70th ANNUAL REPORT
2016-17

BENGAL & ASSAM COMPANY LIMITED

BENGAL & ASSAM COMPANY LIMITED

BOARD OF DIRECTORS	:	BHARAT HARI SINGHANIA Chairman A. K. KINRA BAKUL JAIN J.R.C. BHANDARI DR. RAGHUPATI SINGHANIA SANJAY KUMAR KHAITAN SHAILENDRA SWARUP VINITA SINGHANIA
MANAGER & CHIEF FINANCIAL OFFICER	:	U.K. GUPTA
COMPANY SECRETARY	:	DILLIP KUMAR SWAIN
REGISTERED OFFICE	:	7, COUNCIL HOUSE STREET, KOLKATA, WEST BENGAL - 700001
ADMINISTRATIVE OFFICE	:	PATRIOT HOUSE 3, BAHADUR SHAH ZAFAR MARG, NEW DELHI - 110 002
BANKERS	:	CENTRAL BANK OF INDIA CORPORATION BANK INDIAN OVERSEAS BANK
AUDITORS	:	LODHA & CO. Chartered Accountants
REGISTRAR & SHARE TRANSFER AGENT	:	ALANKIT ASSIGNMENTS LTD. ALANKIT HEIGHTS 1E/13, JHANDEWALAN EXTENSION, NEW DELHI-110 055 (INDIA)
COMPANY WEBSITE	:	www.bengalassam.com
CIN	:	L67120WB1947PLC221402
E-MAIL	:	dswain@jkmail.com

Directors' Report and Management Discussion & Analysis

TO THE MEMBERS

The Directors have pleasure in presenting the 70th Annual Report together with the Audited Financial Statements of the Company for the year ended 31st March, 2017.

CORE INVESTMENT COMPANY

The Company is a Core Investment Company-Non Deposit Taking-Systemically Important (CIC-ND-SI) registered with the Reserve Bank of India (RBI) and has been complying with all the conditions prescribed by RBI.

OPERATIONS & OUTLOOK

The Company achieved Profit after Tax of ₹ 2303.69 lacs for the year as against ₹ 2,297.86 lacs in the previous year. The Company (being a core investment company), holds significant investments in group companies which are engaged in diversified industrial segments.

Fiscal 2016-17 was marked by developments both on the domestic and international environments, namely, Brexit, political changes in advanced economies, growing protectionism and Central Government policy actions on Goods & Service Tax and Demonetization initiatives. India continues to remain one of the fastest growing economies in the world and is expected to register a growth of over 7% in the current year.

Various reform measures undertaken by the Central Government and the projected increase in global growth is expected to give an impetus to the Indian Economy in the long run. This should have a positive impact on the working of the investee companies and the capital market leading to better valuations.

DIVIDEND

Your Directors are pleased to recommend a dividend of ₹ 10/- per share (100%) for the financial year ended 31st March, 2017. The total dividend outgo would be ₹ 8.68 Crores.

REGISTERED OFFICE

The Registered Office of the Company has been shifted from NCT of Delhi to 7, Council House Street, Kolkata in the State of West Bengal, w.e.f. 7th June, 2017.

APPROPRIATIONS

The amount available for appropriation, including surplus from previous year is ₹ 5,522.54 lacs. The Directors propose this to be appropriated as under:

Transfer to Reserves (As per RBI guidelines)		₹ 460.74	Lacs
Surplus carried to Balance Sheet		₹ 5,061.80	Lacs
	Total	**₹ 5,522.54**	**Lacs**

EXTRACT OF ANNUAL RETURN

An extract of the Annual Return as on 31st March, 2017 in the prescribed form MGT-9 is attached as Annexure-1 to this Report and forms part of it.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company being a Core Investment Company registered with the Reserve Bank of India, Section 186 of the Companies Act, 2013 is not applicable to it. The particulars of loans, guarantees and investments are given in the financial statements.

RELATED PARTY TRANSACTIONS

During the financial year ended 31st March, 2017, all the contracts or arrangements or transactions entered into by the Company with the Related Parties were in the ordinary course of business and on arms' length basis and were in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, the Company has not entered into any contract or arrangement or transaction with the related parties which could be considered material in accordance with the policy of the Company on materiality of the Related Party Transactions. In view of the above, disclosure in Form AOC-2 is not applicable.

The Related Party Transactions Policy as approved by the Board is available on the website of the Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Shri Ashok Kumar Kinra, retires by rotation and being eligible offers himself for re-appointment at the ensuing Annual General Meeting.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements have been prepared by the Company in accordance with the applicable Accounting Standards. The Audited Consolidated Financial Statements together with Auditors' Report form part of the Annual Report.

A report on the performance and financial position of each of the subsidiaries and associates, included in the Consolidated Financial Statements is presented in a separate section in this Annual Report. Please refer AOC-1 annexed to the Financial Statements in the Annual Report.

Pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, Consolidated Financial Statements alongwith relevant documents and separate audited accounts in respect of subsidiaries are available on the website of the Company.

During the financial year under review, no company has become or ceased to be your Company's subsidiary. With the coming into effect of the Companies Act 2013, JK Lakshmi Cement Ltd., JK Tyre & Industries Ltd., JK Paper Ltd., JK Agri Genetics Ltd., Umang Dairies Ltd., Pranav Investment (M.P.) Company Ltd., Dwarkesh Energy Ltd., Global Strategic Technologies Ltd., Deepti Electronics & Electro-Optics Pvt. Ltd., PSV Energy Pvt. Ltd., J.K. Risk Managers & Insurance Brokers Ltd. and CliniRx Research Private Ltd. have become associates of the Company.

DEPOSITS

The Company is a registered Non-Banking Finance Company and does not accept public deposits and as required by the Reserve Bank of India (RBI), the Board of Directors have also passed necessary resolution not to accept public deposits during the financial year 2017-18, without prior approval of RBI.

AUDITORS

(a) Statutory Auditors and their Report

M/s Lodha & Co., Chartered Accountants, have been appointed as Auditors of the Company to hold the office from the conclusion of the 67th Annual General Meeting until the conclusion of the 72nd Annual General Meeting, subject to ratification of the appointment by the Members at the respective Annual General Meetings. Accordingly, being eligible, matter relating to the appointment of the Auditors will be placed for ratification by members at the forthcoming Annual General Meeting. The observations of the Auditors in their report on Accounts and the Financial Statements, read with the relevant notes are self explanatory.

(b) Secretarial Auditor and Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Board of Directors appointed Shri Namo Narain Agarwal, Company Secretary in Practice as Secretarial Auditor to carry out Secretarial Audit of the Company for the financial year 2016-17. The Report given by him for the said financial year in the prescribed format is annexed to this Report as Annexure 2. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

During the financial year under review, there were no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

PARTICULARS OF REMUNERATION

Disclosure of the ratio of the remuneration of each Director to the median employee's remuneration and other requisite details pursuant to section 197 (12) of the Companies Act, 2013 ("Act") read with Rule 5 (1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, is annexed to this Report as Annexure-3. Further, particulars of Employees pursuant to Rule 5(2) & (3) of the above Rules, forms part of this Report. However, as per the provisions of Section 136 of the said Act, the Report and Accounts are being sent to all the Members of the Company and others entitled thereto, excluding the aforesaid information. Any Member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company. The said information is available for inspection at the Registered Office of the Company during working hours.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements and no material reportable weakness was observed in the system. Further, the Company has in place adequate internal financial controls commensurate with the size and nature of its operations. The Company also has robust Budgetary Control System and Management Information System (MIS) which is the backbone of the Company for ensuring that your Company's assets and interests are safeguarded.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134(3)(c) of the Companies Act, 2013, your Directors state that:-

(a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) the accounting policies have been selected and applied consistently and judgments and estimates made are 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 and loss of the Company for that period;

(c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the said Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the annual accounts have been prepared on a going concern basis;

(e) the internal financial controls to be followed by the Company have been laid down and that such internal financial controls are adequate and were operating effectively; and

(f) the proper systems to ensure compliance with the provisions of all applicable laws have been devised and that such systems were adequate and operating effectively.

CORPORATE GOVERNANCE

Your Company re-affirms its commitment to the highest standards of corporate governance practices. Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a Management Discussion and Analysis, Corporate Governance Report and Auditors' Certificate regarding compliance of conditions of Corporate Governance are made a part of this Report.

The Corporate Governance Report which forms part of this Report, also covers the following:

(a) Particulars of the four Board Meetings held during the financial year under review.

(b) Policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management including, *inter alia,* the criteria for performance evaluation of Directors.

(c) The manner in which formal annual evaluation has been made by the Board of its own performance and that of its Committees and individual Directors.

(d) The details with respect to composition of Audit Committee and establishment of Vigil Mechanism.

(e) Details regarding Risk Management.

RISK AND CONCERNS

The Company is mainly exposed to capital market risks in the form of change in value of its investments. The Company is also exposed to the fluctuations of economy and industry cycles.

CAUTIONARY STATEMENT

The statement in this Management Discussion and Analysis Report, describing the Company's outlook, projections, estimates, expectations may be "Forward-looking Statements" within the meaning of applicable securities laws or regulations. Actual results could differ materially from those expressed or implied.

CORPORATE SOCIAL RESPONSIBILITY

The requirement of Corporate Social Responsibility (CSR) in terms of Section 135 of the Companies Act, 2013 and the rules made thereunder is not applicable to the Company, since the Company's main source of income is dividend from CSR compliant companies.

CONSERVATION OF ENERGY ETC.

As required under Section 134(3)(m) read with the Companies (Accounts) Rules, 2014, the requirement of furnishing particulars of energy conservation, technology absorption, etc. is not applicable to the Company. Further, particulars of Foreign Exchange Earning and Outgo are as under:-

i) Foreign Exchange earned : NIL

ii) Foreign Exchange Outgo : NIL

ACKNOWLEDGEMENTS

Your Directors wish to place on record and acknowledge their appreciation for the continued support and co-operation received from the various Government Authorities, Lending Institutions and the esteemed shareholders of the Company. The Directors also record their appreciation for the total dedication of the employees.

On behalf of the Board

BHARAT HARI SINGHANIA
Chairman

New Delhi
Date: 8th June, 2017

With a view to avoid duplication between the Directors' Report and Management Discussion and Analysis, a Combined Report has been presented.

Annexure-1

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2017
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

(i)	CIN	:	L67120WB1947PLC221402
(ii)	Registration Date	:	30th January, 1947
(iii)	Name of the Company	:	Bengal & Assam Company Ltd.
(iv)	Category/Sub-Category of the Company	:	Public Company/Limited by Shares
(v)	Address of the Registered Office and Contact Details	:	7, Council House Street, Kolkata, West Bengal - 700 001 Ph. No. : 033 - 22486181 Fax No. : 033 - 22481641 Email id : dswain@jkmail.com Website : www.bengalassam.com
(vi)	Whether Listed Company Yes/ No	:	Yes
(vii)	Name, Address and Contact Details of Registrar and Transfer Agent, if any	:	Alankit Assignments Ltd. CIN: U74210DL1991PLC042569 Alankit Heights,1E/13, Jhandewalan Extension, New Delhi - 110 055 Ph. No. : 011 - 42541234, 23541234 Fax No. : 011 - 41543474 Email id : rta@alankit.com Website : www.alankit.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company:-

Sl. No.	Name and Description of main products/services	NIC Code of the Product/ Service *	% to total turnover of the Company
1.	Investments	642	88.28
2.	Rent on Properties	681	11.13

* As per National Industrial Classification (2008)– Ministry of Statistics and Programme Implementation.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	Name and Address of the Company	CIN/~~GLN~~	Holding/ Subsidiary/ Associate	% of Shares held *	Applicable Section
1	J.K. Fenner (India) Ltd. 3, Madurai Melakkal Road, Madurai- 625 016	U24231TN1992PLC062306	Subsidiary	88.17	2(87)
2	Southern Spinners and Processors Ltd. 3, Madurai Melakkal Road, Madurai- 625 016	U17111TN2005PLC056558	Subsidiary	88.17	2(87)

Sl. No.	Name and Address of the Company	CIN/~~GLN~~	Holding/ Subsidiary/ Associate	% of Shares held *	Applicable Section
3	Modern Cotton Yarn Spinners Ltd. 3, Madurai Melakkal Road, Madurai- 625 016	U17111TN2005PLC057274	Subsidiary	88.17	2(87)
4	Acorn Engineering Ltd. Delite Theatre Building, 2nd Floor, Asaf Ali Road, New Delhi- 110 002	U74210DL1978PLC009175	Subsidiary	88.17	2(87)
5	BMF Investments Ltd. Patriot House, 3, Bahadur Shah Zafar Marg, New Delhi- 110 002	U67120DL2005PLC161088	Subsidiary	88.17	2(87)
6	Divyashree Company Pvt. Ltd. Patriot House, 3, Bahadur Shah Zafar Marg, New Delhi- 110 002	U10100DL2008PTC178373	Subsidiary	92.75	2(87)
7	Panchmahal Properties Ltd. Nehru House, 4, Bahadur Shah Zafar Marg, New Delhi- 110 002	U74899DL1995PLC068913	Subsidiary	100	2(87)
8	L V P Foods Pvt. Ltd. Patriot House, 4th Floor, 3, Bahadur Shah Zafar Marg, New Delhi- 110 002	U45200DL2006PTC156229	Subsidiary	99.99	2(87)
9	JK Tyre & Industries Ltd. Jaykaygram, P.O. Tyre Factory, Kankroli, Rajasthan- 313 342	L67120RJ1951PLC045966	Associate	35.66	2(6)
10	JK Lakshmi Cement Ltd. Jaykaypuram, Basantgarh, Distt. Sirohi, Rajasthan- 307 019	L74999RJ1938PLC019511	Associate	33.20	2(6)
11	JK Agri Genetics Ltd. 7, Council House Street, Kolkata- 700 001	L01400WB2000PLC091286	Associate	22.19	2(6)
12	JK Paper Ltd. PO- Central Pulp Mills, Fort Songarh, District Tapi, Gujrat- 394 660	L21010GJ1960PLC018099	Associate	42.64	2(6)
13	Umang Dairies Ltd. Gajraula Hasanpur Road, Gajraula, Uttar Pradesh- 244 235	L15111UP1992PLC014942	Associate	49.87	2(6)
14	Dwarkesh Energy Ltd. Gulab Bhawan, 3rd Floor, 6A, Bahadur Shah Zafar Marg, New Delhi- 110 002	U31200DL2005PLC278945	Associate	29.99	2(6)
15	Pranav Investment (M.P.) Company Ltd. Patriot House, 3, Bahadur Shah Zafar Marg, New Delhi- 110 002	U65929DL1974PLC114590	Associate	30.00	2(6)
16	Global Strategic Technologies Ltd. Nehru House, 3rd Floor, 4, Bahadur Shah Zafar Marg, New Delhi- 110 002	U74140DL2011PLC216818	Associate	43.42	2(6)

Sl. No.	Name and Address of the Company	CIN/~~GLN~~	Holding/ Subsidiary/ Associate	% of Shares held *	Applicable Section
17	Deepti Electronics & Electro-Optics Pvt. Ltd. No. 3 & 4 , I Cross, 7th Main J. C. Industrial Area Off, Kanakpura Main Road, Bangalore, Karnataka- 560 062	U33203KA2000PTC027238	Associate	35.41	2(6)
18	PSV Energy Pvt. Ltd. Patriot House, 4th Floor, 3, Bahadur Shah Zafar Marg, New Delhi- 110 002	U40300DL2013PTC258991	Associate	26.00	2(6)
19	J.K. Risk Managers & Insurance Brokers Ltd. Patriot House, 4th Floor, 3, Bahadur Shah Zafar Marg, New Delhi- 110 002	U74999DL2002PLC114816	Associate	38.39	2(6)
20	CliniRx Research Private Ltd. 7, Council House Street, Kolkata- 700 001	U85110WB2004PTC098498	Associate	41.86	2(6)

* Represents aggregate % of shares held by the Company along with its subsidiaries.

IV. SHARE HOLDING PATTERN (Equity Share Capital Break-up as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (as on 1st April, 2016)				No. of Shares held at the end of the year (as on 31st March, 2017)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters **									
(1) Indian									
a) Individual/HUF	46,92,826	-	46,92,826	54.05	46,92,826	-	46,92,826	54.05	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	17,29,667	-	17,29,667	19.92	17,29,667	-	17,29,667	19.92	-
e) Banks/FIs	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	**64,22,493**	**-**	**64,22,493**	**73.97**	**64,22,493**	**-**	**64,22,493**	**73.97**	**-**
(2) Foreign									
a) NRIs -Individuals	-	-	-	-	-	-	-	-	-
b) Other- Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/ FIs	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	**-**	**-**	**-**	**-**	-	**-**	**-**	**-**	**-**
Total Share holding of Promoters (A)= (A)(1)+(A)(2)**	**64,22,493**	**-**	**64,22,493**	**73.97**	**64,22,493**	-	**64,22,493**	**73.97**	**-**
B. Public Share holding									
1. Institutions									
a) Mutual Funds/UTI	223	111	334	0.00	208	111	319	0.00	-