31st December, 2011 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of service tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute. The particulars of dues of income-tax and sales-tax as at 31st December, 2011 which have not been deposited on account of disputes, are as follows:



ASSAM COMPANY INDIA LIMITED

ANNEXURE TO AUDITORS' REPORT (Contd..)

Particulars of Income Tax Sales Tax which have not been deposited on account of dispute :-

Sl No.	Name of the Statute	Nature of the Dues	Amount (in Rs.)	Period to which the amount relates	Forum where the dispute is pending
1	Income Tax Act, 1961	Income Tax	Nil	N.A.	N.A.
2	The West Bengal Sales tax Act, 1994	West Bengal Sales Tax, 1994	19,370,205	2002-03	Sr. Jt. Comm. of Commercial Taxes.
	Do	Do	1,536,066	2003-04	Appellate & Revisional Board of Commercial Taxes
	Do	Do	8,724,464	2004-05	Do
	Do	Do	19,072,936	2006-07	Do
3	Central Sales Tax, 1956	Central Sales Tax	2,37,701	2004-05	Appellate Authority
	Do	Do	13,456,558	2006-07	Sr.Jt.Comm.,South Circle
4	Assam General Sales Tax Act, 1993	Assam Sales Tax	87,127	2006-07	Commissioner of Taxes

- x. The Company has no accumulated losses as at 31st December, 2011 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 given to us, the Company has not defaulted in repayment of dues to any financial institution or bank at the Balance Sheet date.
- 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. The Company has not made any preferential allotment to parties and Companies covered in the register maintained under Section 301 of the Act.
- xix. The Company has not issued any debentures during the year.
- xx. 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.

**A. Deb
Partner**

Membership Number 051845

For De Chakraborty & Sen

Firm Registration Number – 303029E

Kolkata, 31st August, 2012

Chartered Accountants



ASSAM COMPANY INDIA LIMITED

BALANCE SHEET AS AT 31ST DECEMBER, 2011

	Schedule	As at 31st December, 2011 (₹)	As at 31st December, 2010 (₹)
SOURCES OF FUNDS			
Shareholders' Funds			
(a) Share Capital	1	309,760,963	309,760,963
(b) Reserves and Surplus	2	3,061,495,828	3,753,977,485
		3,371,256,791	4,063,738,448
Loan Funds	3		
(a) Secured Loans		5,327,654,975	4,996,762,021
(b) Unsecured Loans		183,000,000	1,624,958,000
		5,510,654,975	6,621,720,021
TOTAL		8,881,911,766	10,685,458,469
APPLICATION OF FUNDS			
Fixed Assets	4		
(a) Gross Block		5,689,529,730	5,574,883,654
(b) Less: Depreciation		1,787,945,475	1,711,873,393
		3,901,584,255	3,863,010,261
(c) Capital Work in Progress	4A	3,248,948,797	2,774,847,944
		7,150,533,052	6,637,858,205
Investments	5	92,073,546	63,442,060
Foreign Currency Monetary Item Translation Difference Account		174,684,288	7,227,867
Current Assets, Loans And Advances	6		
(a) Inventories		235,764,684	357,852,362
(b) Sundry Debtors		983,862,141	835,155,467
(c) Cash and Bank Balances		562,568,577	1,002,602,409
(d) Other Current Assets		51,930,588	59,872,292
(e) Loans and Advances		3,156,359,093	2,977,154,097
		4,990,485,083	5,232,636,627
Less: Current Liabilities and Provisions	7		
(a) Current Liabilities		3,077,201,095	784,120,820
(b) Provisions		448,663,108	471,585,470
		3,525,864,203	1,255,706,290
Net Current Assets		1,639,305,168	3,984,158,204
TOTAL		8,881,911,766	10,685,458,469
NOTES ON ACCOUNTS	13		

The Schedules referred to above form an integral part of the Balance Sheet.
This is the Balance Sheet referred to in our report of even date.

A. Deb

Partner

Membership No. 051845

For **De Chakraborty & Sen**

Firm Registration Number – 303029E

Chartered Accountants

Kolkata, 31st August, 2012

Romit Mitra
Company Secretary

On behalf of the Board

A. K. Jajodia – Managing Director

Amit Halder – Director

Sarvadaman Ray – Director



ASSAM COMPANY INDIA LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 2011

	Schedule	Year ended 31st December, 2011 (₹)	Year ended 31st December, 2010 (₹)
INCOME			
Sales		2,820,301,112	2,232,811,822
Less: Excise Duty		—	—
		2,820,301,112	2,232,811,822
Other Income	8	43,162,035	82,643,259
		2,863,463,147	2,315,455,081
EXPENDITURE			
Raw Material Consumed	9	77,887,627	69,939,622
Expenses	10	2,289,800,659	1,859,497,364
(Increase) / Decrease in Stock	11	123,027,363	(124,989,400)
Depreciation		91,349,558	
Less: Transfer from Revaluation Reserve		12,613,690	111,920,540
Interest and Finance Charges		62,526,113	47,143,754
		2,631,977,630	1,963,511,880
PROFIT BEFORE TAXATION AND EXCEPTIONAL ITEMS		231,485,517	351,943,201
Exceptional Items	12	(15,018,849)	214,159,165
		246,504,366	137,784,036
PROFIT BEFORE TAXATION		246,504,366	137,784,036
Provision for Taxation :			
Income Tax [Including ₹ Nil (31.12.2010 - 1,346,262) with respect to earlier year]		60,300,000	38,671,262
Wealth Tax		200,000	175,000
PROFIT AFTER TAXATION		186,004,366	98,937,774
Balance brought forward from previous year		595,340,178	575,829,791
AVAILABLE FOR APPROPRIATION		781,344,544	674,767,565
APPROPRIATIONS			
Proposed Dividend		15,488,048	61,952,193
Dividend Tax thereon		2,512,549	10,050,194
Transfer to General Reserve		1,500,000	7,425,000
Balance carried forward		761,843,947	595,340,178
		781,344,544	674,767,565
Earnings per share (Face value ₹ 1 per share)			
Basic and Diluted on Profit after Taxation before Exceptional Items (₹)		0.55	1.01
Basic and Diluted on Profit after Taxation and Exceptional Items (₹)		0.60	0.32

A. Deb
Partner
Membership No. 051845
For **De Chakraborty & Sen**
Firm Registration Number – 303029E
Chartered Accountants
Kolkata, 31st August, 2012

Romit Mitra
Company Secretary

On behalf of the Board

A. K. Jajodia – Managing Director
Amit Halder – Director
Sarvadaman Ray – Director



ASSAM COMPANY INDIA LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS

SCHEDULE : 1 - SHARE CAPITAL

		As at 31st December, 2011 (₹)	As at 31st December, 2010 (₹)
Authorised			
(a)	500,000,000 Equity Shares of ₹ 1 each	500,000,000	500,000,000
(b)	1,000,000 Non Cumulative Redeemable Preference Shares of ₹ 100 each	100,000,000	100,000,000
		600,000,000	600,000,000
Issued and Subscribed			
	309,760,963 Equity Shares of ₹ 1 each fully paid up	309,760,963	309,760,963
		309,760,963	309,760,963

Notes :

1. Out of the Subscribed Capital, 25,950,240 Equity Shares of ₹ 1 each have been allotted as fully paid up pursuant to Schemes of Amalgamation without payment being received in cash.
2. Of the above Subscribed Capital, 105,000,000 Equity Shares of ₹ 1 each have been allotted as fully paid up Bonus Shares by capitalisation of General Reserve.



ASSAM COMPANY INDIA LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS

SCHEDULE : 2 - RESERVES AND SURPLUS

	As at 31st December, 2010 [₹]	Additions [₹]	Deductions [₹]	As at 31st December, 2011 [₹]
Capital Reserve (Reserve on Amalgamation)	15,037,398	—	—	15,037,398
Revaluation Reserve	912,147,155	—	* 13,234,193	898,912,962
Securities Premium	2,056,244,419	—	847,251,233	1,208,993,186
General Reserve	174,333,735	1,500,000	—	175,833,735
Capital Redemption Reserve	874,600	—	—	874,600
Profit and Loss Account Balance	3,158,637,307 595,340,178	1,500,000	860,485,426	2,299,651,881 761,843,947
	3,753,977,485			3,061,495,828

Note : Capital Reserve includes ₹ 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.

* Includes ₹ 747,304 (31.12.2010 - ₹ 666,063) and ₹ 126,801 (31.12.2010 - ₹ 929,958) on account of disposal and written off of assets respectively.

SCHEDULE : 3 - LOAN FUNDS

	As at 31st December, 2011 [₹]	As at 31st December, 2010 [₹]
--	--	--

SECURED LOANS

A. Loans for Tea Division

Term Loan from IDBI Bank

— 42,386,924

(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 inter se with all term loans and working capital loan including cash credit from the Consortium Banks and also a first charge over all the movable properties both present and future [save and except book debts] subject to the prior charges on specified movable / immovable assets created in favour of the Company's bankers by way of security for borrowings from them).



ASSAM COMPANY INDIA LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS

SCHEDULE : 3 - LOAN FUNDS (Continued)

	As at 31st December, 2011 [₹]	As at 31st December, 2010 [₹]
Term Loans from Other Banks	783,960,933	1,029,038,346
(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 inter se with the IDBI Bank loan and Term Loans and 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 / to be created in favour of the Company's bankers by way of security for borrowings from them except for a loan amounting to ₹ 60 Crores from Central Bank of India which is secured by way of a second or subservient charge over all the assets of the Company).		
Working Capital Loan, including Cash Credit from Banks*	1,645,251,770	1,284,601,751
(Secured by hypothecation created on stock, book debts, all moveable assets and other current assets 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 inter se with all other term loans from Consortium Banks and IDBI Bank term loan.) [including interest accrued and due ₹ NIL (31.12.2010 - ₹ 875,340)]		
* Includes FCNR Loans ₹ 209,057,340 (31.12.2010- ₹ 86,381,120)		
B. Loan for Oil and Gas Division		
Term Loan from Banks	2,898,442,272	2,640,735,000
Secured by primary charges of all the present and future receivables of Oil and Gas Division of the Company on pari passu basis with the existing lenders of Oil and Gas Division, assignment of Participating Interest in the Production Sharing Contract to the extent permitted, Hypothecation over all the stocks, bookdebts, plant and machinery and equipments both present and future, installed/to be installed at the Company's Oil and Gas field at Amguri and AA-ON/7 to the extent of Company's share on pari passu basis. Further, secured by exclusive hypothecation charge in favour of Allahabad Bank created over specified immovable properties (fixed assets) including plant and machinery, entire stocks and assignment of book debts both present and future, installed/to be installed at marginal fields at Barsilla, Bihubar and Laxmijan. Additionally, the entire loans of Oil and Gas Division is secured by Personal Guarantee of Managing Director of the Company.		
	5,327,654,975	4,996,762,021
UNSECURED LOANS		
Short Term Loan from Corporate Bodies	183,000,000	50,000,000
Long Term Loan from UCO Bank (Personal guarantee of Managing Director of the Company offered for the above Loan)	—	150,000,000
Foreign Currency Convertible Bonds	—	1,424,958,000
	183,000,000	1,624,958,000

SCHEDULES FORMING PART OF THE ACCOUNTS

SCHEDULE : 4 - FIXED ASSETS

[Figures in ₹]

Class of Assets	COST / VALUATION			DEPRECIATION / AMORTISATION					NET BLOCK		
	As at 1st January, 2011	Additions during the year	Sale / discard / adjustments during the year	Total as at 31st December, 2011	As at 1st January, 2011	Additions during the year	On Revaluation during the year	Sale / Discard during the year	Total as at 31st December, 2011	Net Book Value as on 31st December, 2011	Net Book Value as on 31st December, 2010
Tangible Assets											
Land and Development (including leasehold land)	2,671,929,477	29,383,454	2,684,748	2,698,628,183	-	-	-	-	-	2,698,628,183	2,671,929,477
Buildings	1,055,149,461	13,837,462	12,781	1,068,974,142	683,170,243	11,741,319	11,398,950	12,781	706,297,731	362,676,411	371,979,218
Plant and Machinery	899,772,920	67,499,907	6,613,322	960,659,505	703,641,579	34,300,186	1,201,476	5,714,890	733,428,349	227,231,156	196,131,341
Oil and Gas Producing Properties	743,969,970	-	-	743,969,970	185,627,676	13,065,251	-	-	198,692,927	545,277,043	558,342,294
Vehicles	180,206,041	13,512,109	6,167,432	187,550,718	125,297,800	16,380,002	12,477	5,853,475	135,836,804	51,713,914	54,908,241
Furniture	23,373,041	5,498,647	3,583,597	25,288,091	13,784,807	2,449,773	787	3,275,108	12,960,259	12,327,832	9,588,234
Intangible Assets											
Computer Software	482,744	4,422,721	446,344	4,459,121	351,288	799,337	-	421,222	729,403	3,729,718	131,456
TOTAL	5,574,883,654	134,154,300	19,508,224	5,689,529,730	1,711,873,393	78,735,868	12,613,690	15,277,476	1,787,945,475	3,901,584,255	3,863,010,261
Previous Year	5,494,299,767	148,041,522	67,457,635	5,574,883,654	1,594,020,398	164,456,792	13,867,502	60,471,299	1,711,873,373	3,863,010,261	

NOTES: 1. Land and Development (including leasehold land) include certain freehold lands the amount of which is not readily ascertainable.

2. The Government of Assam had taken possession of some undeveloped land under the Assam Fixation of Ceiling of Land Holdings Act, 1956, (the Act) measuring approximately 3,659.18 hectares, the compensation for which is accounted for as and when received. The Company is hopeful of getting back some ceiling surplus land for which Review Petitions have been filed under Section 7(6) of the Act, for correction of the statements prepared by the Revenue department which are pending disposal.

3. Buildings include building on leasehold land at estates - ₹ 982,672,179 (31.12.2010 - ₹ 969,200,966). Accumulated Depreciation ₹ 623,950,788 (31.12.2009 - ₹ 601,189,297).

4. Vehicles include assets acquired on hire purchase - ₹ 40,989,484 (31.12.2010 - ₹ 39,995,559).

5. 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 (31.12.2010 - ₹ 8,992,727).

6. Addition to Land and Development (including leasehold land) is net off of subsidy received from Tea Board for replanting activities amounting to ₹ 2,533,179 (31.12.2010 - ₹ 2,037,790).

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



ASSAM COMPANY INDIA LIMITED



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SCHEDULES FORMING PART OF THE ACCOUNTS

SCHEDULE : 4A - CAPITAL WORK IN PROGRESS

	As at 31st December, 2011 [₹]	As at 31st December, 2010 [₹]
A. Oil and Gas Project (Refer Note 17 of Schedule 13)		
Opening Balance	2,734,163,006	2,169,112,122
Add: Addition during the year	480,664,703	613,750,140
	3,214,827,709	2,782,862,262
Less : Capitalised during the year	—	48,699,256
Closing Balance	3,214,827,709	2,734,163,006
B. Others		
Opening Balance	40,684,938	7,028,246
Add : Addition during the year	39,512,634	39,456,990
	80,197,572	46,485,236
Less : Capitalised during the year	46,076,484	5,800,298
Closing Balance	34,121,088	40,684,938
Total (A + B)	3,248,948,797	2,774,847,944

SCHEDULE : 5 - INVESTMENTS

Long Term – At Cost, fully paid unless otherwise stated

A. Quoted		
(i) Trade		
In Subsidiary Company		
Namburnadi Tea Co. Ltd.	123,076	123,076
123,076 Equity Shares of ₹ 10 each		
(ii) Other than Trade		
1,841 (31.12.2010-1841) US 64 Bonds of ₹ 100 each in Unit Trust of India (under lien)	184,100	184,100
12,240 Equity Shares of Bank of America Corporation	7,192,005	7,192,005
237,800 Equity Shares of Canoro Resources Ltd. of CAD 1 each	692,467	692,467
Others *	3,601,068	3,601,068
	11,669,640	11,669,640
B. Unquoted (Fully paid unless otherwise stated)		
(i) Trade		
In Subsidiary Companies**	158,819,240	129,043,040
(ii) Other than Trade		
20,000 Equity Shares of ₹10 each in Assam Bengal Cereals Ltd.	200,000	200,000
5% Non Redeemable Debentures of East India Clinic Ltd.	24,500	24,500
27 Equity Shares of ₹ 10 each in Dhunseri Investments Ltd.	—	—
Others ***	20,000,000	20,000,000
	20,224,500	20,224,500
	190,836,456	161,060,256
Less: Provision for diminution in value of certain investments	99,562,910	98,418,196
	91,273,546	62,642,060
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
	92,073,546	63,442,060



ASSAM COMPANY INDIA LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS

SCHEDULE : 5 - INVESTMENTS

Long Term – At Cost (Contd)

* Others – Quoted

* Particulars	Description	Number as on 31.12.11	Number as on 31.12.10	Face value ₹	Cost as on 31.12.11 ₹	Cost as on 31.12.10 ₹
Allahabad Bank	Equity	23	23	10	1,886	1,886
Bank of Baroda	Equity	9	9	10	2,070	2,070
Bombay Burmah Trading Corp. Ltd.	Equity	5	5	10	2,346	2,346
Dhunseri Petrochem & Tea Ltd. (Formerly Dhunseri Tea & Industries Ltd.)	Equity	55	55	10	10,359	10,359
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	5	5	547	547
Mcleod Russel India Ltd.	Equity	300	300	5	6,095	6,095
Oil & Natural Gas Corporation Ltd.	Equity	5	5	10	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
Selan Exploration Ltd.	Equity	5	5	10	540	540
Shiv -Vani Oil & Gas Exploration Services Ltd.	Equity	5	5	10	1,753	1,753
State Bank of Bikaner & Jaipur	Equity	1,850	185	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
Warren Tea Ltd.	Equity	5	5	10	373	373
					3,601,068	3,601,068



ASSAM COMPANY INDIA LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS

SCHEDULE : 5 - INVESTMENTS

Long Term – At Cost (Contd)

** Subsidiaries Companies

Particulars	Description	Number as on 31.12.11	Number as on 31.12.10	Face value ₹	Cost as on 31.12.11 ₹	Cost as on 31.12.10 ₹
Dahej Offshore Infrastructure SEZ Ltd. (Formerly Assam Estates Limited)	Equity	50,570	50,570	10	505,700	505,700
Assam Oil and Gas Ltd. (70 Equity Shares fully paid 999,930 Equity Shares @ ₹ 3 partly paid)	Equity	1,000,000	1,000,000	10	1,000,000	1,000,000
North East Hydrocarbon Ltd.	Equity	50,070	50,070	10	500,700	500,700
Camellia Cha Bar Ltd.	Equity	50,060	50,060	10	500,605	500,605
Gujarat Hydrocarbons and Power SEZ Ltd. #	Equity	5,000,000	5,000,000	10	50,000,000	50,000,000
Duncan Macneill Power India Ltd. (Formerly Duncan Macneill Power and Utilities Ltd.)	Equity	50,000	50,000	10	500,000	500,000
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	—
Total					158,819,240	129,043,040

*** Others – Unquoted

Particulars						
Padmshree Suppliers Pvt. Ltd.	Equity	10,000	10,000	10	1,900,000	1,900,000
Octol Tracon Pvt. Ltd.	Equity	35,000	35,000	10	5,950,000	5,950,000
Rimjhim Vinjmay Pvt. Ltd.	Equity	2,000	2,000	10	350,000	350,000
J R Roadlines Pvt. Ltd. (Formerly Pushpshree Tower Pvt. Ltd.)	Equity	10,000	10,000	10	1,800,000	1,800,000
Prakash Cresec Pvt. Ltd.	Equity	25,000	25,000	10	3,750,000	3,750,000
Nahar Viniyog Pvt. Ltd.	Equity	10,000	10,000	10	1,500,000	1,500,000
Rohini Commodities Pvt. Ltd.	Equity	14,000	14,000	10	2,100,000	2,100,000
Midpoint Marketing Pvt. Ltd.	Equity	14,500	14,500	10	1,450,000	1,450,000
Darkin Dealcom Pvt. Ltd.	Equity	12,000	12,000	10	1,200,000	1,200,000
					20,000,000	20,000,000

Notes:

Aggregate market value of quoted investments ₹ 5,532,923 (31.12.2010 - ₹ 12,779,351)

Aggregate book value of quoted investments ₹ 12,592,716 (31.12.2010 - ₹ 12,592,716)

Aggregate book value of unquoted investments ₹ 179,043,740 (31.12.2010 - ₹ 149,267,540)

Market value of Namburnadi Tea Co. Ltd. and US 64 Bonds are not available.

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



ASSAM COMPANY INDIA LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS

SCHEDULE : 6 - CURRENT ASSETS, LOANS AND ADVANCES

	As at 31st December, 2011 [₹]	As at 31st December, 2010 [₹]
(a) Inventories		
Stores and Spare Parts	61,820,977	60,881,292
Finished Goods		
Stock of Tea	173,194,707	296,765,070
Stock of Oil	—	206,000
	235,764,684	357,852,362
(b) Sundry Debtors - Unsecured		
Debts outstanding for a period exceeding six months		
– Considered good	238,818,047	381,923,240
– Considered doubtful	5,059,409	4,793,840
– Other Debts Considered good	745,044,094	453,232,227
	988,921,550	839,949,307
Less: Provisions for Doubtful Debts	5,059,409	4,793,840
	983,862,141	835,155,467
(c) Cash and Bank Balances		
Cash in hand	2,654,076	1,325,235
With Scheduled Banks:		
On Current Account	313,704,935	288,086,032
[Includes ₹ 15,958,304 In Escrow Account (31.12.2010-₹157,894,959)]		
On Deposit Account	246,204,670	713,183,263
With Other Banks:		
On Current Account	4,896	7,879
	562,568,577	1,002,602,409
(d) Other Current Assets - Unsecured		
Considered good		
Interest accrued on deposits	13,646,167	21,587,871
Other Receivables	38,284,421	38,284,421
Considered doubtful		
Interest accrued on deposits	13,159,522	13,159,522
	65,090,110	73,031,814
Less: Provision for Doubtful Debts	13,159,522	13,159,522
	51,930,588	59,872,292



ASSAM COMPANY INDIA LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS

SCHEDULE : 6 - CURRENT ASSETS, LOANS & ADVANCES (Contd)

	As at 31st December, 2011 [₹]	As at 31st December, 2010 [₹]
(e) Loans and Advances - Unsecured		
Considered good		
Advances and loans to Subsidiaries	2,933,071,776	2,652,757,019
Advances recoverable in cash or in kind or for value to be received *	127,687,771	270,670,509
Intercompany Deposits	58,542,807	18,000,000
Balances with Port Trust and Excise Authorities	—	71,998
Other Deposits	37,056,739	35,654,571
Considered doubtful		
Advances and loans to Subsidiaries	152,881,030	151,481,028
Advances recoverable in cash or in kind or for value to be received	22,201,961	41,352,717
Intercompany Deposits	40,255,000	40,255,000
	3,371,697,084	3,210,242,842
Less: Provision for Doubtful Advances and Deposits	215,337,991	233,088,745
	3,156,359,093	2,977,154,097
Amounts due from Subsidiaries	Balance as at 31.12.2011 ₹	Balance as at 31.12.2010 ₹
Namburnadi Tea Company Limited	96,912,917	83,166,804
Dahej Offshore Infrastructure SEZ Ltd. (Formerly Assam Estates Limited)	27,169,164	5,429,048
Assam Oil and Gas Limited	4,040,000	4,040,000
Assam Oil & Natural Gas Limited	10,174,605	—
North East Hydrocarbon Limited	10,597,924	9,197,924
Camellia Cha Bar Limited	4,697,549	4,692,836
Gujarat Hydrocarbons and Power SEZ Limited	2,118,621,790	1,883,979,211
Duncan Macneill Power India Limited	1,635	—
Lord Inchcape Financial Services Limited	5,000	5,000
Duncan Macneill Natural Resources Limited	813,732,224	813,732,224
	3,085,952,808	2,804,243,047
Maximum amount due at any time during the year		
Namburnadi Tea Company Limited	102,861,699	101,550,725
Dahej Offshore Infrastructure SEZ Ltd. (Formerly Assam Estates Limited)	27,169,164	5,429,148
Assam Oil and Gas Limited	4,040,000	5,292,692
Assam Oil & Natural Gas Limited	10,174,605	—
North East Hydrocarbon Limited	10,597,924	9,197,924
Camellia Cha Bar Limited	4,697,549	4,692,836
Gujarat Hydrocarbons and Power SEZ Limited	2,118,690,174	1,884,744,024
Duncan Macneill Natural Resources Limited	813,732,224	813,732,224

* Includes amount receivable from a Director of the Company ₹ 596,984 (31.12.2010 - ₹ 674,751), maximum amount outstanding at any point of time during the year ₹ 702,496 (31.12.2010 - ₹ 659,714).



ASSAM COMPANY INDIA LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS

SCHEDULE : 7 - CURRENT LIABILITIES AND PROVISIONS

	As at 31st December, 2011 [₹]	As at 31st December, 2010 [₹]
(a) Current Liabilities		
Acceptances	—	3,967,805
Sundry Creditors		
— Total outstanding dues of micro enterprises and small enterprises (Refer Note 24 of Schedule 13)	3,668,496	3,669,458
— Total outstanding dues of Creditors other than micro enterprises and small enterprises	129,990,268	454,932,684
Other Liabilities	282,099,639	234,648,140
Unclaimed Dividend	2,893,175	2,944,153
Outstanding Dues of FCCB Bondholders including Redemption Premium	2,541,110,033	—
Interest accrued but not due on Loans	117,439,484	83,958,580
	3,077,201,095	784,120,820
(b) Provisions		
Provision for Employee Benefits	382,462,465	332,401,842
Taxation less Advance Payments of ₹ 149,831,699 (31.12.2010 - ₹ 64,693,849)	39,404,931	64,416,241
Provision for Site Restoration (Refer Note 13 of Schedule 13)	2,765,000	2,765,000
Proposed Dividend	15,488,048	61,952,193
Dividend Tax thereon	8,542,664	10,050,194
	448,663,108	471,585,470

SCHEDULE : 8 - OTHER INCOME

	Year ended 31st December, 2011 (₹)	Year ended 31st December, 2010 (₹)
Sale of Tea Waste	1,437,858	3,528,643
Dividend	43,353	150,247
Miscellaneous Receipts	4,140,864	5,567,579
Subsidies	11,480,205	3,451,918
Liabilities no longer required written back	11,020,063	761,105
Premium on Sale of DEPB Licence	9,653,808	13,941,065
Export Incentive Duty Drawback	276,106	—
Gain on Exchange Fluctuations (Net)	—	44,476,232
Provision no longer required, written back	—	2,371,316
Profit on sale of assets	721,238	1,869,885
Profit on acquisition of land by the Government	4,388,540	6,525,269
	43,162,035	82,643,259

SCHEDULE : 9 - RAW MATERIALS CONSUMED

Opening Balance	—	—
Add : Purchases		
Green Leaf	77,004,052	69,307,364
Tea	883,575	632,258
	77,887,627	69,939,622
Less: Closing Balance	—	—
	77,887,627	69,939,622



ASSAM COMPANY INDIA LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS

SCHEDULE : 10 - EXPENSES

	Year ended 31st December, 2011 [₹]	Year ended 31st December, 2010 [₹]
Garden Cultivation Costs	213,867,843	199,103,613
Plucking and Manufacturing Expenses	284,969,254	252,648,766
Power and Fuel	226,575,977	196,358,223
Establishment Charges (including Bonus)	376,434,625	339,878,180
Directors' Fees	27,000	24,000
Contribution to Provident, Superannuation and Gratuity Funds	134,139,983	182,518,547
Workmen and Staff Welfare Expenses	129,384,444	118,543,043
Concession on Foodgrains	49,822,080	49,394,219
Repairs to Buildings	40,254,143	40,133,459
Repairs to Plant & Machinery	35,645,122	40,312,323
Upkeep of Roads & Bridges	2,258,572	2,073,304
Garden Transport	42,795,652	37,493,282
Insurance	5,104,294	5,333,169
Rent, Rates & Taxes	11,966,962	26,749,591
Office Maintenance	10,935,689	9,948,841
Freight, Warehouse & Sale Charges	85,515,402	78,213,183
Agency Commission	48,303,053	40,492,127
Brokerage	14,496,215	11,515,989
Cess on Tea and Green Leaf	36,337,673	28,594,549
Oil Production Expenses	—	15,675,026
Oil Treatment Charges	—	3,385,081
Equipment Rental and Transportation Charges	—	6,974,635
Royalty on Oil	—	1,324,386
Cess on Oil	—	4,796,268
Trade Commodity Expenses	339,933,623	—
Loss on Sale of Investments	—	472,790
Advances Deposits, Debts, Accrued Interest and Stores written off	19,386,158	23,311,443
Miscellaneous Expenses	106,571,407	144,229,327
Loss on Exchange	75,111,488	—
	2,289,800,659	1,859,497,364

SCHEDULE : 11 - (INCREASE) / DECREASE IN STOCK

	Unit	31st December, 2011 [Quantity]	31st December, 2011 [₹]	31st December, 2010 [Quantity]	31st December, 2010 [₹]
Stock as at 1st January, 2010					
Tea	KGS	2,792,518	296,765,070	1,925,454	170,900,295
Oil	BBLS	291	206,000	1,705	1,081,375
Stock as at 31st December, 2011					
Tea	KGS	1,803,204	173,943,707	2,792,518	296,765,070
Oil	BBLS	—	—	291	206,000
(Increase) / Decrease			123,027,363		(124,989,400)

SCHEDULE : 12 - EXCEPTIONAL ITEMS

	Year ended 31st December, 2011 [₹]	Year ended 31st December, 2010 [₹]
Loss on Fixed Assets discarded	1,321,683	2,688,082
Diminution in value of investments	1,144,714	29,823,357
Additional Charge in Depreciation due to change in Depreciation Policy	—	52,536,252
Provision for Doubtful Advances, Deposits and Interest Accrued	1,665,570	155,674,657
	4,131,907	240,722,348
Less : Provision for Doubtful Advances, Deposits and Interest Accrued no longer required written back	19,150,756	26,563,183
	(15,018,849)	214,159,165

**SCHEDULE : 13- NOTES ON ACCOUNTS****Notes forming part of the Accounts****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 young tea plantation 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 Profit and Loss Account.

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 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.

[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, which is carried out once in a year. Such revisions are

**SCHEDULE : 13 - NOTES ON ACCOUNTS (Contd.)**

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 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 Profit and Loss Account.

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 March, 2011, 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 represent invoiced value of goods sold less Sales Tax / Value Added Tax.

[j] Other Income

Interest income, income from investments and other incentives except export incentives are accounted for on accrual basis.

[k] Replanting and Other Subsidies

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

[l] Compensation of Land

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

[m] Leases

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

[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 Trust and Life Insurance Corporation of India (LIC) respectively.

**SCHEDULE : 13 - NOTES ON ACCOUNTS (Contd.)**

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 Profit and Loss Account.

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

Short term employee benefits are recognised as an expense in the Profit and Loss Account 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 equipments 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.

[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.

2. [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 ₹ 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 ₹ 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 in past years. Claim for compensation in this regard has been made to the Government of Assam.

3. Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 10,264,615 (net of advance - ₹ 4,717,872), [31.12.2010 - ₹ 10,162,148 (net of advance - ₹ 1,823,897)]

4. Contingent Liabilities not provided for in respect of :

- [a] Income Tax assessments disputed in appeals ₹ NIL (31.12.2010 - ₹ 20,824,240)

- [b] Sales Tax assessments disputed in appeals ₹ 108,907,869 (31.12.2010 - ₹ 118,019,201)

- [c] Liability towards fringe benefit tax under adjudication - ₹ 70,929,211 (31.12.2010 - ₹ 70,929,211). (Refer Note 30 of Schedule 13).

- [d] Guarantees given on behalf of third parties ₹ 48,214,400 (31.12.2010 - ₹ 48,214,400) of which ₹ 29,824,134 (31.12.2010 - ₹ 26,178,697) was outstanding as at 31st December, 2011.

- [e] Uncalled liability on partly paid shares - ₹ 6,999,510 (31.12.2009 - ₹ 6,999,510).

- [f] Interest and penalty for non-deduction and non-deposit of tax deducted at source from green leaf suppliers in respect of an earlier year, not ascertainable at this stage.

- [g] Financial undertaking issued to a subsidiary - amount not ascertainable.

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

5. 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, 2011 which extends over two assessment years, Assessment Year 2011-2012 and Assessment Year 2012 - 2013. The ultimate tax liability for the Assessment Year 2012-2013 will be determined on the total income for the period from 1st April, 2011 to 31st March, 2012.



ASSAM COMPANY INDIA LIMITED

SCHEDULE : 13 - NOTES ON ACCOUNTS (Contd.)

6. Breakup of Interest and Finance Charges:-	31.12.2011	31.12.2010
	[₹]	[₹]
On Fixed Loan	244,759,254	180,068,618
Hire Purchase Finance Charges on Vehicles	1,108,583	1,479,204
Others	136,017,686	122,549,255
A	381,885,523	304,097,077
Less: Interest Subsidy Received/Receivable	—	—
Interest Income (Tax deducted at source ₹ 33,157,709) (31.12.2010 - ₹ 24,088,275)	319,359,410	256,953,323
B	319,359,410	256,953,323
Total Interest and Finance Charge (net)	A - B	62,526,113
		47,143,754

7. The balances with non-scheduled banks are held in :

Particulars	Balance Outstanding as at		Maximum amount outstanding at	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
	[₹]	[₹]	[₹]	[₹]
On Current Account:				
ING Bank, Singapore	4,896	7,879	—	17,340,536
On Deposit Account:				
ING Bank, Singapore	—	—	—	37,269,727

8.(i) Amount paid / payable to the auditors included under general charges in Schedule 10 (Net of Service Tax)	31.12.2011	31.12.2010
	[₹]	[₹]
[a] Statutory audit fees	1,750,000	1,750,000
[b] Fees for other services	300,000	2,498,295
[c] Reimbursement of out of pocket expenses	—	130,000
(ii) Expenditure includes in aggregate :		
Salaries, Wages and Bonus	807,385,623	737,537,643
Stores and Spare Parts consumed	360,334,047	310,005,252

9. 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. 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. The defined benefit scheme is funded with Life Insurance Corporation of India (LIC). Annual contributions to the defined benefit scheme are made by the Company based on actuarial valuation carried out by LIC at year end. Contributions for the defined contribution scheme are deposited with a Trust and such funds are utilised to buy pension annuity from the 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-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 ₹ 84,796,893 (31.12.2010 - ₹ 78,296,118) has been recognised in the Profit and Loss Account.



ASSAM COMPANY INDIA LIMITED

SCHEDULE : 13 - NOTES ON ACCOUNTS (Contd.)

B. Defined Benefit Plans

	Gratuity (Funded)				Pension (Funded)				Leave Encashment (Unfunded)			Medical Benefit (Un-funded)
	2011	2010	2009	2008	2011	2010	2009	2008	2011	2010	2009	2011
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
a) Component of employees expenses												
Current Service Cost	19,353,629	19,060,454	13,770,454	12,733,800	4,841,825	9,707,864	8,440,325	5,692,568	1,276,236	1,276,236	2,351,923	-
Interest Cost	25,980,036	19,073,669	16,307,273	17,756,263	8,305,949	7,431,776	4,942,863	3,893,285	361,955	361,955	243,400	1,346,145
Expected Return on Plan Assets	5,355,657	(4,417,386)	(5,556,090)	(6,801,793)	(3,157,895)	(2,907,905)	(2,575,406)	(2,386,264)	-	-	-	-
Curtailment Cost	-	-	-	-	-	-	-	-	-	-	-	-
Settlement Cost	-	-	-	-	-	-	-	-	-	-	-	-
Past Service Cost	-	-	-	-	-	-	-	-	-	-	-	-
Net actuarial (gain) / loss recognised during the year	4,957,890	53,793,594	10,881,225	(21,530,142)	(5,753,172)	(12,536,756)	12,028,326	4,430,513	377,720	377,720	(524,299)	(757,385)
Total component of employees expenses	55,647,212	87,510,331	35,402,862	2,158,128	4,236,707	1,694,979	22,836,108	11,630,102	2,015,911	2,015,911	2,071,024	588,760
b) Net (Asset) / Liability												
Present Value of the Defined Benefit Obligation	337,046,814	319,279,843	252,041,130	230,872,090	102,585,860	97,717,055	92,897,202	65,904,847	5,987,259	5,987,259	5,077,537	16,425,768
Fair value of Plan Assets	39,776,782	66,945,709	55,217,327	69,451,148	40,105,792	39,473,694	36,348,822	32,192,575	-	-	-	-
Net (Asset) / Liability	297,270,032	252,334,134	196,823,803	161,420,942	62,480,068	58,243,361	56,548,380	33,712,272	5,987,259	5,987,259	5,077,537	16,425,768
c) Actual Return on Plan Assets												
Expected Return on Plan Assets	5,355,657	4,417,386	5,556,090	6,801,793	3,147,895	2,907,905	2,575,406	2,386,264	-	-	-	-
Actuarial gain / (loss) on Plan Assets	(5,259,881)	2,551,543	7,093,627	(302,975)	(2,525,797)	216,967	1,580,841	(21,996)	(757,385)	-	-	-
Actual Return on Plan Assets	95,776	6,968,929	12,649,717	6,498,818	622,098	3,124,872	4,156,247	2,364,268	(757,385)	-	-	-
d) Change in Defined Benefit Obligation during the year												
Present value of Defined Benefit Obligation as at beginning of the year	319,279,843	252,041,130	230,872,090	251,285,245	97,717,055	92,897,202	65,904,847	51,910,477	5,077,537	5,077,537	3,484,173	15,837,008
Current Service cost	19,353,629	19,060,454	13,770,454	12,733,800	4,841,825	9,707,864	8,440,325	5,692,568	1,276,236	1,276,236	2,351,923	-
Interest Cost	25,980,036	19,073,669	16,307,273	17,756,263	8,305,949	7,431,776	4,942,863	3,893,285	1,346,145	361,955	243,400	1,346,145
Settlement Cost	-	-	-	-	-	-	-	-	-	-	-	-
Past Service Cost	-	-	-	-	-	-	-	-	1,106,189	-	-	-
Benefits Paid	(27,264,703)	(27,240,547)	(26,883,539)	(29,070,101)	-	-	-	-	1,106,189	(1,106,189)	(477,660)	-
Actuarial (gain) / loss on Obligation	(301,991)	56,345,137	17,974,852	(21,833,117)	(8,278,969)	(12,319,787)	13,609,167	4,408,517	377,720	377,720	(524,299)	(757,385)
Present value of Defined Benefit Obligation as at end of the year	337,046,814	319,279,843	252,041,130	230,872,090	102,585,860	97,717,055	92,897,202	65,904,847	10,290,016	5,987,259	5,077,537	16,425,768
e) Change in Fair Value of Assets during the year												
Fair value of Plan Assets as at beginning of the year	66,945,709	55,217,327	69,451,149	85,022,431	39,473,694	36,348,822	32,192,575	29,828,307	-	-	-	-
Expected Return on Plan Assets	5,355,657	4,417,386	5,556,090	6,801,793	3,157,895	2,907,905	2,575,406	2,386,264	-	-	-	-
Contributions Made	-	32,000,000	-	7,000,000	-	-	-	-	-	-	-	-
Benefits Paid	(27,264,703)	(27,240,547)	(26,883,539)	(29,070,101)	-	-	-	-	1,106,189	-	-	-
Actuarial gain / (loss) on Plan Assets	(5,259,881)	2,551,543	7,093,627	(302,975)	(2,525,797)	216,967	1,580,841	(21,996)	-	-	-	-
Fair value of Plan Assets as at end of the year	39,776,782	66,945,709	55,217,327	69,451,148	40,105,792	39,473,694	36,348,822	32,192,575	1,106,189	-	-	-
f) Experience Adjustment												
	Gratuity (Funded)		Pension (Funded)		Leave Encashment (Unfunded)							
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Experience (Gain)/Loss adjustment on plan liabilities	59,477,481	22,724,684	(12,933,629)	14,315,261	397,126	(618,236)						
Experience (Gain)/Loss adjustment on plan assets	1,569,703	8,556,424	220,440	1,716,744	-	-						
Experience (Gain)/Loss adjustment on plan liabilities due to change in assumption	(59,779,472)	33,620,449	4,654,660	(26,635,050)	(739,554)	995,956						
	1,267,712	64,901,557	(8,058,529)	(10,603,045)	(342,428)	377,720						



ASSAM COMPANY INDIA LIMITED

SCHEDULE : 13 - NOTES ON ACCOUNTS (Contd.)

g) Categories of Plan Assets as a percentage of total planned Assets

	Gratuity (Funded)				Pension (Funded)			
	2011	2010	2009	2008	2011	2010	2009	2008
Administered by Private Insurance Company	57.86%	94.03%	97.68%	78.94%	—	—	—	—
Administered by Life Insurance Corporation of India	—	—	—	—	99.10%	99.19%	80.71%	78.62%
Special Deposit with Scheduled Bank	0.61%	0.56%	0.68%	0.01%	—	—	—	—
Others	41.54%	5.41%	1.64%	20.52%	0.90%	0.81%	19.29%	21.38%

h) Actuarial Assumptions

	Gratuity				Pension				Leave Encashment (Unfunded)	Medical Benefit (Unfunded)
	2011	2010	2009	2008	2011	2010	2009	2008	2011	2010
Mortality Table	LICI	LICI	LICI	LICI	LICI	LICI	LICI	LICI	LICI	LICI
	1994-96	1994-96	1994-96	1994-96	1994-96	1994-96	1994-96	1994-96	1994-96	1994-96
Discount Rate (%)	8.50	7.50	7.50	8.50	8.50	8.00	7.50	7.50	8.00	8.00
Inflation Rate (%)	7.00	5.00	5.00	7.50	7.00	7.00	5.00	5.00	7.00	7.00
Expected Return on Plan Assets (%)	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	—	—

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

	2011		2010	
	Increase	Decrease	Increase	Decrease
Effect on the aggregate of the service cost and interest cost	14,777,351	18,428,013	14,087,783	17,983,323
Effect on defined benefit obligation	16,590,025	16,261,509	15,995,379	15,678,639

Notes :

- 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.
- Since the company has adopted Accounting Standard 15 (Revised 2005) on Employee Benefits during the year 2007, figures for four financial years are available and have been disclosed except for post retirement medical benefits which have been actuarially valued in the current year.
- The contribution expected to be made by the company for the year ending 31st December 2012 cannot be ascertained at this stage.

10. Directors' remuneration in aggregate :

	31.12.2011	31.12.2010
[a] Managing Director:	[₹]	[₹]
i) Salary	2,400,000	2,400,000
ii) Allowances	2,533,539	3,241,464
iii) Expenditure on Provident Fund and Superannuation Fund	700,763	631,200
	5,634,302	6,272,664
Less: Transferred to Capital Work in Progress (Oil and Gas Project)	3,774,982	4,113,588
Net balance	1,859,320	2,159,076

Notes:

- Commission payable to the Managing Director has been waived.
- The above excludes contribution to gratuity fund, which is actuarially determined on an overall company basis.

	31.12.2011	31.12.2010
	[₹]	[₹]
[b] Other Directors :		
Sitting Fees	27,000	24,000



ASSAM COMPANY INDIA LIMITED

SCHEDULE : 13 - NOTES ON ACCOUNTS (Contd.)

			31.12.2011	31.12.2010
11. [1] Licensed Capacity			Not Applicable	Not Applicable
[2] Installed Capacity			Not Ascertainable	Not Ascertainable
[3] Tea Produced	(Kgs)		16,646,484	14,556,757
[4] Saleable Production of Tea *	(Kgs)		16,134,174	14,158,331
[5] Green Leaf Consumed **	(Kgs)		75,343,537	65,408,495
[6] Production of Oil ***	(BBLs)		–	42,331
[7] Production of Gas ****	(MCM)		1,216	20,328
		31.12.2011	31.12.2010	
		[Quantity]	[Quantity]	[₹]
[8] Details of Purchase				
[a] Tea	(Kgs)	9,900	883,575	947
[b] Green Leaf	(Kgs)	4,782,768	77,004,052	4,092,417
[c] Crude Degummed Soyabean oil	(MT)	6,001	334,562,246	–
			412,449,873	69,939,622
[9] Details of Sale				
[a] Tea	(Kgs)	17,134,189	2,480,221,349	13,291,649
[b] Oil	(BBLs)	–	–	42,687
[c] Gas	(MCM)	1,064	5,688,967	18,833
[d] Crude Degummed Soyabean oil	(MT)	6,001	334,390,795	–
			2,820,301,111	2,232,811,822
[10] Value of Raw Materials and Stores and Spare parts consumed		%	[₹]	%
– Purchased Green Leaf and Tea		100	77,887,627	100
– Stores and Spare Parts		100	360,334,047	100
			438,221,674	379,944,874

* Net off tea waste, handling loss, free issue to labour, samples and other promotionals etc. aggregating to 522,510 Kgs (31.12.2010 -398,991 Kgs).

** As the production of green leaf (raw materials consumed by the Company for the manufacture of Tea) from the 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.

*** Gross of loss / in house use aggregating to Nil BBLs (31.12.2010 - 1,058 BBLs).

**** Gross of in-house consumption and technical flaring aggregating to 152 MCM (31.12.2010 - 1,495 MCM)

12. [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, 2011 and the present value as at 31st December, 2011, of minimum rentals in respect of assets acquired under HP are as follows:

	31.12.2011	31.12.2010
	[₹]	[₹]
Minimum Hire Purchase Payments		
– Payable not later than one year	5,983,182	8,108,664
– Payable later than one year but not later than 5 years	1,617,374	6,970,902
Total of Minimum Hire Purchase Payments	7,600,556	15,079,566
Finance Charges		
– Payable not later than one year	401,524	1,041,527
– Payable later than one year but not later than 5 years	70,559	411,465
Total of Finance Charges	472,083	1,452,992
Present Value of Minimum HP Payments		
– Payable not later than one year	5,581,658	7,067,137
– Payable later than one year but not later than 5 years	1,546,815	6,559,437
Total of Present Value of Minimum HP Payments	7,128,473	13,626,574



ASSAM COMPANY INDIA LIMITED

SCHEDULE : 13 - NOTES ON ACCOUNTS (Contd.)

[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 ₹ Nil (31.12.2010 - ₹ 335,400) have been debited to the Profit and Loss Account.

13. Provision for Site Restoration:

[Figures in ₹]

Year	Opening Balance	Provision made during the year	Amounts utilised / reversed during the year	Closing Balance
2011	2,765,000	—	—	2,765,000
2010	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.

	31.12.2011 [₹]	31.12.2010 [₹]
14. Expenditure in foreign currency (on accrual basis):		
Commission	48,303,053	40,492,127
Travelling Expenses	11,525,135	7,867,231
Bank Charges	180,451	4,553,318
Interest	1,695,701	927,331
Consultancy Fees	331,657	283,982
Establishment Charges	—	54,113
	31.12.2011 [₹]	31.12.2010 [₹]
15. Earnings in Foreign Exchange (on accrual basis):		
Export Sale on F.O.B. Basis	603,788,456	506,151,596
Interest Income	1,225,923	251,209
Income from Investments	17,624	16,732

16. Related Party Disclosure:

I. Names of related parties and description of relationship

[a] Subsidiaries of the Company

Namburnadi Tea Company Limited
 Camellia Cha Bar Limited
 North East Hydrocarbon Limited
 Assam Oil and Gas Limited
 Duncan Macneill Natural Resources Limited
 Dahej Offshore Infrastructure SEZ Limited (Formerly known as Assam Estates Limited)
 Gujarat Hydrocarbons and Power SEZ Limited
 Duncan Macneill Power India Limited (Formerly known as Duncan Macneill Power and Utilities Ltd.)
 Lord Inchcape Financial Services Limited (control exercised through two subsidiaries)
 Assam Oil & Natural Gas Ltd. with effect from 18.05.2011

[b] Key Managerial Personnel

Mr. A.K.Jajodia, Managing Director

[c] Relatives of Key Managerial Personnel

Ms. Ruchika Jajodia

[d] Joint Venture through jointly controlled operations

Canoro Resources Limited - (Refer Note No. 17 (a) below)



ASSAM COMPANY INDIA LIMITED

SCHEDULE : 13 - NOTES ON ACCOUNTS (Contd.)

II Transactions with related parties

SL No.	Related Party	Outstanding as on 31.12.2011 (₹)	Outstanding as on 31.12.2010 (₹)	Nature of transaction	Year ended 31st December, 2011 (₹)	Year ended 31st December, 2010 (₹)
[A]	Nambumadi Tea Company Limited	96,912,917 Receivable 48,214,400 Guarantees given	83,166,804 Receivable 48,214,400 Guarantees given	Purchase of tea and green leaf Receipt towards refund of advance Expenses recoverable Transfer of stores (net) Remuneration of manager on deputation recoverable Advance given	(1,313,472) – 1,113,585 (409,261) 2,263,030 12,092,231	1,159,578 20,000,000 87,210 693,242 2,218,500 18,829,000
[B]	North East Hydrocarbon Limited	10,597,924 Receivable	9,197,924 Receivable	Advance given	1,400,000	4,132,395
[C]	Assam Oil and Gas Limited	4,040,000 Receivable	4,040,000 Receivable	Payment towards refund of advance Advance given	– –	1,252,692
[D]	Camellia Cha Bar Limited	4,697,549 Receivable	4,692,836 Receivable	Advance given Expenses Recoverable	– 4,713	– 1,534
[E]	Duncan Macneill Power India Limited	1,635 Receivable	–	Expenses Recoverable	1,635	–
[F]	Duncan Macneill Natural Resources Limited	813,732,224 Receivable	813,732,224 Receivable		–	–
[G]	Gujarat Hydrocarbons and Power SEZ Limited	2,118,621,790 Receivable	1,883,979,211 Receivable	Loan given Interest receivable Expenses recoverable Remuneration of manager on deputation recoverable	(41,130,000) 258,994,008 9,769,342 7,009,229	250,981,938 233,387,922 10,775,241 –
[H]	Assam Oil & Natural Gas Limited	10,174,605 Receivable		Payment for remittances	10,174,605	–
[I]	Dahaj Offshore Infrastructure Limited (Formerly known as Assam Estates Limited)	27,169,164 Receivable	5,429,048 Receivable	Advance given Expenses recoverable	21,173,500 566,616	– –
[J]	Lord Inchcape Financial Services Limited	5,000 Receivable	5,000 Receivable			
[K]	Mr. A. K. Jajodia	674,751 Receivable	593,234 Receivable	Remuneration paid Advance given	5,634,302 –	6,272,664 35,232
[L]	Ms. Ruchika Jajodia	–	–	Remuneration paid	1,143,000	1,143,000

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.


SCHEDULE : 13 - NOTES ON ACCOUNTS (Contd.)
III. Provision made against investment/ recoverables from related parties :
[₹]

Sl. No.	Related Party	Year ended 31st December, 2011	Year ended 31st December, 2010
[A]	North East Hydrocarbon Limited	11,098,625	9,698,623
[B]	Assam Oil and 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)	5,534,601	5,534,601
[E]	Duncan Macneill Power India Limited (Duncan Macneill Power and Utilities Limited)	500,000	41,108
[F]	Duncan Macneill Natural Resources Limited	204,157,255	204,157,255

17. [a] The Company's Oil and Gas activities comprise of three Oil Fields – Amguri (Discovered Field), AA-ON/7 (Exploration Block) and AA-ONN-2005/1 (Exploration Block) having Participating Interest of 40%, 35% and 10% respectively. While Amguri Oil Field and AA-ON/7 Exploration Block were operated under a consortium with Canoro Resources Limited (Canoro), a Canadian based E&P Company, AA-ONN-2005/1 Exploration Block is under consortium with ONGC and OIL.
- [b] During the year 2010, Government of India (GOI) terminated Canoro's 60% Participating Interest (PI) in Amguri Field on account of change in ownership of the Company without prior consent of GOI as per provisions of Production Sharing Contract (PSC). As a result of the dispute on account of termination of PI between Canoro and GOI, the operation of Amguri Field was shut down by Canoro, being the operator of the Field, on 4th December, 2010. GOI, after dismissal of Canoro's appeal before High Court against termination of PI, appointed ONGC as the custodian and interim operator of the Field pending settlement of ownership of 60% PI. But there were no effective operations in Amguri Field during the year 2011 as ONGC did not have mining license.
- [c] The Company, under the Joint Operating Agreement (JOA) exercised its right of first refusal against material change of ownership of Canoro. Accordingly, it initiated Arbitral proceedings against Canoro, not only to seek the majority control of Canoro but also the ownership of 60% PI, being the principal asset of Canoro. The Arbitral Tribunal passed the Award on 21st November, 2011 under which the Company has now become the assignee of 60% PI of Amguri and also the owner of 52.9% shares of Canoro which was earlier issued to Mass Financial Corporation. As per the said Award, the Company had acquired the right of 60% PI at a consideration of US\$ 4.16 million (₹ 22.16 crores) and the control of 52.9% shares of Canoro at a consideration of US\$ 2.2071 million (₹ 11.76 crores) besides awarding a total damage claim of US\$ 39.12 million (₹ 208.38 crores) in favour of the Company. Consequent upon the receipt of the Award, the Company sought the formal consent from GOI pursuant to the provisions of PSC which is still awaited.
- [d] The Arbitral Award is yet to be executed before Canadian Court prior to the same becomes enforceable against Canoro. Hence, the Company pending receipt of enforceable Execution Order against Canoro from Canadian Court has not considered the impact of Award during the year, 2011.
- [e] In view of delay in response from GOI for according consent on assignment of 60% PI of Amguri Field, the Company had initiated Arbitral proceedings against GOI by filing Section 9 Application before Hon'ble High Court seeking interim relief, pending disposal of the case by Arbitral Tribunal. The Company had since received the Judgement of Hon'ble High Court on 20th July, 2012, under which the Court had observed that the Company was entitled to 60% PI of Canoro as per PSC and GOI should accord the consent without holding it up further, as the stoppage of operations in Amguri Field was against the public interest. The Company believes that pursuant to the Judgement of Hon'ble High Court, GOI will accord the consent on ownership of 60% PI of Amguri Field. With this consent from GOI, the Company will become the owner of 60% PI of Amguri Field.
- [f] The Company during the year has made suitable adjustments between payables and receivables to and from Canoro on account of capital expenditure and receivables against sale of gas and balance residual amount has been adjusted with Capital Work in Progress. With this adjustment, Canoro's Account as per books is fully settled. Because of the sub-judice nature of the case, accounts have been continued to be maintained as in last year as a going concern.
- [g] In respect of AA-ON/7 Exploration Block, the area fell in two States – Assam and Nagaland. The exploration activities in Assam were completed and having no success, the area has been relinquished. In order to pursue exploration activities in the State of Nagaland, there is a need to execute a new PSC in continuation of the earlier PSC on the basis of same terms and conditions, which is awaiting execution from GOI. The execution of new PSC has been delayed due to ongoing legal dispute on Amguri with Canoro as Canoro is also the Operator in AA-ON/7 Exploration Block having 65% Participating Interest. Since Canoro has not shown any further interest on this Exploration Block, the Company expects that the new PSC will be solely executed with them soon after the dispute on Amguri Field is resolved.
- [h] Since the new PSC for exploratory activities in the State of Nagaland will be in continuation of the old PSC and it relates the same Exploratory Block, all expenses incurred on exploratory activities will be eligible for cost recovery.
- [i] With regard to AA-ONN-2005/1 Exploration Block, this Block was awarded under NELP-VII round under consortium with ONGC and OIL. The PEL was obtained on 1st December, 2010. This block falls in the Assam-Nagaland border and is sensitive with respect to environment, reserve forest and border disputes. Permission to conduct seismic surveys was granted by Assam State Government recently, hence exploration activities are in early stages.



ASSAM COMPANY INDIA LIMITED

SCHEDULE : 13 - NOTES ON ACCOUNTS (Contd.)

17. [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. The operations in Amguri Field and AA-ON/7 Exploration Block will resume on receipt of consent from GOI and execution of new PSC respectively.
- [k] Fixed Assets Register has not been maintained in Oil and Gas Division as details of the assets were maintained by the Operator (Canoro) and 40% share of cost was booked by ACIL for each of the assets. A list of assets is maintained.
- [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. As there was almost no production and the Company was not the Operator, all relevant papers and records were maintained by the Operator.
- [n] Disclosure of Company's Participating Interest (PI) in the Oil and Gas project :

Sl. No.	Name of the Field	Percentage of PI
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 PI]

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

	Proved Reserves (MT)		Proved Developed Reserves (MT)	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Oil :				
Beginning of the year	39,787	67,571	36,937	31,790
Additions	—	—	—	10,946
Deletion	0	21,985	0	0
Production	24	5,799	24	5,799
Closing Balance for the year	<u>39,763</u>	<u>39,787</u>	<u>36,913</u>	<u>36,937</u>
	Proved Reserves (M ³)		Proved Developed Reserves (M ³)	
Gas :	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Beginning of the year	815	881	767	544
Additions	—	—	0	243
Deletion	0	46	—	—
Production	1	20	1	20
Closing Balance for the year	<u>814</u>	<u>815</u>	<u>766</u>	<u>767</u>

18. 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 are redeemable on 30th November, 2011 at 150.019 per cent of their principal amount, unless previously converted or redeemed.

During the year 2008, Bond holders have exercised their option of converting their Bond amounting ₹ 5,145,703 into Equity Shares. Accordingly, 5,145,703 shares were issued in 2008 with resultant increase in issued share capital and securities premium account.

During the year 2009, the Company re-purchased and cancelled FCCB of ₹ 605,152,000 at a discount which has resulted in a saving of ₹ 118,107,100. Consequent upon such re-purchase and cancellation, the Company's obligation to convert said FCCBs into shares or to redeem the same in foreign currency has come to an end.



ASSAM COMPANY INDIA LIMITED

SCHEDULE : 13 - NOTES ON ACCOUNTS (Contd.)

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

	31.12.2011	31.12.2010
	₹	₹
Expenditure in respect of Oil and Gas exploration and development	1,344,290,305	1,341,163,817
Loan to overseas subsidiary (net)	453,849,047	453,849,047
Modernisation/expansion of existing production units	62,915,595	53,106,572
FCCB issue expenses/other incidental expenses	286,562,035	286,562,035
Others (net)	87,180,616	87,180,616

Unutilised FCCB proceeds amounting to ₹ 7,884,472 (31.12.2010 - ₹ 7,884,472) have been invested in securities and the balance ₹ 241,015 (31.12.2010 - ₹ 10,039,631) is lying with banks at the year end.

As the FCCBs are, not redeemed on maturity, ceased to be as unsecured long term loan, the amount thereof is transferred to current liabilities alongwith redemption premium.

The Company has obtained permission from Reserve Bank of India (RBI) for extending the time for redemption of outstanding FCCB's, beyond the maturity date. The Company has since redeemed FCCBs aggregating USD 26.76 Million inclusive of redemption premium of USD 5.76 Million within such extended period leaving outstanding amount of USD 21.10 Million inclusive of redemption premium of USD 10.30 Million.

19. During the year 2007, the Company received the balance amount outstanding against 81,000,000 share warrants of ₹1 each issued in 2006 at a premium of ₹ 22.25 per warrant. Equivalent number of Equity Shares of ₹ 1 each has been issued on conversion of these warrants resulting in increase of issued and paid up share capital of the Company by ₹ 81,000,000 and the securities premium by ₹ 1,802,250,000.

The proceeds of above issue along with accrued interest thereon has been utilised till date on an overall basis as set out below :

	Expenses incurred till 31.12.2011	Expenses incurred till 31.12.2010
	₹	₹
Reduction of debts	1,109,598,676	1,109,598,676
Investment in overseas subsidiary	60,000,000	60,000,000
Loans to overseas and other subsidiaries	298,939,593	298,939,593
Expenditure in respect of Oil and Gas exploration and development	22,543,920	22,543,920
Share Warrant issue expenses	9,372,419	9,372,419
General corporate purpose	389,859,280	389,859,280

There is no balance lying with the Banks at the year end.

20. Loans and Advances to subsidiaries include an amount of ₹ 2,118,199,469 (including interest ₹ 783,371,113 Net of TDS) (31.12.2010 ₹ 1,883,979,211 including interest ₹ 524,377,105 Net of TDS) due from Gujarat Hydrocarbons and Power SEZ Limited (GHPSL), a subsidiary of the company.

Consequent upon further issue of equity shares by GHPSL during the year the holding of the Company comes down to 51%.

GHPSL was incorporated for developing a Hydrocarbon and Power Special Economic Zone (SEZ) in the state of Gujarat. GHPSL has acquired 315 hectares of land for its SEZ project from Gujarat Industrial Development Corporation (GIDC) out of which 296 hectares (inclusive of 146 hectares Non-SEZ land) of land has been taken possession of and the balance 19 Hectares is in the process of acquisition.

21. Loans and Advances to subsidiaries include interest free loan of ₹ 813,732,224 (31.12.2010 ₹ 813,732,224) due from Duncan Macneill Natural Resources Limited (DMNRL) a Wholly Owned Subsidiary of the Company located in UK, as loan. DMNRL has agreed to repay rupee equivalent of the total amount outstanding to the Company in the Company's books. The above loan was given for acquisition of E & P (Oil and Gas) assets which are yet to be materialised.

22. The Single Bench of the Hon'ble Calcutta High Court has allowed the eviction proceedings filed by the owners in respect of the Company's Corporate Office at Kolkata. The Company has preferred an appeal before the Division Bench of the Hon'ble Calcutta High Court, which is pending adjudication.



ASSAM COMPANY INDIA LIMITED

SCHEDULE : 13 - NOTES ON ACCOUNTS (Contd.)

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

	31.12.2011 [₹]	31.12.2010 [₹]
Deferred Tax Liability		
Excess of tax depreciation over book depreciation	98,296,144	59,085,012
Others	—	2,261,382
	98,296,144	61,346,394
Deferred Tax Assets		
Expenditure under Section 43B of the Income Tax Act, 1961 (recognised to the extent of Deferred Tax Liability)	98,296,144	61,346,394
	98,296,144	61,346,394
Net Balance	Nil	Nil

24. 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 :

	31.12.2011 [₹]	31.12.2010 [₹]
Sundry Creditors		
– Due to Small and Micro Enterprise:	3,668,496	3,669,458
[a] Principal amount remaining unpaid to any supplier as at the end of the year	1,619,033	1,728,190
The interest remaining unpaid to any supplier as at the end of the year	2,049,463	1,941,268
[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	11,420,296	12,351,250
[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.	108,195	111,662
[e] Amount of interest accrued and remaining unpaid at the end of the year	2,049,463	1,941,268

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.

25. Net Dividend remitted in foreign exchange:	31.12.2011	31.12.2010
Year to which it relates	2010	2009
Number of non-resident shareholders	1	3
Number of Equity Shares held on which Dividend was due	119,088,048	157,600,000
Amount remitted (₹)	23,817,610	31,520,000



ASSAM COMPANY INDIA LIMITED

SCHEDULE : 13 - NOTES ON ACCOUNTS (Contd.)

26. Primary Segment Report - Business Segments

[Figures in ₹]

Particulars	Plantations	Oil and Gas	Merchant Trading	Total
Segment Revenue: External Customers	2,480,221,349	5,688,967	334,390,795	2,820,301,111
	2,002,174,731	230,637,091	—	2,232,811,822
Other Segment Revenue	40,589,499	2,463,984	—	43,053,483
	37,740,058	49,143,000	—	86,883,058
Total Segment Revenue	2,520,810,848	8,152,951	334,390,795	2,863,354,594
	2,039,914,789	279,780,091	—	2,319,694,880
Segment Result	94,309,289	(153,591,061)	(5,542,827)	(64,824,599)
	104,873,221	154,131,569	—	259,004,790
Add: Unallocable Income				296,310,116
				28,806,129
Less: Unallocable expenses				—
				26,742,764
Unallocated Interest income net of Interest expense				—
				90,875,046
Profit before Taxation and Exceptional Items				231,485,517
				351,943,201
Exceptional Items	(16,163,563)	1,144,714		(15,018,849)
	2,056,737	52,536,252		54,592,989
Unallocated Exceptional Items				—
				159,566,176
Profit before taxation				246,504,366
				137,784,036
Provision for Taxation :				
Current Tax including Earlier year adjustment				60,500,000
				38,846,262
Profit after Taxation				186,004,366
				98,937,774
Other Information				
Segment Assets	4,719,425,515	3,830,983,428		8,550,408,943
	4,764,939,549	3,392,991,347		8,157,930,896
Unallocated Assets				3,857,367,027
				3,783,233,863
Total Assets				12,407,775,970
				11,941,164,759
Segment Liabilities	3,322,803,269	2,923,277,058		6,246,080,327
	1,787,973,107	2,954,215,067		4,742,188,174
Unallocated Liabilities				2,790,438,851
				3,135,238,137
Total Liabilities				9,036,519,178
				7,877,426,311
Capital Expenditure	140,718,150	480,664,703		621,382,853
	124,843,983	613,750,140		738,594,123
Depreciation / Amortisation	65,670,617	13,065,251		78,735,868
	527,690	101,656,821		102,184,511
Non Cash Expenditure other than depreciation and amortisation	(33,716,639)	23,946,110		(9,770,529)
	118,024,072	4,200,000		122,224,072



ASSAM COMPANY INDIA LIMITED

SCHEDULE : 13 - NOTES ON ACCOUNTS (Contd.)

Secondary Segment Report - Geographical Segment

[Figures in ₹]

	Within India	Outside India	Total
1. Segment Revenue: External Customers	258,486,953	725,375,188	983,862,141
	1,726,660,226	506,151,596	2,232,811,822
2. Segment Assets	10,572,379,378	1,835,396,592	12,407,775,970
	7,573,352,373	584,578,523	8,157,930,896
3. Capital Expenditure	621,382,853	—	621,382,853
	738,594,123	—	738,594,123

Notes :

- [i] The Company has considered business segment as the primary segment for disclosure. The components of these business segments are plantation products, Oil and Gas activities and Merchant Trading.
- [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.

27. 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 Profit and Loss Account ₹ 136,945,139 (31.12.2010 - ₹ 29,637,828), being the amortisation charge of 'Foreign Currency Monetary Item Translation Difference Account' (FCMITDA) for the year.
- (ii) carried forward ₹ 174,684,288 (31.12.2010 - ₹ 7,227,867) in the FCMITDA, amortisable by 31st March, 2015.

28. 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] Derivative instruments (Forward Exchange Contracts) outstanding as at Balance Sheet date :

Currency Pair	Buy/Sell	31.12.2011	31.12.2010
USD/INR	Buy	\$3,000,000	\$1,000,000
GBP/INR	Buy	£600,000	£600,000



ASSAM COMPANY INDIA LIMITED

SCHEDULE : 13 - NOTES ON ACCOUNTS (Contd.)

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

Currency Pair	Buy/Sell	31.12.2011	31.12.2010
USD/INR	Buy	\$ 78,218,487	\$ 71,753,428
GBP/INR	Buy	£ 26,202	£ 26,202
EUR/INR	Buy	• 29,176	€ 49,289
USD/INR	Sell	\$ 12,064,812	\$ 8,478,622
GBP/INR	Sell	£ 3,957,809	£ 3,563,051
EUR/INR	Sell	€ 1,459,946	€ 1,502,956

29. Basic and Diluted Earnings Per Share :		31.12.2011 ₹	31.12.2010 ₹
Profit after Taxation before Exceptional Items	(A)	170,985,517	313,096,939
Profit after Taxation and Exceptional Items	(B)	186,004,366	98,937,774
Weighted average number of Equity Shares outstanding	(C)	309,760,963	309,760,963
Basic and Diluted Earnings Per Share on Profit after Taxation before Exceptional Items	(A) / (C) (₹)	0.55	1.01
Basic and Diluted Earnings Per Share on Profit after Taxation and Exceptional Items	(B) / (C) (₹)	0.60	0.32

30. 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.

31. Sundry Debtors include an overdue above two year of ₹ 1,526.51 Lacs, which in the opinion of the Management is good and recoverable.

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

A. Deb
Partner
Membership No. 051845
For **De Chakraborty & Sen**
Firm Registration Number – 303029E
Chartered Accountants
Kolkata, 31st August, 2012

Romit Mitra
Company Secretary

On behalf of the Board

A. K. Jajodia – Managing Director
Amit Halder – Director
Sarvadaman Ray – Director



ASSAM COMPANY INDIA LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2011

	Year Ended 31st December, 2011 [₹]	Year Ended 31st December, 2010 [₹]
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	246,504,366	137,784,036
Adjustments for:		
Interest income	(319,359,410)	(256,953,323)
(Profit) on sale of Fixed Assets	(721,238)	(1,869,885)
Profit on acquisition of land by the Government	(4,388,540)	(6,525,269)
(Income) from Investments other than trade	(43,353)	(150,247)
Provision for Retirement Benefits	50,060,623	73,372,683
(Profit)/Loss on investments (net)	—	472,790
Interest and Finance Charges (net of subsidy)	381,885,523	304,097,077
Depreciation/Amortisation	78,735,868	111,920,540
Loss on Fixed Assets discarded	1,321,623	2,688,082
Diminution in value of investments	1,144,714	29,823,357
Provision for doubtful advances, deposits and interest accrued	1,665,570	155,674,657
Additional Charge in Depreciation due to change in Depreciation Policy	—	52,536,252
Advances, deposits, debts, accrued interest and stores written off	—	23,311,443
Unrealised foreign exchange difference-net (gain)/loss	47,908,047	(56,439,286)
Provision for doubtful advances, deposits and interest accrued no longer required written back	(19,150,756)	(28,934,499)
Liabilities no longer required written back	(11,020,063)	(761,105)
Operating Profit before Working Capital Changes	454,542,974	540,047,303
Adjustments for:		
Trade and other receivables	226,823	(214,076,079)
Inventories	122,087,682	(142,088,427)
Trade payables and other liabilities	(29,481,675)	51,226,466
Cash generated from Operations	547,375,804	235,109,263
Direct Taxes Paid (Net)	(85,511,310)	(13,808,638)
Net Cash from Operating Activities	461,864,494	221,300,625
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(336,834,149)	(352,742,742)
Sale of fixed assets	7,398,396	11,097,387
Purchase of investments	—	(800,000)
Investment in Subsidiaries	(29,776,200)	(375,000)
Sale of investments	—	—
Loans / deposits made with subsidiaries / third parties	(45,257,078)	(283,766,994)
Refund of loans / deposits made with subsidiaries / third parties	46,374,193	52,342,600
Income from Investments other than trade	43,353	150,247
Interest received	39,529,995	80,080,583
Net Cash (used in) Investing Activities	(318,521,491)	(494,013,919)



ASSAM COMPANY INDIA LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2011

	Year Ended 31st December, 2011 [₹]	Year Ended 31st December, 2010 [₹]
C. CASH FLOW FROM FINANCING ACTIVITIES		
Net increase/(decrease) in Cash/Export		
Credit Facilities and other Short Term Loans	494,148,432	124,714,836
Proceeds from long term borrowings	391,900,000	1,748,784,000
Repayment of long term borrowings	(855,431,478)	(462,640,591)
Dividend paid	(62,003,171)	(61,409,620)
Dividend tax on distributable profits	(4,020,079)	(10,289,485)
Interest paid	(577,603,454)	(362,385,820)
Net Cash from / (used in) Financing Activities	(613,009,750)	976,773,320
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(469,666,747)	704,060,026
Cash and Cash Equivalents (opening Balance as at 1st January, 2011)	1,002,602,409	299,788,860
Cash and Cash Equivalents (closing Balance as at 31st December, 2011)	562,568,577	1,002,602,409
Effect of exchange rate changes	29,632,915	(1,246,477)
	(469,666,747)	704,060,026

- Notes:**
1. Cash and Cash Equivalents comprise Cash & Bank balances as per Schedule-6(c) 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.

A. Deb
Partner
Membership No. 051845
For **De Chakraborty & Sen**
Firm Registration Number – 303029E
Chartered Accountants
Kolkata, 31st August, 2012

On behalf of the Board
A. K. Jajodia – Managing Director
Amit Halder – Director
Sarvadaman Ray – Director

(₹ in Lacs.)

	Dahej Offshore Infrastructure SEZ Ltd. as on 31.12.2011	Assam Oil and Gas Ltd. as on 31.12.2011	North East Hydrocarbon Ltd. as on 31.12.2011	Camella Cha Bar Ltd. as on 31.12.2011	Gujarat Hydrocarbons and Power SEZ Ltd. as on 31.12.2011	Namburnadi Tea Company Ltd. as on 31.12.2011	Duncan Macneill Power India Ltd. as on 31.12.2011	Assam Oil & Natural Gas Ltd.* as on 31.12.2011
1. Paid up Capital	5.06	30.00	5.01	5.01	980.39	13.24	5.00	6.60
2. Reserves & Surplus (Excluding Revaluation Reserve)	(10.51)	(68.62)	(181.94)	(41.34)	(26.94)	548.35	(7.06)	Nil
3. Total Assets	277.30	2.68	349.13	13.86	32,592.77	2,819.66	15.42	8.51
4. Total Liabilities	277.30	2.68	349.13	13.86	32,592.77	2,819.66	15.42	8.51
5. Details of Investment (Except in case of Investment in the subsidiaries)	3.00	1.55	0.09	Nil	Nil	Nil	Nil	Nil
6. Turnover	Nil	Nil	30.12	23.69	Nil	673.55	Nil	Nil
7. Profit before Taxation	(9.45)	(0.35)	(37.73)	4.01	(9.31)	(61.90)	(6.66)	(0.15)
8. Provision for Taxation	Nil	Nil	(2.86)	Nil	Nil	0.15	0.01	Nil
9. Profit after Taxation	(9.45)	(0.35)	(34.87)	(4.01)	(9.31)	(62.05)	(6.65)	(0.15)
10. Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Note : The Audited Accounts of Duncan Macneill Natural Resources Ltd. for the year ended 31st December, 2011, are awaited.

* This Company became a Wholly Owned Subsidiary on 18th May, 2011.



STATEMENT PURSUANT TO SECTION 212(1)(E) OF THE COMPANIES ACT, 1956 FOR THE YEAR ENDED 31ST DECEMBER, 2011.

	Dahej Offshore Infrastructure SEZ Ltd. as on 31.12.2011	Assam Oil and Gas Ltd. as on 31.12.2011	North East Hydrocarbon Ltd. as on 31.12.2011	Camellia Cha Bar Ltd. as on 31.12.2011	Gujarat Hydrocarbons and Power SEZ Ltd. as on 31.12.2011	Nambumadi Tea Company Ltd. as on 31.12.2011	Duncan Macneill Power India Ltd. as on 31.12.2011	Assam Oil & Natural Gas Ltd.* as on 31.12.2011
Shares held in the Subsidiary Company or by Subsidiary Company in the Subsidiary Company at the end of the financial year of the subsidiary or 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, Rs. 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%	1,23,076 Equity Shares of ₹ 10 each 92.98%	50,000 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 in the Holding Company accounts.								
a) For the Subsidiary Financial Year (₹ in Lacs)	(9.45)	(0.35)	(34.87)	(4.01)	(9.31)	(62.05)	(6.65)	(0.15)
b) For the previous Financial Year (₹ in Lacs)	(0.47)	(51.46)	(31.87)	(3.04)	(17.63)	(3.36)	(0.39)	Nil
The net aggregate profit/(Loss) of the Subsidiary Company dealt with in the Holding Company accounts.								
a) For the Subsidiary Financial Year (₹ in Lacs)	NA	NA	NA	NA	NA	NA	NA	NA
b) For its previous Financial Year (₹ in Lacs)	NA	NA	NA	NA	NA	NA	NA	NA

Note : The Audited Accounts of Duncan Macneill Natural Resources Ltd. for the year ended 31st December, 2011, are awaited.

* This Company became a Wholly Owned Subsidiary on 18th May, 2011.





ASSAM COMPANY INDIA LIMITED

31st August, 2012

IMPORTANT COMMUNICATION FOR MEMBERS

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 the future, in electronic form. These documents will be sent to those Members, who have already provided their Email IDs, unless they exercise their option to receive them in physical form by visiting the following Website of our Registrar and Share Transfer Agent (RTA).

Those who are holding Share in the Dematerialised mode but have not provided their e-mail address, 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 email IDs and also exercise their option if you intend to received the documents in physical form : www.cbmsl.com/green.php

Thank you,

Yours faithfully,

For **ASSAM COMPANY INDIA LIMITED**

ROMIT MITRA

PRESIDENT-LEGAL & COMPANY SECRETARY



ASSAM COMPANY INDIA LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No. L01132AS1977PLC001685 State Code 02
Balance Sheet Date 31.12.2011

II. Capital raised during the year (Amount in ₹ Thousands)

Public Issue Nil Right Issue Nil
Bonus Issue Nil Private Placement Nil

III. Position of Mobilisation and Deployment of funds (Amount in ₹ Thousands)

Total Liabilities							
	1	2	4	0	7	7	5

Total Assets							
	1	2	4	0	7	7	5

Sources of Funds

Paid up Capital							
			3	0	9	7	1

Reserves & Surplus							
			3	0	6	1	5

Secured Loans							
		5	3	2	7	6	4

Unsecured Loans							
			1	8	3	0	0

Application of Funds

Net Fixed Assets							
		7	1	5	0	5	3

Investment							
				9	2	0	3

Net Current Assets							
		1	6	3	9	3	5

Miscellaneous Expenditure							
						N	L

Accumulated Losses							
						N	L

IV. Performance of Company (Amount in ₹ Thousands)

Turnover							
		2	8	6	3	4	3

Total Expenditure							
		2	6	3	1	9	7

Profit/(Loss) Before Tax							
			2	4	6	5	4

Profit/(Loss) After Tax							
			1	8	6	0	4

Earning per Share (in ₹)							
				0	.	6	0

Dividend%							
							5

V. Generic Names of Three Principal Products/Services of Company (as per monetary terms)

Item Code No. (ITC Code)	090240.02-03	Product Description	BULK TEA
Item Code No. (ITC Code)	090230.02	Product Description	PACKET TEA
Item Code No. (ITC Code)	090240.04	Product Description	TEA BAGS

On behalf of the Board

A. K. Jajodia – Managing Director
Amit Halder – Director
Sarvadaman Ray – Director

Kolkata, 31st August, 2012



Assam Company India Limited

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

PROXY

DP. ID : *

Client ID : *

Folio No. : *

*(Applicable if shares are held in electronic form)

I/We.....

of.....

being a Member of the above named Company hereby appoint

of.....or failing him.....

.....

.....of

.....or failing him

of.....

as my / our Proxy to attend and vote for me / us and on my / our behalf at the Thirty-Fifth Annual General Meeting of the Company to be held on Saturday, the 29th September, 2012, at 11 A.M. and at any adjournment thereof.

As witness my/our hand(s) this day of September, 2012.

Signed by the said.....

Affix
₹ 1
Revenue
Stamp

Signature

----- Please cut along this line -----

ATTENDANCE SLIP

Please complete this Attendance Slip and hand it over at the entrance of the Meeting Hall.

ASSAM COMPANY INDIA LIMITED

Registered Office :

Greenwood Tea Estate

Dibrugarh

Assam

DP. ID : *

Client ID : *

Folio No. : *

*(Applicable if shares are held in electronic form)

I hereby record my presence at the Thirty-Fifth Annual General Meeting of the Company at the Registered Office of the Company at Greenwood Tea Estate, P.O. Dibrugarh, Assam, on Saturday, the 29th September, 2012, at 11 A.M.

Member's / Proxy's Name (in block letters) :

Member's / Proxy's Signature :

BLANK