



Assam Company India Limited

Member Duncan Macneill Group

52, Chowringhee Road, Kolkata – 700 071, India

Telephones : 2283-8306/8309/8312, E-mail : acil@assamco.com Fax : 033-2283 8334, Website : www.assamco.com

30th May, 2018

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

STOCK CODE : ASSAMCO

The Secretary,
BSE Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001.

STOCK CODE : 500024

Dear Sir,

Sub. : Annual Audited Financial Results of the Company
for the year ended 31st March, 2018

Pursuant to Regulation 33(3) of the **SEBI Listing Obligations and Disclosure Requirements (LODR), Regulations, 2015** and with reference to our letters dated 22nd May, 2018 and 26th May, 2018, please find enclosed the **Annual Audited Financial Results for the Financial Year ended 31st March, 2018**, which was approved by the Board of Directors of the Company, at its Meeting held on date.

Please acknowledge receipt.

Thanking you,

Yours faithfully,
For Assam Company India Limited

CA. Kannan Tiruvengadam
Resolution Professional
Assam Company India Limited
Netaji Subhash Villa,
18 Karunamoyee Ghat Road,
Flat 3C, 3rd Floor,
Kolkata – 700 082
E-mail : calkannan@gmail.com



Encl. : as above.



Assam Company India Limited

Member Duncan Macneill Group

Registered Office : Greenwood T.E., P.O. Dibrugarh – 786 001, Assam.

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

CIN : L01132AS1977PLC001685



STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2018

(Rs. in Lakhs)

Sl. No.	Particulars	Quarter ended			Financial Year ended	
		3 months ended 31st March, 2018	Preceding 3 months ended 31st December 2017	Corresponding 3 months ended 31st March, 2017	31st March, 2018	31st March, 2017
		Audited	Unaudited	Audited	Audited	Audited
1.	Income					
	a) Revenue from operations	1,054.36	6,400.64	2171.39	16216.19	21078.31
	b) Other income	1,808.93	34.96	243.23	1955.44	434.68
	Total Revenue	2,863.29	6,435.60	2,414.62	18,171.63	21,512.99
2.	Expenses					
	a) Changes in inventories of finished goods	462.76	2,167.93	1,803.38	201.80	473.39
	b) Changes in inventory of Agricultural produce	(14.90)	0.76	(12.56)	(2.34)	0.42
	c) Changes in inventory of Biological Assets	(39.14)	61.71	(31.90)	(7.23)	(8.91)
	d) Employee benefits expense	4,892.14	3,600.88	2200.49	15879.78	13850.93
	e) Finance costs	1,482.94	1,001.69	567.46	4168.75	3183.03
	f) Depreciation and Amortisation expense	117.63	372.99	388.45	1235.92	1490.52
	g) Power and Fuel	150.68	469.03	150.15	1675.98	1723.07
	h) Consumption of Stores and Spare Parts	430.21	596.73	694.19	2506.86	3619.14
	i) Other Expenses (incl. loss on impairment)	69,387.96	571.96	1506.72	70,791.36	3686.56
	Total Expenses	76,870.28	8,843.68	7,266.38	96,450.88	28,018.15
3.	Profit / (Loss) before Tax (1-2)	(74,006.99)	(2,408.08)	(4,851.76)	(78,279.25)	(6,505.16)
4.	Tax Expense					
	a) Current Tax	-	-	-	-	-
	b) Deferred Tax	-	-	-	-	-
	c) Adjustment for earlier years	377.06	-	-	377.06	-
5.	Profit / (Loss) for the period (3-4)	(73,629.93)	(2,408.08)	(4,851.76)	(77,902.19)	(6,505.16)
6.	Other Comprehensive Income /(Loss) (net of Tax)	677.66	(65.44)	16.99	481.34	(335.20)
7.	Total Comprehensive Income/(Loss) for the period (5+6)	(72,952.27)	(2,473.52)	(4,834.77)	(77,420.85)	(6,840.36)
8.	Paid-up Equity Share Capital : (Face Value : Re.1/- per share)	3,097.61	3,097.61	3097.61	3,097.61	3,097.61
9.	Earnings Per Share (of Re.1/- each) (not annualised) :					
	a) Basic (Rs.)	(23.77)	(0.78)	(1.57)	(25.15)	(2.10)
	b) Diluted (Rs.)	(23.77)	(0.78)	(1.57)	(25.15)	(2.10)



SEGMENTWISE REVENUE RESULTS AND CAPITAL EMPLOYED

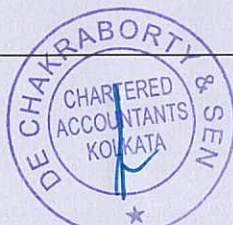
(Rs. in Lakhs)

Sl. No.	Particulars	Quarter ended			Financial Year ended	
		3 months ended 31st March, 2018	Preceding 3 months ended 31st December 2017	Corresponding 3 months ended 31st March, 2017	31st March, 2018	31st March, 2017
		Audited	Unaudited	Audited	Audited	Audited
1.	Segment Revenue					
	a) Plantation	2,511.55	6,400.64	2,606.07	17,819.89	21,512.99
	b) Oil & Gas	351.74	-	-	351.74	-
	Net Sales / Income from Operations	2,863.29	6,400.64	2,606.07	18,171.63	21,512.99
2.	Segment Results - Profit (+) / Loss (-) before Tax and interest from each segment					
	a) Plantation	(2,010.53)	(1,278.86)	(4,131.28)	(3,301.49)	(3,047.01)
	b) Oil & Gas	(25,586.63)	(187.85)	100.39	(25,896.59)	(192.51)
	TOTAL	(27,597.16)	(1,466.71)	(4,030.89)	(29,198.08)	(3,239.52)
	Less : i) Interest	1,482.93	1,001.69	730.31	4,168.74	3183.03
	ii) Other unallocated expenses net off	44,926.90	(60.32)	90.56	44,912.43	82.61
	iii) Un-allocable income				-	
	Profit (+)/Loss (-) before Tax	(74,006.99)	(2,408.08)	(4,851.76)	(78,279.25)	(6,505.16)
3.	Capital Employed (Segment Assets - Segment Liabilities)					
	a) Plantation	(2,328.86)	6,191.47	185.60	(2,328.86)	185.60
	b) Oil & Gas	27,394.84	69,472.68	54,369.52	27,394.84	54,369.52
	c) Unallocated	(18,701.48)	23,770.32	23,353.58	(18,701.48)	23,353.58
	TOTAL	6,364.50	99,434.47	77,908.70	6,364.50	77,908.70

Statement of Assets and Liabilities

(Rs. in Lakhs)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
	Audited	Audited	Audited
ASSETS			
Non -Current Assets			
Property, Plant and Equipment	29159.55	30,299.68	31639.68
Capital Work in Progress	40065.15	59,819.23	55832.46
Other Intangible Assets	15.59	15.84	16.09
Financial Assets			
Investments	805.14	804.83	820.46
Loans	327.74	367.01	391.20
Other Financial Assets	-	10.65	171.85
Other Non- current Assets	104.74	85.33	125.09
Sub-total Non- current Assets	70,477.91	91,402.57	88,996.83
Current Assets			
Inventories	657.35	947.45	2044.14
Financial Assets			
Investments	-	5.00	13.44
Trade receivables	1576.30	70.80	155.74
Cash and Cash Equivalents	697.49	94.69	268.12
Bank Balances other than above	44.48	1,100.35	442.47
Loans	25065.17	27,404.57	25455.51
Other Financial Assets	-	90.72	55.08
Other Current Assets	455.36	331.78	289.39
Sub-total Current Assets	28,496.15	30,045.36	28,723.89
Total Assets	98,974.06	121,447.93	117,720.72
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	3097.61	3,097.61	3097.61
Other Equity	(59,869.95)	17,550.88	24391.24
Total Equity	(56,772.34)	20,648.49	27,488.85
Liabilities			
Non -Current Liabilities			
Financial Liabilities			
Borrowings	-	10,879.73	11371.18
Other Financial Liabilities	-	-	-
Provisions	7285.75	7,101.50	5867.14
Deferred Tax Liabilities (Net)	-	-	-
Sub-total Non- current Liabilities	7,285.75	17,981.23	17,238.32
Current Liabilities			
Financial Liabilities			
Borrowings	20364.47	14,152.90	12250.17
Trade Payables	1808.55	2,020.79	2119.00
Other Financial Liabilities	116095.14	57,507.86	53016.34
Other Current Liabilities	7270.51	5,814.95	2664.23
Provisions	915.20	1,314.93	919.02
Current Tax Liabilities (Net)	2006.78	2,006.78	2024.79
Sub-total Current Liabilities	148,460.65	82,818.21	72,993.55
Total Liabilities	155,746.40	100,799.44	90,231.87
Total Equity and Liabilities	98,974.06	121,447.93	117,720.72



Reconciliation between total equity previously reported in GAAP and IND AS for the year presented as under:-

Equity as per previous GAAP Particulars	Rs in Lakhs
	Total Equity as on 31st March, 2017
	Standalone Audited
Total equity (shareholders' funds) as per previous GAAP	13,344.72
Fair value of Advances	25.72
Depreciation	(164.63)
Additional provision considered for doubtful loans and advances	(1,493.14)
MSME interest not provided earlier now provided	(5.03)
Additional provision considered for investments and Loan in subsidiaries	(14.65)
Provision for tax lying for Sterling Co. written back	5.39
Fair valuation of investments	6.51
Recognition and valuation of biological assets (green leaves on bushes)	5.07
Adjustment of Replanting Subsidy	(34.08)
FCMIT balance adjusted to retained earnings	(732.48)
Inter-corporate loans - Fair Value adjustment	(335.20)
Finance Cost	279.52
Loan to Subsidiary - Expected Credit Losses	(62.50)
Borrowings — transaction cost adjustment	124.44
Revaluation Reserve	6,601.22
Total equity as per Ind AS	17,550.88

Notes :-

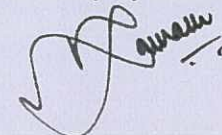
- 1 National Company Law Tribunal (NCLT), Guwahati Bench, has by its Order dated 26.10.2017, initiated Corporate Insolvency Resolution Proceedings (CIRP) against the Company and has appointed Mr. Vinod Kumar Kothari as the Interim Resolution Professional (IRP). Subsequently vide its Order dated 12.01.2018, the NCLT has appointed Mr. Kannan Tiruvengadam as the Resolution Professional (RP) of the Company.
- 2 The NCLT on the basis of the resolution passed by the COC and on the application made by the RP, has granted further extension of period of CIRP by 90 days w.e.f. 24th April, 2018.
- 3 CIRP is currently in progress and as a part of the said process Prospective Resolution Applicant (PRA) has been selected and resolution plan is being prepared, to be approved by COC and implemented on approval thereof by NCLT. Pending this and measures to be adopted as a part of the resolution process the financial statements has been continued to be prepared
- 4 This statement has been prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning 1st April, 2017, the Company has for the first time adopted Ind-AS with a transition of 1st April, 2016.
- 5 The format for un-audited quarterly results has been modified to comply with the requirements of SEBI Circular dated 5th July, 2016, Ind-AS and Schedule III (Division - II) to the Companies Act, 2013.
- 6 As per the SEBI Circular dated 5th July, 2016, the statement includes Ind-AS compliant results and statement of assets and liabilities for the previous year.
- 7 The Company had provided Corporate Guarantee to third party against the loan of certain Subsidiaries which had been classified as "Contingent liability" in the previous year under the Indian GAAP. Pursuant to the Invocation of such Corporate Guarantee and its admission as "Financial Liability" by the IRP/RP under CIRP, all such "Contingent liability" amounting to INR 31946.88 lakhs have been provided as "Financial liability" during the last quarter/year ended 31.03.2018.
- 8 The loss for the quarter/year ended 31.03.2018 is inclusive of loss due to Impairment (Ind- AS 36) of Financial Assets (Loans to Subsidiaries) amounting to INR 45047.75 lakhs and of Property, Plant & Equipment (Oil & Gas Properties) amounting to INR 25843.46 lakhs. If the effect of impairment loss is not considered, the comparable operational loss for the current year is INR 7388.04 lakhs as compared to INR 6840.36 lakhs for the previous year.
- 9 The Ind-AS compliant corresponding figures in the previous year has not been subjected to review. However, the Company's management has exercised necessary due diligence to ensure that such financial results provide a true and fair view of its affairs.
- 10 The figure of the last quarter for the current year and for the previous year are the balancing figures between the audited figures in respect of the full financial year ended 31st March and the unaudited published year-to-date figure upto the third quarter ended 31st December which was subject to limited review.
- 11 The Company is in the business of cultivation, manufacture and sale of tea which is seasonal in nature and as such the quarterly figures are not indicative of the likely results for the full year. The Company is also engaged in the business of oil & gas exploration.
- 12 Segments have been identified in line with the IND AS 108 considering the business operations and product.



- 13 Figures of the previous period have been regrouped / rearranged, wherever necessary.
- 14 The above statements has been reviewed by the Audit Committee and approved by the Board of Directors of the company at its Meeting held on 30th May, 2018, under the Chairmanship of the RP.
- 15 The auditor's report on standalone is unmodified.
- 16 The reconciliation of net profit or loss reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind-AS is given below:-

	(Rs. in Lakhs)	
	Quarter ended 31st March, 2017	Year ended 31st March, 2017
	Audited	
Profit / (Loss) as reported in previous GAAP	(4,563.32)	(7,078.76)
Add / (Less) :		
Effect of Changes in value of Finished goods and Green leaf	(43.34)	16.40
Effect of recognition of depreciation on Bearer Plants	(164.63)	(164.63)
Effect of reclassification of Replanting Subsidy	(34.08)	(34.08)
Effect of Finance Cost	201.68	279.52
Effect of change in Fair value of Investments	33.34	33.34
Effect of change in Fair value of Advances etc.	60.86	25.72
Effect of Tax adjustment Tax expense	-	417.37
Profit / (Loss) after Tax as per Ind-AS	(4,509.49)	(6,505.12)
Other Comprehensive income	(342.27)	(335.20)
Total Comprehensive income for the period	(4,851.76)	(6,840.32)

On behalf of the Board
For Assam Company India Limited



CA Kannan Tiruvengadam
Resolution Professional

Place : Kolkata
Date ; 30th May, 2018





Assam Company India Limited

Member Duncan Macneill Group

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30th May, 2018

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

STOCK CODE : ASSAMCO

The Secretary,
BSE Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001.

STOCK CODE : 500024

Dear Sir,

Sub. : Declaration pursuant to Regulation 33(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CIR/CFD/CMD/56/2016, dated 27/05/2016

In compliance with Regulation 33(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby declare that the Statutory Auditors of the Company, M/s De Chakraborty & Sen, Chartered Accountants, (Firm Registration No. 303029E), have issued Audit Report with an unmodified opinion in respect of the **Standalone Audited Financial Results** for the Financial Year ended **31st March, 2018**, a copy of which is enclosed herewith.

Please acknowledge receipt.

Thanking you,

Yours faithfully,
For Assam Company India Limited

CA. Kannan Tiruvengadam
Resolution Professional
Netaji Subhash Villa,
18, Karunamoyee Ghat Road,
Flat 3C, 3rd Floor,
Kolkata – 700 082
E-mail : calkannan@gmail.com



Encl. : as above.



De Chakraborty & Sen
Chartered Accountants

'Bikaner Buildings', 1st Floor,
8-B, Lalbazar Street,
Kolkata – 700 001
Phone : 2230 0171 / 5604
E-mail : dechasen@vsnl.net

INDEPENDENT AUDITOR'S REPORT

To
The Members of Assam Company India Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **Assam Company India Limited**, which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the financial year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the State of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguard of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.



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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its loss and its cash flows for the financial year ended on that date.

Emphasis of Matter

We draw attention to the following matters in the Notes to the financial statements:

- a. Without qualifying our opinion, we draw attention to Note 47 in the financial statements which indicates that the Company incurred a net loss of Rs. 774.21 Crores during the year ended 31st March 2018 and, as of that date, the Company's current liabilities exceeded its total assets by Rs. 494.87 Crores. These conditions, along with other matters as set forth in the said Note, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.
- b. Without qualifying our opinion, attention is drawn to Note No. 48 which indicates that the National Company Law Tribunal (NCLT) Guwahati Branch has by its order dated 26th October 2017, initiated Corporate Insolvency Resolution Proceedings which is under process and we are unable to comment on the impact of the same on the financial performance and financial position of the company.
- c. Without qualifying our opinion, attention is drawn to Note No. 40 in relation to admission of liability amounting to Rs. 319.47 crores on the happening of invocation of corporate guarantee given by the company to a third party on behalf of subsidiaries of the Company accordingly the loss of the Company and liability has increased by the same amount.
- d. Without qualifying our opinion, attention is drawn to Note No. 45 in relation to the Oil and Gas Exploration & Production (E&P) Assets appearing in the Capital Work in Progress which have been impaired in accordance with the evaluation done by the management.



- e. Without qualifying our opinion, attention is drawn to Note No. 40 in relation to the interest free loans of Rs. 706.83 crores given to Subsidiaries. According to section 186(7) of the Act, "No loan shall be given under this section at the rate of interest lower than the prevailing yield of one year, three year, five year or ten year Government Security closer to the tenor of the loan". The impact of this contravention on the financial performance and financial position of the company is not ascertainable readily.

Other Matters

The comparative financial information of the Company for the year ended 31st March, 2017 and the transition date opening balance sheet as at 1st April, 2016 included in these Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended 31st March, 2017 and 31st March, 2016 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated 30th May, 2017 and 27th May, 2016 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Report on Other Legal and Regulatory Requirements

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

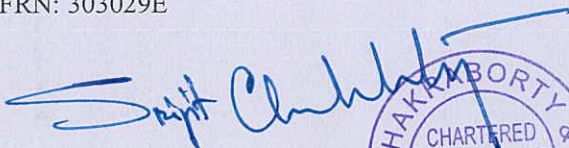
As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account and with the returns received from branches not visited by us.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) The impact, of the matters described in the Emphasis of Matter paragraph above, is not ascertainable in some cases and therefore we are unable to express an opinion if these will have an adverse effect on the functioning of the Company.



- (f) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 36 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For De Chakraborty & Sen
Chartered Accountants
FRN: 303029E


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



Place: Kolkata
Date: 30th May, 2018

Annexure to the Independent Auditor's Report

(Referred to in paragraphs in relation to Report on Other Legal and Regulatory Requirements of our report of even date to the member of Assam Company India Limited on the financial statements ended on 31st March, 2018)

- 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 have been physically verified by the management periodically in phased manner, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. In respect of assets physically verified, the details have been compared with the book records and discrepancies noticed were not material and have been properly dealt with in the books of account.
 - c) The conveyance of any immovable property is not pending except the acquisition of land from Digulturung, Thanai and Nudwa tea estates measuring about 4.45 Hector, 5.95 Hector and 9.18 Hector respectively through Oil India Limited which is in progress.
- ii) Physical verification of inventory has been conducted at reasonable intervals during the year by the management except for Oil and Gas Division.
- iii) The Company has given interest free loan to 8 subsidiaries and 1 Step-down Subsidiary amounting to Rs. 706.83 crores.
 - a) In our opinion, and according to information and explanations given to us, the rate of interest and other terms and conditions of loans given by the company, secured or unsecured, are generally not prejudicial to the interest of the company.
 - b) The loans are interest free, in violation to section to section 186(7), and are repayable on demand;
 - c) As the loans are repayable on demand and no call has been made, no amount is overdue; however, a provision of Rs. 455.34 Crores, being doubtful of recovery, out of such loans to subsidiaries has been created in the Balance Sheet.
- iv) In respect of loans, investments, guarantees and security provisions of section 185 and 186 of the Companies Act 2013 have been generally complied with; with the exception of interest free loans of Rs. 706.83 crores given to 8 subsidiaries and 1 step-down subsidiary which is in contravention to section 186(7) of the Act.
- v) The Company has not accepted any deposits from the public except for Rs. 0.71 Crores being loan taken from five non-corporate entities at its tea estates that were identified on test check.



vi) We have broadly reviewed the accounts maintained by the company in respect of tea products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed under sub-section (1) of Section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete. No cost record has been maintained with respect to its oil and gas products.

vii)

- (a) The company is not regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax, duty of customs, duty of excise, cess, Goods and Services Tax and any other statutory dues with the appropriate authorities where the amounts due in respect to Central Sales Tax is Rs. 1,00,76,166; VAT is Rs. 89,69,109, Service Tax is Rs. 68,47,654, and Provident Fund Rs 32,95,98,995 as on the last day of the financial year concerned for a period of more than six months from the date they became payable. As the Company is undergoing Corporate Insolvency Resolution Process (CIRP), all amounts outstanding as on the date of commencement of CIRP are under a moratorium till the CIRP is complete.
- (b) Details of amounts involved and the forum where dispute is pending, is mentioned below for cases where dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax or cess have not been deposited on account of any dispute.

Srl. No.	Name of the Statute	Nature of dues	Amount Rs.	Period to which relates	Forum where dispute is pending
1	Income Tax Act, 1961	Income Tax	10,23,57,960	2010-11	Commissioner of Income Tax (appeals)
	Do	Do	5,38,41,660	2011-12	-Do-
	Do	Do	3,54,69,510	2012-13	-Do-
	Do	Do	8,47,53,370	2013-14	-Do-
	Do	Do	8,71,93,850	2014-15	-Do-
2.	Agricultural Income Tax	Do	9,22,98,080	2013-14	Hon'ble Guwahati High Court
	Do	Do	4,51,82,296	2014-15	-Do-
3.	The West Bengal Sales tax Act, 1994	West Bengal Sales Tax	1,93,70,205	2002-03	Sr. Jt. Comm. of Commercial Taxes
	Do	Do	15,36,066	2003-04	Appellate & Revisional Board of Commercial Taxes
	Do	Do	87,24,464	2004-05	-Do-
	Do	Do	1,90,72,936	2006-07	-Do-
	Do	Do	2,64,61,472	2008-09	-Do-
	Do	Do	15,55,430	2013-14	-Do-
	Do	Do	10,29,00,058	2014-15	-Do-



4.	The Central Sales tax Act, 1956	Central Sales Tax	1,68,552	2002-03	Sr. Jt. Comm. of Commercial Taxes
	Do	Do	61,83,248	2003-04	Appellate & Revisional Board of Commercial Taxes
	Do	Do	2,37,701	2004-05	-Do-
	Do	Do	1,34,56,558	2006-07	-Do-
	Do	Do	34,44,736	2008-09	-Do-
	Do	Do	15,56,162	2013-14	-Do-
	Do	Do	1,06,04,309	2014-15	-Do-
5.	Service Tax Act		12,25,527	2013-14	Office of the commissioner of Service Tax-II
	Do		2,63,79,459	Oct 2009- Dec 13	-Do-
	Do		3,77,71,996	Oct 2009- Sept 15	-Do-

- viii) According to the records of the company examined by us and the information and explanations made available to us, at the Balance Sheet date, **the company has defaulted in repayment of loans from banks and Financial Institutions amounting to Rs.819.45 crores, fell due on various dates during the year ending on 31st March 2018 and also in earlier accounting periods as admitted by the Resolution Professional during the course of CIRP and detailed in the table below. The company has also defaulted in repayment of principal part of the matured Foreign Currency Convertible Bonds amounting to USD 3.1 million (Rs.20.16 crores) details of the same is given in note 46 forming part of the Financial Statements.**

Loans From	Overdue (in Rs. Crores)
State Bank of India	397.52
Bank of Baroda	142.34
Allahabad Bank, Industrial Finance Branch	113.05
Union Bank of India	65.24
Central Bank	61.08
Oriental Bank of Commerce	26.32
Syndicate Bank	13.9
TOTAL	819.45

- ix) No moneys were raised during the year by way of initial public offer or further public offer (including debt instruments). No term loan was taken by the Company during the Financial Year under review.
- x) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the management.



- xi) The managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Act.
- xii) The provisions of any special statute applicable to Nidhi Company are not applicable to the company.
- xiii) All transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards;
- xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review
- xv) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with such director.
- xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.



“Annexure A” to the Independent Auditors’ Report of even date on the Standalone Ind AS Financial Statements

[Referred to in paragraph (h) under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date to the members of Assam Company India Limited on the standalone Ind AS financial statements ended for the year on 31st March, 2018]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Assam Company India Limited (the Company) as of 31st March, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.



Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, and subject to the weaknesses stated below, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

- a) The Policy on Internal Financial Control and documentation of the Standard Operating Processes has been prepared but these are yet to be fully implemented and become fully operational.
- b) The Internal Audit is not designed to cover the processes and systems to verify the stage and effectiveness of the implementation of the policies and procedures.
- c) As the documented policy and procedures on Internal Financial Control are yet to be fully implemented, we are unable to evaluate the effectiveness of communication and dissemination of information on the same across the organization. However, the informal system of oral communication and electronic communication is existing which at times is complemented by documented communication of information on the various aspects of Internal controls.
- d) Weakness in control observed in the process of taking loans from non-corporate entities in violation of Companies (Acceptance of Deposits) Rules, 2014 as amended.



- a) The evaluation of procurement process, conducted by the management, reveals that the system of tender / multiple quotations to ensure unbiased decision is absent.
- b) Recording of cash transactions in timely manner and control over physical cash balance is lacking at the tea estates.

For De Chakraborty & Sen
Chartered Accountants
FRN 303029E



Srijit Chakraborty
(Partner)
Membership No. 055317
Place of Signature: Kolkata
Date: 30th May, 2018

