



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

12th July, 2016

National Stock Exchange of India Ltd.

"Exchange Plaza"

Plot No. C/1, G-Block,
Bandra Kurla Complex,

Bandra (E)

Mumbai – 400 051.

Fax No. (022) 2659 8237 / 8238

2659 8348 / 8347

Stock Code : ASSAMCO

Kind Attn. : Ms. Divya Poojari – Manager

Dear Sirs / Madam,

Sub. : Non-Compliance due to Non Submission of Auditors' Report as per Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Further to our letter dated 21st June, 2016, in the matter mentioned above, please note that, inadvertently the Company has not submitted the said Auditors' Report as per Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the 15 months ended 31st March, 2016 and the inconvenience caused due to this delay, is sincerely regreted.

Accordingly, please find enclosed, the Auditors' Report for the 15 months ended 31st March, 2016, as submitted by the Company's Statutory Auditors, De Chakraborty & Sen, Chartered Accountants, Kolkata, along with the Declaration pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CIR / CFD / CMD / 56 / 2016, dated 27th May, 2016.

Your kind co-operation in the above matter is highly appreciated.

Thanking you,

Yours faithfully,

For ASSAM COMPANY INDIA LIMITED

SREYA MITRA

COMPANY SECRETARY

Encl. : as above.



De Chakraborty & Sen
Chartered Accountants

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

INDEPENDENT AUDITOR'S REPORT

To
The Members of Assam Company India Limited

Report on the Financial Statements

We have audited the accompanying standalone financial statements of **Assam Company India Limited**, which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the fifteen months period then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguard of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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



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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its loss and its cash flows for the fifteen-month period ended on that date.

Emphasis of Matter

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

- a. Attention is drawn to Note No. 12 in relation to the AA-ON/7 Exploration & Production (E&P) Asset appearing in the Capital Work in Progress, about which we are unable to express any opinion on the outcome of the project, pending execution of the new Production Sharing Contract (PSC). Our opinion is not qualified in respect of this.
- b. Attention is drawn to Note No. 30(i) & 39 which includes the contingent liability in relation to the bilateral agreement with Oil & Natural Gas Corporation limited for operationalization of Amguri Field. As the quantum of this contingent liability is not ascertainable at present, no provision for liability has been made in respect to this "Onerous Contract". Our opinion is not qualified in respect of this.
- c. Attention is drawn to Note No. 49 in relation to the interest free loans of Rs. 259.66 crores given to Subsidiaries. According to section 186(7) of the Act, "No loan shall be given under this section at the rate of interest lower than the prevailing yield of one year, three year, five year or ten year Government Security closer to the tenor of the loan". The impact of this contravention on the profit/loss and the liability is not ascertainable readily. Our opinion is not qualified in respect of this.



Report on Other Legal and Regulatory Requirements

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

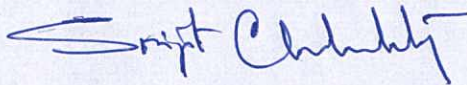
As required by Section 143 (3) of the Act, we report that:

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



- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For De Chakraborty & Sen
Chartered Accountants
FRN: 303029E



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



Place: Kolkata
Date: 27th May, 2016

Annexure to the Independent Auditor's Report

(Referred to in paragraphs 3 and 4 of our report of even date to the member of Assam Company India Limited on the financial statements ended on 31st March, 2016)

- i)
 - a) The company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets other than Oil and Gas Division. However, a list of fixed assets acquired for Oil & Gas Operation is maintained.
 - b) The Fixed Assets of the company has been physically verified by the management periodically in phased manner, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. In respect of assets physically verified, the details have been compared with the book records and discrepancies noticed were not material and have been properly dealt with in the books of account.
 - c) The conveyance of any immovable property is not pending.
- ii) Physical verification of inventory has been conducted at reasonable intervals during the year by the management except for Oil and Gas Division.
- iii) The Company has given interest free loan to 8 subsidiaries and 1 Step-down Subsidiary amounting to Rs. 259.66 crores.
 - a) In our opinion, and according to information and explanations given to us, the rate of interest and other terms and conditions of loans given by the company, secured or unsecured, are generally not prejudicial to the interest of the company,
 - b) The loans are interest free and repayable on demand;
 - c) As the loans are repayable on demand and no call has been made, no amount is overdue;
- iv) In respect of loans, investments, guarantees and security provisions of section 185 and 186 of the Companies Act 2013 have been generally complied with; with the exception of interest free loans of Rs. 259.66 crores given to 8 subsidiaries and 1 step-down subsidiary which is in contravention to section 186(7) of the Act.
- v) The Company has not accepted any deposits from the public.
- vi) We have broadly reviewed the accounts maintained by the company in respect of tea products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed under sub-section (1) of Section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete. No cost record has been maintained with respect to its oil and gas products.



vii)

- (a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax, duty of customs, duty of excise, cess and any other statutory dues with the appropriate authorities except Sales Tax amounting to Rs.58,89,664 and VAT amounting to Rs.31,08,571 as on the last day of the financial year concerned for a period of more than six months from the date they became payable.
- (b) Details of amounts involved and the forum where dispute is pending, is mentioned below for cases where dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax or cess have not been deposited on account of any dispute.

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	AY 2010-11	Commissioner of Income Tax (appeals)
	Do	Do	5,38,41,660	AY 2011-12	-Do-
	Do	Do	3,54,69,510	AY 2012-13	-Do-
	Do	Do	8,47,53,370	AY 2013-14	-Do-
2.	Agricultural Income Tax		9,22,98,080	AY 2013-14	Hon'ble Guwahati High Court
			4,51,82,296	AY 2014-15	-Do-
3.	The West Bengal Sales tax Act, 1994	West Bengal Sales Tax	1,93,70,205	2002-03	Sr. Jt. Comm. of Commercial Taxes
	Do	Do	15,36,066	2003-04	Appellate & Revisional Board of Commercial Taxes
	Do	Do	87,24,464	2004-05	-Do-
	Do	Do	1,90,72,936	2006-07	-Do-
	Do	Do	6,18,32,474	2008-09	-Do-
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	2002-03	Appellate & Revisional Board of Commercial Taxes
	Do	Do	2,37,701	2003-04	-Do-
	Do	Do	1,34,56,558	2004-05	-Do-
	Do	Do	34,44,736	2006-07	-Do-
5.	Service Tax		12,25,527	2013-14	Office of the commissioner of Service Tax-II
	Do		1,77,61,881	Oct 2009- Dec 13	-Do-
	Do		1,98,17,372	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 bank term loans of Rs.151.20 crores, fell due on various dates during the 15 month period ending on 31st March 2016. The company has also defaulted in repayment of principal part of the matured Foreign Currency Convertible Bonds amounting to USD 3.1 million (Rs.20.56 crores) details of the same is given in note 40 forming part of the Financial Statements.*

INR LOANS	Over due
Allahabad Bank	1,67,00,000
State Bank of Hyderabad	9,65,00,000
State Bank Of Bikaner & Jaipur	105,00,08,662
Central Bank of India	34,88,00,000
Total INR Loans	151,20,08,662

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



“Annexure A” in respect to reservations on adequacy of internal financial controls system and operating effectiveness of such controls

[Referred to in paragraph (h) under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date to the member of Assam Company India Limited on the financial statements ended on 31st March, 2016]

Area of Control	Weakness
Control Environment	Policy on Internal Financial Control and documentation of the Standard Operating Processes are under development.
Risk Assessment	Risk Assessment and identification of mitigants is in progress.
Information and communication	In the absence of documented policy and procedures on Internal Financial Control, 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.





Assam Company India Limited

Member Duncan Macneill Group

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12th July, 2016

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

Fax No. (022) 2659 8237 / 8238
2659 8348 / 8347

STOCK CODE : ASSAMCO

The Secretary,
Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers, Dalal Street
Mumbai – 400 001.

Fax No. (022) 2272 3121 / 2037 /
2272 2041 / 2061 / 2039 / 3719

STOCK CODE : 500024

Dear Sir,

Sub. : Declaration pursuant to Regulation 33 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 of 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 Audited Financial Results for the 15 months ended 31st March, 2016, a copy of which was already submitted by the Company on 27th May, 2016.

Please acknowledge receipt.

Thanking you,

Yours faithfully,
For ASSAM COMPANY INDIA LIMITED

SANJAY SHARMA
CHIEF FINANCIAL OFFICER