



**ASSAMBROOK LIMITED**  
**REPORT AND ACCOUNTS**  
**For THE YEAR ENDED 31 MARCH 2014**

ASSAMBROOK LIMITED

BOARD OF DIRECTORS

SIDDHARTH RAMPURIA  
Managing Director

SURENDRA RAMPURIA  
MRINAL KANTI GUHA  
U.S. MENON  
Directors

J C NAG  
Company Secretary

AUDITORS  
TIWARI & CO.

Regd. Office :  
Tinkharia Tea Estate  
PO: Dhekiajuli  
Dist. Sonitpur  
Assam  
Pin :784110  
India

Head Office :  
1, Shakespeare Sarani  
Kolkata-700 071  
India

Telephone  
91 33 2282 7616  
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91 33 2282 2750  
E-mail  
[panmal.sethia@sudera.in](mailto:panmal.sethia@sudera.in)

**REPORTS AND FINANCIAL STATEMENTS 2013-14**

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## **NOTICE**

Notice is hereby given that the 65<sup>th</sup> Annual General Meeting of the Company will be held at "Borsola Gymkhana Club", Tinkharia Tea Estate, P.O Dhekiajuli, Dist. Sonitpur (Assam) on Saturday, 20 September, 2014 at 10.00 a.m. to transact the following business:-

### **Ordinary Business**

1. To receive, consider and adopt the audited Financial Statements as at 31 March, 2014 together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Shri Surendra Rampuria (holding DIN No.00755410), who retires by rotation and being eligible, offers himself for reappointment.
3. To consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution :

RESOLVED THAT in accordance with applicable provisions of the Companies Act, 2013 and the Rules made thereunder(including any statutory modification(s) or re-enactment thereof), Messers Tiwari & Company, Chartered Accountants(ICAI Registration No.309112E), be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on the remuneration to be fixed by the Board of Directors."

### **SPECIAL BUSINESS :**

4. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) Shri Mrinal Kanti Guha (holding DIN No.00514453, a non-executive Director of the Company who retires at this annual General Meeting, be and is hereby appointed as an Independent director of the Company to hold office from the date of this Annual General Meeting upto the expiry of five consecutive years or the date of the 70<sup>th</sup> Annual General Meeting, whichever is earlier."

5. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) Shri U.S. Menon (holding DIN No.05125220, a non-executive Director of the Company who retires at this annual General Meeting, be and is hereby appointed as an Independent director of the Company to hold office from the date of this

Annual General Meeting upto the expiry of five consecutive years or the date of the 70<sup>th</sup> Annual General Meeting, whichever is earlier.”

Registered Office :  
Tinkharia Tea Estate  
P. O. Dhekiajuli 784110  
Dist. Sonitpur (Assam)  
Dated : 30 May, 2014

By Order of the Board

J.C. Nag  
Company Secretary

**NOTES:**

1. A Member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote thereat instead of himself. A Proxy need not be a member of the company. Proxies, in order to be effective, must be received at the Company's Registered Office situated at Tinkharia Tea Estate, P.O. Dhekiajuli-784110, Dist. Sonitpur, Assam not less than 48 hours before the meeting.  
  
In terms of rule 19 of the Companies (Management and Administration) rules, 2014, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a singly person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Items of Special Business is annexed hereto.
3. The information as required to be provided in terms of the Listing Agreement with the Stock Exchanges regarding the Directors who are proposed to be appointed/re-appointed is annexed.
4. The Register of Members and share Transfer Books of the Company will closed from 14 September,2014 to 20 September, 2014 (both days inclusive)
5. In accordance with the provisions of Section 205C of the Companies Act, 1956 any amount of dividend which remained unpaid or unclaimed for a period of seven years from the date such dividend became due for payment have been transferred to the investor Education and Protection Fund set up by the Government of India.
6. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
7. **Instructions for e-voting :**
  - 1) In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies(Management and Administration)Rules, 2014, the Company is pleased to offer e-voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically on the resolutions mentioned in the notice of 65<sup>th</sup> Annual General Meeting of the Company.

**II)** Similarly, members opting to vote physically can do the same by remaining present at the meeting and should exercise the option for e-voting. However, in case Members cast their vote exercising both the options, i.e. physically and e-voting, then votes casted through e-voting shall be only taken into consideration and treated valid whereas votes casted physically at the meeting shall be treated as invalid.

**III) The instructions for shareholders voting electronically are as under :**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on “Shareholders” tab.
- (iii) Now, select the “COMPANY NAME” from the drop down menu and click on “SUBMIT”
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. – Sequence number is communicated in the Attendance Slip/ Covering Letter.</li> </ul>
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

(viii) After entering these details appropriately, click on “SUBMIT” tab.

- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

**In case of members receiving the physical copy:**

Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.

- IV. The voting period begins on 14 Sept 2014 at 9 AM and ends on 16 Sept 2014 at 6 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 16 Aug 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- V In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- VI. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date((record date) of 16 August, 2014.
- VII. A copy of this notice has been placed on the website of the Company.
- VIII. Shri A.K. Labh, Practising Company Secretary (Certificate of Practice Number 3238) has been appointed as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.
- IX. The Scrutinizer shall within a period not exceeding (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman.
- X. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website [www.assambrook.com](http://www.assambrook.com) and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the Bombay Stock Exchange and Calcutta Stock Exchange Ltd.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**ITEM NO. 4 AND 5**

The Company appointed Shri Mrinal Kanti Guha, and Shri U.S. Menon have been discharging the role and functions of Independent Directors in terms of Clause 49 of the Listing Agreement with the Stock Exchanges. The term of office of the aforesaid directors was liable to determination by retirement of Directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 of the Companies Act, 2013 ('the Act'), the Company is required to appoint at least one-third of its total number of Directors as Independent Directors for a fixed term and their office shall not be liable to determination by retirement of Directors by rotation. Accordingly, in compliance of Sections 149, 150 and 152 read with Schedule IV and any other applicable provisions of the Act each of Shri Mrinal Kanti Guha and Shri U.S. Menon are proposed to be appointed as an Independent Director who shall hold office from the date of this Annual General Meeting upto the expiry of five consecutive years or the date of the 70<sup>th</sup> annual General Meeting, whichever ever is earlier. Separate notices have been received from a few Members referring to Section 160 of the Act proposing each of them respectively for appointment as an Independent Director at the forthcoming annual General Meeting of the Company.

Shri M K Guha and Shri U S Menon both have given a declaration dt. 1 April 2014 confirming they satisfy the criteria of independence as required under the section 149 (6) of the companies Act 2013. The Board of Directors at the meeting held on 30 May 2014, opined that Shri M K Guha and Shri U S Menon fulfill the conditions specified in the companies Act 2013 and rules made there under for their appointment as an independent Director of the company and are independent of the management. Copy of the draft letter of appointment would be available for inspection without any fee by the members at the registered office of the company. The Board considers that the continued association of the aforesaid persons would be of immense benefit to the Company and it is desirable to continue to avail their services as Independent Directors.

The aforesaid persons have been desired qualifications and in depth experience in their respective field. The particulars of the aforesaid directors namely, age, qualifications, past experience and other details are given separately in this notice.

Directors. Accordingly, the Board recommends the resolutions set out at Item Nos.4 and 5 of the convening Notice for approval by the Shareholders of the Company.

Shri Mrinal Kanti Guha and Shri U.S. Menon and their relatives may be considered to be interested in the respective Resolution in so far as they relate to them individually. No other Director or the Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in respect of the said resolutions.



**ANNEXURE TO THE NOTICE**

INFORMATION PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT

PARTICULARS RELATING TO DIRECTORS PROPOSED TO BE APPOINTED/ RE- APPOINTED

Name of Director	Shri Surendra Rampuria
Date of Birth	28 September, 1943
Qualification	Under Graduate
Expertise	Shri Surendra Rampuria has more than 44 years experience in business. He has been the Director of the Company for several years and has been associated with the Tea Industry for about 35 years. His vast knowledge and experience have been of great assistance to the Company and his active participation at the meeting of the Board have been very useful and effective.
Directorships held in other Companies (excluding foreign Companies)	Vineet Pvt. Ltd. Eskar Stock Holdings Pvt. Ltd. Geeaar Properties Pvt. Ltd. Eskar Properties Pvt Ltd
Committee Memberships, if any, with Position	
Shareholding in the Company	Shri Rampuria holds 86575 no. shares in the Company.

Name of Directors	Shri Mrinal Kanti Guha
Date of Birth	15 February, 1938
Qualification	Graduate
Expertise	Shri M K Guha has vast knowledge and experience in personnel and Human Resources Development and have been of great assistance to the Company and his active participation.
Directorships held in other Companies (excluding foreign Companies)	ABL International Ltd. Sudera Stock Holdings Pvt. Ltd. Balticuri Co-Operative Bank Ltd.
Committee Memberships, if any, with Position	NIL
Shareholding in the Company	NIL

Name of Directors	Shri U. S. Menon
Date of Birth	10 April, 1959
Qualification	Post Graduate
Expertise	Shri U.S. Menon is a practicing Lawyer at Kolkata High Court for last 25 years. Considering his vast experience in legal matters, his continued association would be of immense benefit to the Company.
Directorships held in other Companies (excluding foreign Companies)	MPMC Private Limited
Committee Memberships, if any, with Position	NIL
Shareholding in the Company	NIL

## ASSAMBROOK LIMITED

### DIRECTORS' REPORT

Your Directors have pleasure in presenting the Annual Reports together with the Audited Accounts for the year ended March 31, 2014

#### 1. FINANCIAL RESULTS:

(Rs.in lacs)

	For the year ended <u>31March, 2014</u>	for the year ended <u>31March,2013</u>
Profit/(Loss) before Depreciation & Taxation	157.31	150.96
Depreciation	138.32	146.11
Profit/(Loss) before Taxation	18.99	4.85
Provision for taxation	-	-
Profit/(Loss) after taxation	18.99	4.85
Deduct/Add :		
Balance brought forward from Profit & Loss Account	(1003.97)	(1008.82)
Balance carried forward	(984.98)	(1003.97)

#### 2. DIVIDEND :

In view of the carry forward losses, the Board is recommending no dividend.

#### 3. OPERATIONS :

During the financial year under review, your company produced 28.63 lacs kgs of Black Tea as compared to 26.57 lac kgs in the previous year. After a slow start in March 2013, the tea harvest settled down quickly to good intakes generally across Assam.

Importantly, the average realization per kg. was reasonably higher due to better quality of tea produced. Significantly lower inventory and strong consumption growth should stabilize the prices during the season 2014. Tea prices of better quality are expected to improve from the last year both in domestic and global markets. The company's focus has always been to produce quality teas, which continues to command a premium in both domestic and international market.

Uprooting and replanting policy of the company was maintained. This has resulted in an improvement of the age profile of the Tea bushes. A good standard of young tea has been established.

#### 4. SCHEME OF ARRANGEMENT

As reported earlier year the Board of the Company had approved the proposal of the scheme of De-merger of both the Tea Estates Dhullie and Tinkharia. However, the Scheme of De-merger could not be finalized due to procedural formalities. Your Directors are actively pursuing alternative mechanism for effective completion of the sale agreement and hope to finalise the same during the current financial year.

## 5. AUDITORS' REPORT:

The Auditor's observation have been dealt with in the notes to the Accounts which are self explanatory and do not require further clarification.

## 6. AUDITORS :

M/s Tiwari & Co., Chartered Accountants, Auditors retire at the forthcoming Annual General Meeting and being eligible offer themselves for reappointment. The Audit Committee has recommended their appointment as auditors of the Company.

## 7. DIRECTORS :

Shri S Gangopadhyay an independent director tendered his resignation and ceased to be director of the company on and from 13 Sept 2013. Your directors put on record their gratitude for the valuable advises given by Shri S Gangopadhyay from time to time during his tenure as a director.

Shri M K Guha and U S Menon independent directors are appointed for a term of 5 consecutive years from the date of the ensuing Annual General Meeting up to the expiry of five consecutive years or the date of the 70<sup>th</sup> AGM, whichever is earlier, subject to the approval of the shareholders at the ensuing Annual General Meeting. After such appointment the said directors will no longer be liable to retire by rotation during their tenure as independent directors. Shri Surendra Rampuria, retires at the ensuing Annual General Meeting of the Company, being eligible, offers himself for reappointment.

The independent directors have fulfilled the criteria of independence as defined under section 149(6) of the Companies Act 2013 and requisite declaration in terms of section 149(7) of the Companies Act have been received.

## 8. DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to Section 217(2AA) of the Companies Act, 1956 ("the Act") your Directors state and confirm the following :

(i) That in preparation of the Company's Annual Accounts for the year ended 31 March, 2014 the applicable accounting standards have been followed and proper explanations have been provided for material departures, where applicable.

(ii) That such accounting policies were selected and applied consistently and the judgments and estimates were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31 March, 2014 and of the profit of the Company for that financial year.

(iii) That proper and sufficient care for the maintenance of 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 irregularity, were taken.

(iv) That the annual accounts were prepared on the basis of a going concern.

## 9. FIXED DEPOSITS :

The Company has decided not to accept any fresh deposit.

#### 10. CORPORATE GOVERNANCE :

Pursuant to Clause 49 of the Listing Agreement with Stock Exchanges a separate report on Corporate Governance along with the Auditors' Certificate on its compliance is annexed to this report.

#### 11.PARTICULARS AS PER SECTION 217 OF THE COMPANIES ACT, 1956:

Information as per Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 is not applicable.

The particulars required in terms of Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are given in the annexed Statement.

#### 13. PARTICULARS AS PER SECTION 217 OF THE COMPANIES ACT, 1956

Information as per Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 is not applicable.

The particulars required in terms of Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are given in the annexed Statement.

#### 14. APPRECIATION:

Your Directors record their appreciation for the co-operation extended by all the employees. Your Directors also thank the Banks and Financial Institutions for their support. Your Directors also gratefully acknowledge your continued support as Shareholders.

By Order of the Board

Siddharth Rampuria  
(MANAGING DIRECTOR)

Head Office:  
1, Shakespeare Sarani,  
Kolkata 700 071  
Dated:30 May, 2014

Mrinal Kanti Guha  
(DIRECTOR)

## ANNEXURE TO DIRECTORS' REPORT

Information as per Section 217(1)(e) read with the Companies (Disclosure of particulars in the report of Board of Directors' Rules, 1988) and forming part of the Directors' Report for the year ended 31 March, 2014.

Particulars with respect to Conservation of Energy :

- |    |   |  |
|----|---|--|
| 1. | Energy conservation :<br>measures taken   | Replacement of old and outdated equipments,<br>wherever required with energy efficient giving<br>higher output with less energy consumption. |
| 2. | Additional Investment:<br>and Proposals if any,<br>being implemented for<br>being reduction of<br>consumption of energy | Installation of energy saving equipment and<br>modernization of Factories at the Estate is<br>being done in a phased manner.                 |

Impact of measures at (1) : & (2) above for reduction of energy consumption and consequent impact on the cost of production of goods.	Improvement of energy utilization resulting in economy in cost.
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### 'FORM A'

For the year ended 31 March,2014 -----	For the year ended 31 March,2013 -----
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#### POWER AND FUEL CONSUMPTION

##### Electricity

a. Purchased		
Unit(KWH)	2332350	2245981
Total Amount(Rs.in lacs)	167.97	155.36
Rate/Unit(Rs.)	7.20	6.92
b. Own Generation		
Through Diesel Generator :		
Units(in KWH)	507203	793818
Unit per Ltr.of Diesel	2.59	2.84
Cost/Unit (Rs.)	20.72	15.79
Coal (KHASI/LEDO-ROM/LECO)		
Qty.(MT)	3158.81	3459.19
Total Amount (Rs.in lacs)	173.53	194.53
Average Rate (Rs.)	5556.84	5623.53
3) Furnance Oil		
Qty.Purchased (K.Ltrs.)	-	36.355
Total Amount (Rs. In lacs)	-	14.23
Average Rate (Rs.)	-	40514.32

#### CONSUMPTION PER UNIT OF PRODUCTION

Production (Tea)(Gros in lac kgs.)	28.63	26.57
Electricity(KWH/Kg.)	0.99	1.14
HSD/F. Oil(Ltr./Kg.)	-	0.01
Coal(Kg/Kg.)	1.10	1.30

**FORM –‘B’**

**TECHNOLOGY ABSORPTION :**

Research & Development(R&D)

(a) Specific areas in which R&D is carried out by the Company

(b) Benefits derived as a result of the above R&D

(c) Future plan of action

(d) Expenditure on R&D

Capital

Recurring

Total

Total R&D Expenditure as a

Percentage of total turnover

No separate R&D is carried out by the Company.

Technology absorption, adaptation and innovation

Efforts in brief made towards

Technology absorption, adaptation and innovation.

In house discussions with experts and training programme was held for innovative idea of production and to update the staff.

b) Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution etc.

There has been an overall improvement in productivity and economy in cost was achieved

In case of imported technology (imported during the last 5 years reckoned from the beginning of the Financial Year), following information may be furnished

Not Applicable

Technology imported

Year of import

Has technology been fully absorbed?

If not fully absorbed areas where this has not taken place, reasons therefore, and future plans of action.

Foreign Exchange earnings and outgo :

(a) Activities relating to export initiatives taken to increase exports

Not Applicable

(b) Development of new export markets for products and services and export plan.

Not Applicable

Total foreign exchange :

Used

NIL

NIL

Earned (gross)

NIL

NIL

## ASSAMBROOK LIMITED

### REPORT ON CORPORATE GOVERNANCE

#### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The basic objective of corporate governance adopted by your Board is to ensure accountability and transparency in the functioning of the management, with emphasis on integrity and regularity in the day to day functioning of your Company. Your Company espouses the cause of long term success in all area of its business and commits itself to achieve this through improved productivity, quality and performance. It continues to evolve, learn, adapt for the common good of its stakeholders and others.

It is believed by your Board that corporate governance must balance individual interests with corporate goals and operate within accepted norms of propriety, equity, fair play and a sense of justice.

#### 2. BOARD OF DIRECTORS

- A) The Board comprises of four Directors of which two are Non Executive Independent Directors, one is the Managing Director and one is a non Executive Director. The Board has an optimum combination of executive and non executive Directors and half of the Board consists of Non Executive Independent Directors. No Director is related to any other Director on the Board in terms of the definition of relative given under the Companies Act, 1956 except Shri Surendra Rampuria and Shri Siddharth Rampuria who are father and son.

Brief resume of the Director proposed to be reappointed is given to the Annexure to the Notice and is forming part of the Annual Report.

Shri Siddharth Rampuria - Managing Director of the Company is Chief Executive Officer (CEO) and Shri P.M. Sethia - Senior Manager-Corporate Services has been concurrently designated as Chief Financial Officer (CFO) of the Company.

- B) Details of attendance of Directors at Board Meetings and at the last Annual General Meeting with particulars of their other Directorships and Chairman/Membership of Board Committees.

During the year 2013-14, 4 Board Meetings were held on 30 May 2013, 13 Sept 2013, 15 Nov 2013 and 31 Jan 2014. All the Board Meetings were held at Kolkata.

The last Annual General Meeting of the members of the Company was held on 27 September, 2013.

The attendance and no. of other Directorship/Committee Membership of each Director (excluding Assambrook Ltd., Private Ltd. Companies and Foreign Companies) is given below :

Name of Directors	Category of Directorship(s)	Attendance at Board Meetings	Attendance at Annual General Meeting (27.09.2013)	No. of other Directorship held	No. of Board Committee of which Member/Chairman
Shri Surendra Rampuria	Non Executive Director	3	Yes	NIL	NIL
Shri Siddharth Rampuria	Managing Director	3	Yes	NIL	NIL
Shri Subhrendu Gangopadhyay*	Non Executive & Independent	1	Yes	1	NIL
Shri Mrinal Kanti Guha	Non Executive & Independent	4	Yes	2	NIL
Shri U S Menon	Non Executive & Independent	4	Yes	NIL	NIL

\* Resigned with effect from 13 Sept, 2013.



- C) Necessary information where applicable as mentioned in annexure 1A to clause 49 of the Listing agreement was placed before the Board for its consideration.

### 3. AUDIT COMMITTEE :

The Audit Committee of the Board consisted of ShriSubhrenduGangopadhyay,ShriMrinalKantiGuha,Shri U.S. Menon and Shri Siddharth Rampuria .Shri U S Menon , a non executive independent director having adequate financial knowledge and expertise, is the Chairman of the Audit Committee. The other members of the committee are also financially literate. The committee consists of two non executive independent directors.

The Company Secretary/or Senior Manager - Corporate Services concurrently designated as Chief Financial Officer(CFO) acts as the Secretary to the Committee.

Terms of reference specified by the Board to the Audit Committee are as per Clause 49 of the Listing Agreement. The scope of activity of the Committee is also in consonance with the provision of Section 292A of the Companies Act, 1956.

The Audit Committee met four times during the year on 30 May 2013, 13 Sept 2013, 15 Nov 2013 and 31 Jan 2014. The attendance record of the members at the meetings is as follows:

Name of Directors	Status	No.of Meeting attended
Shri U.S. Menon	Member	4
Shri S. Gangopadhyay *	Chairman	1
Shri M.K.Guha	Member	4
Shri Siddharth Rampuria #	Member	2

\* ShriS. Gangopadhyay resigned from the Audit Committee on 13 Sept 2013.

# Appointed as a member of the Audit Committee on 13 Sept 2013.

### 4. REMUNERATION COMMITTEE

The Remuneration Committee of the Board as on 31 March 2014 comprised of Shri U S Menon, a non executive independent director as Chairman, Shri Mrinal Kanti Guha and Shri S Rampuria as members. The Committee is authorized to decide on the remuneration package for Executive Directors including annual increment, pension rights, compensation payment, if any.

#### REMUNERATION POLICY :

##### Executive Directors

The Managing Director's remuneration is required to be paid as per the terms stated in the agreements and approved by the Board and confirmed by the shareholders of the Company and other required statutory and procedural approvals.

##### Non Executive Directors

The non-executive Directors are paid Sitting Fees of Rs.2000/- for each meeting of the Board or any Committee plus reimbursement of actual travel and out of pocket expenses incurred for attending such meetings. The details of the remuneration paid to the directors during the year ended 31 March, 2014 are :

Name of Directors	Salary/LTA (Rs.)	Perquisites & Allowance (Rs.)	Commission	Sitting Fees (Rs.)	Total (Rs.)
Shri Surendra Rampuria				6000	6000
Shri S.Gangopadhyay				4000	4000
Shri M.K. Guha				18000	18000
Shri U.S. Menon				18000	18000

Particulars of remuneration paid to the Managing Director during the financial year 2013-14:

Name of the Director	Salary	Perquisites & allowances	Total
Shri Siddharth Rampuria	3,00,000/-	Nil	3,00,000/-

#### 5. SHAREHOLDERS/INVESTORS GRIEVANCES COMMITTEE

Shri M.K. Guha, a non-executive independent Director is the Chairman of the Committee, which comprises of Shri Siddharth Rampuria and Shri U.S. Menon.

During the year 2013-2014 the Committee met one time on 13 Nov, 2013.

The Company Secretary/ or Sri P.M. Sethia - Senior Manager - Corporate Services designated as Chief Financial Officer (CFO) was the Compliance Officer of the Company.

The terms of reference specified by the Board to the Shareholders Investors Grievance Committee are as per Clause 49 of the Listing agreement.

Shareholder Complaints :

During the year, the Company has received 2 (Two) complaints from the shareholders which have been resolved. There are no complaints from shareholders pending unresolved as at 31 March 2014.

#### 6. GENERAL BODY MEETING

General Meetings

Location and time of the last three General Meetings.

Year	Venue	Date	Time
2010-2011	<b>Borsola Gymkhana Club</b> Tinkharia Tea Estate P.O. Dhekiajuli, Dist. Sonitpur, Assam	30 September 2011	10.00 a.m.
2011-2012	<b>Borsola Gymkhana Club</b> Tinkharia Tea Estate P.O. Dhekiajuli, Dist. Sonitpur, Assam	28 September 2012	10.00 a.m.
2012-2013	<b>Borsola Gymkhana Club</b> Tinkharia Tea Estate P.O. Dhekiajuli, Dist. Sonitpur, Assam	27 September 2013	10.00 a.m.

I. The resolutions at the above General Meetings were passed with the requisite majority.

II. No Special Resolution was passed through Postal Ballot during the last year.

## 7. DISCLOSURES

### A. Disclosures on materially significant related party transactions:

The Company has not entered into transactions of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the company.

### B. No penalties/strictures have been imposed on the Company by Stock exchange or SEBI or any statutory authority for non-compliance of any laws on any matter related to capital markets, during the last three years. However the shares of the Company have been suspended from trading in Bombay Stock Exchange with effect from 10 March,2008 for non compliance of certain clauses of Listing Agreement. Requisite steps are being taken for resumption of trading in shares of the Company at an early date .

### C. The Company has not yet adopted the Whistle Blower Policy and other non-mandatory requirements. However, the employees of the Company have ready access to the members of the audit Committee.

### D. The Company has complied with all the mandatory requirements of the Stock Exchanges.

### E. The Company has adopted separate Code of Conduct (code) for the Members of the Board and Senior Management Personnel as required under Clause 49 of the Listing Agreement All the directors and Senior Management personnel have affirmed compliance with the code of conduct as approved and adopted by the Board of directors on 29 December, 2005.

### F. The Company has its in-built system of assessing risk management through internal audit and internal control. The scope of Audit Committee includes review of Company's financial and risk management policies.

## G CHIEF EXECUTIVE OFFICER & CHIEF FINANCE OFFICER'S CERTIFICATION :

As per clause 49(V) of the Listing Agreement the Chief Executive Officer i.e. Managing Director of the Company and the Chief Finance Officer of the Company certifies to the Board regarding the review of the financial statement, compliances with the accounting standard, maintenance of the internal control for financial reporting, accounting policies among others.

## 8. MEANS OF COMMUNICATION

### (a) Quarterly and half-yearly results are published in leading newspapers such as Financial Express(English, Kolkata) and Aaji (Assamese, Assam).

### (b) The **Company's results are displayed on the Web Site** : [www.assambrook.com](http://www.assambrook.com)

### (c) Management Discussion and analysis Report forms a part of this Annual report.

### (d) There were no presentation made to the institutional investors or Analysts during the year under review.

## 9. GENERAL SHAREHOLDERS' INFORMATION

### (a) 65<sup>th</sup> Annual General Meeting day, date, time and venue:

Saturday, 20 September, 2014 at 10 a.m. ' Borsola Gymkhana Club,Tinkharia Tea Estate', P.O. Dhekiajuli, Dist. Sonitpur (Assam)

### (b) Financial Calendar 2014-2015 (Tentative):

Board Meetings:

Un-audited results for Quarter ending 30 June, 2014

2<sup>nd</sup> week of August, 2014

Un-audited results for Quarter ending 30 September, 2014

2<sup>nd</sup> week of November, 2014

Un-audited results for Quarter ending 31 December, 2014	2 <sup>nd</sup> week of February, 2015
Audited results for the year ending 31 March, 2015	last week of May 2015
Annual General Meeting for the year ending 31 March 2015	September 2015.

(c) **Book Closure period :**

The Register of Members and Share Transfer Books of the Company will remain closed from 14 September, 2014 to 20 September, 2014 (both days inclusive) for the 65<sup>th</sup> Annual General Meeting to be held on 20 September, 2014.

(d) **Dividend payments date :**

No dividend is recommended by the Board of Directors for the year ended 31 March, 2014.

(e) **Listing on Stock Exchanges :**

The Company's securities are listed at :

1. The Calcutta Stock Exchange Association Ltd.  
7, Lyons Range, Kolkata - 700 001
2. The Stock Exchange Mumbai  
PhirozeJeejeebhoy Tower  
Dalal Street  
Mumbai 400 001

(f) **Stock Code :**

Stock Exchange	Stock Code
The Calcutta Stock Exchange Association Ltd.	10011397
The Bombay Stock Exchange Limited	500025

(g) **Stock Price Data :**

Trading in Company's share at Bombay Stock exchange is suspended since 10 March 2008 hence no price data are given.

(h) **Share Transfer System :**

The Company's shares are compulsorily traded in the demat form with effect from 26 February 2001 for all categories of shareholders. All transfers are routed through the respective Accounts maintained with the Depository Participants (DPs) of the Investor.

Code No. allotted by NSDL/CDSL: (ISIN) INE 353C01011

Existing holders in physical mode are advised to open a Depository Account prior to any transaction.

(i) **Registrars and Transfer Agent :**

The Company has appointed Maheshwari Datamatics Pvt. Ltd. having its registered office at 6 Mangoe Lane, 2nd Floor, Kolkata - 700 001 as Registrars to the Company for transfer of shares and related matters both in physical and electronic mode.

## (j) Dematerialization of Shares :

As on 31 March, 2014 , 4535536 Nos.of Equity Shares have been dematerialised.

## (k) Shareholding Pattern and Distribution of share as on 31 March, 2014.

Shareholding Pattern			Distribution of Shareholding				
Category	No. of Shares held	Percentage %	Range	No. of Share holders	%	No. of Shares held	%
Promoters	1733155	26.82	Upto 500	7182	88.83	958080	14.83
Financial Institutions, Bank & Insurance Companies Mutual Funds And UTI	1693800	26.21	501 - 1000	535	6.62	444972	6.89
			1001 – 2000	176	2.18	269165	4.16
			2001 – 3000	62	.7669	162999	2.5227
			3001 – 4000	31	.3834	112318	1.7383
Body Corporate	311274	4.82	4001 – 5000	30	.3711	138603	2.1451
Individuals	2702436	41.83	5001 – 10000	35	.4329	237805	3.6805
Non – Resident Indians	13002	.20	10001 and Above	34	.4205	4137300	64.0326
Trusts	2775	.04	Total	8085	100.00	6461242	100.00
Foreign Nationals	4300	.06					
Total	6461242	100					

(l) No GDS/ADR have been issued by the Company.

## (m) Offices of the Company:

Registered Office:

Tinkharia Tea Estate  
P.O. Dhekiajuli 784110  
Dist. Sonitpur (Assam)

Head Office:

1, Shakespeare Sarani  
Kolkata 700 071

## (n) Plant Locations :

The Company owns two Tea Estates in the State of Assam, as given below as on date.

Tea Estates	Factory
Tinkharia Tea Estate P.O. Dhekiajuli Dist. Sonitpur Assam – 784110	Tinkharia
Dhullie Tea Estate P.O. - Pabhoi, Dist. Sonitpur. Assam - 784174	Dhullie

Note : Particulars of Crop and Area under Tea are given elsewhere in the Report.

## (o) Address for correspondence: (Registrars &amp; Share Transfer Agents for both physical and electronic mode)

MaheshwariDatamatics Pvt. Ltd.  
6, Mangoe Lane  
Kolkata - 700 001.  
Telephone : 2243 5029, 2243 5809, 2248 2248  
Fax : (033) 2248 4787  
E-mail : mdpl@cal.vsnl.net in

Place :Kolkata  
Date : 30 May 2014

( SIDDHARTH RAMPURIA)  
**MANAGING DIRECTOR**

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**Declaration Regarding Compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct**

I confirm that the Company has in respect of the financial year ended 31 March, 2014 received from the Members of the Board and the Senior Management Personnel, a declaration of compliance with Company's Code of Conduct.

Place :Kolkata  
Date : 30 May 2014

(SIDDHARTH RAMPURIA)  
**MANAGING DIRECTOR**

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Pursuant to Clause 49 of the Listing Agreement, we give below the Management discussion and Analysis Report :

### **(a) INDUSTRY STRUCTURE AND DEVELOPMENT**

Global tea production was estimated at approx 2800 million kgs of black tea. India is the largest producer of the black tea in the world and dominates the global industry as a major player. Indian production was a record high at 1200 million kg. during 2013 i.e. 73.70 million kgs ahead of 2012. This represents around 47% of the total global black tea production.

The market continued to pay better for quality teas during the season 2013. However tea prices in India declined only by 2 to 3 % due to low inventory and strong consumption growth.

Over all weather conditions during 2013 were very satisfactory for tea production in most of the black tea producing countries. After a slow start, improved crops were seen after three years of unimpressive showing.

### **(b) OPPORTUNITIES AND THREATS**

The production is likely to be stagnant within range, depending on weather conditions mainly because of non availability of surplus land for tea cultivation. Global demand, is however likely to witness a rise by two to three percent, thereby creating shortage and lower inventory levels. Exports are likely to be positive with higher demand of tea from Iran. These factors should have a positive impact on prices in domestic market.

The industry is largely depending on weather vagaries. The industry is highly labour intensive and is subject to stringent labour laws comparatively high labour cost, high social cost, over most other tea producing countries, high infrastructure cost and increasing energy and other input costs remain major problems for the Indian tea industry.

The old age of the tea bushes has a major impact on their productivity resulting in higher unit cost of production. The diminishing availability of a trained work force, remote locations etc. have a negative impact on the future growth potential of the tea industry.

### **© SEGMENT WISE OR PRODUCT WISE PERFORMANCE**

The Company produces CTC teas and continues to undertake steps for quality improvement. The quality of teas improved due to better harvesting policies followed by the company. The Company is following a consistent policy and practice to produce the best possible qualities of tea. In this area our record is very good and consistent.

### **(d) OUTLOOK**

The season began on an uncertain note in terms of climatic conditions, particularly dry weather conditions till April as compared to favorable weather conditions during last year. This would impact the production adversely. The North India crop was down by 40% up to May 2014. We hope that weather conditions shall improve shortly. Tea prices in India for the new season teas have opened higher by 5 to 10% as compared to last year. Prices in India are likely to remain firm during the year owing to crop shortfall, lower inventory level and strong consumption growth.

Nominal increase in input cost and 5% increase in wage cost as per the last agreement would take the overall cost up by 5% as compared to last year on estimation of normal production.

**(e) INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company has an adequate internal control system commensurate with its size and nature of operation. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information complying with applicable statutes, safe guarding unauthorized use or losses, executing transaction with proper authorization and ensuring compliance of corporate policies. The internal audit is carried out in house. The company has an Audit committee, the details of which have been provided in the Corporate Governance Report. The Audit Committee reviews the audit reports periodically. Suggestion for improvements are considered and the Audit Committee follows up for implementation of corrective actions. The Committee also meets the company's statutory Auditors to ascertain, interalia, their views on the adequacy of internal control systems in the company and keeps the Board of directors informed of its major observations from time to time.

**(f) FINANCE AND OPERATING PERFORMANCE**

The operating profit before depreciation and taxation was Rs. 157.31 against the previous year profit of Rs.150.96 lacs. The operating performance was quite satisfactory. The policies of your company is continued emphasis on quality up gradation and prudent management of costs.

**(g) MATERIAL DEVELOPMENT IN HUMAN RESOURCES/INDUSTRIAL RELATIONS**

The Company has a separate team for monitoring and dealing with matters of staff and workers welfare and industrial relations. These are being continuously monitored and the industrial climate has remained satisfactory during the year.

**(h) CAUTIONARY STATEMENT**

Any policies, objectives, expectations, projections outlined in the Management analysis Report may differ with the actual results in so far as these have a correlation with the climatic conditions, economic factors, statutory regulations, taxation, force major etc.



**AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT.**

**TO THE MEMBERS OF ASSAMBROOK LIMITED**

We have examined the compliance of conditions of Corporate Governance by Assam brook Limited for the year ended 31<sup>st</sup> March, 2014 as stipulated in Clause 49 of the Listing Agreement of the said company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

**For TIWARI & CO.**  
Firm Regn No. 309112E  
Chartered Accountants

**Place : Kolkata**  
**Date : 30 May 2014**

**(P.Tiwari)**  
**Partner**  
**M.No. 16590**

## **Independent Auditor's Report**

To the Members of

### **ASSAMBROOK LIMITED**

#### **Report on the financial Statements**

We have audited the accompanying financial statements of ASSAMBROOK LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditors' Responsibility**

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

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

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

## **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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: ***subject to Note No.26 regarding non-provision of interest and penalties on account of non-payment of Provident Fund Dues, the impact of which is presently not ascertainable***

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

## **Report on Other Legal and Regulatory Requirement**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a. We have obtained all the information and explanations which to the best of Our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion proper books of account as required by law has been kept by the Company so far as appear from our examination of those books.
  - c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956; read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013; and
  - e. On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**For TIWARI & COMPANY  
CHARTERED ACCOUNTANTS  
Firm Regn No. 309112E**

**Place: Kolkata**

**Dated: 30 May 2014**

**(P.Tiwari)  
(Partner) (M.N. 16590)**

## **ANNEXURE TO INDEPENDENT AUDITORS' REPORT:**

Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirement" of our report of even date

### **1. In respect of its Fixed assets:**

- a. The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets on the basis of available information.
- b. As explained to us, all the fixed assets of the Company have been physically verified by the management in phased periodical manner, which in our opinion, is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies have been noticed on such physical verification.
- c. In our opinion, the Company has not disposed off a substantial part of its fixed assets during the year and the going concern status of the Company is not affected.

### **2. In respect of its inventories:**

- a. The inventories of the Company have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
  - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the Company and the nature of its business.
  - c. The Company has maintained proper records of inventories. As far as ascertained, discrepancies noticed on verification between the physical stocks and the book records were not material and the same have been properly dealt with in the books of accounts.
3. In respect of the loans, secured or unsecured, granted or taken by the Company to / from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:
- a. The Company has neither given nor taken any loan during the year from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956. Consequently, the requirements of Clauses (iii) (a) to (iii) (g) of paragraph 4 of the Order are not applicable.
4. 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 purchases of inventory and fixed assets and for the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956:

- a. In our opinion and according to the information and explanations given to us, there have been no transactions made in pursuance of contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956.
6. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (vi) of paragraph 4 of the Order are not applicable to the Company.
7. In our opinion, the present internal audit system of the Company requires to be strengthened to make it commensurate with the size and nature of its business.
8. The Central Government has not prescribed maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956 for any of the product of the Company.

**9. In respect of statutory dues:**

According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees" State Insurance, Income-Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2014 for a period of more than six months from the date of becoming payable except the followings:

Sr. No.	Nature of Dues	Amount(Rs.)
1.	Green Leaf Cess	15,06,007
2.	Profession Tax	5,14,409
3.	Sales Tax	11,24,000

As regards amount of Provident Fund Dues which relates to earlier years the office of P.F. Commissioner, The Board of Trustee vide their letter no. PF (L)/2009/D-96/D-37/D-51/D-35/D-31/3252-59 Dated: 01/09/2009 had granted installment for payment of arrear due and the same are to be paid in 60 monthly installments from November 2009 .The installments during the year are generally paid regularly by the company, and the outstanding amount of P.F. Dues as on the date of Balance sheet is Rs.3,10,30,845.

10. The Company has accumulated losses of Rs.9,84,98,000 at the end of the financial year. The Company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions and banks.
12. In our opinion and according to the explanations given to us and based on the information available, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.

13. In our opinion, the Company is not a chit fund / nidhi / mutual benefit fund / society. Therefore, the provisions of clause (xiii) of paragraph 4 of the Order are not applicable to the Company.
14. According to the information and explanations given to us, the company is not a dealer or trader in securities.
15. The Company has not given any guarantees for loans taken by others from banks and financial institutions.
16. According to the information and explanations given to us and on an overall examination, the term loan has been applied for the purpose for which they were obtained.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that there are no funds raised on short-term basis that have been used for long-term investment.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956 during the year.
19. The Company has not issued any debenture during the year.
20. The Company has not raised any monies by way of public issues during the year.
21. In our opinion and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

**For TIWARI & COMPANY  
CHARTERED ACCOUNTANTS  
Firm Regn No. 309112E**

**Place: Kolkata**

**Dated: 30 May 2014**

**(P.Tiwari)  
(Partner)(M.N.16590)**

**ASSAMBROOK LIMITED**  
**BALANCE SHEET as at 31st March, 2014**

(₹ in 000)

	Note No.	As at March 31, 2014		As at March 31, 2013	
<b><u>EQUITY AND LIABILITIES</u></b>					
<b>SHAREHOLDERS' FUNDS</b>					
Share Capital	1	1,74,612		1,74,612	
Reserves and Surplus	2	1,16,666	<b>2,91,278</b>	1,15,192	<b>2,89,804</b>
<b>NON-CURRENT LIABILITIES</b>					
Long-Term Borrowings	3		<b>1,017</b>		<b>1,017</b>
<b>CURRENT LIABILITIES</b>					
Short-Term Borrowings	4	1,345		1,345	
Trade Payables	5	36,138		47,657	
Other Current Liabilities	6	7,17,007	<b>7,54,490</b>	7,06,608	<b>7,55,610</b>
<b>TOTAL</b>			<b>10,46,785</b>		<b>10,46,431</b>
<b><u>ASSETS</u></b>					
<b>NON-CURRENT ASSETS</b>					
Fixed Assets					
Tangible Assets	7	4,53,864		4,56,059	
Capital Work-In-Progress		-	<b>4,53,864</b>	25,550	<b>4,81,609</b>
Non-Current Investments	8		<b>29</b>		<b>29</b>
Long-Term Loans and Advances	9		<b>14,353</b>		<b>15,718</b>
<b>CURRENT ASSETS</b>					
Inventories	10	77,023		59,551	
Trade Receivables	11	13,621		6,204	
Cash and Bank Balances	12	1,349		696	
Short-Term Loans and Advances	13	4,86,546		4,75,370	
Other Current Assets	14	-	<b>5,78,539</b>	7,254	<b>5,49,075</b>
<b>TOTAL</b>			<b>10,46,785</b>		<b>10,46,431</b>

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

For Tiwari & Co.  
Firm Registration no.309112E  
Chartered Accountants

P. Tiwari  
Partner  
Membership No.16590  
Kolkata, 30 May 2014

J C Nag  
Company Secretary

For and on behalf of the Board

SIDDHARTH RAMPURIA  
Managing Director  
SURENDRA RAMPURIA  
M. K. GUHA  
U S MENON  
Directors

**ASSAMBROOK LIMITED****STATEMENT OF PROFIT & LOSS for the year ended 31st March, 2014**

		( ₹ in 000)	
	Note No.	Year ended 31st March, 2014	Year ended 31st March, 2013
<b>INCOME</b>			
Revenue from Operations (Net)	15	4,40,710	4,16,148
Other Income	16	10,484	487
<b>Total Revenue</b>		<b>4,51,194</b>	<b>4,16,635</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	17	69,647	64,483
(Increase)/Decrease in Inventories of Finished Goods	18	(13,808)	(7,238)
Employee Benefits Expense	19	1,99,504	1,75,995
Finance Costs	20	92	2,143
Depreciation and Amortization Expense	21	13,832	14,611
Other Expenses	22	1,80,028	1,66,156
<b>Total Expenses</b>		<b>4,49,295</b>	<b>4,16,150</b>
<b>Profit/(Loss) before Tax</b>		1,899	485
<b>Profit/(Loss) for the year</b>		<b>1899</b>	<b>485</b>
<b>Earnings Per Share of ₹ 10 /- each</b>			
1. Basic		0.29	0.08
2. Diluted		0.29	0.08
The accompanying notes are an integral part of the Financial Statements			

As per our report of even date

For Tiwari & Co.  
Firm Registration no.309112E  
Chartered Accountants

P. Tiwari  
Partner  
Membership No.16590  
Kolkata, 30 May 2014

J C Nag  
Company Secretary

For and on behalf of the Board

SIDDHARTH RAMPURIA  
Managing Director  
SURENDRA RAMPURIA  
M. K. GUHA  
U S MENON  
Directors



**ASSAMBROOK LIMITED**

**Notes to Financial Statements for the year ended 31st March, 2014**

	<b>As at 31st March 2014</b>		<b>( ₹ in 000) As at 31st March 2013</b>	
<b>1: SHARE CAPITAL</b>				
Authorised:				
65,00,000 (Previous year 65,00,000) Equity Shares of ₹ 10/- each	65,000		65,000	
12,00,000 (Previous year 12,00,000) Preference Shares of ₹ 100/- each	1,20,000		1,20,000	
Issued, Subscribed and Paid-up:				
64,61,242 (Previous year 64,61,242) Equity Shares of ₹ 10/- each fully paid up	64,612		64,612	
11,00,000 (Previous year 11,00,000) 6% Non Cummulative Redeemable Preference Share of ₹ 100/-each (issued against part conversion of Secured Loan) Redeemable at par on the expiry of 7 years from the date of issue or after 3 years from the date of issue at the option of the Company and earliest date of redemption is as under:-	1,10,000		1,10,000	
<u>No. of Shares</u>		<u>Date of Issue</u>		<u>Earliest date of redemption</u>
3,00,000		17.05.2008		16.05.2011
4,25,000		21.05.2009		20.05.2012
1,10,000		29.01.2010		28.01.2013
2,65,000		07.03.2012		06.03.2015
	<b>1,74,612</b>		<b>1,74,612</b>	
1.1 The Company has 2 class of shares viz: Equity shares having a par value of ₹10/- per share and Preference share having a par value of ₹ 100/- per share.				
1.2 The Equity share holder is eligible for one vote per share. In the event of liquidation, the Equity share holders are eligible to receive the remaining assets of the company after distribution of all preferential amount including payment to preference shareholders, proportion to their share holdings.				
1.3 Reconciliation of No. of Preference Shares outstanding is set out below				
At the beginning of the year			11,00,000	11,00,000
Add issued on conversion of Loan			-	-
At the end of the year			11,00,000	11,00,000
1.4 Details of Equity shares held by shareholders holding more than 5% of the aggregate shares of the Company.				
<b>Name of Shareholder</b>	<b>As at 31 March 2014</b>		<b>As at 31 March 2013</b>	
	<b>No. of shares</b>	<b>% of Holding</b>	<b>No. of shares</b>	<b>% of Holding</b>
1.ABL International Limited	12,00,000	18.57	12,00,000	18.57
2.Sudera Investments Pvt. Ltd.	3,23,365	5.00	3,23,365	5.00
3.Stressed Assets Stabilisation Fund	15,00,000	23.21	15,00,000	23.21
<b>2: RESERVES AND SURPLUS</b>	<b>Balance as at 01.04.2013</b>	<b>Addition</b>	<b>Deduction</b>	<b>Balance as at 31.03.2014</b>
Capital Reserves	40,995	-	-	40,995
Revaluation Reserve	62,518	-	259	62,259
Capital Investment Subsidy	3,104		166	2,938
Security Premium Reserve	1,08,972	-	-	1,08,972
Surplus in Profit & Loss Statement	(1,00,397)	1,899		(98,498)
	<b>1,15,192</b>	<b>1,899</b>	<b>425</b>	<b>1,16,666</b>
			<b>As at 31st March 2014</b>	<b>As at 31st March 2013</b>
<b>3: LONG-TERM BORROWINGS</b>				
<b>SECURED</b>				
Term Loan from LIC secured against Policy			1,017	1,017
Terms of Repayment				
1. To be adjusted against proceeds receivable on maturity of Policy on 27 Dec 2025				
2. Interest is payable halfyearly basis @ 9% p.a.				
			<b>1,017</b>	<b>1,017</b>

**ASSAMBROOK LIMITED**

**Notes to Financial Statements for the year ended 31st March, 2014**

	<b>As at 31st March 2014</b>	<b>( ₹ in 000) As at 31st March 2013</b>
<b>4 : SHORT TERM BORROWINGS</b>		
<b>Unsecured</b>		
Bank's overdrawn balance	873	873
Loans repayable on demand from a Body Corporate (bearing no interest)	472	472
	<b>1,345</b>	<b>1,345</b>
<b>5 : TRADE PAYABLES</b>		
Sundry Creditors	36,138	47,657
	<b>36,138</b>	<b>47,657</b>
<b>6: OTHER CURRENT LIABILITIES</b>		
Interest accrued but not due on borrowings	23	23
Interest accrued and due on borrowings	1,478	1,488
Advance from Customers	7,406	11,767
Advance against sale of space	19,582	26,582
Statutory Dues	76,937	84,400
Employees Benefit Payable	10,957	10,066
Others	6,00,624	5,72,282
There are no amount due for payment to the Investors Education and Protection Fund at the end of the year.		
	<b>7,17,007</b>	<b>7,06,608</b>
<b>8: NON CURRENT INVESTMENTS</b>		
<b>Long Term</b>		
<b>Trade</b>		
Investment in Equity Instruments -Quoted fully paid up		
15 Shares Rossel Tea Ltd.*		
25 Shares Rossel Financial Services Ltd.*		
25 Shares RIL Investments Ltd.*		
<b>Other than Trade</b>		
Investment in Equity Instruments -Unquoted fully paid up		
50 Shares Assam Financial Corporation	5	5
500 Shares Assam Bengal Cereals Limited	5	5
5 Shares Rajasthan Slates Ltd. (Book Value ₹50/-)		
150 Shares Employees' Cooperative Credit Stores	15	15
Debtentures (Unquoted)		
5% debtentures Woodland Medical Cen.Ltd. (20 Debtentures of face value ₹ 100 each)	2	2
Investment in Government Securities (deposited with Govt. Authorities)	2	2
	<b>29</b>	<b>29</b>
Aggregate amount of Quoted Investment	-	-
Aggregate amount of Unquoted Investment	29	29
	<b>29</b>	<b>29</b>
* Received pursuant to scheme of arrangements between Rossel Industries Ltd. and these companies and considered at nil value in the accounts.		
<b>9: LONG TERM LOANS AND ADVANCES</b>		
Unsecured considered good		
Security Deposits	14,353	15,718
	<b>14,353</b>	<b>15,718</b>
<b>10: INVENTORIES</b>		
a) Stock of Tea at lower of cost and net realisable value	34,056	20,248
b) Stock of Stores and Spares at or under cost	42,967	39,303
	<b>77,023</b>	<b>59,551</b>
<b>11: TRADES RECEIVABLES</b>		
Unsecured considered good		
Debts outstanding for a period exceeding six months		671
Other debts	13,621	5,533
	<b>13,621</b>	<b>6,204</b>
<b>12: CASH AND BANK BALANCES</b>		
Balance with Banks in current accounts	886	412
Cash in Hand	463	284
	<b>1,349</b>	<b>696</b>

**ASSAMBROOK LIMITED**

**7: FIXED ASSETS**

₹ in 000's

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	Value	Addition	Sales/	Value	As at	For	Sales/	As at	As at	As at
	as at	during	Adjust-	as at		the year	Adjust-			
	01.04.13	the year	ments	31.03.14	01.04.13		ments	31.03.14	31.03.14	31.03.13
Tea Estates & Leasehold Land	255640	598	0	256238	400			400	255838	255240
Buildings	126465	2669	22361	106773	37781	2099	534	39346	67427	88682
Roads & Bridges	85	0	0	85	1	1	0	2	83	85
Fencing	3375	964	0	4339	222	57	0	279	4060	3153
Plant & Machinery	185988	29661	7875	207774	87321	10579	6577	91323	116451	98668
Furniture & Fixture	8265	0	6596	1669	7306	46	5830	1522	147	959
Vehicles	12857	1895	0	14752	3738	1245	0	4983	9769	9119
Computer	463	0	0	463	310	64		374	89	153
<b>TOTAL</b>	<b>593138</b>	<b>35787</b>	<b>36832</b>	<b>592093</b>	<b>137079</b>	<b>14091</b>	<b>12941</b>	<b>138229</b>	<b>453864</b>	<b>456059</b>
Previous Year	<b>595707</b>	<b>20955</b>	<b>23523</b>	<b>593139</b>	<b>140286</b>	<b>14873</b>	<b>18079</b>	<b>137080</b>	<b>456059</b>	
Capital Work-in-Progress	-	-	-	-	-	-	-	-	-	<b>25550</b>

Note : Tea Estates include leasehold land held in perpetuity at Tinkharia and Dhullie Tea Estates in Assam.

**ASSAMBROOK LIMITED**

Notes to Financial Statements for the year ended 31st March, 2014

	As at 31st March 2014	( ₹ in 000) As at 31st March 2013
<b>13: SHORT TERM LOANS AND ADVANCES</b>		
<b>Unsecured considered good</b>		
<b>Other Loans and Advances</b>		
Advances recoverable in cash or in kind or value to be received	3,26,156	3,14,045
Prepaid Lease Finance Charges	-	484
Other Receivables	1,59,279	1,59,279
Advance Income Tax (net of provision)	1,111	1,562
	<b>4,86,546</b>	<b>4,75,370</b>
<b>14: OTHER CURRENT ASSETS</b>		
<b>Unsecured considered good</b>		
Subsidies receivable from Government	-	7,254
	-	<b>7,254</b>
<b>15 : REVENUE FROM OPERATIONS</b>		
<b>Sales of Products</b>		
Tea	4,33,972	4,15,982
<b>Other Operating Revenues</b>		
Capital Investment Subsidy	166	166
Commission on Tea Sales	6,572	-
	<b>4,40,710</b>	<b>4,16,148</b>
<b>16: OTHER INCOME</b>		
Insurance Claims	-	385
Other receipts	6,106	102
Interest received	67	-
Profit on sale of Fixed Asset	4,311	-
	<b>10,484</b>	<b>487</b>
<b>17 : COST OF MATERIALS CONSUMED</b>		
Green Leaf (purchased and consumed)	69,647	64,483
	<b>69,647</b>	<b>64,483</b>
<b>18 : CHANGES IN INVENTORIES OF FINISHED GOODS</b>		
Stock of Tea at the beginning of the year	20,248	13,010
Less: Stock of Tea at the end of the year	34,056	20,248
(Increase)/Decrease	<b>(13,808)</b>	<b>(7,238)</b>
<b>19 : EMPLOYEE BENEFIT EXPENSE</b>		
Salaries & Wages	1,61,899	1,48,988
Contribution to Provident and Others Funds	14,749	11,849
Contribution to Gratuity Fund	10,779	6,310
Staff Welfare Expenses	12,077	8,848
	<b>1,99,504</b>	<b>1,75,995</b>
<b>20 : FINANCE COST</b>		
<b>Interest Expenses</b>		
On Secured Loans	92	92
Others		2051
	<b>92</b>	<b>2,143</b>
<b>21 : DEPRECIATION AND AMORTIZATION EXPENSES</b>		
On Tangible Assets	14,091	14,873
Less: Withdrawn on account of Depreciation on amount added on Revaluation of Tangible Assets	(259)	(262)
	<b>13,832</b>	<b>14,611</b>

**ASSAMBROOK LIMITED**

**Notes to Financial Statements for the year ended 31st March, 2014**

	<b>As at 31st March 2014</b>	<b>( ₹ in 000) As at 31st March 2013</b>
<b>22: OTHER EXPENSES</b>		
Consumption of Stores and Spare Parts	68,551	68,750
Power and Fuel	54,507	50,864
Repairs to Building	29	598
Repairs to Machinery	632	1,266
Repairs to Others	553	363
Service Charges	175	191
Miscellaneous Expenses	5,085	6,142
Car Hire Charges	302	304
Rent	121	121
Rates and Taxes	1,464	1,847
Lease Rent	484	457
Excise Duty and Cess	5,136	4,901
Tour and Travelling	554	678
Insurance	948	826
Brokerage & Commission	6,720	10,258
Freight, Shipping and Selling Expenses	17,005	12,369
Directors' Fees	46	80
Auditors' Remuneration		
Statutory Audit Fee	40	40
Tax Audit	15	15
In other capacity	4	4
Reimbursement of expenses	8	8
Sundry Balances written off	4,061	933
Fixed Assets written off	1,297	2,303
Loss on sale of Fixed Asset	666	2,838
Loss on sale of Investment	11,625	-
	<b>1,80,028</b>	<b>1,66,156</b>

23. (a) Under the Assam Fixation of Ceiling of Holding Act, 1956, 6123 Bighas of the underdeveloped land of the Company's Tea Estates had been declared surplus. A portion of the said land measuring 1948 Bighas has since been given back to the Company. Compensation for the balance land acquired by the Government will be accounted for as and when claims of the Company in this respect are settled.

(b) Land revenue in respect of this surplus land had been paid /provided as per the demands raised and would be adjusted on settlement of the amount of the compensation as mentioned above.

24. The Company was eligible for Working Capital Interest Subsidy in terms of notification of Government of India for Industrial units in the North-Eastern Region. Accordingly, Working Capital Interest Subsidy estimated to Rs. 72.54 lacs (previous year Rs.72.54 lacs) shown as recoverable on the basis of claim lodged with the appropriate authorities. During the financial year the Company has received a sum of Rs.31.91 lacs towards Working Capital interest subsidy and the balance amount of subsidy receivable amounting to Rs.40.63 lacs has been written off during the relevant financial year.

25.a) Payments against supplies from small scale and ancillary units are generally made in accordance with the agreed credit terms and to the extent ascertained from available information, there was no amount due as on 31st March, 2013 in this regard.

(b) To the extent identified from the information available from the suppliers of goods and services, there is no Macro and small enterprises being a supplier as defined under Micro, Small and Medium Enterprises Development Act, 2006.

26. The repayment of installments of Provident Fund dues as granted by the Provident Fund Commissioner, Assam vide their letter dt. 1 Sept 2009 are being paid generally as per stipulation. However no provision in respect of interest and damages on delayed payment of Provident Fund has been made, as the same is not ascertainable at this stage.

27. The Company's main business is growing, manufacturing and sale of tea. As such, there are no separate reportable segments as per the Accounting Standards on "Segment Reporting" AS 17, issued by the Institute of Chartered Accountants of India.

28. Related party disclosures as identified by the management in accordance with the Accounting standard 18 issued by the Institute of Chartered Accountants of India:

Name of Related Parties: None

Key Management Personnel: Mr. Siddharth Rampuria, Managing Director

Transaction with Key Management Personnel:

Remuneration paid during the year Rs.3,00,000/-.

Except the above, Company has not entered into transactions of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the company.

29. Earning per Equity Share

Basic and diluted as computed as per Accounting Standard AS-20

	<b>Current Year</b>	<b>Previous Year</b>
Profit/(Loss) after taxation as per Statement of Profit & Loss (Rs. in 000's)	1899	485
Weighted average number of Equity Shares outstanding	64, 61,242	64, 61,242
Earning per Equity Share of Rs.10/- each ( Rs.)	0.29	0.08

30. The Company adopted the Accounting Standard 22 Accounting for the taxes on Income, in earlier years and recognised Deferred Tax Assets and deferred Tax Liabilities. The company has carry forward business losses and unabsorbed depreciation as per Income Tax Act 1961. In absence of virtual certainty of earning profit in future years the Company has not accounted for this Deferred Tax assets in the books. However, the breakup of the deferred tax assets is as under:

	<u>As at 31<sup>st</sup> March 14</u>	<u>As at 31<sup>st</sup> March 13</u>
<b><u>Deferred Tax Liabilities</u></b> (₹ in 000)		
Depreciation & Business Loss	9131	7362
Lease Rent	Nil	175
Total	<b>9131</b>	<b>7537</b>
<b><u>Deferred Tax Assets</u></b>		
Items allowable for tax purpose on payment	8384	8852
Depreciation and Business Loss	13555	18731
Total	<b>21939</b>	<b>27583</b>
<b>Net Deferred Tax Assets</b>	<b>12808</b>	<b>20046</b>

31. Other receivables include Rs.1592.80 lacs (P.Y. 1592.80 lacs) receivable from public sector undertaking/enterprises pursuant to an agreement with ABL International Limited for assignment of debts to the Company, which are under litigation. However ABL International Ltd shall indemnify the Company in case of any short fall in the recovery of aforesaid dues and the same shall be made good by them. The Hon'ble High Court at Calcutta has passed a decree for Rs.3856.38 lacs which was challenged by the party and Hon'ble division bench has now appointed a referee to determine the mesne profit. The Company filed a SLP before the Hon'ble Supreme Court of India challenging the appointment of referee to determine the menses profit. However the Hon'ble Court directed the special Referee to submit his report before the Court. The party objected to the report of the Special Referee on which the Hon'ble Court has directed them to deposit Rs.10 Crores by 30 June, 2014 with the Registry to enable the Court to consider their objection.

### 32. Employees Benefits:

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The employees gratuity fund scheme managed by a trust(Life Insurance Corporation of India and Reliance Life Insurance Co Ltd.).The present value of obligation is determined based on actuarial valuation. The obligation for leave encashment is recognized in the same manner as Gratuity.

### Gratuity

#### 1. Reconciliation of opening and closing balances of Defined Benefit obligation:

	(Funded) 2013-14	(Funded) 2012-13
Defined Benefit obligation at beginning of the year	48608185	45322605
Interest cost	3889543	3692773
Current service cost	2258118	2039505
Actuarial Loss/(gain)	6402526	1309732
Benefits paid	10779251	3756431
Defined Benefit obligation at year end	50377701	48608185

#### 2. Reconciliation of opening and closing balance of fair value of plan assets

	2013-14	2012-13
Fair value of plan asset at beginning of year	10700566	970343
Expected return on plan asset	963051	797627
Contribution	4000000	6310368
Benefits paid	10779251	3756431
Actuarial Loss	6402526	2621341
Fair value of plan asset at the end of year	11274171	10700566

#### 3. Reconciliation of the fair value of assets and obligations

Present value of obligation at end of the year	50377701	48608185
Fari value of plan asset at the end of year	11274171	10700566
Amount recognized in Balance Sheet	(39103530)	(37907619)

4. Expenses recognized during the year

Current service cost	2258118	2039505
Interest cost	3889543	3692773
Expected return on plan assets	963051	797627
Actuarial loss/(gain)	6791972	3931074
Net Cost	11976582	8865725

5. Investment details

Fund with LICI	7738486	7249167
Fund with Reliance	3535685	3451399

6. Actuarial assumption

Mortality table(LIC)	1994-96	1994-96
Discount rate (per annum)	9.19%	9%
Rate of escalation in salary (per annum)	2%	4%
Expected rate of return on plan assets (per annum.)	9%	8%

- (a) The estimate of future salary increases takes in to account inflation, seniority, promotion and other relevant factors, such as demand and supply in employment market.
- (b) The expected return on plan asset is determined after taking in to consideration composition of plan asset held , assessed risk of asset management, historical results of the return on plan asset, and the company's policy for plan asset management.

**Leave encashment**

1. Reconciliation of opening and closing balances of Defined Benefit obligation:

	(Unfunded) 2013-14	(Unfunded) 2012-13
Defined Benefit obligation at beginning of the year	228527	794130
Interest cost	20567	52601
Current service cost	12094	87359
Actuarial Loss/(gain)	256356	491203
Benefits paid	267885	273231
Defined Benefit obligation at year end	249659	228527

2. Expenses recognized during the year

Current service cost	12094	87359
Interest cost	20567	52601
Expected return on plan assets	nil	nil
Actuarial loss/(gain)	256356	491203
Net Cost	289017	351243

33. The Company has entered into an agreement in the year 2007-08 for sale of its Tea Estates viz: Tinkharia and Dhullie T E in Assam. Pending receipt of various clearances and completion of sale, the amount received from the buyer has been shown as receipts against Consideration Money in books of accounts. Adjustment for the same shall be made in the year of completion of sale.

34. Due to operating losses in earlier years and financial constraint statutory dues including, Provident Fund dues could not be paid on due dates in respect of earlier years and these are still outstanding as on March 31, 2014. Necessary steps are already initiated by the Company to settle the dues.

35. Some of the confirmations of the Sundry Creditors are yet to be received and/or reconciled.

36. In view of inadequacy of profit no provision for Capital Redemption Reserve has been created in respect of Preference Shares issued by the Company.



37. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

38. Significant accounting policies and practices adopted by the Company are disclosed in the statement annexed to these financial statements as Annexure 1.

As per our Report of even date  
For Tiwari & Co.  
Firm Regn No. 309112E  
Chartered Accountants

P Tiwari  
Partner  
Membership No. 16590  
Kolkata, 30 May 2014

J.C. Nag  
Company Secretary  
Kolkata, 30 May 2014

For and on behalf of the Board  
SIDDHARTH RAMPURIA  
Managing Director  
SURENDRA RAMPURIA  
M.K.GUHA  
U S MENON  
Directors

**ANNEXURE 1**

**STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES**

(annexed to and forming part of the financial statements for the year ended 31 March 2014)

**(A) BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The accounts have been prepared under the historical cost convention in accordance with the provisions of the Companies Act, 1956 and mandatory accounting standards issued by the Institute of Chartered Accountants of India. Accounting policies unless specifically stated to be otherwise are in consistent and are in consonance with generally accepted accounting principles.

**(B) USE OF ESTIMATES**

The preparation of financial statements require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures relating to contingent liabilities and assets as at the Balance Sheet date and the reported amounts of income and expenses during the year. Difference between the actual results and the estimates are recognised in the year in which the results are known/materialized.

**(C) FIXED ASSETS:**

(i) Fixed Assets other than those, which have been revalued, are stated at cost. The cost of Extension Planting on cultivable land including cost of development is capitalized. However, cost of upkeep and maintenance of the areas till not matured for plucking and cost of replanting in existing areas are charged to revenue. Assets acquired under hire purchase scheme are treated as fixed assets on delivery pending transfer of title subsequently as per the terms of the hire purchase agreement.

(ii) Fixed assets are reviewed at each Balance Sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of fixed assets is determined. An impairment loss is recognized whenever the carrying amount exceeds recoverable amount. The recoverable amount is the greater of asset net selling price or value in use. If there has been change in the recoverable amount and such loss either no longer exists or has decreased, an impairment loss/reversal there of is adjusted to the carrying value of the respective assets.

**(D) DEPRECIATION:**

(i) Depreciation is provided on straight line method by applying the rates specified in Schedule XIV to the Companies Act, 1956 as under: In respect of plant & machinery, electrical machinery acquired up to 31-03-93, the specified period has been recalculated with respect to the revised rates and on assets acquired after 31-03-93 at the revised rates. In respect of furniture & fixture, office equipment and vehicles acquired up to 31-03-93 at the rates applicable at the time of acquisition.

(ii) In respect of amount added on revaluation of assets, depreciation has been provided on straight-line basis over the balance life of the respective assets and an equivalent amount is being transferred from Reserve Account to Profit & Loss Account.

**(E) LEASE RENTALS:**

The annual charge on account of lease rentals in respect of assets taken under finance lease prior to 01-04-2001 is being calculated over the effective life of assets and the in built internal rate of return in the respective agreement. The resultant excess amount carried forward as prepaid lease finance charges under loans and advances, which is charged out appropriately over the future period.

**(F) FOREIGN CURRENCY TRANSACTIONS:**

Transactions in foreign currency are recorded at the exchange rates prevailing on the date of the transaction. Foreign currency assets and liabilities covered by forward contracts are stated at the forward contract rates and loss or gains are recognised over the life of the contract while those not covered by forward contracts are restated at rates prevailing at the year end. The differentials arising on such transaction and on transactions settled during the year are recognised in Profit & Loss Account under respective heads of accounts except in cases where such liabilities and/or transaction relating to fixed assets and were entered into before 01-04-2004 and fixed assets acquired from a country outside India, in which case, these are adjusted to the cost of respective assets.

**(G) INVESTMENTS:**

Long-term investments are stated at cost less provision for diminution in value of investments other than temporary. Current investments are stated at lower of cost or market value.

**(H) BORROWING COSTS:**

Borrowing costs are recognised as an expense to the extent, the same has been incurred for the year, unless such cost is directly attributable to the acquisition, construction or production of a qualifying asset and Capitalised as part of the cost of that asset as prescribed by Accounting Standard-16, Borrowing Cost issued by the Institute of Chartered Accountants of India.

**(I) RECOGNITION OF INCOME & EXPENDITURE:**

Income and expenses, unless specified otherwise, are recognised on accrual basis. Sales other than on consignment basis are recognised on passing of property in goods as per the terms of sale or on completion of auction in case of auction sales. Consignment sales are accounted for in the year of receipt of account sales. Sales are shown net of returns. Sales are inclusive of export incentives and exchange fluctuations on export receivables. Export incentives are accounted for as and when due.

**(J) INVENTORIES:**

Cost in respect of stores and spares and packing materials includes the expenses incurred to procure the same and has been valued at cost. Cost in respect of Finished Goods represents Prime Cost and include appropriate portion of overheads and valued at cost or market value whichever is lower.

**(K) RETIREMENT BENEFITS:**

Contribution to Provident Funds is made based on fixed percentage of the basic salary/wages to the appropriate authority on accrual basis.

Liability for gratuity as determined by Reliance Life Insurance and Life Insurance Corporation of India Ltd. under the Group Gratuity Cash Accumulation Scheme is fully provided and stands funded with them. Liability for leave encashment is accounted for on accrual basis as per the management estimate considering that such benefits are payable to all eligible employees at the end of the year.

**(L) GOVERNMENTS GRANTS:**

(i) Claims receivables are accounted for at the time of lodgment depending on the certainty of receipt.

(ii) Grants relating to Fixed Assets are accounted for under Income method and proportionate amount is treated as income on the basis of useful life of assets. Other grants are credited to Profit & Loss Account or deducted from the related expenses.

**(M) TAXATION:**

Provision for tax is made for current tax and deferred tax. Current Tax is provided on the taxable income using the applicable tax rates and tax laws. Deferred tax assets and liabilities arising on account of timing differences, which are capable of reversal in subsequent periods, are recognized using the tax rates and tax laws, which have been enacted or substantively enacted. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets will be realized. In case of carry forward of unabsorbed depreciation and tax losses, deferred tax assets are recognized only if there is "virtual certainty" that such deferred tax assets can be realized against future taxable profits.

**(O) PROVISIONS AND CONTINGENT LIABILITIES:**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are generally not provided for in the accounts and are separately shown in the notes to the accounts.

ASSAMBROOK LIMITED  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014

₹ in 000's

	Year ended 31st March 2014		Year ended 31st March 2013	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
NET PROFIT BEFORE TAX		1899		485
Adjustments for :				
Depreciation & Amortisation	13832		14611	
Misc. Expenditure W/Off	0		0	
Interest ( Net )	25		2143	
Liabilities no longer required written back	0		0	
Plant and Machinery written off	1963		2303	
Loss on sale of Investment	11625		0	
Profit on sale of Fixed Asset	-4311		0	
Capital Investment Subsidy	-166		-166	
Replanting Exp written off (WIP)	0		0	
Sundry balance written off	4061		933	
		27029		19824
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>		28928		20309
Adjustments for :				
Trade and other receivables	-29985		33425	
Inventories	-17472		-10619	
Trade Payables	-1110		-19276	
<b>CASH GENERATED FROM OPERATIONS</b>		-48567		3530
Direct Taxes Paid	-217		0	
Direct Taxes Refund	668		0	
		451		0
<b>NET CASH FROM OPERATING ACTIVITIES</b> (A)		-19188		23839
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>				
Purchase of Fixed Assets	-10237		-24557	
Sale of Fixed Assets	26238		3142	
Sale of Investments	3875		0	
Investment				
Income from Investments	0		0	
Interest Received	67		0	
<b>NET CASH USED IN INVESTING ACTIVITIES</b> (B)		19943		-21415
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>				
Proceeds from Share/Preferential warrant issue	0		0	
Capital Subsidy received	0		0	
Repayment of Long term Advances			0	
Increase/Decrease(-) in Cash Credit	0		-8	
Increase/Decrease(-) in Short term Advances				
Interest Paid	-102		-2228	
Unclaimed Dividend deposited				
Dividend Tax Paid				
<b>NET CASH USED IN FINANCING ACTIVITIES :</b> (C)		-102		-2236
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>		653		188
Add: Balance at the beginning of the year		696		508
Cash and Cash Equivalents at the close of the year (Refer Note 12)		1349		696

The accompanying notes are an integral part of the Financial Statements

As per our Report of even date  
For Tiwari & Co.  
Firm Registration no.309112E  
Chartered Accountants

P. Tiwari  
Partner  
Membership No.16590  
Kolkata  
Dated 30 May 2014

J C Nag  
Company Secretary

For and on behalf of the Board  
SIDDHARTH RAMPURIA  
Managing Director  
SURENDRA RAMPURIA  
M. K. GUHA  
U S MENON

Directors

**ASSAMBROOK LIMITED**

**AREA UNDER CROP FOR THE YEAR ENDED 31ST MARCH 2014**

TEA ESTATE	AREA UNDER MATURE TEA ( HECTRES )		MANUFACTURING CROP ( KGS )	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
TINKHARIA	671	719	949415	966018
DHULLIE	615	644	1913797	1691298
<b>TOTAL</b>	1286	1363	2863212	2657316

**ASSAMBROOK LIMITED**

**CIN : L70109AS1947PLC009386**

Registered Office : Tinkharia Tea Estate, P.O. Dhekiajuli  
Dist. Sonitpur, Assam-784 110, Website :www.assambrook.com

**ATTENDANCE SLIP**

I hereby record my presence at the SIXTY FIFTH ANNUAL GENERAL MEETING of the Company at “Borsola Gymkhana Club”, Tinkharia Tea Estate, P.O. Dhekiajuli, Dist. Sonitpur(Assam) on Saturday, 20 September, 2014 at 10.00 a.m.

\_\_\_\_\_ Signature  
Full name of the Member(in block capitals)      No. of Shares held

Folio No...../DP ID No.\*..... & Client ID No\*.....

\*Applicable for members holding shares in electronic form

.....  
Full name of Shareholder/Proxy      Signature  
(in block capitals)

NOTE : Member/Proxy wishing to attend the Meeting must bring the Admission Slip to the Meeting and hand over duly signed at the registration counter.

**ASSAMBROOK LIMITED**

**CIN : L70109AS1947PLC009386**

Registered Office : Tinkharia Tea Estate, P.O. Dhekiajuli  
Dist. Sonitpur, Assam-784 110, Website :www.assambrook.com

**PROXY FORM**

\_\_\_\_\_ Signature  
Full name of the Member(in block capitals)      No. of Shares held

Name of the member(s) :

Registered address :

E-mail ID :

Folio No./Client ID

DP ID :

I/We, being the member(s) holding ..... shares of the above named company, hereby appoint

1. Name :  
Address :  
E-mail ID :      Signature:....., or failing him

2. Name :  
Address :  
E-mail ID :      Signature:....., or failing him

3. Name :  
Address :  
E-mail ID :      Signature:....., or failing him

as my/our Proxy to attend and vote(on a poll) for me/us and on my/our behalf at the Sixty fifth Annual General Meeting of the company, to be held on the 20 September, 2014 at 10.00 a.m. at “Borsola Gymkhana Club”, Tinkharia Tea Estate, P.O. Dhekiajuli, Dist. Sonitpur(Assam) and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No.

		For *	Against*
1.	To Consider and adopt audited financial statement, reports of the Board of Directors and Auditors.		
2	Appointment of Shri Surendra Rampuria, who retires by rotation and offer himself for re-appointment		
3	Re-appointment of Auditors		
4	Appointment of Shri Mrinal Kanti Guha, as an independent Director for a period of five years.		
5.	Appointment of Shri U.S. Menon, as an independent Director for a period of five years.		

Signed this 8 August, 2014

Signature of the Shareholders

Please Affix  
Revenue  
Stamp

Signature of the Proxy holder(s)

Notes :

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A Proxy need not be a member of the Company
3. \*This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.