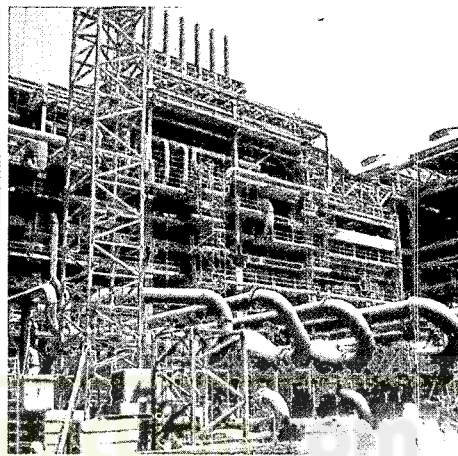




# ASSAM COMPANY INDIA LIMITED

(Erstwhile Assam Company Limited)

## ANNUAL REPORT 2009



Member

**Duncan Macneill Group**

[www.reportjunction.com](http://www.reportjunction.com)



# ASSAM COMPANY INDIA LIMITED

(Erstwhile Assam Company Limited)

Member : Duncan Macneill Group, U.K.

## BOARD OF DIRECTORS

Dr. K. K. Jajodia, *Chairman*  
Mr. A. K. Jajodia, *Managing Director*  
Mr. Umesh Barasia  
Mr. Pradip Tusnial

## Auditors

Lovelock & Lewes, Kolkata

## Bankers

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

## Solicitors

M/s. Khaitan & Co., Kolkata

## Registered Office

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

## Head Office

Assam Tea House  
52, Chowringhee Road  
Kolkata - 700 071  
Phone : (033) 2283-8306/09/12  
E-mail : [assamco@vsnl.com](mailto:assamco@vsnl.com)

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## Registrars & Share Transfer Agents

M/s. C. B. Management Services Pvt. Ltd.  
P-22, Bondel Road  
Kolkata - 700 019  
Phone : 4011 6700/11/18/23  
E-mail : [rta@cbmsl.com](mailto:rta@cbmsl.com)

Thirty-Third Annual General Meeting of the Company will be held at 11.00 A.M., on Friday, 25th June, 2010, at Dibrugarh & District Planters' Club, Lahoal, P.O. Dibrugarh, Assam



## ASSAM COMPANY INDIA LIMITED

### NOTICE

Notice is hereby given that the Thirty-Third Annual General Meeting of the Members of Assam Company India Limited will be held at 11.00 A.M. on Friday, 25th June, 2010, at Dibrugarh & District Planter's Club, Lahoal, P.O. Dibrugarh, Assam, to transact the following business :

#### Ordinary Business :

1. To receive, consider and adopt the Profit & Loss Account of the Company for the year ended 31st December, 2009 and the Balance Sheet as at that date and the Report of Directors and Auditors thereon.
2. To declare a dividend for the year ended 31st December, 2009.
3. To appoint a Director in place of Mr. Umesh Barasia, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to authorise the Board of directors to fix their remuneration.

#### Special Business:

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

**"RESOLVED THAT** Shri Pradip Tusnial who was appointed as Additional Director by the Board to hold office upto the date of this Annual General Meeting, and in respect of whom a notice under Section 257 of the Companies Act, 1956 has been received from a member signifying his intention to propose, Shri Pradip Tusnial as a candidate for the office of the Director be and is hereby elected and appointed as Director of the Company, liable to retire by rotation."

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

By Order of the Board

**Place : Kolkata**  
**Dated : 7th May, 2010**

Aditya Kumar Jajodia  
Managing Director

### NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
2. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of Special Business is annexed hereto.
3. Pursuant to Section 205A of the Companies Act, 1956, all unpaid/unclaimed dividends declared for and upto the Company's financial year ended 31st December, 2000 and as declared at the Annual General Meeting held on 28th September 2001, have been transferred to the Investor Education and Protection Fund.
4. Members are requested to quote their registered folio No. in all correspondence with the Company or its Registrars.
5. Equity Shares of the Company fall under the category of compulsory demat trading by all investors. Shareholders are requested to consider dematerialisation of their shareholding so as to avoid inconvenience.
6. To avoid loss of dividend warrants in transit and undue delay in respect of receipt of dividend warrants, the Company provides the facility of payment of dividend through ECS. Members desirous of availing this facility are requested to contact the Company's Registrar and Transfer Agents.
7. Securities and Exchange Board of India (SEBI) vide Circular No. MRD/DoP/Cir-05/2009 dated May 20, 2009 has issued a circular on PAN requirement for transfer of shares in physical form. For securities market transactions and off-market / private transactions involving transfer of shares in physical form, it shall be mandatory for the transferee(s) to furnish copy of PAN card to the Company/RTA for registration of such transfer of shares.
8. All documents referred in the Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company on all working days between 10.00 a.m. to 12 noon upto the date of the forthcoming Annual General Meeting.
9. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
10. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
11. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
12. The Register of Members and Share Transfer Books of the Company shall remain closed from 19th June, 2010 to 25th June, 2010 for determining the shareholders entitlement for dividend declared by the Board of Directors.



## ASSAM COMPANY INDIA LIMITED

### DETAILS OF DIRECTORS BEING RE-APPOINTED / APPOINTED (In pursuance of Clause 49 of the Listing Agreement):

#### Item No. 3

Mr. Umesh Barasia, Director retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

Mr. Umesh Barasia is a Chartered Accountant, and possesses nearly 25 years of experience in the field of Financial Management and Accounting.

Mr. Barasia hold directorship in Millennium Stock Brokers Private Limited, Lexus Shares and Stock Brokers Private Ltd., Lexus Technographics Pvt. Ltd. and Neptune Consultants Pvt. Ltd. and does not hold any shares in the Company.

Mr. Barasia is interested in the said Resolution. No other Director is interested in the Resolution.

The Board commends the Resolution for approval by the Members.

#### Item No. 5

Mr. Pradip Tusnial, is a graduate in Commerce. He is associated with the Tea industry since last 2 decades. He is responsible for setting strategy, implementing them and monitor and manage all companies. He has long experience of financial management and administration of business. He has also vast experience in plywood industries and real estate business.

Mr. Tusnial hold directorship in Dholai Tea Co. Pvt. Ltd., Narsingpore Tea Co. Pvt. Ltd., Kwaliti Builders & Developers Ltd., Pradip Commercial Pvt. Ltd., B. Gupta Tea (Pvt.) Ltd., Tusnial Commercial Pvt. Ltd., B. C. Gupta & Sons Ltd., Rukhma Investment & Finance Pvt. Ltd., Phaskowa Tea Plantations Ltd., Amarpur Tea & Plantations Ltd. and The Methoni Tea Company Ltd. He does not hold any shares in the Company.

Mr. Tusnial is interested in the said Resolution. No other Director is interested in the Resolution.

The Board commends the Resolution for approval by the Members.

### EXPLANATORY STATEMENT

#### PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

#### SPECIAL BUSINESS

#### Item No. 5

To broad base the Board of Directors and to comply with the requirement of Clause 49 of the Listing Agreement Shri Pradip Tusnial, was appointed by the Board as an Additional Director in the category of Non-Executive Independent Director of the Company w.e.f. 7th May, 2010 to hold office till the date of the ensuing Annual General Meeting.

The Company has received a notice under Section 257 of the Companies Act, 1956 from a member proposing his appointment for the office of the Director of the Company. Shri Pradip Tusnial is having thorough experience in the field of Tea Industry.

The Board recommends for the appointment of Shri Pradip Tusnial and proposes to pass the resolution as set out in item No. 5 of the Notice as an Ordinary Resolution.

Except, Shri Pradip Tusnial none of the Directors of the Company are interested or concerned in the resolution.

#### Inspection of documents:

The following are available for inspection by members:-

The annual accounts of the subsidiary companies at the Head Office of the Company between 10 am to 12 noon on any working day of the Company.

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

**Place : Kolkata**  
**Dated : 7th May, 2010**

By Order of the Board

Aditya Kumar Jajodia  
Managing Director





## ASSAM COMPANY INDIA LIMITED

### DIRECTORS' REPORT

Your Directors have pleasure in presenting their Thirty-Third Annual Report and Accounts for the year ended 31st December, 2009.

#### Financial Results

	Year ended 31.12.2009 Rs.	Year ended 31.12.2008 Rs.
Profit before Taxation, Depreciation & Exceptional Item	56,05,87,845	30,47,54,517
Less: Depreciation	12,04,57,775	10,39,09,667
	<u>44,01,30,070</u>	<u>20,08,44,850</u>
Less: Exceptional Item	19,68,87,328	3,51,85,220
	<u>24,32,42,742</u>	<u>16,56,59,630</u>
Add/(Less): Provision for Taxation:		
Current Tax (Net)	(4,15,51,000)	(2,70,00,000)
Deferred Tax	—	(3,67,12,493)
Net Profit for the year	<u>20,16,91,742</u>	<u>10,19,47,137</u>
Add/(Less): Balance brought forward from previous year	46,15,29,727	41,94,43,315
Available for appropriation	<u>66,32,21,469</u>	<u>52,13,90,452</u>
Your Directors propose the following appropriation :		
Proposed Dividend	6,19,52,193	4,64,64,144
Dividend Tax thereon	1,02,89,485	78,96,581
Transfer to General Reserves	1,51,50,000	55,00,000
Balance Carried Forward	<u>57,58,29,791</u>	<u>46,15,29,727</u>
	<u>66,32,21,469</u>	<u>52,13,90,452</u>

#### 1. Dividend

Your Directors are pleased to recommend for the approval of the shareholders a dividend of 20% on the paid up equity share capital of the Company.

#### 2. Performance

Gross sales grew from Rs. 184.25 Cr to Rs. 226.17 Cr, thus recording an overall increase by 22.75 %.

The total manufactured crop was 149.84 Lac Kgs in 2009 as compared to 146.83 Lac Kgs in 2008.

The increase in crop is attributable mainly to "bought leaf" operation. The production of Orthodox Tea has been emphasized upon as the market response is favourable to this variety. Stress has been laid upon capital expenditure to augment the capacities in factories for Orthodox Tea production.

Tea prices firmed up during the year due to subdued production levels globally. The average sales realization at Rs. 134.41 per Kg was better than the previous year of Rs. 111.53 per Kg.

Quality teas continue to attract premium, although sales prices have increased generally across the wide spectrum of other tea varieties. Overhead costs of inputs like fuel and power, fertilizers, increased wage rate, were controlled to minimize the cost of production which resulted in improved productivity.

The manufacture of quality teas which is renowned in the domestic and overseas market has been maintained through implementation of optimum agricultural practice and this continues to be the focus of the Management.

#### Exports

The year under review saw stable exports when 38.80 Lac Kgs were exported at gross value of Rs. 63.68 Cr as compared to Rs. 66.07 Cr in 2008.

#### Research and Development

The Company's R & D Unit dedicated to Scientific Research & Development programmes in Assam is recognized by the Ministry of Science and Technology, Govt. of India.



## ASSAM COMPANY INDIA LIMITED

### **OIL & GAS DIVISION**

The year 2009 was primarily engaged to carry on PSDM and Reservoir Characterization study by various internationally recognized agencies to verify the interpretation of 3-D Seismic acquisition which can give a better lead in next drilling campaign with a view to ensure higher success. During the year 2009, the Consortium had pursued the Gas compressions project including dual drilling operation in Well No. 11 for re-injection of gas. In Well No. 11, three zones – Main Barail, Mid Barail and Basement of oil and gas deposit were discovered.

During the year 2009, the performance of oil and gas business was subdued on account of PSDM study and ongoing installation of the Gas Re-injection Plant.

The revenue from oil & gas saw a drop from Rs. 32.73 Cr in 2008 to Rs. 18.35 Cr, while the sale volume of oil & gas which was 54914 BBLS and 20122 MCM in 2008 reduced to 39817 BBLS and 17367 MCM respectively in 2009.

Amguri Field has been producing oil and gas since April, 2006. The well produces high quality crude oil which commands premium value over "Bonny Light".

The oil and gas pool from where currently the production of oil and gas is generated, was found to be of retrograde gas reservoir and steps have been initiated for an integrated project to ensure adequate pressure and also a full scale gas plant for separating LPG to be sold at a premium. The first phase of the project is under execution at an investment of US\$ 10 million and is expected to be completed by July, 2010. On commissioning of this Project, it is expected that the production of oil / oil condensate will be increased considerably from the current level of production.

The PSDM and Reservoir Characterization study have already thrown many highly prospective zones in Amguri Field where the drilling activities can commence from 2010. It is expected that in Phase I about three wells (two Barail and one Tipam wells) will be completed by December, 2010 by deployment of two rigs. Considering the new Geological data, the Consortium expects high level success which will accrue significant revenue to both the partners under Consortium.

In coming next 2-3 years, the Consortium will drill development wells in phases as part of Full Scale Development Plan, which will further augment revenue and cash flow.

In respect of AA-ON/7 Exploration Block, comprising of 787 Sq. Km. (Assam - 468 Sq. Km. and Nagaland - 319 Sq. Km), the Company has made further investments in drilling exploratory wells during the current year and it has

plans to drill more exploratory wells in this Block during the exploration phase. During the exploratory phase in Assam belt, the joint venture has made significant progress in condensating geological leads which will facilitate in finalising the drilling location in Nagaland. As per the geological interpretation, this area has been found to be highly prospective zone in the North East. Since this Block is still in exploratory phase, exploratory activities will continue to be undertaken till a major discovery of oil and gas is made which is normal in any E&P operations.

With regard to operations in Marginal Discovered Fields, having made investments in work over operations in Laxmijan and Barsilla and having established oil and gas reserve, the Company made strong representation before ONGC seeking amendment of commercial terms to make the operation economically viable due to increased cost of operation. Since the operation was not economically viable, the Management has decided to treat these Marginal Fields as abandoned and subsequently surrendered these Fields back to ONGC.

AA-ONN-2005/1 - Assam - Arakan Basin has been awarded against NELP-VII with ONGC and Oil India Ltd. as partners. ONGC being the Operator has already initiated various minimum work programs that will be completed during 2010-11.

### **Overseas Assets:**

**Austin Exploration Limited (AEL):** The Company through its WOS, Duncan Macneill Natural Resources Limited holds shares in AEL which has assets in the US and South Australia. AEL currently maintains working interest and net revenue interests in five key oil and gas assets : two in Australia – namely PEL 105 and PEL 73 and three in the U.S.A. namely Polecat Creek, Park City Project and The Moses Austin Projects.

### **3. Financial**

The quarterly financial results as well as the Limited Review Report were published and submitted to the Stock Exchanges within the requisite time.

Capital Expenditure was incurred towards upgradation of factory buildings, tea machineries and equipments, utility services, irrigation and infrastructure facilities like housing, roads, electrification etc. at its tea estates. Capital Expenditure as per the approved work programme has been incurred towards Oil and Gas Project at Amguri and AA-ON/7. The Company has financial arrangement in place to take care of its future Capital Expenditure programme.

### **4. Subsidiary Companies**

The Statement pursuant to Section 212 of the Companies



## ASSAM COMPANY INDIA LIMITED

Act, 1956, containing details of the subsidiary companies form part of the Accounts.

The Consolidated Financial Statements of the Company and its subsidiaries, prepared in accordance with Accounting Standard 21 prescribed by The Institute of Chartered Accountants of India, form part of the Annual Report and Accounts.

### **Gujarat Hydrocarbons and Power SEZ Limited**

As reported earlier, Gujarat Hydrocarbons and Power SEZ Limited (GHAPSL), a Wholly Owned Subsidiary of the Company had taken possession of 276-18-13 HA land in GIDC Vilayat-Vagra Industrial Estate in the Bharuch District in Gujarat for setting up of a sector specific SEZ Hydrocarbon and related activities. The Lease Deed for the land was executed between GIDC and GHAPSL on 21st February 2008. GHAPSL also undertook steps for 'Site Clearance' and 'Fencing' of the land acquired in the Lease Deed and almost 13.6 km of 'fencing' was completed during the year. The Company has awarded contract for Rapid Environment Impact Assessment (REIA) for obtaining Environmental Clearance (EC) from Ministry of Environment & Forests (MoEF) and the work is on going.

In view of the Panchayat Road which bisects the land, GHAPSL decided to set up two SEZs instead of earlier proposed one SEZ. In this regard, it was decided to earmark the plot north of the Panchayat Road for 'Energy including New and Renewable Energy' (108 HA) and the plot south of the Panchayat Road for 'Oil & Gas including its Derivatives (Petrochemicals)' (140 HA). GHAPSL submitted application to MoC&I on 10th October 2008 for conversion of the 'In principle' approval to 'Formal approval' and both applications for North and South Plot were approved by MoC&I on 6th January, 2009. 140 hectares has got notified on 23rd March, 2010, whereas the Company is expecting notification for 108 hectares within 2010.

### **Namburnadi Tea Company Limited**

During the year under review, the Company sold 5.32 Lac Kgs. of tea as against 4.31 Lac Kgs. of tea during the previous year. Sales was Rs. 5.56 Cr in 2009 as compared to Rs. 3.78 Cr in 2008. Efforts continue to improvise working of the Company. Average realization per Kg increased from Rs. 88/- to Rs. 105/- in 2009.

## **5. Environment and Social Concern**

The Company emphasizes on energy conservation, waste minimization and conservation of resources through

afforestation, control on emissions and effluents. Utmost priority is given to these factors in all the tea Estates and production units.

The facilities at each of the gardens, relating to hospitals, primary schools, crèches and rations are the core areas through which social responsibilities are executed. All these measures have ensured smooth commercial operations without adversely affecting the environment.

## **6. Directors**

Mr. Umesh Barasia retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for reappointment.

Mr. Santosh Bhagat resigned from the Board with effect from 24th November, 2009. Your Directors wish to place on record appreciation of services rendered by him to the Company.

Mr. Pradip Tusnial has been appointed as Additional Director with effect from 7th May, 2010.

## **7. Corporate Governance**

A detailed report on Corporate Governance is separately attached together with a report on Management Discussion and Analysis.

## **8. Directors' Responsibility Statement**

Pursuant to the requirements under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:-

- (i) that in preparation of the annual accounts for the year ended 31st December, 2009, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that 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 and of the profit or loss of the Company for the year under review;
- (iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors had prepared the accounts for the



## ASSAM COMPANY INDIA LIMITED

year ended 31st December, 2009 on a going concern basis.

### 9. Cost Audit

The Central Government has made it mandatory for the Company to conduct a cost audit and accordingly the Company has appointed BCD & Associates as Cost Auditor.

### 10. Auditors

Messrs. Lovelock & Lewes, Chartered Accountants, retire at the forthcoming Annual General Meeting and are eligible for re-appointment.

### 11. Auditors' Observations

The report of the Auditors and the Notes on account is self-explanatory and as such, does not call for any further comments from Directors.

### 12. Particulars as per Section 217 of the Companies Act, 1956:

The information relating to energy conservation, technology absorption, foreign exchange earnings and outgo, pursuant to Section 217 (1) (e) of the Companies

Act, 1956 is set out in Annexure "A" forming part of this Report.

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

### 13. Acknowledgement

Your Directors sincerely thank the Government of India, Ministry of Petroleum and Natural Gas, other Ministries, the Government of Assam, Banks and Financial Institutions, the Consortium Partners, customers, shareholders, vendors and other related organizations for their continued assistance and co-operation.

Your Directors also appreciate the industrial harmony at all the tea gardens and other locales and commend the dedicated efforts and services put in by the employees and workmen.

**On behalf of the Board of Directors**

Place : Kolkata

**A. K. Jajodia** – *Managing Director*

Date : 7th May, 2010

**P. Tusnial** – *Director*






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**ASSAM COMPANY INDIA LIMITED**


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**ANNEXURE - 'A' FORMING PART OF THE DIRECTORS' REPORT**

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO IN TERMS OF SECTION 217(1)(e) OF THE COMPANIES ACT, 1956, READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 FOR THE YEAR ENDED 31ST DECEMBER 2009

**FORM "A"**

Current Year ended 31.12.2009	Previous Year ended 31.12.2008
-------------------------------------	--------------------------------------

**CONSERVATION OF ENERGY****A. Power & Fuel Consumption****1. Electricity**

a. Purchased Units (KWH)	9429806	10626954
Total Amount (Rs.)	63728684	66932510
Rate per Unit (Rs.)	6.76	6.30
b. Through diesel generator Units (KWH)	3557386	3002783
Units per Ltr. of diesel	2.84	2.83
Cost / Unit (Rs.)	11.62	11.75

**2. Coal**

Quantity (Tonnes)	3176.23	4370.53
Total Cost (Rs.)	15696376	17608704
Average Rate (Rs. / Tonne)	4941.83	4028.97

**3. Furnace Oil**

Quantity in K. Ltrs.	89.822	119.706
Total Cost (Rs.)	3504684	4472324
Average Rate (Rs. / KL)	39018	37361

**4. Gas**

Quantity (Scum)	8367005	6590337
Total Cost (Rs.)	43247575	34871564
Rate (Rs. / Scum)	5.17	5.29

**B. Consumption Per Unit of Production**

Production of Tea (Kgs.)	14826107	14536195
Electricity (KWH)	0.88	0.94
Furnace Oil (Ltrs.)	0.01	0.02
Coal (Kgs.)	1.29	1.44
Gas (Scum)	0.56	0.45



## ASSAM COMPANY INDIA LIMITED

### ANNEXURE TO THE DIRECTORS' REPORT (CONTD.)

#### FORM "B"

#### RESEARCH AND DEVELOPMENT (R&D)

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

#### TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

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

#### FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year, foreign exchange outgo was to the extent of Rs. 6.18 Cr. The foreign exchange earnings during the period was Rs. 63.71 Cr. Details of the foreign exchange earnings and outgo have been given in Schedule 13(15) and 13(14) to the Accounts.