

ANNUAL REPORT 2013 - 14



ASSAM
PETRO-CHEMICALS
LIMITED



BOARD OF DIRECTORS

Shri Rameswar Dhanowar, Chairman	Nominee Directors of AIDC Ltd.
Shri R.T. Jindal, IAS	Do
Shri P.K. Borthakur, IAS	Do
Shri Rajesh Prasad, IAS	Do
Shri N.N. Barkakoty	Do
Shri D. N. Barua	Independent Directors
Shri B.K. Sarma	Do
Shri A.N. Das	Do
Shri Utpal Borah	Do
Shri Sanjeev Kr. Choubey	Do
Shri Ratul Bordoloi	Managing Director

AUDIT COMMITTEE

Shri D. N. Barua	Chairman
Shri B. K. Sarma	Member
Shri N.N. Barkakoty	Do
Shri Sanjeev Kr. Choubey	Do

COMPANY SECRETARY AND COMPLIANCE OFFICER

Shri Uttam Bailung

STATUTORY AUDITORS

M/s L.K. Kejriwal & Co.
4th Floor, Mangal Ram Tower,
A.T. Road, Guwahati, PIN-781001

REGISTRAR AND SHARE TRANSFER AGENT

M/s C.B. Management Services (P) Ltd.
P-22, Bondel Road, Kolkata-700 019

BANKERS

United Bank of India
State Bank of India
UCO Bank
Axis Bank

REGISTERED OFFICE

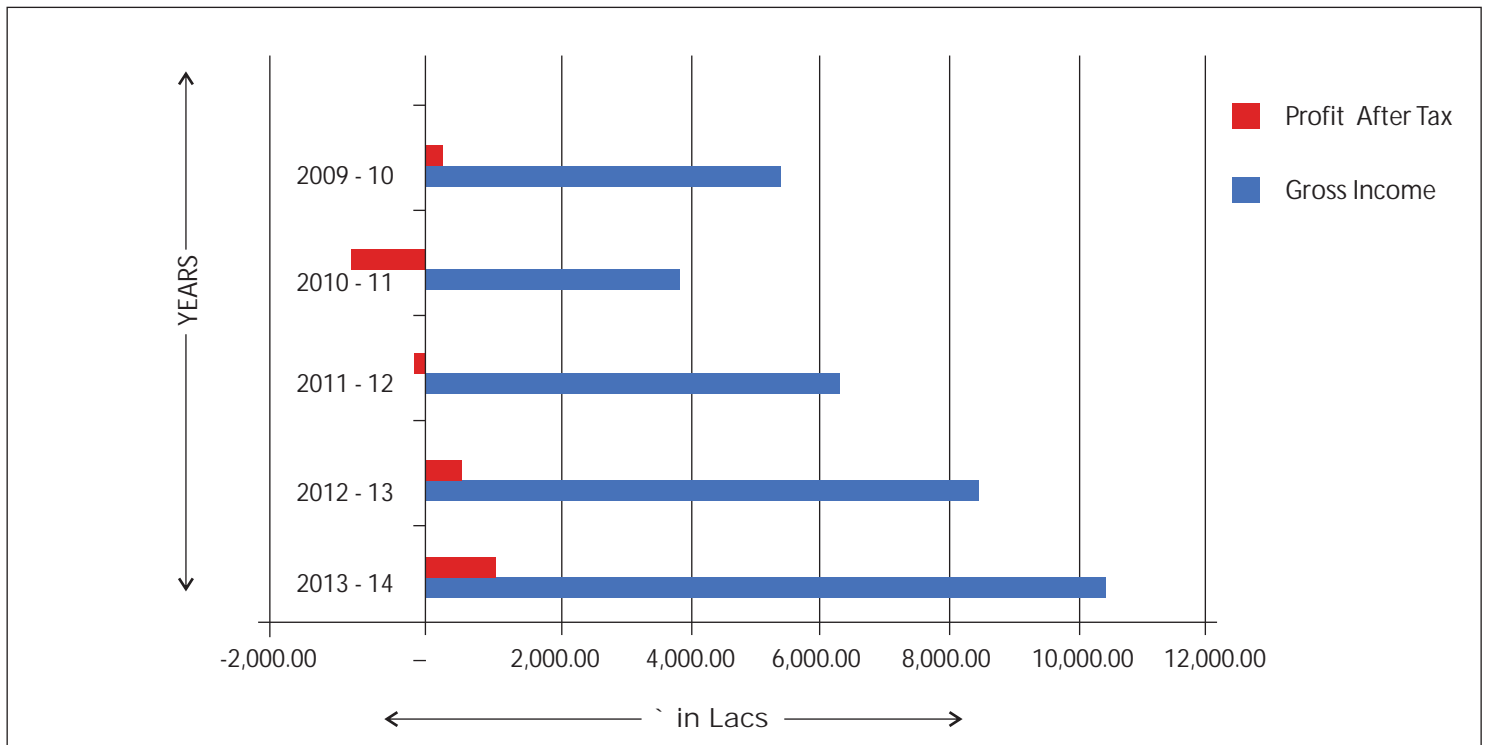
4th Floor, Orion Place
G.S. Road, Bhangagarh
Guwahati, Assam-781005

FINANCIAL SNAPSHOT OF LAST 10 YEARS

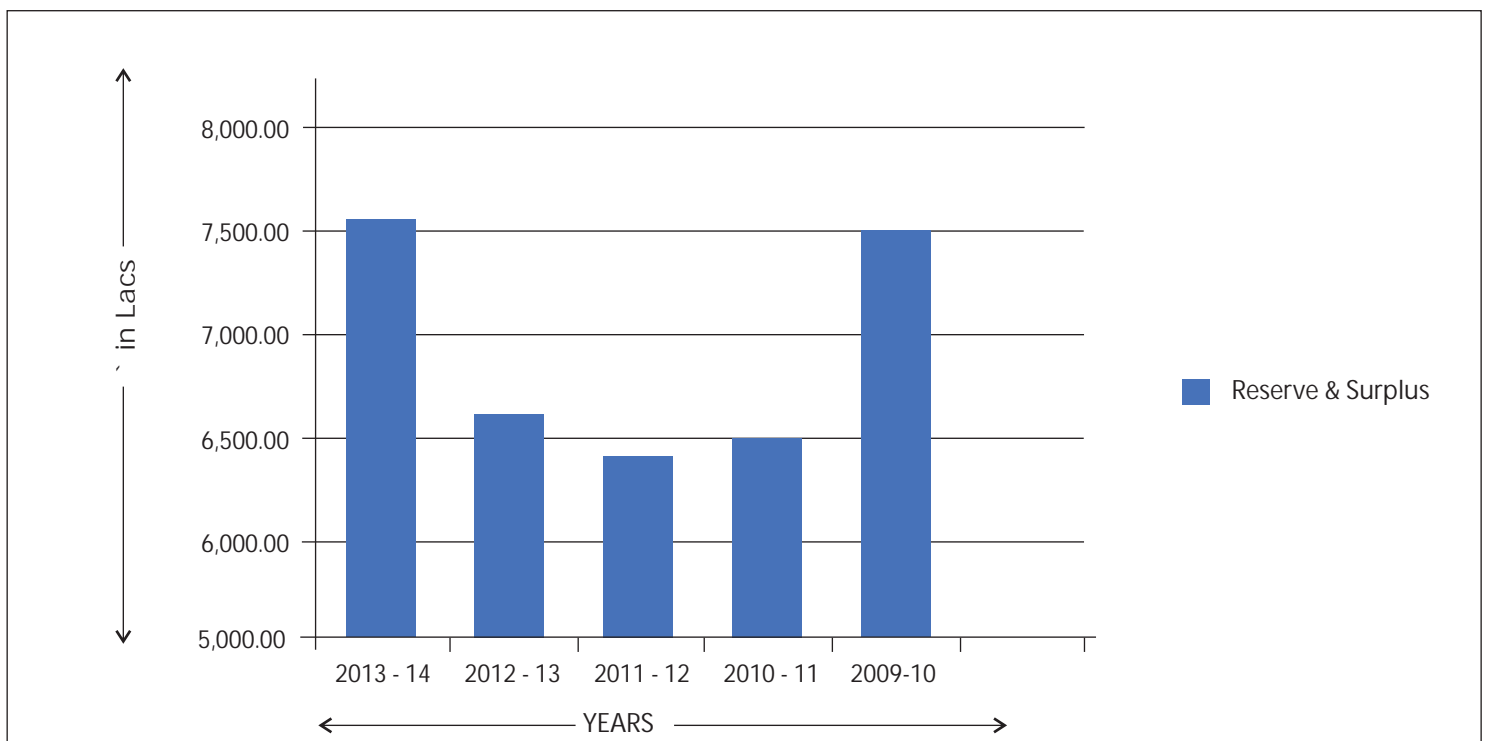
Particulars	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
Operating Results										
Gross Income	10,284.63	8,705.78	6,419.50	3,868.78	5,577.69	5,493.42	6,259.21	5,946.86	5,228.27	4,721.47
Profit Before Interest										
Depreciation and Tax	1,401.55	737.82	64.61	-912.57	642.31	1,237.59	1,655.70	1,653.84	1,629.75	1,901.21
Depreciation	244.82	232.51	175.55	125.10	134.42	128.83	160.43	311.14	314.23	322.55
Profit Before Tax	1,156.73	505.31	-110.93	-1,037.67	507.89	1,108.76	1,495.27	1,342.70	1,315.51	1,578.67
Tax	190.29	101.30	-4.73	-13.85	228.96	584.53	588.56	217.33	237.12	83.47
Profit After Tax	966.44	404.01	-106.20	-1,023.82	278.93	524.23	906.71	1,125.37	1,078.39	1,495.20
Dividend and Tax	106.70	105.99	-	-	106.70	106.70	106.70	106.70	104.85	104.92
Dividend %	10%	10%			10%	10%	10%	10%	10%	10%
Retained Earnings	859.74	298.01	-106.20	-1,023.82	172.23	417.54	800.01	1,018.67	973.54	1,390.27
EPS in ` per Share	10.60	4.43	-1.16	-11.68	3.06	5.75	9.94	12.34	11.82	14.50
Gross Block	7,839.41	7,821.47	7,504.85	7,034.73	7,038.95	7,026.64	6,968.70	6,965.92	6,891.45	7,627.97
Net Block	1,522.63	1,674.71	1,506.39	1,029.85	1,158.19	1,280.30	1,348.87	1,503.06	1,739.73	2,097.55
Reserves & Surplus	7,528.79	6,669.92	6,372.77	6,479.84	7,504.53	7,333.17	6,916.50	6,117.35	5,091.32	4,126.88
Capacity Utilisation										
Annual Installed Capacity (In MT)										
Methanol	33000	33000	33000	33000	33000	33000	33000	33000	33000	33000
Formalin	41250	41250*	33000	33000	33000	33000	33000	33000	33000	33000
Actual Production (In MT)										
Methanol	28822	33547	26994	17982	33759	30203	31373	26797	32706	29616
Formalin	37363	34877	29888	22906	31443	26183	26906	25975	27040	26845
Capacity Utilisation(In %)										
Methanol	87	102	82	54	102	92	95	81	99	90
Formalin	91	92	91	69	95	79	82	79	82	81

* Capacity increased from 100 TPD to 125 TPD

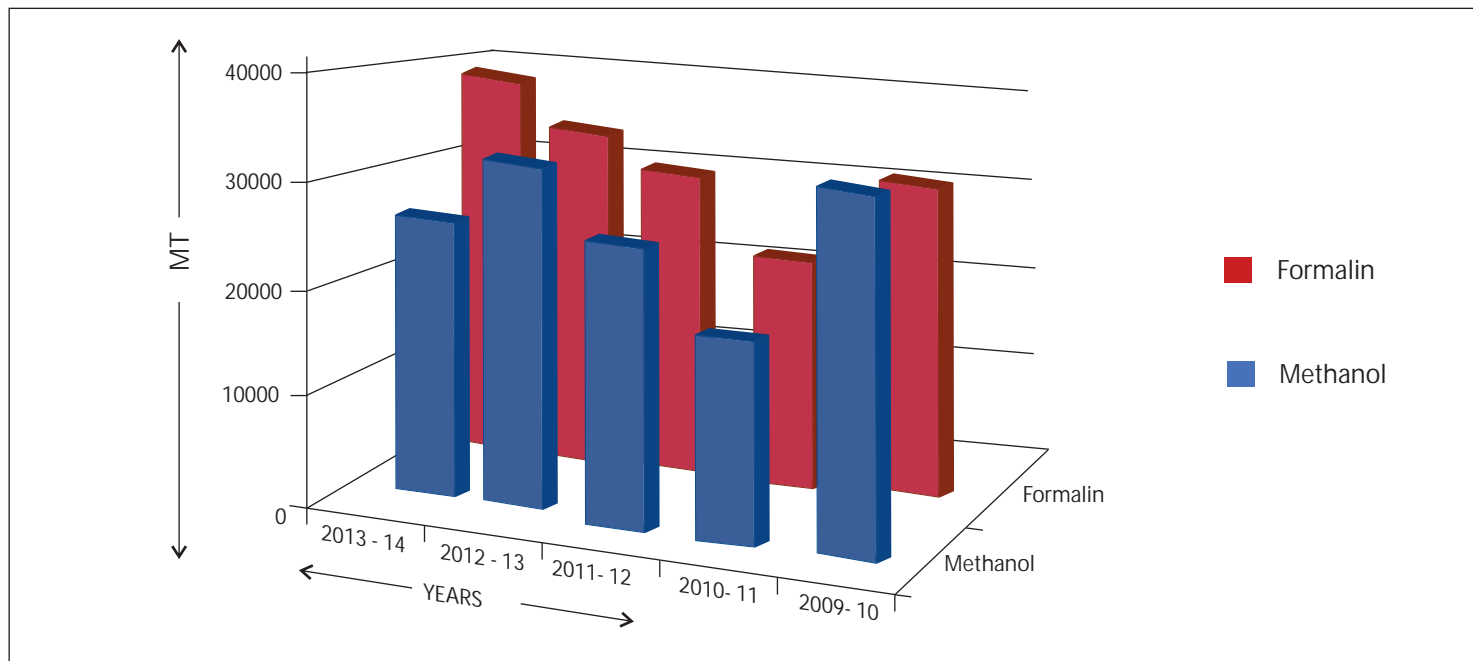
Gross Income and Profit Before Tax



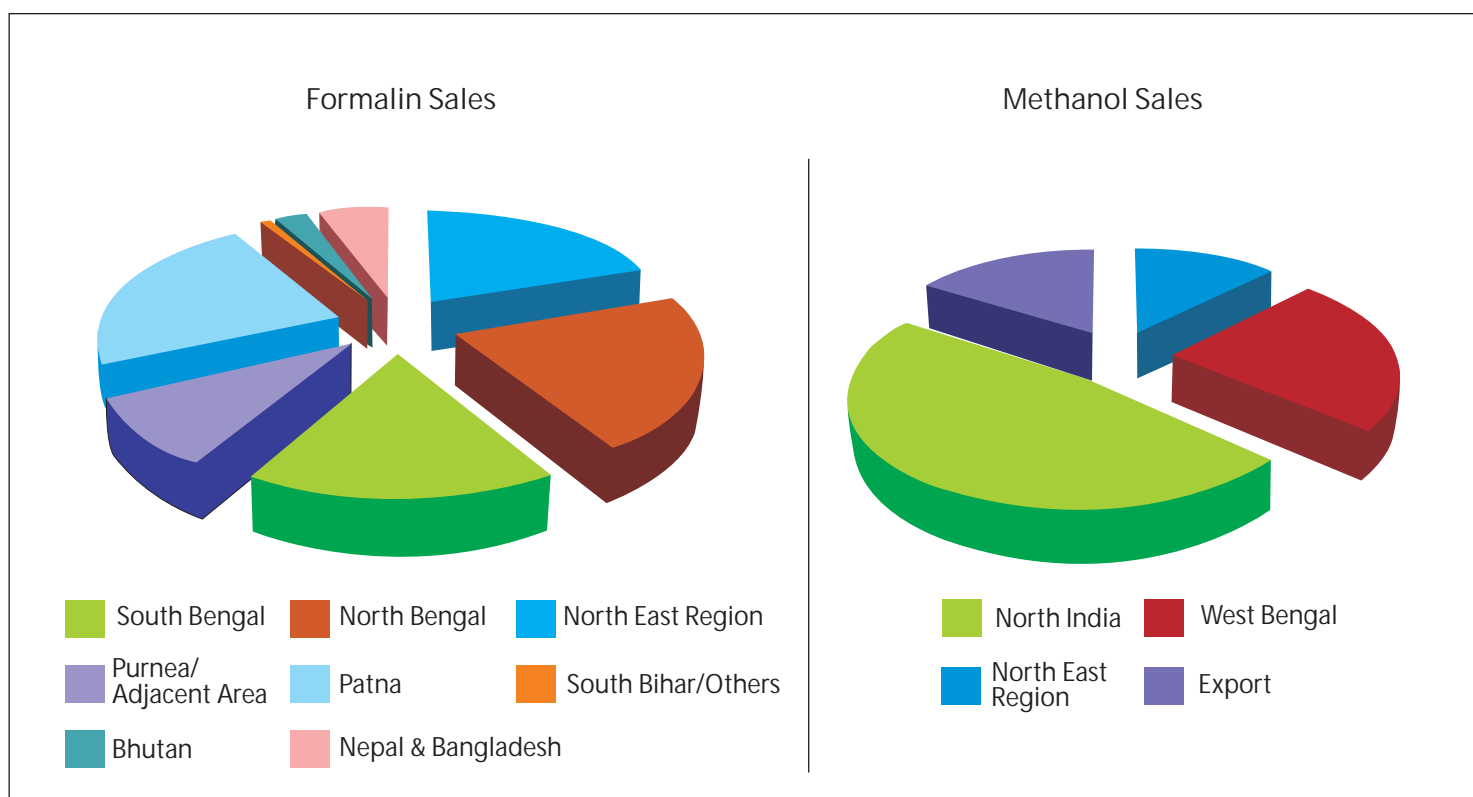
Reserve & Surplus



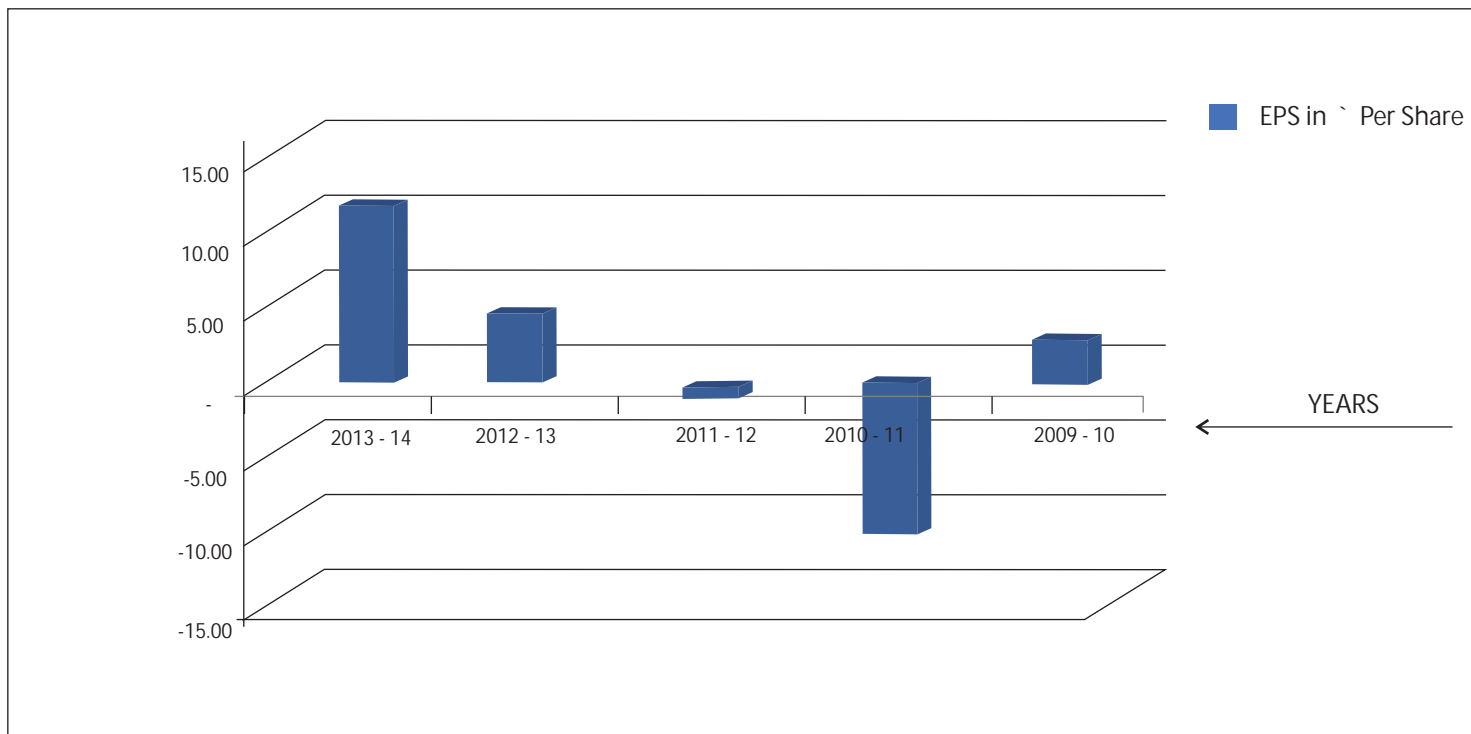
Production of Methanol & Formalin



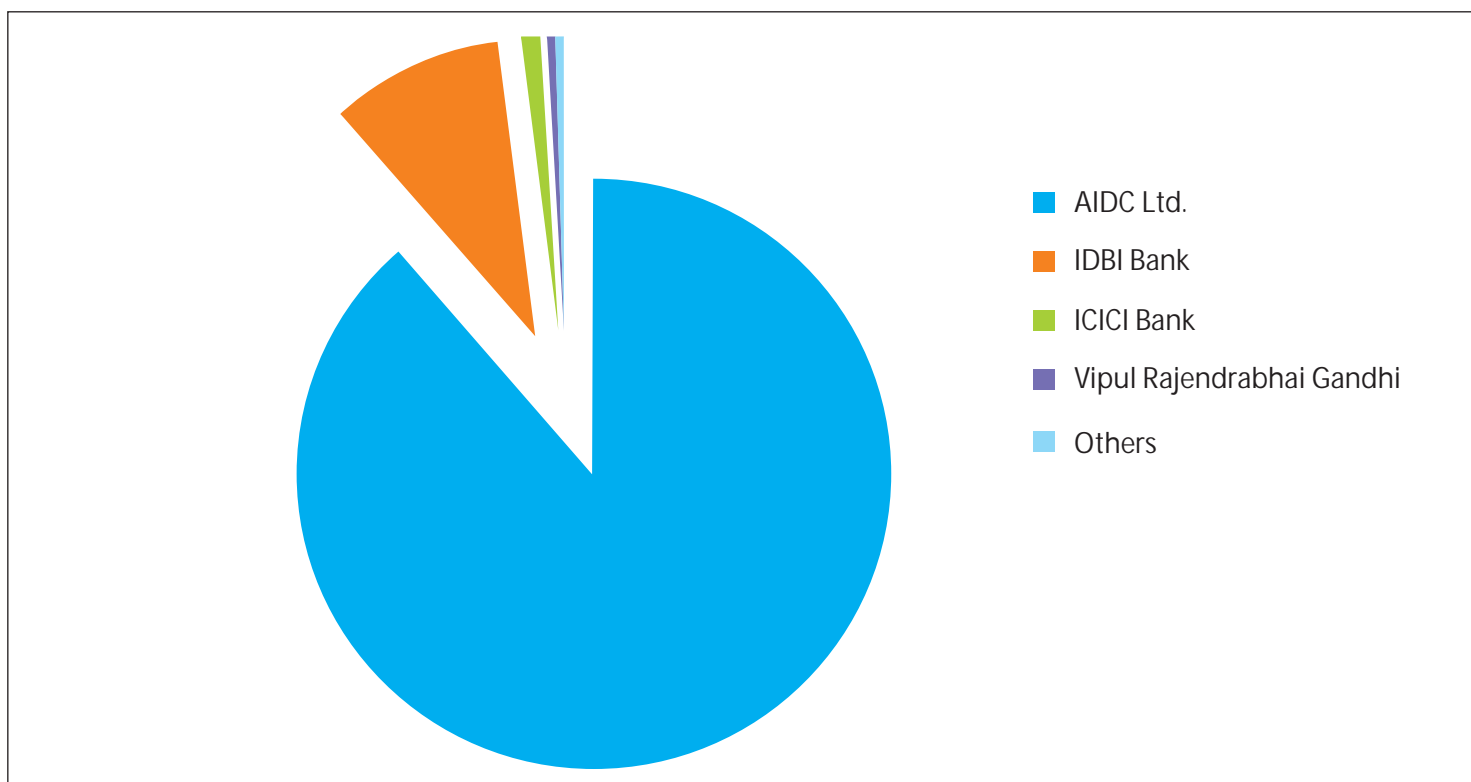
Area wise sales quantity of Methanol & Formalin



Earning Per Share



Share Holding Pattern



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ASSAM PETRO-CHEMICALS LIMITED
Regd. Office: 4th Floor, Orion Place,
G.S. Road, Bhangagarh, Guwahati, Assam-781005
CIN-L24116AS1971SGC001339

NOTICE is hereby given that 43rd Annual General Meeting of the members of Assam Petro-Chemicals Limited will be held on Tuesday, September 30, 2014 at 11.00 am at the registered office (4th Floor Orion Place, G.S. Road, Bhangagarh, Guwahati, Assam-781 005) to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Company's Balance Sheet as at 31st March, 2014 and the Statement of Profit & Loss and Cash Flow Statement for the year ending on that date along with the Directors' Report and Corporate Governance Disclosures and Independent Auditors' Report and comments of the Comptroller and Auditor General of India thereon.
2. To declare dividend.
3. To consider and appoint Director in place of Shri Ram Tirath Jindal, IAS who retires by rotation in pursuance of Section 152 of the Companies Act, 2013. Shri Ram Tirath Jindal, being eligible, offers himself for reappointment.
4. To consider and appoint Director in place of Shri Paban Kumar Borthakur, IAS, who retires by rotation in pursuance of Section 152 of the Companies Act, 2013. Shri Paban Kumar Borthakur being eligible, offers himself for reappointment.
5. To consider and appoint Director in place of Shri Amrendra Nath Das, who retires by rotation in pursuance of Section 152 of the Companies Act, 2013. Shri Amrendra Nath Das being eligible, offers himself for reappointment.
6. To fix remuneration of the Statutory Auditors.

Place: 4th Floor, Orion Place
G.S. Road, Bhangagarh, Guwahati-781005
Date: 5th September, 2014

By order of the Board of Directors


(CS Uttam Baidury)
Company Secretary

Notes :

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than Forty Eight hours before the commencement of the meeting.
2. Share holders are requested to bring their copy of their Annual Report.

3. Shareholders are requested to inform their respective e-mail id to the company so that corporate information may be disseminated promptly.

4. In order to help us in providing appropriate answers backed by relevant financial data, the shareholders may please send their queries that they would desire to raise at the AGM at least one week in advance to the Company Secretary at the Registered Office.

By order of the Board of Directors

Place: 4th Floor, Orion Place
G.S. Road, Bhangagarh, Guwahati-781005
Date: 5th September, 2014


(CS Uttam Bailung)
Company Secretary

Directors' Report to the Shareholders

Your Directors take pleasure in presenting the 43rd Annual Report of the company for the Financial Year 2013 - 2014 along with the Audited Financial Statements for the year ending on March 31, 2014.

The Financial Year 2013-14 started with new challenges and expectations. In the backdrop of the sluggish economy and growth of Industrial Sector in the country, the Company performed reasonably well during the year under review. The Company could stand before challenges by achieving the highest turnover in the history of the company.

Financial Performance

In the Financial Year 2013-14 the company posted turnover of ₹ 107.58 crore as compared to ₹ 90.29 crore in the last financial year, which is highest ever achieved by the company in its history. Your company has for the first time achieved turn over more than ₹ 100 Crore. The sales turnover jumped by 19.14% over the last financial year. The year FY 2013-14 has reported Profit before prior period, exceptional and extraordinary items and tax at ₹ 11.12 crores as compared to ₹ 12.20 Crore in the last financial year. Profit Before Tax (PBT) earned by the company during the year increased by 146.46% from ₹ 4.67 Crore to ₹ 11.51 Crore. Similarly, the Profit After Tax (PAT) increased by 132% from ₹ 4.04 crores to ₹ 9.38 Crore.

The financial results for the financial year 2013-14 compared to those of the previous year are summarized as below:

Particulars	Financial Results: (₹ in Lacs)	
	As at March 31, 2014	As at March 31, 2013
Revenue from Operations	10,758.01	9,029.65
Less: Excise Duty	1,110.59	944.58
Revenue from Operations (NET)	9,647.41	8,085.08
Other Income	637.22	620.71
Total Income	10,284.63	8,705.78
Gross Profit/Loss	1,373.21	1,491.80
Less: Depreciation and amortization	239.95	232.51
Finance Cost	20.74	38.58
Profit/Loss for the year before prior period adjustment, exceptional and extraordinary items	1,112.51	1,220.71
Less: (a) Exceptional Item	-0.87	762.58
(b) Adjustment of prior period items	-37.79	-8.60
Profit Before Tax	1,151.17	466.73
Less: Tax Expenses		
(a) Deferred Tax	-130.44	8.61
(b) Excess Provision for income tax written back	0.63	4.92
(c) Current tax	342.63	49.20
Profit /Loss for the year after Taxation	938.35	404.01
Balance brought forward from previous year	-842.11	-1,130.02
Amount available for appropriations	96.24	-726.02
Appropriations		
Proposed Dividend	114.00	91.20
Tax on Dividend	19.37	14.79
Transferred to General Reserve	23.46	10.10
Balance Carried to Balance Sheet	-60.60	-842.11
Earnings Per Share (EPS) (in ₹)	10.29	4.43

Operating Results

The Methanol Plant of the company is about twenty six year old. This Plant requires frequent maintenance of its equipments to maintain production. Frequent power cut by the Assam State Power Distribution Company Limited and routine shut down for maintenance affected optimum utilization of the Methanol Plant during the Financial Year 2013-14. The capacity utilisation of the Formalin plant is dependant purely on market dynamics. Company produces Formalin according to demand of the market. The Methanol Plant and Formalin Plant capacity utilisation were 87% and 91% respectively during the FY 2013-14.

The capacity of the Formalin Plant was revamped during the financial year 2012-13 from enhancement of its production capacity from 100TPD to 125TPD.

The plant operating highlights are given as under:

Plant	Production in MT		
	Annual Capacity	FY 13 - 14	FY 12 - 13
Methanol	33,000	28,822	33,547
Formalin	41,250	37,363	34,877
Capacity Utilisation of Plants:			
Methanol		87%	102%
Formalin		91%	85%

Sales & Marketing

The company is marketing its products in North Indian States, West Bengal and North Eastern States and exporting to Nepal, Bhutan and Bangladesh. The Company is giving importance to export its products for earning foreign exchange

The company achieved highest sales turnover during the Financial Year 2013-14. The company sold 8028.124 MT Methanol during the year. The favourable market price had helped in achieving the sales turnover of ` 107 cr during the year.

The area wise sales quantity of the company's products in the year 2013-14 vis-a-vis in the previous year 2012-13 are as follows:

Area	Formalin (In MT)	
	FY 13 - 14	FY 12 - 13
North East Region	8,010.510	6,914.352
North Bengal	8,678.220	5,695.010
South Bengal	6,980.100	8,810.100
Purnea / Adjacent Area	3,924.530	5,069.220
Patna	9,322.050	10,747.900
South Bihar / Others	308.290	255.140
Bhutan	1,046.620	1,244.990
Nepal & Bangladesh	2,233.070	1,955.120
Total	40,503.390	40,691.832
Area	Methanol (In MT)	
	FY 13 - 14	FY 12 - 13
North East Region	992.46	1,024.53
West Bengal	1923.43	2,865.78
North India	3846.62	8,174.93
Export	1265.61	1,582.82
Total	8,028.12	13,648.06

Project & Development Activities

As informed in our earlier reports the company is implementing 500 TPD Methanol and 200 TPD Acetic Acid project adjacent to the existing plants at Namrup. During the Financial Year 2013-14, the company achieved certain significant milestones in implementation. The major achievements are given as under:

A. Cabinet approval for the project:

The Govt. of Assam accorded the much awaited Cabinet approval for implementation of the Integrated 500 TPD Methanol-200 TPD Acetic Acid Project on 14th February, 2014.

B. Technology selection and lepcm contract for methanol plant:

The company selected Holder Topsoe, Denmark as Technology supplier for setting up the 500 TPD Methanol Plant. Engineers India Limited has been selected for award of LEPCM Contract for the Methanol Plant in the Integrated Methanol-Acetic Acid Project.

C. Technology selection for acetic acid plant:

After marathon search for Acetic Acid technology globally, your director have selected Beijing Zeihua Chemical Engineering Co. Ltd. China for Licence Erreetui, procurement of Proprietary items and supervision of Ereetuin and commissioning of 200TPD Acetic Acid Plant.

D. Financial closure for the project:

With the confirmation received from Oil India Ltd.(49%) and Government of Assam and its companies (51%) for the project for the equity portion of the capital amounting ` 393 Crore and signing of the agreement with banks for the entire loan component of the capital amounting ` 635 Crore where SBI will work as the lead bank for the consortium of bank extending the loans, the financial closure for the project has been achieved.

E. Environmental clearance for the project and consent to establish from pollution control board, assam

Ministry of Environment and Forest, Govt. of India, has accorded Environmental Clearance for the integrated projects vide letter no. F.No. J-11011/469/2011-IA II (I) dated 19th May 2014.

The consent to establish for the project has also been received from Pollution Control Board, Assam on 02.07.2014.

F. Acquisition of land for the project:

- (i) Land for the main project site adjacent to the existing plant has been ear marked and site grading works are in progress.
- (ii) The No Objection Certificate for acquiring and purchase of land situated within Dilli Tea Estate, required for setting up of raw water pumping station, has been obtained from Govt. of Assam.

G. Natural gas sale and purchase agreement:

Pursuant to the allocation of 0.5 MMCMD Natural Gas by Oil India Limited vide letter no. PLN/1-5/8-418 dated 18.12.2013, Natural Gas Sale and Purchase agreement was executed between Oil India Limited and Assam Petro-Chemicals Limited on 26th December, 2013.

Dividend

Keeping in view the Company's performance and long term growth strategy, your directors have recommended 12.5% dividend on the paid up share capital of the company i.e. ₹ 1.25 per equity share for the year ended on 31st March, 2014. The dividend will be paid subject to approval of the shareholders in the ensuing Annual General Meeting.

Board of Directors

The board of the Company is constituted as per the requirement of Clause 49 of the Listing Agreement and the Companies Act. Shri Rameswar Dhanowar, Shri Utpal Borah and Shri Sanjeev Kr. Choubey were reappointed in the 42nd Annual General Meeting of the company as per Section 256 of the Companies Act, 1956. There were no changes in the composition of the Board of Directors since last Annual General Meeting.

Pursuant to Section 152 of the Companies Act, 2013 Shri Ram Tirath Jindal, Shri Paban Kr. Borthakur and Shri Amrendra Nath Das directors will retire by rotation in the ensuing Annual General Meeting and being eligible, offer themselves for reappointment as directors at the same meeting.

As required under Clause 49 of the Listing Agreement, brief profiles of the directors who are proposed to be reappointment at the ensuing Annual General Meeting are provided in the Corporate Governance Report.

Statutory Auditors

Pursuant to section 619 (2) of the Companies Act, 1956 the Comptroller and Auditor General of India appointed M/s L.K. Kejriwal & Co., Guwahati as the statutory auditors of the company for the Financial Year 2013-14. M/s L.K. Kejriwal & Co. will hold the office till the end of ensuing Annual General Meeting.

The Comptroller and Auditor General of India has not appointed any Statutory Auditors of the Company for the FY 2014-15 till the date of this report.

Human Resource and Safety Management

Human resources are the key drivers of sustainable growth and development of any organisation. Keeping that in mind your Directors have been focusing on capacity building of employees through training and development. During the financial year 2013-14 the company organised several inhouse training programmes and also sent its employees for attending workshops and seminars organized by other organizations. The Company organized some sports and cultural activities involving employee's spouse and children as a part of its employee engagement initiatives at Namrup, has helped in developing sense of belongingness, developing positive work culture, etc. within the organization.

The manpower strength of the Company as on 31.03.2014 was 363 out of which 216 were unionised cadre and remaining 147 nos. were in the Executive Cadre.

During the FY 2013-14, the company integrated Safety, Health and Environment Management System for improvement in the areas of prevention of accidents, control of environmental hazards and protection of health in compliance with applicable Safety, Health and Environment (SHE) legislation and standards. The company also organized various in-house and external training programme on Safety, Health and Environment. The company celebrated World Environment Day, Safety Awareness Week, National Safety Day, Earth Hour during the year 2013-14.

Industrial Relations

Your company has been continuously maintaining a peaceful and harmonious relationship between the management and the workers of the company. All the issues that were raised by the Workers' Union of the company were resolved in transparent manner through discussion. There was no incident of industrial unrest during the year 2013-14.

Particulars of Employees under Section 217(2A)

A list of the employees of the company receiving remuneration and requiring disclosure of particulars under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended is annexed herewith.

Corporate Social Responsibility

The Company is committed towards promoting education, socio-cultural and economic development of the locality by providing free drinking water, education to children upto Class X, Medical & Health checkup facilities to the resident of neighboring villages.

The Board of Directors of the company has constituted a Corporate Social Responsibility Committee of the Board as per requirements of the Companies Act, 2013.

Energy Conservation, Technology Absorption and Foreign Exchange Earning and Outgo:

The additional information in respect of the energy conservation, technology absorption and foreign exchange earnings and outgo, as required by the Companies Act, 1956 as amended by the Companies (Amendment) Act, 1988 is set out in the statement annexed hereto as Annexure 'A'.

Particulars as to Subsidiary

Your company is having a subsidiary company viz., M/s Pragjyotish Fertilizers & Chemicals Ltd. (PFCL). The subsidiary company has not been carrying out any business during the financial year 2013-14. Pragjyotish Fertilizers & Chemicals Ltd. is under winding-up process. The Annual accounts for the Financial Year 2013-14 have not been finalized by PFCL yet and therefore the same could not be enclosed herewith. It is therefore the attachments specified in Section 2012 of the Act could not attached with the Financial Statements of the holding company. As soon as the accounts of the subsidiary are received, that will be forwarded to the shareholders of Assam Petro-Chemicals Ltd.

DIRECTORS RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217(2AA) OF THE COMPANIES ACT, 1956

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

(i) In the preparation of the annual accounts for the financial year ended 31st March, 2014, all applicable accounting standards had been followed, along with proper explanations relating to material departures;

(ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as on 31st March 2014 and of the profit of the Company for the year ended on that date;

(iii) 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) The Directors had prepared the accounts for the financial year ended 31st March, 2014 on a 'going concern' basis.

Compliance Certificate

A certificate from a Company Secretary in Whole Time Practice regarding compliance of conditions of the Corporate Governance as stipulated under Clause 49 of the Listing Agreement is enclosed to this report.

Acknowledgement

Your Directors place on record their appreciation of the unstinted support and encouragement extended by the Government of Assam, Assam Industrial Development Corporation Ltd., banks, the shareholders, customers and the employees of the company.

Your Directors also place on record their sincere appreciation to Oil India Limited for uninterrupted supply of Natural Gas as main feedstock for production of methanol and Assam Gas Company Ltd. for transporting natural gas to the plant.

For and on behalf of the Board of Directors.

Place: Guwahati
Date: 05/09/2014

Sd/
(Rameswar Dhanowar)
Chairman

Annexure 'A'

Annexure to the Directors' Report
(Additional Information in terms of notification GSR No. 1029 Dated 31st December, 1988 by The
Department of Company Affairs)

I. CONSERVATION OF ENERGY

A. Energy Conservation Measures taken

The process technology adopted in our plants is energy efficient even though it has become old now. The Company selected the most developed ICI, Low Pressure Methanol Technology and Humphreys and Glasgow Reformation Process for manufacture of Methanol & Derivados Forestales, Netherland's technology for manufacture of Formaldehyde. The waste heat is recovered to produce steam required for the process. Hence the heat is not radiated to atmosphere. Water used for cooling in the plant is totally recycled to prevent pollution and loss. Steam condensate are recovered and recycled back from Turbo Generator. The plants are being operated to the full satisfaction of Pollution Control Board, Assam.

B. Additional investments and proposals if any being implemented for reduction of the consumption of energy:

There was no such proposal in the year under review.

C. Impact of the measures (A) and (B) above:

The specific consumption of electricity and fuel natural gas was well within the tolerance limit. The company has a pollution free environment.

D. Total energy consumption and specific energy consumption per unit of production.

a. Electricity	2013-14	2012-13
i) Purchase unit (MWH)	14463	15,861
Total amount (₹ in Crore)	8.65	8.89
Rate per unit (₹ /KWH)	5.98	5.60
ii. Own Generation (MWH)	2,877.00	3,258.00
b. Consumption per unit of Production	2013-14	2012-13
i) Electricity (KWH) Unit –II	521*	507
ii) Natural Gas (NM3)(Ref) Unit –II	1109*	1034

* Higher per unit consumption compared to previous year is due to frequent disruption in ASEB power supply and short unscheduled shutdown of the ageing plant.

II. TECHNOLOGY ABSORPTION: RESEARCH AND DEVELOPMENT(R & D)

1. Specific area in which R & D carried out by the Company: The Company so far has not started full time R & D activities except in plant improvement of process and debottlenecking. The Company shall start R & D activities shortly to identify future diversification.

2. Benefit derived as a result of above R & D : Doesn't arise

3. Future Plan of Action

4. Expenditure of R & D

- a) Capital
- b) Recurring
- c) Total Not Applicable
- d) Total R & D expenditure as per % of total Turnover

III. TECHNOLOGY ABSORPTION AND ADAPTATION

1. Efforts in brief made towards technology absorption, adaptation and innovation: APL has been operating the plant supplied by foreign supplier.

2. Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution etc.: Product quality improved, cost of production & pollution Problem reduced.

3. In case of imported technology (imported during last 5 years reckoned from the Beginning of the financial year) following information may be furnished:-

- a) Technology imported : DOES NOT ARISE
- b) Year of import -do-
- c) Has full technology been fully absorbed : -do-
- d) If not fully absorbed, areas where this has Not taken place, plan of action : -do-

IV. FOREIGN EXCHANGE EARNINGS AND OUTGO

a) Activities relating to exports: Initiative taken to increase export, development of new export market for products and services and export Plans:

Export Sales	2013-14 (MT)	2012-13 (MT)
Methanol	1265.61	1582.82
Formalin	3279.69	3200.11

b) Total Foreign exchange used and earned:

	2013-14	2012-13
i) Earnings in Foreign Exchange (sales)	2,387,992/- (\$29,383.72)	3,807,664/- (\$69,402.53)
ii) Foreign Exchange Outgo	15,75,685/-	295,024/-

Annexure-B

Particulars Employees under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 for the year ended on 31st March, 2014

- (1) Employed throughout the year was in receipt remuneration not less than ` 60 Lacs: NIL
 (2) Employees for a part of the financial year was in receipt remuneration not less than ` 05 Lacs per month

Details given below showing employees who received more than ` 5 Lacs in a particular month.

SL. NO	NAME	QUALIFICATION	AGE	DESIGNATION	DATE OF COMMENCEMENT OF EMPLOYMENT	EXPERIENCE (Nos. of years) in APL	REMUNERATION (IN `)	PARTICULARS OF LAST EMPLOYMENT
1	Ranjan Kr. Bordoloi	B.Com	59 yrs	Asstt. Manager (Finance & Accounts)	24/01/1978	35 years 4 months	561822.00	NIL

Note:

1. The remuneration includes regular monthly salary, company's contribution towards PF, terminal benefits, pension and Medical expenses paid by the company.
2. There is no employee who is in receipt of remuneration in excess of that drawn by Managing Director/Whole-time Director/Manager and holds not less than 2% of the equity shares of the company.
3. None of the above employees are related to any director of the company.

Annexure -C

MANAGEMENT REPLY TO THE COMMENTS OF THE STATUTORY AUDITOR AS PER SECTION 217(3) OF THE COMPANIES ACT, 1956.

Sl. No.	Independent Auditors' Comment	Management Reply
1	<p>(i) Amortization of ROC fees Expenses: Expenses related to ROC fees for enhancement of authorised share capital total amounting to ` 1,66,50,510 had been amortized as per decision of the management in the Financial Year 2012-13 and accordingly ` 33,30,102 (Refer Note 9.C) has been charged under Depreciation and Amortization expenses in the current year and balance amount ` 99,90,306 shown as Unamortized Expenses under Other Non-Current Assets (Refer Note 11). On the basis of Accounting Standard (AS)-26 Para 56 under The Companies Accounting Standards Rules, 2006, the whole expenses related to ROC fees for enhancement of authorised share capital of ` 1,66,50,510 should have been charged to Statement of Profit and Loss as reported last year in our Audit Report. ROC fees expenses neither created any tangible asset nor any intangible asset. Thus, on the basis of above Accounting Standard (AS)-26 Para 56 whole of the balance amount ` 1,33,20,408 should have been charged to Statement of Profit and Loss under 'Prior Period Items'. This has resulted in overstatement of Profit and Other Current Assets by ` 99,90,306.</p>	<p>Accounting Standard 26 as prescribed under the Companies Accounting Standard Rules, 2006, deals with Intangible Assets which is defined in para 7 of the said Accounting Standards as under.</p> <p>Intangible Assets</p> <p>7. Enterprises frequently expend resources, or incur liabilities, on the acquisition, development, maintenance or enhancement of intangible resources such as scientific or technical knowledge, design and implementation of new processes or systems, licences, intellectual property, market knowledge and trademarks (including brand names and publishing titles). Common examples of items encompassed by these broad headings are computer software, patents, copyrights, motion picture films, customer lists, mortgage servicing rights, fishing licences, import quotas, franchises, customer or supplier relationships, customer loyalty, market share and marketing rights. Goodwill is another example of an item of intangible nature which either arises on acquisition or is internally generated."</p> <p>In view of above, expenses related to ROC fees for enhancement of authorised share capital total amounting ` 1,66,50,510.00 is not an Intangible Asset and hence the Companies Accounting Standard Rules, 2006, is not applicable in the instant case.</p> <p>Adopting a prudent accounting policy and also considering the provisions as contained in the section 35D(2) of the Income Tax Act, 1961, the Management has decided to amortise the expenses over a period of 5 (five) years and accordingly, 1/5th of the expenditures amounting to ` 33,30,102.00 were charged off in the current year's account.</p> <p>Hence, there is no overstatement of profit and Other Current Assets by ` 99,90,306.00.</p> <p>Adequate disclosures have been made in the "Notes of Accounts" in this regard.</p>

Sl. No.	Independent Auditors' Comment	Management Reply
2	<p>(i) Provision for Pay revision of Arrear salaries of employees for the Year 2009-10 & 2010-11 : As mentioned in CAG comments on the accounts for the year 2012-13, ₹ 6,27,54,977 being the arrear payable against pay revision of salaries of employees for the years 2009-10 & 2010-11 should have been provided for and shown under 'Current Liabilities' instead of disclosing it under 'Contingent Liabilities' as the same was approved by the Board of Directors of the Company and Government of Assam.</p> <p>But no provision has been made by the company charging to Statement of Profit and Loss ₹ 6,27,54,977 as 'Prior period Items and shown under 'Short-term provisions'. This has resulted in overstatement of Profit by ₹ 6,27,54,977 and understatement of Short-term provisions by ₹ 6,27,54,977.</p>	<p>Pursuant to the Government of Assam Order, the company has made the calculation of arrear salary from 01-04-2009 to 31-03-2013. It is observed that the establishment cost for the FY 2009-10 and FY 2010-11 already exceeded the ceiling 35% of annual turnover as mentioned in the order. Therefore, the company has not made provision for arrear salary for the financial year 2009-10 and 2010-11.</p>
3	<p>(i) Unused Old catalyst not written off: As per Note no. 25.9 "The Company is carrying unused catalyst valued ₹ 65,97,535 which is more than 20 years old. A committee has been constituted for disposal of the same. The loss/gain on sale will be accounted for at the time of disposal." The company has not identified & charged to Statement of Profit and Loss, the loss on impairment of above asset.</p> <p>Moreover, As mentioned in CAG comments for the year 2011-12, formal order by the Managing Director of the company had been issued for treating old catalyst worth ₹ 20,12,234 as obsolete on 26/11/2004 as reported last year in our Audit Report.</p> <p>On the basis of above, in our opinion, the company should have charged to Statement of Profit and Loss ₹ 45,85,301 as 'Other Expenses' and ₹ 20,12,234 as 'Prior period Items'. This has resulted in overstatement of Profit and Inventory by ₹ 65,97,535.</p>	<p>The management has decided to first dispose off the stock of the unused old catalysts and if any loss arises then decision will be taken for writing off the loss amount and will provide in the books of accounts accordingly in due course.</p>

Annexure -D

Replies of Management to comments of Comptroller and Auditor General of India under Section 619(4) of the Companies Act, 1956 for the year ended on 31st March, 2014

Comments of Comptroller and Auditor General of India	Replies of Management
<p>1. Balance Sheet Assets Non-Current Assets Fixed Assets Tangible Assets (Note No. 9A) Net Block ₹ 15.21 Crore Standby equipment for Plant and Machinery worth ₹ 1.48 Crore purchased during September 2005 to January 2012 had been installed during the current year. However, the company had not charged applicable depreciation amounting to ₹ 0.14 Crore on those equipment for the stand-by period in contravention of the Accounting Standards Interpretation (ASI)-2 issued by the ICAI.</p> <p>This has resulted in an overstatement of 'Tangible Assets' by ₹ 0.14 Crore with corresponding overstatement of 'profit for the year' to the same extent.</p>	<p>The depreciation has been charged from the date on which these assets are ready for its intended use, i.e. the date of issue from the Store Department instead of date of purchase as per the general accounting principle.</p>
<p>2. Current Assets Other Current Assets (Note No. 16): ₹ 2.32 Crore</p> <p>Refer item no. 25.10 of the 'Disclosures under Accounting Standards' (Note 25) under Notes forming part of the financial statements providing details of part recoveries (₹ 0.25 Crore) made against the principal loan amount of ₹ 0.50 Crore extended to 'Assam Tea Corporation Limited'. Although it has been stated that the Company is fully hopeful of recovering the full amount of overdue principal and interest outstanding, the interest amount of ₹ 0.31 Crore receivable as on 31 March, 2014 has not been recognized in the accounts by the Company.</p> <p>This has resulted in understatement of 'other current assets' and 'Profit for the year' by ₹ 0.31 Crore each.</p> <p>For and on behalf of the Comptroller and Auditor General of India Sd/- (Shantanu Basu) Principal Accountant General (Audit), Assam</p>	<p>As mention in Note No. 25.10, the company has given total loan of ₹ 50.00 lakhs to Assam Tea Corporation (ATC) during the year 2007 and out of which ₹ 25.00 lakh of principal was received through intervention of Govt. of Assam. Further, the interest on the said loan has not been paid by the corporation (ATC) as per the agreed terms. Therefore as a matter of prudence the interest income has not been accounted for.</p> <p>For Assam Petro-Chemicals Limited Sd/- (Ratul Bordoloi) Managing Director</p>

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS

The Petrochemicals industry is one of the fastest growing industry in the country. The company is in this business of manufacturing and marketing of two very versatile petrochemicals products viz. Methanol and Formaldehyde for last four decades. The company is one of the leading manufacturers of Methanol and Formaldehyde in the country. The domestic consumption of Methanol has been increasing gradually and but production of Methanol is not increasing in the same pace in the Country. It is therefore the demand of the country largely dependent on imported Methanol. Formaldehyde is a downstream product of Methanol produces by the company in its plants located at Namrup, Assam and Raninagar, West Bengal.

OPPORTUNITIES, THREATS, RISKS AND CONCERNS

Opportunities

The Methanol market is growing very fast in India. Considering the growing demand, the company is currently implementing Natural Gas based 500 TPD Methanol expansion project alongwith a value added downstream 200TPD Acetic Acid Project. The Formalin Market is also growing very rapidly in India and our neighboring countries. In order to tap the growing market demand for formalin, the company has successfully completed its 25% expansion project in the Financial Year 2012-13 and it is running satisfactorily.

The company has started exporting its products to Bangladesh. The Look East policy of Govt. of India and opening up trade and business with SAARC countries is expected to help the company to market its Products in the SAARC countries.

Threats, Risks and Concerns:

- The existing Methanol plant is twenty six years old and needs regular maintenance to keep the plant in healthy operating condition to get better results.
- The cost of production is high due to low capacity of the plant with old technology resulting in high energy consumption as well as high fixed cost per ton of production of Methanol.
- Hike in the price of main raw materials (Natural Gas) by the Ministry of Oil and Natural Gas is a major concern of the company. This hike is directly affecting the profitability of the company.
- Non availability of an adequate market in the present economic environment in the N.E. region is major concern of the company because of which the products are required to be transported at high freight cost to the distant market situated at Eastern, Northern and Southern parts of the country which lead to erodes the profitability.
- Stiff competition for the products due to existence of a large number of small and big manufacturers of formaldehyde and import of Methanol in large quantity. While the demand of both methanol and formalin in the country is constantly on the rise, domestic production is also rising due to setting up of new plants especially in case of formalin.

OUTLOOK

The company is implementing a new 500 TPD Methanol 200 TPD Acetic Acid project along with a Captive Power Plant at an estimated capital investment of ₹ 1028 crore with equity participation of Oil India Limited (49%) and Assam Gas Company Limited. M/s Oil India Ltd. has since given the commitment for the supply of the requisite quantity of Natural Gas for the new plants. Availability of 30% capital investment subsidy on the cost of plant and machineries under the North East Industrial Investment Promotion Policy, 2007 has made the project more viable and profitable in the long run. This new Petrochemical complex in Namrup will be a giant petrochemical complex in the entire North Eastern India.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The company has an effective internal control system which is further strengthened by conducting internal audit by outside expert firms. All the proposals involving expenditure above certain basic amount are subject to financial concurrence through the Finance Department followed by approval from Competent Authority of the Management or from the Board of Directors (depending upon the value of proposals).

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT OF OPERATIONAL PERFORMANCE

The financial performance of the company for the Financial Year 2013-14 is discussed in details in the Directors' Report.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/IR FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED.

The company has been utilizing the available human resources in the most effective manner to improve production and productivity with minimum recruitments.

The company has been inducting mixture of experienced and young professionals during the last few years such that the strength of the qualified persons in all disciplines does not get depleted. Induction in the intake level is planned to be increased in the future with the implementation of the expansion and diversification scheme undertaken by the company. The manpower strength and Industrial Relation have been deliberated in the Directors' Report in details.

CORPORATE GOVERNANCE DISCLOSURE

1. PHILOSOPHY ON CORPORATE GOVERNANCE

The company continues with its efforts to attain the highest level of accountability and transparency in every aspect and in all interactions with its stakeholders and the State Government and also with its employees. The company aims at satisfaction of all stakeholders in a balanced manner through sustainable growth and profitability.

2. BOARD OF DIRECTORS

As on this report date there are 11 (Eleven) members on the Board of the Company. The Board of the company is constituted as per the requirement of Clause 49 of SEBI Listing Agreement. The Board of Assam Petro-Chemicals Ltd. is constituted with 1 (one) Whole Time Director (Managing Director), 5 (five) Nominee Directors from the holding company M/s Assam Industrial Development Corporations Ltd. and 5 (five) Independent Directors. During the Financial Year 2013-14, there were 9 (Nine) meetings of the Board of Directors. The gap between two consecutive meetings of the Board of Directors never exceeds four months.

Pursuant to Section 149 of the Companies Act, 2013 and subsequent proposal for amend the Clause 49 of the Listing agreement, a woman director is required to be inducted in the Board of the company. Efforts are on to comply with these regulatory requirements.

The details of the Meetings of the Board of Directors held during the Financial Year 2013-14 are as follows:

Sl.No.	Date of Board Meeting	Board Strength	Numbers of Directors Present
1	9th April, 2013	10	6
2	27th May, 2013	10	9
3	28th June, 2013	10	7
4	23rd August, 2013	11	9
5	25th September, 2013	11	7
6	05th October, 2013	11	7
7	14th November, 2013	11	5
8	06th February, 2014	11	10
9	27th March, 2014	11	9

Particulars of Directors including their attendance at meeting of Board of Directors /Shareholders during the Financial Year 2013-14.

Sl. No.	Name of Directors	Academic Qualifications	Date of joining as Director of the Company	Attendance out of 9 meeting of Board held during the year and percentage thereof		Attendance at the last Annual General Meeting	Details of Directorship held in other Companies
				Nos. of Meetings Attended	%		
1	Shri Rameswar Dhanowar, Chairman	BA	8th June, 2007	5	56	Attended	1. ATCL
2	Shri R.T. Jindal, IAS, Principal Secretary to the Govt. of Assam, Industries and Commerce Department, Dispur, Guwahati-781 006	M. Sc (Chemistry) from Punjab Agricultural University	13th July, 2012	4	56	Absent	1. NRL; 2. BCPL; 3. AIDC Ltd.; 4. AGCL; 5. DNPL; 6. AHECL; 7. ATCL; 8. ATPO; and 9.IIE10.AIM 11. AIIDC
3	Shri Paban Kr. Borthakur, IAS, Principal Secretary to the Govt. of Assam Finance Department Dispur, Guwahati-781 006	M. Sc (Physics), MBA	23 rd August, 2013	2	22	Absent	1. SSUHS 2. SSK 3. NLUJAA 4. AEGCL 5. AHB

Sl. No.	Name of Directors	Academic Qualifications	Date of joining as Director of the Company	Attendance out of 9 meeting of Board held during the year and percentage thereof		Attendance at the last Annual General Meeting	Details of Directorship held in other Companies
				Nos. of Meetings Attended	%		
4	Shri Rajesh Prasad, IAS, Commissioner of Industries and Managing Director of Assam Industrial Development Corporation Limited, R G Barua Road, Guwahati-781024	MA (History)	08th July, 2011	5	56	Attended	1.AIDCL; 2.Assam Syntex Ltd. 3.ASWMCL; 4.CSML; 5.Fertichem Ltd. 6.AAHCL;7.APML; 8.ACPL;9.PLLL; 10.CCIL; 11.ASFCL; 12.AIIDCL; 13.ASIDCL; 14.PBSL; 15.ASTCL;16.BTP
5	Shri N.N. Barkakoty, Commissioner & Secretary to the Govt. of Assam, Public Enterprises Department, Dispur, Guwahati-781006	Msc (Geology)	23 rd August, 2013	4	44	Absent	1.APHCL;2.AFDCL 3.ATDCL;4.ASTCL 5.ASTBPPCL; 6.AIDCL;7.ASIDCL 8.ASHB;9.APGCL 10.APDCL; 11.APGCL
6	Shri D.N. Barua, Ambikagiri Nagar R G Barua Road Guwahati-781024	B. Sc. (Hons), B.Ch.E, M.I.I. Chem. E.	4th February, 1987	9	100	Attended	1. PFCL
7	Shri A.N. Das, Former Executive Director, Indian Oil Corporation Ltd.	B. Tech (Hons), IIT Kharagpur	9th November, 2009	8	89	Attended	1. OIPL
8	Shri Birinchi Kr. Sarma, Former Executive Director, Indian Oil Corporation Ltd.	B.Sc. (Chemical Engineering) Institute of Technology, Banaras Hindu University.	9th November, 2009	8	89	Attended	Nil
9	Shri Utpal Borah, Former Executive Director, Oil India Limited	BE (Mechanical), Guwahati University	29th December, 2010	5	56	Absent	Nil
10	Shri Sanjeev Kr. Choubey	B. Com, Chartered Accountant (CA)	19th December, 2012	4	44	Absent	1.NPIPL 2.TVPPL 3.NTI
10	Shri Ratul Bordoloi, Managing Director	B. Sc., BE (Mechanical), Dibrugarh University	10th September, 2010	9	100	Attended	1.PFCL

ATCL: Assam Tea Corporation Ltd.; NRL: Numaligarh Refinery Ltd.; DNPL: DNP Ltd.; AIDCL: Assam Industrial Development Corporation Ltd.; BCPL: Brahmaputra Cracker and Polymer Ltd.; ATPO: Assam Trade Promotion Organisation; AGCL: Assam Gas Company Limited; AHECL: Assam Hydrocarbon & Energy Company Ltd.; AIIDCL: Assam Industrial Infrastructure Development Corporation Ltd.; IIE: Indian Institute of Entrepreneurship, AIM: Assam Institute of Management; SSUAHS : Srimanta Sankardev University And Health Services. SSKS: Srimanta Sankardev Kalakhetra Society. NLUJA: National Law University and Judicial Academy, Assam. AEGCL : Assam Electricity and Grid Corporation Ltd.; AHB: Assam Housing Board; ASWMCL: Assam State Weaving & Manufacturing Co. Ltd.; CSML: Cachar Sugar Mills Ltd; IPL: Industrial Paper (Assam) Ltd.; AAHCL: Assam Ashok Hotel Corporation Ltd.; APML: Ashok Paper Mills Ltd.; ACPL: Assam

Carbon Products Ltd.; PLLL: Pearl Life Line Ltd.; CCIL: Calcom Cements India Ltd.; ASFC: Assam State Fertilizers & Chemicals Ltd.; ASIDCL: Assam Small Industrial Development Corporation Ltd.; BTP: Bamboo Technology Park; PBSL: Prag Bosimi Synthetics Ltd.; ASTCL: Assam State Textile Corporation Ltd.; AIDCL: Assam Agro Industrial Development Corporation Ltd.; OIPL: Om Infracon Pvt. Ltd.; PFCL: Pragjyotish Fertilizers and Chemicals Ltd.; APHCL: Assam Police Housing Corporation Ltd. AFDCL : Assam Fisheries Development Corporation Ltd. ATDCL : Assam Tourism Development Corporation Ltd. ASTCL : Assam State Transport Corporation Ltd. ASTBPPCL : Assam State Text Book Production and Publication Corporation Ltd. ASHB : Assam State Housing Board APGCL : Assam Power Generation Ltd. APDCL : Assam Power Distribution Company Ltd.; TVPPL: Tohi Veneer products Pvt. Ltd. FTI : Fefaa Tea Industries; NPIPL: Natural Penal Industries Pvt. Ltd.; OIPL: Om Infracon Pvt. Ltd.

3. AUDIT COMMITTEE:

The Company constituted an Audit Committee under the Chairmanship of an Independent Director of the company in terms of the Section 293A of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

Sl.No.	Name of the Director	Status	No. Of meeting attended	Attendance in the last AGM
1	Shri D.N. Barua	Chairman	6	Attended
2	Shri A.N. Das (ceased to be a member w.e.f. 06.02.2014)	Member	6	Attended
3	Shri B K Sarma	Member	6	Attended
4	Shri Ratul Bordoloi (ceased to be a member w.e.f. 06.02.2014)	Member	6	Attended
5	Shri Utpal Borah (ceased to be a member w.e.f. 06.02.2014)	Member	2	Not Attended
6	Shri N.N. Barkakoty	Member	-	NA
7	Shri S.K. Choubey	Member	-	NA

The Board of Directors of the company had reconstituted the Audit Committee on 6th February, 2014. The New Audit Committee of the company is as under:

1. Shri D.N. Barua -Chairman
2. Shri Birinchi Kr. Sarma -Member
3. Shri Nitya Nanda Barkakoty -Member and
4. Shri S. K. Choubey -Member

During the Financial Year 2013-14 the company hold 6 (Six) Audit Committee Meetings of the company.

Terms of Reference: The terms of reference/powers of the Audit Committee are as under:

A. Powers of the Audit Committee

1. To investigate any activity within its terms of reference.
2. To seek information from employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

B. The Role of Audit Committee includes

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending the Board for fixation of Audit Fee to the statutory auditors appointed by the Comptroller and Auditor General of India.
3. Approval of payment to the statutory auditors including cost auditors, VAT auditors for any other services rendered by them.
4. Reviewing with the management, the annual financial statements before submission to the Board of Directors for Approval, with particular reference to:

- Matters required to be included in the Directors' Responsibility Statement to be included in the Directors' Report In Terms of Sub-Section 2AA of Section 217 of the Companies Act, 1956
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimate based on the exercise of judgment by the management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with the listing and other legal requirements relating to financial statement.
 - Disclosure of related party transactions
 - Qualification of draft audit report.
5. Reviewing with the management, the quarterly financial statement before submission with the Board for approval.
 6. Reviewing, with the Management, the statement of uses/application of funds raised through an issue (public issue, Right issue, preferential issue, etc.), the statement of funds utilized for the purposes other than for those stated in The Offer documents/prospectus/notice and the report submitted by the monitoring agency monitoring the Utilization of proceeds of a public or right issue, and making appropriate recommendation to the Board to take up steps in this matter.
 7. Reviewing with the management, the performance of statutory including cost auditors and internal auditors, adequacy of internal control system.
 8. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, Staffing and seniority of the official heading the department, reporting structure, coverage and frequency of Internal audit.
 9. Discussion with Internal Auditors, any significant findings and follow-up thereon.
 10. Reviewing the finding of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of material nature and reporting the matter to the Board.
 11. Discussion with Statutory Auditors including Cost Auditors before the audit compliances about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
 12. To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
 13. To review the functioning of the whistle Blower Mechanism.
 14. Approval of appointment of CFO (i.e., the whole time Finance Director or any other person heading the finance Function or discharging the function) after assessing the qualifications, experience & background, etc of the candidate.
 15. Carrying out such other functions as may be specifically referred to the committee by the Board of Directors and/or other Committee of Directors of the company.
 16. To review the following information:
 - The management Discussion and Analysis of financial condition and results of operation;
 - Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - Management letters/letters of internal control weakness issued by the statutory auditors;
 - Internal audit reports relating to internal control weakness; and
 - The appointment, removal and terms of remuneration of internal auditors;
 17. Reviewing the financial statements and in particular the investments made by the unlisted subsidiaries of the Company.

4. NOMINATION AND REMUNERATION COMMITTEE OF THE BOARD.

Pursuant to Section 178 (1) Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 the Board of Directors of the Company constituted a 'Nomination and Remuneration Committee' of the Board of Directors with the following members.

1. Shri B.K. Sarma, Director - Chairman;
2. Shri D.N. Barua, Director - Member; and
3. Shri A.N. Das, Director - Member

The committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to remuneration for the directors, key managerial personnel and other employees.

The Managerial Remuneration paid to the Managing Director during the FY 2013-14 is as under:

Name of Director	All elements of remuneration package of Directors i.e. salary, benefits, bonus (in `)	Other benefits (in `)	Service contracts, notice period, severance fee.
Shri Ratul Bordoloi, Managing Director	15,67,851.00	NIL	Initially appointed for a period of three years w.e.f.10/09/2010 with a provision for extension upto five years. The Govt. of Assam extended his term for another two years w.e.f. 10/09/2013 to 09/09/2015 vide letter No.MI/113/98/Pt /312 Dated 26/08/2013. Notice Period: Three months

The company pays sitting fee of ` 1000 each to the members to the board for attending the Meeting of Board of Directors and Committee where the particular Independent Director is a member. Total sitting fee paid to the Directors are as under.

Sl.No.	Name of Director	Amount of Sitting Fees
1	Shri D.N. Barua	` 19,000.00
2	Shri B. K. Sarma	` 19,000.00
3	Shri A. N. Das	` 20,000.00
4	Shri S.K. Choubey	` 3,000.00
5	Shri Utpal Borah	` 8,000.00

5. SHAREHOLDERS' GRIEVANCE COMMITTEE

The company constituted a Shareholders' Grievance Committee with the chairmanship of an Independent Director of the Board. There are three members of the Board in the Shareholders' Grievance Committee and they are 1) Shri D.N. Barua; 2) Shri B.K. Sarma and 3) Shri Ratul Bordoloi. The Company Secretary is also the secretary to the committee. The Shareholders'/Investors' Grievance Committee, inter alia, approves issue of duplicate certificates and oversees and reviews all matters connected with transfer of shares of the Company. The Committee also looks into redressal of Shareholders'/Investors' complaints related to transfer of shares, non-receipt of annual reports, non-receipt of declared dividend, etc.

6. GENERAL BODY MEETINGS

Details of General Body Meetings held in the last three years are given below:

General Body Meeting	Day and Date	Time	Venue
40th AGM	Wednesday, 29th December, 2012	11:00 am	4th Floor, Orion Place, G.S. Road, Bhangagarh, Guwahati-781 005
41st AGM	Saturday, 30th March, 2013	11:00 am	4th Floor, Orion Place, G.S. Road, Bhangagarh, Guwahati-781 005
42nd AGM	Tuesday, 31st December, 2013	11:00 am	4th Floor, Orion Place, G.S. Road, Bhangagarh, Guwahati-781 005

Special Resolution:

In the 40th Annual General Meeting of the company held on Monday, 2012 the company passed one special resolution to alter the Memorandum and Articles of Association of the company for enhancement of Authorised Share Capital from Rs. 17 Cr. to ` 350 Cr.

In the 41st AGM the company passed no special resolution.

Postal Ballot: No special resolution passed through postal ballot in the 42nd Annual General Meeting. No special resolution also proposed to be passed in the ensuing 43rd AGM of the company through postal ballots. The Board of the company has decided to pass two special resolutions through postal ballots for voluntary delisting of shares from all stock exchanges and enhancement of authorised share capital from ` 350crores to ` 500crores.

7. DISCLOSURES:

1. There was no transaction of material nature with Directors or Management or their relatives having potential conflict with the interest of the company at large.
2. Trading of shares are suspended in BSE w.e.f. 23rd April, 2012 for penal reasons. The company is constantly in touch with BSE authorities to revoke the suspension. The Board of Directors of the company thinks the suspension of trading will be lifted by BSE authorities soon.
3. Assam Industrial Development Corporation Limited (AIDC) decided to delist the shares of the company from both BSE Ltd and Gauhati Stock Exchange Ltd. In this connection, the Board of the company also passed a resolution in this connection on 9th June, 2014 and conveyed their decision to the stock exchanges as per the SEBI (Delisting of Equity Shares) Regulations, 2009.

8. BRIEF RESUME OF THE DIRECTORS SEEKING RE-APPOINTMENT/APPOINTMENT.**1) Shri Ram Tirath Jindal, IAS**

Shri Ram Tirath Jindal is a senior IAS Officer of 1983 Batch of Assam Meghalaya joint Cadre. He did his post graduation from Punjab Agriculture University. He has worked in different capacities under Government of Assam, Government of Punjab and Central Government. He was also Managing Director of Assam State Transport Corporation, Secretary of Labour and Employment Department, Principal Secretary of Governor of Assam and Principal Secretary to the Govt. of Assam, for the department of Agriculture, Irrigation, Veterinary and Animal Husbandry and Fisheries. Presently Shri Jindal is the Additional Chief Secretary to the Government of Assam, Industries and Commerce Department. Besides holding directorship of the company, he is also Managing Director of Assam Hydrocarbon and Energy Company Limited, Assam Gas Company Limited, Numaligarh Refinery Limited, Brahmaputra Cracker and Polymer Limited, DNP Ltd., Assam Industrial Development Corporation Limited, Assam Gas Company Limited, Assam Tea Corporation Ltd., Assam Industrial Infrastructure Development Corporation Ltd., Assam Trade Promotion Organisation, Assam Institute of Management and Indian Institute of Entrepreneurship.

Shri Ram Tirath Jindal is nominee director of Assam Industrial Development Corporation Limited appointed on 5th July, 2012 in place of Shri Jatinderbir Singh, IAS. He is liable to retire by rotation in the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

2) Shri Paban Kr. Borthakur, IAS

Shri Paban Kumar Borthakur is a senior IAS office of 1989 batch of Assam Meghalaya joint cadre. Shri Borthakur was graduated from prestigious St. Stephens College under University of Delhi and also post graduated in Physics from the same university. He also did Master of Business Administration from Indira Gandhi National Open University (IGNOU) in Financial Management. Shri Borthakur has been holding various positions in the Government of Assam since the day of his joining in Indian Administrative Services. Shri Paban Kumar Borthakur was also Managing Director of Assam Power Generation Corporation Limited. He is presently working as Principal Secretary to the Government of Assam, Finance Department.

Shri Borthakur is also member of the Board of Directors of Assam Electricity Grid Corporation Limited and General Council Member of National Law University & Judicial Academy, Assam and Srimanta Sankardev University & Health

Services. He is also a member of Assam State Housing Board, Srimanta Sankardev Kalakhetra Society, Assam.

Shri Borthakur is nominee director of Assam Industrial Development Corporation Limited appointed on 14t August, 2013 in place of Shri Jiban Choudhury. He is liable to retire by rotation in the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

3) Shri Amrendra Nath Das

Shri A N Das is B.Tech (Hons) from Indian Institute of Technology (IIT) and a fellow of the Institute of Engineers (India), and a Life Member of ASCI (Hyderabad). He has wide exposure in various disciplines connected to Refining and Marketing in the field of Petroleum, for thirty seven years. Shri A.N. Das is a retired Executive Director of Indian Oil Corporation Limited.

Shri A.N. Das was appointed as an additional Director of the company on 9.11.2009 and the shareholders regularized his appointment as director of the company in 38th Annual General Meeting of the company.

Shri Das is not holding directorship in any other public company. He is liable to retiree in this Annual General Meeting and being eligible, offers for re-appointment.

9. GENERAL SHAREHOLDER INFORMATION

- i. 43rd Annual General Meeting: Tuesday, 30th September , 2014 at 11: 00 am
Venue: Registered Office at 4th Floor, Orion Place, Bhangagarh, G.S. Road, Guwahati-781005.
- ii. Date of Book Closure for 43rd AGM: 29th and 30th September, 2014
- iii. Financial Year: 1st day of April to 31st day of March of the following year.
- iv. Listing: The shares of the company are listed in BSE Ltd., Mumbai and Guahati Stock Exchange, Guwahati. However, BSE has suspended the trading of the shares in April, 2012 due to non-compliance with certain clauses of Listing Agreement.

The shares of the company didn't quote during the last financial year.

Stock Code: 506267; Scrip ID: ASSAPET

- v. Dividend Payment Date: The Board of Assam Petro-Chemicals Limited has recommended dividend to the Shareholders at the rate of 12.50% of the paid up share capital. The Dividend Payment date is 27th October, 2014

vi. Unclaimed Dividend:

As per the Companies Act, 1956 any unpaid and unclaimed dividend become due to transfer to "Investor Education and Protection Fund" (IEPF) after seven years. There are some amount of dividend have been laying unclaimed by the valued shareholders of the company since FY 2006-07. Details of the dividend unclaimed accounts as on 31st March, 2014 are as follows:

Financial Year	Date of Declaration	Amount laying unclaimed	Due for transfer
2006-07	28-12-2007	` 35356/-#	January, 2015
2007-08	30-12-2008	` 41044/-#	October, 2015
2008-09	22-12-2009	` 42856/-#	January, 2016
2009-10	29-12-2010	` 44795/-#	January, 2017
2012-13	31-12-2013	` 58207/-#	January, 2020

the amount laying unclaimed for the earlier years are more than previously disclosed amount because of refunding the amount deducted by the bank as bank charge.

All the shareholders who have not claimed their dividend for abovementioned years are requested to claim the same before the amount become due to transfer to IEPF.

Vii. Share Transfers: All the shares of the company are in physical mode. The company appointed M/s C.B. Management Services (P) Ltd., Kolkata as Registrar and Share Transfer Agent with effect from 1st March, 2010. The Registrar and Share Transfer Agent scrutinises the Share Transfer and transmission related documents received and forward the same to the company for approval of the transfer/transmission by Board Committee of the company. The Shareholders' Grievance Committee sits for approve the transfer/transmission as and when required.

Subject to the documents are being valid and complete, share transfer are processed and share certificates returned within 15 days. Shareholders grievances/quarries/complaints/share transfer documents may please be directly communicated with our Registrar and Share Transfer agent in their following address

M/s C.B. Management Services (P) Ltd.
P-22, Bondel Road, Kolkata-700019
E-mail: rta@cbmsl.com.
Website: www.assampetrochemicals.co.in

Viii. Dematerialisation of Shares and liquidity:

All the shares of the company are in physical mode as on this date. The company is in the process of dematerialisation of its shares.

ix. There are no outstanding of GDRs/ADRs/Warrants or any convertible instruments as on 31-03-2014.

X. Distribution of Shares as on 31st March, 2014

Sl.No.	Name of shareholder	Nos. Of Shares held	Capital Contribution(in `)	Percentage of holding (%)
1	Assam Industrial Development Corporation Ltd.	8041540	80415400	88.18
2	IDBI Bank Ltd.	852500	8525000	9.35
3	ICICI Bank	90700	90700	0.99
4	Shri Vipul Rajendrabhai Gandhi	45650	456500	0.50
5	Others	89557	895590	0.98
	Total	9119947	9119940	100

xi. Plant Locations:

P.O.- Parbatpur, Namrup
 Distt.: Dibrugarh, Assam-786 623

xii. Address for communications:

4th Floor, Orion Place, G.S. Road
 Bhangagarh, Guwahati-781 005
 E-Mail: aplguw@bsnl.in

CORPORATE GOVERNANCE CERTIFICATE

To ,

The Members

Assam Petro-Chemicals Limited

Regd. Office : 4th Floor, Orion Place,

G. S. Road, Bhangagarh, Guwahati – 781 005

We have examined the compliance of the conditions of corporate governance by Assam Petrochemicals Limited, for the year ended 31st March 2014 as stipulated under clause 49 of the Listing Agreement of the said Company with concerned Stock Exchange(s) in India.

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

We state that in respect of the investor grievances received during the year ended 31st March 2014, no such investor grievances remained unattended /pending for more than 30 days.

In our opinion and to the best of our information and explanations given to us, we certify that that the Company has complied with all the mandatory conditions of the said Clause 49 of the Listing Agreement.

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

Place : Guwahati

Date : 18th July, 2014

For

Narayan Sharma & Associates
Company Secretaries

Sd/

(NARAYAN SHARMA)

Proprietor

C.P. No. 3844

Membership No. FCS 5117


To,

The Board of Directors
Assam Petro-Chemicals Limited
4th Floor, Orion Place, G.S. Road
Bhangagarh, Assam-781 005

Sub.: Certificate Under Clause 49 (IV) (V) of Listing Agreement

1. I have reviewed Financial Statements and the Cash Flow Statement for the year ended on 31st March, 2014 and that to the best of my knowledge and belief:
 - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
2. To the best of my knowledge and belief, no transactions entered into by the company during the year which are in fraudulent, illegal or violative of the Company's code of conduct.
3. I accept responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
4. I have indicated to the Auditors and Audit Committee
 - i. Significant changes in internal control over financial reporting during the year;
 - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or employee having significant role in the company's internal control system over financial reporting.

Dated: 04/08/2014
Place: Namrup



(Ratul Bordoloi)
Managing Director

COMMENTS OF THE OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF THE ASSAM PETRO-CHEMICALS LIMITED FOR THE YEAR ENDED 31 MARCH, 2014

The preparation of financial statements of Assam Petro-Chemicals Limited for the year ended 31 March, 2014 in accordance with the financial reporting frame work prescribed under the Companies Act, 1956 is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under Section 227 of the Companies Act, 1956 based on independent audit in accordance with the auditing and assurance standards prescribed by their professional body, the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 04 August, 2014.

I, on behalf of the Comptroller and Auditor General of India have conducted a supplementary audit under section 619 (3) (b) of the Companies Act, 1956 of the financial statements of Assam Petro-Chemicals Limited for the year ended 31 March, 2014. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of statutory auditors and Company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matters under section 619(4) of the Companies Act, 1956 which have come to my attention and which in my view, are necessary for enabling a better understanding of the financial statements and the related Audit Report.

A. COMMENTS ON FINANCIAL POSITION

1. Balance Sheet
 - Assets
 - Non-Current Assets
 - Fixed Assets
 - Tangible Assets (Note No. 9A)
 - Net Block ₹ 15.21 Crore

Standby equipment for Plant and Machinery worth ₹ 1.48 Crore purchased during September 2005 to January 2012 had been installed during the current year. However, the company had not charged applicable depreciation amounting to ₹ 0.14 Crore on those equipment for the stand-by period in contravention of the Accounting Standards Interpretation (ASI)-2 issued by the ICAI.

This has resulted in an overstatement of 'Tangible Assets' by ₹ 0.14 Crore with corresponding overstatement of 'profit for the year' to the same extent.

2. Current Assets
 - Other Current Assets (Note No. 16): ₹ 2.32 Crore

Refer item no. 25.10 of the 'Disclosures under Accounting Standards' (Note 25) under Notes forming part of the financial statements providing details of part recoveries (₹ 0.25 Crore) made against the principal loan amount of ₹ 0.50 Crore extended to 'Assam Tea Corporation Limited'. Although it has been stated that the Company is fully hopeful of recovering the full amount of overdue principal and interest outstanding, the interest amount of ₹ 0.31 Crore receivable as on 31 March, 2014 has not been recognized in the accounts by the Company.

This has resulted in understatement of 'other current assets' and 'Profit for the year' by ₹ 0.31 Crore each.

For and on the behalf of the
Comptroller and Auditor General of India

Place: Guwahati
Date: 16-9-2014

Sd/-
(SHANTANU BASU)
Principal Accountant General (Audit), Assam

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF ASSAM PETRO-CHEMICALS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Assam Petro-Chemicals Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") which shall continue to apply in respect of section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 issued by the Ministry of Corporate Affairs. 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.

Auditor's 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 misstatement. 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 Company'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 qualified audit opinion.

Basis for Qualified Opinion

(i) *Amortization of ROC fees Expenses:*

Expenses related to ROC fees for enhancement of authorised share capital total amounting to ` 1,66,50,510 had been amortized as per decision of the management in the Financial Year 2012-13 and accordingly ` 33,30,102 (Refer Note 9.C) has been charged under Depreciation and Amortization expenses in the current year and balance amount ` 99,90,306 shown as Unamortized Expenses under Other Non-Current Assets (Refer Note 11). On the basis of Accounting Standard (AS)-26 Para 56 under The Companies Accounting Standards Rules, 2006, the whole expenses related to ROC fees for enhancement of authorised share capital of ` 1,66,50,510 should have been charged to Statement of Profit and Loss as reported last year in our Audit Report. ROC fees expenses neither created any tangible asset nor any intangible asset. Thus, on the basis of above Accounting Standard (AS)-26 Para 56 whole of the balance amount ` 1,33,20,408 should have been charged to Statement of Profit and Loss under 'Prior Period Items'. This has resulted in overstatement of Profit and Other Current Assets by ` 99,90,306

(ii) *Provision for Payrevision of Arrear salaries of employees for the Year 2009-10 & 2010-11:*

As mentioned in CAG comments on the accounts for the year 2012-13, ` 6,27,54,977 being the arrear payable against pay revision of salaries of employees for the years 2009-10 & 2010-11 should have been provided for and shown under 'Current

Liabilities' instead of disclosing it under 'Contingent Liabilities' as the same was approved by the Board of Directors of the Company and Government of Assam.

But no provision has been made by the company charging to Statement of Profit and Loss ` 6,27,54,977 as 'Prior period Items and shown under 'Short-term provisions'. This has resulted in overstatement of Profit by ` 6,27,54,977 and understatement of Short-term provisions by ` 6,27,54,977.

(iii) *Unused Old catalyst not written off:*

As per Note no. 25.9 "The Company is carrying unused catalyst valued ` 65,97,535 which is more than 20 years old. A committee has been constituted for disposal of the same. The loss/gain on sale will be accounted for at the time of disposal." The company has not identified & charged to Statement of Profit and Loss, the loss on impairment of above asset.

Moreover, As mentioned in CAG comments for the year 2011-12, formal order by the Managing Director of the company had been issued for treating old catalyst worth ` 20,12,234 as obsolete on 26/11/2004 as reported last year in our Audit Report.

On the basis of above, in our opinion, the company should have charged to Statement of Profit and Loss ` 45,85,301 as 'Other Expenses' and ` 20,12,234 as 'Prior period Items'. This has resulted in overstatement of Profit and Inventory by ` 65,97,535.

(iv) *The total effect of the qualification in Para (i), (ii) & (iii) above is that the Profit has been overstated by ` 7,93,42,818 and overstatement of 'Other Current Assets' by ` 99,90,306 and 'Inventory' by ` 65,97,535 and understatement of 'Short-term provisions' by ` 6,27,54,977.*

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of the matter described in the Basis for Qualified Opinion paragraph*, the 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:

(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.

Emphasis of Matter

(i) We draw attention to Note 3(v) and Note 24.1 to the financial statements related to Equity capital money received from Government of Assam amounting Rs. 1702 lakhs shown under Share Application money pending allotment for which legal formalities relating to issue of share capital will be taken by the Board in due course as mentioned in above notes. Our opinion is not qualified in respect of this matter.

(ii) We draw attention to Note No. 25.11 to the financial statements.

The documents in respect of Subsidiary Company (Pragjyotish Fertilizers and Chemicals Ltd. (PFCL) required to be attached with the Balance Sheet of this Company as per section 212(1) of the Companies Act, 1956, have not been attached. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

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 have been kept by the Company so far as appears 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. *except for the matter described in the basis for qualified opinion Paragraph*, in our opinion, the Balance Sheet, 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;

e. The provisions of Section 274(1)(g) of the Companies Act, 1956 regarding "Disqualifications of Directors" do not apply to this company, being a Government Company, as per notification No. G.S.R. 829 (E) dated 21.10.2003 issued by the Ministry of Company Affairs, Government of India;

f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

Place: Guwahati
Date: 04/08/2014

For L. K. Kejriwal & Co.
Chartered Accountants
Firm Registration No. 001368C



(CA. Santa Agarwal)
Partner
Membership No. 068296

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

[Annexure referred to in paragraph under 'Report on other legal and Regulatory requirements' section of our report of even date on the accompanying financial statements of ASSAM PETRO-CHEMICALS LIMITED for the year ended on 31st March, 2014]

- (i) (a) The Company has not maintained proper records showing full particulars including quantitative details and situation of fixed assets. The records maintained for a part period do not tally with the financial statements.
- (b) According to the information given to us, Physical verification of fixed assets has not been done by the management during the year and as such material discrepancies with financial records, if any, could not be noticed and have not been dealt with in the books of account.
- (c) The Company has not disposed off substantial part of fixed assets during the year and thus the going concern concept of the Company has not been affected.
- (ii) (a) As explained to us the inventories of Stores and Spares have been physically verified by the management. In our opinion, the frequency of verification is reasonable.
- (b) In accordance with the information and explanations given to us, the procedures of physical verification of inventory followed by the management appear to be reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the inventory records, in our opinion, the Company has maintained proper records of inventory. The discrepancies noticed on physical verification of inventory as compared with book records were not material considering the size of the company and the nature of its business.
- (iii) (a) The Company has granted loan to its subsidiary M/s Pragjyotish Fertilizers & Chemicals Limited which is ₹ 41,84,185 and advance for Share Application Money to the Subsidiary Company is ₹ 4,80,000 as on 31st March, 2014. The Company has made provision for the full amount i.e. ₹ 41,84,185 & ₹ 4,80,000 respectively considering them doubtful.
- (b) The Company had also granted loans to Assam Tea Corporation Limited as per details given in Note No. 25.10. As per above details, the repayment of principal of loan II was received on 22.10.2009 against the due date of 10.04.2009 and the interest due ₹ 4,25,686 has not been received so far. In case of loan I, out of principal ₹ 35,00,000, ₹ 10,00,000 only was received on 17.03.2011 against the due date of 07.08.2007. The Balance amount of principal of ₹ 25,00,000 is still overdue. Interest accrued and due ₹ 26,76,856 has not been received so far. Though the Company is pursuing through Govt. of Assam for the recovery of the balance amount of principal and the amount of interest overdue, however the steps are not reasonable in view of long overdues.
- (c) According to information and explanations given to us, the Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 and as such, clauses (iii)(e), (f) & (g) of para 4 of the Order are not applicable.
- (iv) In our opinion and according to information and explanations given to us, except non-maintenance of Fixed Asset register, no physical verification of Fixed Assets, there is an adequate internal control system commensurate with size of the company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods. We are not giving our opinion on the effectiveness of the entity's internal control. As informed to us, steps have been taken to correct weaknesses in Internal Control System but still the weaknesses persist.
- (v) According to the information and explanations given by the management, there are no transactions that need to be entered in the register maintained under section 301 of the Companies Act 1956.
- (vi) According to the information and explanations given to us, the Company has not accepted any deposits from the public

during the year and hence directives issued by the Reserve Bank of India and provisions of sections 58A, 58AA or any other relevant provisions of Companies Act, 1956 and the rules framed there under are not applicable.

(vii) In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.

(viii) We have broadly reviewed the Cost records maintained by the company pursuant to the Companies (Cost Accounting Records) Rules 2011 prescribed by the Central Government under section 209 (1) (d) of the Companies Act, 1956, for maintenance of Cost records and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.

(ix) (a) According to the information and explanations given to us and as per the records of the company, the company has been generally regular in depositing undisputed statutory dues including Provident Fund, Income tax, Sales tax, VAT, Custom duty, Excise duty and other statutory dues with the appropriate authorities during the year.

(b) According to the information and explanation given to us there is no material amount of the disputed tax etc. which are not deposited with appropriate authority as at 31st March 2014. However, the Company has received certain demands and show cause notices for payment of duty and penalty as detailed in Note No. 24.02.

(x) As per the records of the company, the company has accumulated Losses of ₹ 60.60 lakhs (Previous year ₹ 842.11 lakhs) as at 31st March 2014 and the Company has not incurred any cash losses in the financial year ended on that date or in the immediate preceding financial year.

(xi) According to the information and explanations given to us the Company has not defaulted in repayment of dues to the bank, and the Company has not taken any loans from any financial institutions.

(xii) According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) The Company is not a chit fund/nidhi/mutual benefit/ society.

(xiv) According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.

(xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.

(xvi) According to the information and explanations given to us, the Company has not obtained any term loan during the year.

(xvii) According to the information and explanations given to us, we report that the funds raised on short-term basis have not been used for long-term investment.

(xviii) According to the information and explanations given to us, 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.


(xix) The Company has not issued any debentures during the year.

(xx) The Company has not raised any money by public issues during the year.

(xxi) According to the information and explanations given to us no fraud on or by the Company has been noticed or reported during year.

Place: Guwahati
Date: 04/08/2014

For L. K. Kejriwal & Co.
Chartered Accountants
Firm Registration No. 001368C

(CA.  Sainita Agarwal)
Partner
Membership No. 068296

Particulars		Note No.	As at 31 st March, 2014	As at 31 st March, 2013
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	91,259,720	91,259,720
	(b) Reserves and surplus	4	747,402,279	666,991,748
	(c) Money received against share warrants			
			838,661,999	758,251,468
2	Share application money pending allotment		170,200,000	170,200,000
3	Non-current liabilities			
	(a) Long-term borrowings		-	-
	(b) Deferred tax liabilities (net)	25.10	-	8,713,191
	(c) Other long-term liabilities	5	7,476,372	9,000,140
	(d) Other long-term liabilities		-	-
			7,476,372	17,713,331
4	Current liabilities			
	(a) Short-term borrowings		-	-
	(b) Trade payables	6	44,977,013	67,517,004
	(c) Other current liabilities	7	97,718,402	44,153,127
	(d) Short-term provisions	8	64,205,763	124,111,985
			206,901,178	235,782,116
	TOTAL		1,223,239,549	1,181,946,915
B	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	9.A	152,053,688	167,142,388
	(ii) Intangible assets	9.B	227,384	329,738
	(iii) Capital work in progress	9.D	35,462,932	9,221,502
	(iii) Intangible Assets under Development		-	-
			187,744,004	176,693,628
	(b) Non-current investments	10.A	-	-
	(c) Deferred tax assets (net)	25.10	4,331,150	-
	(d) Long-term loans and advances	10.B	87,498,130	84,940,137
	(e) Other non-current assets	11	12,163,089	19,868,947
			103,992,369	104,809,084
2	Current assets			
	(a) Current investments		-	-
	(b) Inventories	12	101,177,043	98,354,240
	(c) Trade receivables	13	45,635,060	77,029,264
	(d) Cash and cash equivalents	14	738,461,781	686,645,087
	(e) Short-term loans and advances	15	23,110,962	16,627,587
	(f) Other current assets	16	23,118,330	21,788,025
			931,503,176	900,444,203
	TOTAL		1,223,239,549	1,181,946,915

See accompanying notes forming part of the financial statements (1 to 26)

As per our report of even date attached.

For and on behalf of the Board of Directors

For **L.K.Kejriwal & Co.**
Chartered Accountants
 FRN : 001368C


(CA. Santa Agarwal)
 Partner
 M.No. 068296


(Uttam Baidung)
 Company Secretary


(D.N.Barua)
 Director


(Ratul Bordoloi)
 Managing Director

Place : Guwahati
 Date : 04-08-2014

Particulars		Note No.	For the year ended 31 March, 2014	For the year ended 31 March, 2013
A	CONTINUING OPERATIONS			
1	Revenue from operations (gross)	17	1,075,800,783	902,965,369
	Less: Excise duty	17	111,059,319	94,457,817
	Revenue from operations (net)		964,741,464	808,507,552
2	Other income	18	63,721,744	62,070,771
3	Total revenue (1+2)		1,028,463,208	870,578,323
4	Expenses :			
	(a) Cost of materials consumed	19.A	326,350,302	317,374,674
	(b) Purchases of stock-in-trade		-	-
	(c) Changes in inventories of finished goods,WIP and stock-in-trade	19.B	(3,934,158)	5,067,835
	(d) Employee benefits expense	20	381,254,806	246,216,456
	(e) Finance costs	21	2,074,263	3,857,602
	(f) Depreciation and amortisation expense	9E	23,995,335	23,251,438
	(g) Other expenses	22	187,471,267	152,738,995
	Total expenses		917,211,815	748,507,000
5	Profit / (Loss) before prior period,exceptional and extraordinary items and tax (3 - 4)		111,251,393	122,071,323
6	Prior Period Items	23.A	(3,778,581)	(860,036)
7	Profit / (Loss) before exceptional and extraordinary items and tax (5 - 6)		115,029,974	122,931,359
8	Exceptional items	23.B	(86,783)	76,258,343
9	Profit / (Loss) before extraordinary items and tax (7 + 8)		115,116,757	46,673,016
10	Extraordinary items			
11	Profit / (Loss) before tax (9 + 10)		115,116,757	46,673,016
12	Tax expense:			
	(a) Current tax expense for current year		34,263,188	4,919,700
	(b) (Less): MAT credit (where applicable)		-	-
	(c) Current tax expense relating to prior years		63,243	491,932
	(d) Net current tax expense		-	-
	(e) Deferred tax	25.6	(13,044,341)	860,677
13	Profit / (Loss) from continuing operations (11 + 12)		93,834,667	40,400,707
B	DISCONTINUING OPERATIONS			
14.i	Profit / (Loss) from discontinuing operations (before tax)		-	-
14.ii	Gain / (Loss) on disposal of assets / settlement of liabilities attributable to the discontinuing operations		-	-
14.iii	Add / (Less): Tax expense of discontinuing operations		-	-
	(a) on ordinary activities attributable to the discontinuing operations		-	-
	(b) on gain / (loss) on disposal of assets / settlement of liabilities		-	-
15	Profit / (Loss) from discontinuing operations (14.i ± 14.ii ± 14.iii)		-	-
C	TOTAL OPERATIONS			
16	Profit / (Loss) for the year (11 ± 13)		93,834,667	40,400,707

Particulars		Note No.	For the year ended	For the year ended
			31 March, 2014	31 March, 2013
17.I	Earnings per equity share (of ` 10 each):			
	(a) Basic			
	(I) Continuing operations	25.5 a	10.29	4.43
	(ii) Total operations	25.5 b	10.29	4.43
	(b) Diluted			
	(I) Continuing operations	25.5 e	10.29	4.43
	(ii) Total operations	25.5 f	10.29	4.43
17.II	Earnings per equity share (excluding extraordinary items) (of ` 10 each):			
	(a) Basic			
	(I) Continuing operations	25.5 c	10.29	4.43
	(ii) Total operations	25.5 d	10.29	4.43
	(b) Diluted			
	(I) Continuing operations	25.5 g	10.29	4.43
	(ii) Total operations	25.5 h	10.29	4.43
See accompanying notes forming part of the financial statements (1 to 26)				

As per our report of even date attached.

For L.K.Kejriwal & Co.
Chartered Accountants
 FRN : 0-01368C

For and on behalf of the Board of Directors


(CA. Santa Agarwal)
 Partner
 M.No. 068296


(Uttam Baidung)
 Company Secretary


(D.N. Barua)
 Director


(Ratul Bordoloi)
 Managing Director

Place : Guwahati
 Date : 04-08-2014

Particulars	For the year ended 31 March, 2014		For the year ended 31 March, 2013	
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		115,116,757		46,673,016
<i>Adjustments for:</i>				
Depreciation and amortisation	23,995,335		23,251,438	
Finance costs	2,074,263		3,857,602	
Interest income	(58,856,638)		(52,171,745)	
Liabilities / provisions no longer required written back	(2,858,686)		(7,543,617)	
Other Non Cash Items	896,271		-	
Capital Subsidy Written Back	(86,783)	(34,836,238)	(86,783)	(32,693,105)
Operating profit / (loss) before working capital changes		80,280,519		13,979,911
<i>Changes in working capital:</i>				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Inventories	(2,822,803)		1,687,999	
Trade receivables	31,394,204		7,763,788	
Short-term loans and advances	(6,483,375)		(28,394)	
Long-term loans and advances	14,568,228		(25,449,292)	
Other current assets	(1,330,305)		12,392,503	
Other non-current assets	-		6,311,119	
<i>Adjustments for increase / (decrease) in operating liabilities:</i>				
Trade payables	(22,539,991)		3,724,190	
Other current liabilities	53,565,275		(18,754,223)	
Other long-term liabilities	(1,523,768)		1,856,233	
Short-term provisions	(72,807,333)		48,959,035	
Long-term provisions	-	(7,979,868)	-	38,462,958
Cash flow from extraordinary items		72,300,651		52,442,869
Cash generated from operations		-		-
Net income tax (paid) / refunds		72,300,651		52,442,869
		(40,705,931)		(26,080,365)
Net cash flow from / (used in) operating activities (A)		31,594,720		26,362,504

Particulars	For the year ended 31 March, 2013		For the year ended 31 March, 2012	
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances		(28,035,234)		(8,470,908)
Interest received				
- Subsidiaries				
- Associates				
- Joint ventures				
- Others		58,856,638		52,171,745
Cash flow from extraordinary items				
Net income tax (paid) / refunds				
Net cash flow from / (used in) investing activities (B)		30,821,404		43,700,837

ASSAM PETRO-CHEMICALS LIMITED
Cash Flow Statement for the year
ended 31 March, 2014. (Contd.)

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Particulars	For the year ended 31 March, 2014		For the year ended 31 March, 2013	
C. Cash flow from financing activities				
Share application money received / (refunded)		-		170,200,000
Dividend (including dividend distribution tax)		(10,599,430)		-
Cash flow from extraordinary items				
Net cash flow from / (used in) financing activities (c)		(10,599,430)		170,200,000
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		51,816,694		240,263,341
Cash and cash equivalents at the beginning of the year		686,645,087		446,381,746
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents		-		-
Cash and cash equivalents at the end of the year		738,461,781		686,645,087
Reconciliation of Cash and cash equivalents with the Balance Sheet:				
Cash and cash equivalents as per Balance Sheet (Refer Note 14)		738,461,781		686,645,087
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements (give details)		-		-
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements)		738,461,781		686,645,087
Add: Current investments considered as part of Cash and cash equivalents (as defined in AS 3 Cash Flow Statements)		-		-
Cash and cash equivalents at the end of the year *		738,461,781		686,645,087
** Comprises:				
(a) Cash on hand		49,465		58,120
(b) Cheques, drafts on hand				
(c) Balances with banks				
(i) In current accounts		33,126,711		28,027,963
(ii) In EEFC accounts				
(iii) In deposit accounts with original maturity of less than 12 months		521,100,000		488,092,194
(iv) In earmarked accounts (Advance against Equity Participation)		183,963,347		170,209,174
(d) Others (Unpaid Dividend)		222,258		257,636
(e) Current investments considered as part of Cash and cash equivalents		-		-
		738,461,781		686,645,087

Notes:

- (i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.
(ii) These earmarked account balances with banks can be utilised only for the specific identified purposes.
See accompanying notes forming part of the financial statements (1 to 26)

As per our report of even date attached.

For L.K.Kejriwal & Co.
Chartered Accountants
FRN : 0-01368C

For and on behalf of the Board of Directors


(CA. Samta Agarwal)
Partner
M.No. 068296


(Uttam Baidung)
Company Secretary


(D.N. Barua)
Director


(Ratul Bordoloi)
Managing Director

Place : Guwahati
Date : 04-08-2014

Note	Particulars
1	<p data-bbox="164 368 477 405">Corporate information</p> <p data-bbox="164 429 1541 556">The company was incorporated on 22.04.1971 with a view to use Natural Gas as feedstock to produce Methanol. Currently the company is engaged in manufacture and marketing of two versatile industrial petrochemical products i.e. methanol and formaldehyde. The profitability of the company is largely dependent on the price of methanol in the international market which has direct impact on domestic price of methanol.</p>
2	<p data-bbox="164 638 594 674">Significant accounting policies:</p>
2.1	<p data-bbox="164 728 976 765">Basis of accounting and preparation of financial statements</p> <p data-bbox="164 771 1541 933">The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.</p>
2.2	<p data-bbox="164 1015 391 1052">Use of estimates</p> <p data-bbox="164 1065 1541 1220">The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.</p>
2.3	<p data-bbox="164 1302 326 1338">Inventories</p> <p data-bbox="164 1353 1541 1550">Items of inventories are measured at lower of cost or net realizable value, after providing for obsolescence, if any. Cost of inventories comprises of all cost of purchase, cost of conversion and other cost incurred in bringing them to their respective present location and condition. Cost of raw-materials, process chemicals, stores and spares, packing materials, and other products are determined on weighted average basis. Cost of production of finished stocks is determined on by absorption costing method. In calculating the valuation of unsold finished stock, overhead expenses have been absorbed up to the stage of Production only.</p>
2.4	<p data-bbox="164 1604 526 1640">Cash and cash equivalents</p> <p data-bbox="164 1655 1541 1754">Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.</p>
2.5	<p data-bbox="164 1798 444 1834">Cash flow statement</p> <p data-bbox="164 1849 1541 1949">Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.</p>

Note	Particulars
2.6	<p>Depreciation and amortisation</p> <p>Depreciation has been provided on the written down value method as per the rates prescribed in Schedule XIV to the Companies Act, 1956. However, in case of plant & machinery and electrical equipment, depreciation has been charged on straight line method up to 95% of the historical cost retaining 5% as salvage value. Similarly for other Assets depreciation has not been charged on residual 5 % written down value.</p> <p>Intangible assets are amortised over their estimated useful life. The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.</p>
2.7	<p>Revenue recognition</p> <p>Sale of goods</p> <p>Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax and value added tax.</p>
2.8	<p>Other income</p> <p>Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.</p>
2.9	<p>Tangible fixed assets</p> <p>Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.</p> <p>Fixed assets acquired and put to use for project purpose are capitalised and depreciation thereon is included in the project cost till commissioning of the project.</p> <p>Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately in the Balance Sheet.</p> <p><u>Capital work-in-progress:</u></p> <p>Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.</p>
2.10	<p>Intangible assets</p> <p>Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any</p>

Note	Particulars
2.11	<p>trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.</p> <p>Foreign currency transactions and translations</p> <p><u>Initial recognition</u></p> <p>Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.</p> <p><u>Measurement of foreign currency monetary items at the Balance Sheet date</u></p> <p>Foreign currency monetary items (other than derivative contracts) of the Company and its net investment in non-integral foreign operations outstanding at the Balance Sheet date are restated at the year-end rates.</p> <p>In the case of integral operations, assets and liabilities (other than non-monetary items), are translated at the exchange rate prevailing on the Balance Sheet date. Non-monetary items are carried at historical cost. Revenue and expenses are translated at the average exchange rates prevailing during the year. Exchange differences arising out of these translations are charged to the Statement of Profit and Loss.</p> <p><u>Treatment of exchange differences</u></p> <p>Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company and its integral foreign operations are recognised as income or expense in the Statement of Profit and Loss. The exchange differences on restatement / settlement of loans to non-integral foreign operations that are considered as net investment in such operations are accumulated in a "Foreign currency translation reserve" until disposal / recovery of the net investment.</p> <p>The exchange differences arising on restatement / settlement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets or amortised on settlement / over the maturity period of such items if such items do not relate to acquisition of depreciable fixed assets. The unamortised balance is carried in the Balance Sheet as "Foreign currency monetary item translation difference account" net of the tax effect thereon.</p>
2.12	<p>Government grants, subsidies and export incentives</p> <p>Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidy will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognised as income over the life of a depreciable asset by way of a reduced depreciation charge.</p> <p>Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.</p> <p>Government grants in the nature of promoters' contribution like investment subsidy, where no repayment is ordinarily expected in respect thereof, are treated as capital reserve. Government grants in the form of non-monetary assets, given at a concessional rate, are recorded on the basis of their acquisition cost. In case the non-monetary asset is given free of cost, the</p>

Note	Particulars
	<p>grant is recorded at a nominal value.</p> <p>Other government grants and subsidies are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis.</p>
2.13	<p>Investments</p> <p>Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.</p> <p>Investment properties are carried individually at cost less accumulated depreciation and impairment, if any. Investment properties are capitalised and depreciated (where applicable) in accordance with the policy stated for Tangible Fixed Assets. Impairment of investment property is determined in accordance with the policy stated for Impairment of Assets.</p>
2.14	<p>Employee benefits</p> <p>Employee benefits include provident fund, superannuation fund, gratuity fund, compensated absences, long service awards and post-employment medical benefits.</p> <p><u>Defined contribution plans</u></p> <p>The Company's contribution to provident fund and superannuation fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.</p> <p><u>Defined benefit plans</u></p> <p>For defined benefit plans in the form of gratuity fund and post-employment medical benefits, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.</p> <p><u>Short-term employee benefits</u></p> <p>The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under :</p> <p>(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and</p> <p>(b) in case of non-accumulating compensated absences, when the absences occur.</p> <p><u>Long-term employee benefits</u></p> <p>Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.</p>

Note	Particulars
2.15	<p>Employee share based payments</p> <p>The Company has no Employee Stock Option Schemes (ESOS) in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.</p>
2.16	<p>Borrowing costs</p> <p>Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.</p>
2.17	<p>Segment reporting</p> <p>The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance. Management has identified two reportable business segments namely Methanol & Formalin and Siliguri has been identified as a geographical segment.</p> <p>The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.</p> <p>Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.</p> <p>Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".</p>
2.18	<p>Earnings per share</p> <p>Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.</p>

Note	Particulars
2.19	<p data-bbox="164 362 391 390">Taxes on income</p> <p data-bbox="164 433 1539 491">Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.</p> <p data-bbox="164 513 1539 638">Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.</p> <p data-bbox="164 659 1539 944">Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.</p> <p data-bbox="164 965 1539 1024">Current and deferred tax relating to items directly recognised in equity are recognised in equity and not in the Statement of Profit and Loss.</p>
2.20	<p data-bbox="164 1108 451 1136">Impairment of assets</p> <p data-bbox="164 1179 1539 1403">The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.</p>
2.21	<p data-bbox="164 1511 565 1539">Provisions and contingencies</p> <p data-bbox="164 1582 1539 1726">A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.</p>
2.22	<p data-bbox="164 1841 391 1869">Insurance claims</p> <p data-bbox="164 1920 1539 1979">Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.</p>

Note	Particulars
2.23	<p>Service tax input credit</p> <p>Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.</p>
2.24	<p>Employee Separation Cost :</p> <p>Compensation to employees who have opted for retirement under voluntary retirement scheme of the company is debited to the Profit and Loss Account in the year of payment.</p>
2.25	<p>Dearness Allowance :</p> <p>Dearness Allowance accrues after being approved by the Board of Directors and accordingly is charged to the Statement of Profit and Loss in the year of approval.</p>
2.26	<p>Other Non Current Assets :</p> <p>The value of Non Current Assets includes value of unamortised catalyst which are amortised on the basis of the utilisation certificates of the Engineering Department.</p>
2.27	<p>Excise Duty :</p> <p>Excise duty is accounted on the basis of, both, payment made in respect of goods cleared as also provision made for goods lying in excise bonded tank.</p>

Note 3 Share Capital

Particulars	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares	₹	Number of shares	₹
(a) Authorised				
Equity shares of ₹ 10 each with voting rights	350,000,000	3,500,000,000	350,000,000	3,500,000,000
Redeemable Cumm. preference shares of ₹ 100 each	-	-	-	-
	350,000,000	3,500,000,000	350,000,000	3,500,000,000
(b) Issued				
Equity shares of ₹ 10 each with voting rights	9,135,047	91,350,470	91,350,470	91,350,470
(c) Subscribed and fully paid up				
Equity shares of ₹ 10 each with voting rights (80,41,540 Shares held by AIDCL (Holding Company))	9,119,947	91,199,470	9,119,947	91,199,470
(d) Subscribed but not fully paid up				
Amount received and Forfeited	15,100	60,250	15,100	60,250
Total	9,135,047	91,259,720	9,135,047	91,259,720

Particulars

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh Issue	Bonus	ESOP	Conversion	Buy Back	Other Changes	Closing Balance
Equity shares with voting rights								
Year ended 31 March, 2014								
- Number of shares	9,119,947	-	-	-	-	-	-	9,119,947
- Amount (₹)	91,199,470	-	-	-	-	-	-	91,199,470
Year ended 31 March, 2013								
- Number of shares	9,119,947	-	-	-	-	-	-	9,119,947
- Amount (₹)	91,199,470	-	-	-	-	-	-	91,199,470

(ii) Shareholders holding more than 5% of Shares

Name of the Shareholders	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares	Amount Originally paid up	Number of shares	Amount Originally paid up
Assam Industrial Development Corporation Ltd.	8,041,540	88.18%	8,041,540	88.18%
Industrial Development Bank of India	852,500	9.35%	852,500	9.35%

(iii) Details of forfeited shares

Class of shares	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares	Amount Originally paid up	Number of shares	Amount Originally paid up
Equity shares with voting rights	15,100	60,250	15,100	60,250

(iv) Rights, preference and restrictions attached :

Particulars	Equity Shares
Distribution of Dividend	As approved by the shareholders in AGM
Repayment of Capital	Not Fixed

(v) The company embarking upon to set up a 500TPD Methanol & 200 TPD Acetic Acid Project. To mobilize the requisite capital for the project, the company has decided to raise the fund by partly issuing additional equity. To raise the requisite additional equity capital the company had increased its Authorised capital to ` 350 Crores. On the basis of proposal made by the company, Govt. of Assam had sanctioned ` 17.02 crores vide letter No.CI&C(V)(P)67/2011/18/9986 Dtd.23-11-2011. The Cabinet Approval relating to the Same was received vide CI/105/2005(B)/269Dated March 04, 2014. The company has taken all effective steps to materialise the project and since the money received against the equity participation of Govt. of Assam in 500 TPD Methanol and 200 TPD Acetic Acid Plant Project will be utilised for the implementation of the project, it has been shown under the head "Share application money pending allotment". All formalities for issue of additional share capital are under process and decision will be taken by the Board in due course after completion of the formalities.

Note 4 Reserves and Surplus

Particulars	As at 31 March, 2014	As at 31 March, 2013
(a) Capital reserve		
Opening balance	13,625.00	13,625
Add: Additions during the year	-	-
Less: Utilised / transferred during the year	-	-
Closing balance	13,625.00	13,625
(b) Capital redemption reserve		
Opening balance	11,029,100	11,029,100
Add: Additions during the year	-	-
Less: Utilised / transferred during the year	-	-
Closing balance	11,029,100	11,029,100
(c) General reserve		
Opening balance	739,943,090	738,933,072
Add: Transferred from surplus in statement of profit and loss	2,345,867	1,010,018
Less: Utilised / transferred during the year	-	-
Closing balance	742,288,957	739,943,090
(d) Deffered Capital Subsidy		
Opening balance	216,953	303,736
Add: Additions / transfer during the year	-	-
Less: Utilised / transfers during the year	86,783	86,783
Closing balance	130,170	216,953
(e) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	(84,211,020)	(113,002,279)
Add: Profit / (Loss) for the year	93,834,667	40,400,707
Less: Dividends proposed to be distributed to equity shareholders (` 1.25 per share)	11,399,934	9,119,947
Tax on dividend	1,937,419	1,479,483
Transferred to General Reserve	2,345,867	1,010,018
Closing balance	(6,059,573)	(84,211,020)
Total	747,402,279	666,991,748

Note 5 Other long-term liabilities

Particulars	As at 31 March, 2014	As at 31 March, 2013
(a) Trade Payables:		
(b) Others:		
(i) Trade / Security deposits received	6,372,391	7,476,623
(ii) Earnest Money	1,016,481	1,323,517
(iii) Ear Marked Government Grant	87,500	200,000
Total	7,476,372	9,000,140

Note 6 Trade Payables

Particulars	As at 31 March, 2014	As at 31 March, 2013
Trade payables:		
Acceptances	44,977,013	67,517,004
Other than Acceptances	-	-
Total	44,977,013	67,517,004

Note 7 Other current liabilities :

Particulars	As at 31 March, 2014	As at 31 March, 2013
(a) Unpaid dividends	222,414	202,189
(b) Other payables		
(i) Statutory remittances (Contributions to PF and ESIC, Excise Duty, VAT, Service Tax, etc.)	80,768,601	30,739,446
(ii) Contractually reimbursable expenses	2,803,837	736,233
(iii) Salaries & Wages payables	134,857	82,792
(iv) Advances from customers	11,379,381	8,252,170
(v) Others (Work Bill Payable)	2,111,698	3,675,316
(v) Others (Misc.)	297,614	464,981
Total	97,718,402	44,153,127

Note 8 Short-term provisions

Particulars	As at 31 March, 2014	As at 31 March, 2013
(a) Provision for employee benefits:		
(i) Provision for bonus & ex-gratia	34,00,000	33,00,000
(ii) Provision for other defined contribution plans (net)	-	10,783,211
(iii) Provision for Arrear Salary	3,453,293	65,561,915
	6,853,293	79,645,126
(b) Provision - Others:		
(i) Provision for tax	43,675,617	33,512,429
(ii) Provision - others (Audit Fee)	339,500	355,000
(iii) Provision for proposed equity dividend	11,399,934	9,119,947
(iv) Provision for tax on proposed dividends	1,937,419	1,479,483
	57,352,470	44,466,859
Total	64,205,763	124,111,985

Note 9 Fixed assets

A.	Tangible assets	Dep. Rate %	Gross Block								Balance as at 1 April, 2013	Balance as at 31 March, 2014
			Additions	Disposals	Acquisitions through business combinations	Reclassified as held for sale	Revaluation increase	Effect of foreign currency exchange differences	Borrowing cost capitalised	Other adjustments		
1	LAND	0.00									3,055,506	3,055,506
2	BUILDING FACTORY	10.00									65,863,699	65,863,699
3	BUILDING RESIDENCE	5.00									58,081,959	58,081,959
4	BUILDING GUEST HOUSE	5.00									1,453,166	1,453,166
5	BUILDING - REGISTERED OFFICE	5.00									5,211,231	5,211,231
6	BUILDING - KOLKATA OFFICE	5.00									1,613,596	1,613,596
7	PLANT & MACHINERY U-I	5.28									100	100
8	PLANT & MACHINERY (IND) U-II	5.28	2,669,273								298,867,250	301,536,523
9	PLANT & MACHINERY CO2	5.28									18,253,294	18,253,294
10	PLANT & MACHINERY(IND)125TPD	5.28									130,607,949	130,607,949
11	PLANT & MACHINERY(IMP) U-II	5.28	9,245,279								82,259,886	91,505,165
12	PLANT & MACHINERY(IMP)100TPD	5.28									29,728,866	29,728,866
13	ELECTRICAL EQUIPMENT	5.28	274,670								21,747,535	22,022,205
14	LABORATORY EQUIPMENT	13.91									1,543,561	1,543,561
15	FIRE FIGHTING EQUIPMENT	13.91									3,743,565	3,743,565
16	HOSPITAL EQUIPMENT	20.00									266,937	266,937
17	OFFICE EQUIPMENT	13.91									2,100,950	2,100,950
18	GUEST HOUSE EQUIPMENT	13.91									150,331	150,331
19	TELEPHONE EQUIPMENT	13.91	15,000								2,051,514	2,066,514
20	FURNITURE & FIXTURES	18.10	200,614								5,873,390	6,074,004
21	MOTOR VEHICLE & CYCLE	25.89									3,900,389	3,900,389
22	E.D.EQUIPMENT	40.00	1,224,999								5,550,606	6,775,605
23	WATER SUPPLY	10.00									19,631,816	19,631,816
24	MISC. FIXED ASSETS	13.91	40,600								2,669,225	2,709,825
25	DISCARDED ASSETS (Held for sale)	0.00									740,691	740,691
	TOTAL 'A'		13,670,435	-	-	-	-	-	-	-	764,967,012	778,637,447
	STANDBY SERVICING EQUIPEMENT / CAPITAL SPARE											
1	PLANT & MACHINERY (IND) U-II										5,544,899	2,875,626
2	PLANT & MACHINERY (IMP) U-II										9,245,279	-
	TOTAL 'B'										14,790,178	2,875,626
	Total		13,670,435	-	-	-	-	-	-	-	779,757,190	781,513,073
	Previous year		31,645,166	-	-	-	-	-	-	-	748,135,208	779,757,190

A.	Tangible assets		Balance as at 1 April, 2013	Accumulated depreciation and impairment						Net Block				
				Depreciation/ amortisation expense for the year	Eliminated on disposal of assets	Eliminated on reclassification as held for sale	Impairment losses recognised in statement of Profit and loss	Reversal of impairment losses recognised in statement of Profit and Loss	Other adjustments	Balance as at 31 March, 2014	Balance as at 31 March, 2014	Balance as at 31 March, 2013		
1	LAND	0.00	-									3,055,506	3,055,506	3,055,506
2	BUILDING FACTORY	10.00	58,859,034	700,466								59,559,500	6,304,199	7,004,665
3	BUILDING RESIDENCE	5.00	41,019,692	853,113								41,872,805	16,209,154	17,062,267
4	BUILDING GUEST HOUSE	5.00	1,037,988	20,759								1,058,747	394,419	415,178
5	BUILDING - REGISTERED OFFICE	5.00	1,925,868	164,268								2,090,136	3,121,095	3,285,363
6	BUILDING - KOLKATA OFFICE	5.00	601,213	50,619								651,832	961,764	1,012,383
7	PLANT & MACHINERY U-I	5.28	-	-								-	100	100
8	PLANT & MACHINERY (IND) U-II	5.28	285,150,409	420,212						141,710		285,712,331	15,824,192	13,716,841
9	PLANT & MACHINERY CO2	5.28	16,193,767	963,774								17,157,514	1,095,753	2,059,527
10	PLANT & MACHINERY(IND)125TPD	5.28	83,247,479	6,896,100								90,143,579	40,464,370	47,360,470
11	PLANT & MACHINERY(IMP) U-II	5.28	44,522,803	2,426,068								46,948,871	44,556,294	37,737,083
12	PLANT & MACHINERY(IMP)100TPD	5.28	24,332,252	1,569,684								25,901,936	3,826,930	5,396,614
13	ELECTRICAL EQUIPMENT	5.28	20,660,158	4,122								20,664,280	1,357,925	1,087,377
14	LABORATORY EQUIPMENT	13.91	1,363,522	25,043								1,388,565	154,996	180,039
15	FIRE FIGHTING EQUIPMENT	13.91	2,218,534	212,132								2,430,666	1,312,899	1,525,031
16	HOSPITAL EQUIPMENT	20.00	259,329	-								259,329	7,608	7,608
17	OFFICE EQUIPMENT	13.91	1,784,483	44,021								1,828,504	272,446	316,467
18	GUEST HOUSE EQUIPMENT	13.91	146,095	-								146,095	4,236	4,236
19	TELEPHONE EQUIPMENT	13.91	1,192,075	120,297								1,312,372	754,142	859,439
20	FURNITURE & FIXTURES	18.10	5,579,720	19,707								5,599,427	474,577	293,670
21	MOTOR VEHICLE & CYCLE	25.89	2,850,169	271,902								3,122,071	778,318	1,050,220
22	E.D.PEQUIPMENT	40.00	4,993,249	481,302								5,474,551	1,301,054	557,357
23	WATER SUPPLY	10.00	12,122,635	750,918								12,873,553	6,758,263	7,509,181
24	MISC. FIXED ASSETS	13.91	2,554,328	2,862								2,557,190	152,635	114,897
25	DISCARDED ASSETS (Held for sale)	0.00	-										740,691	740,691
	TOTAL 'A'		612,614,802	15,997,369	-	-	-	-	-	141,710		628,753,881	149,883,566	152,352,210
	STANDBY SERVICING EQUIPEMENT / CAPITAL SPARE													
1	PLANT & MACHINERY (IND) U-II			151,833						553,671		705,504	2,170,122	5,544,899
2	PLANT & MACHINERY (IMP) U-II			-						553,671		-	-	9,245,279
	TOTAL 'B'			151,833	-	-	-	-	-	695,381		705,504	2,170,122	14,790,178
	Total		612,614,802	16,149,202	-	-	-	-	-	843		629,459,385	152,053,688	167,142,388
	Previous year		597,980,180	14,635,465	-	-	-	-	-			612,614,802	167,142,388	150,155,028

Note 9 Fixed assets (contd.)

B. Intangible assets	Gross Block								Balance as at 31 March, 2014
	Balance as at 1 April, 2013	Additions	Disposals	Acquisitions through business combinations	Reclassified as held for sale	Effect of foreign currency exchange differences	Borrowing cost capitalised	Other adjustments	
COMPUTER SOFTWARE	2,389,738	37,921							2,427,659
Total	2,389,738	37,921							2,427,659
Previous year	2,349,988	39,750							2,389,738

B. Intangible assets	Accumulated Depreciation and Impairment						Net Block		
	Balance as at 1 April, 2013	Depreciation/amortisation expense for the year	Eliminated on disposal of assets	Eliminated on reclassification held for sale	Impairment losses recognised / (reversed) in Statement of Profit and Loss	Other adjustments	Balance as at 31 March, 2014	Balance as at 31 March, 2013	Balance as at 31 March, 2013
COMPUTER SOFTWARE	2,060,000	140,275					2,200,275	227,384	329,738
Total	2,060,000	140,275					2,200,275	227,384	329,738
Previous year	1,866,240	193,760					2,060,000	329,738	483,748

UNAMORTISED CATALYST :

PARTICULARS	(Value in `)	
	As at 31-03-14	As at 31-03-13
Value of Catalyst issued	6,548,539	11,641,493
Amortised during the year on the basis of technical certificate of 100000 MT of Methanol production	4,375,756	5,092,954
Balance Unamortised amount	2,172,783	6,548,539

9C. AMORTISATION EXPENSES

PARTICULARS	(Value in `)	
	As at 31-03-14	As at 31-03-13
Value of catalyst consumed	4,375,756	5,092,954
Fee for increase of authorised capital	3,330,102	3,330,102
Total amortised amount for the year	7,705,858	8,423,056

9D. CAPITAL WORK IN PROGRESS

Particulars	(Value in `)	
	As at 31-03-14	As at 31-03-13
METHANOL PLANT 500TPD	35,462,932	5,189,396
METHANOL REVAMING		4,032,106
TOTAL	35,462,932	9,221,502

9E. Depreciation and amortisation relating to continuing operations:

Particulars	For the year ended	For the year ended
	31 March, 2014	31 March, 2013
Depreciation and amortisation for the year on tangible assets as per Note 9 A	16,149,202	14,634,622
Depreciation and amortisation for the year on intangible assets as per Note 9 B	140,275	193,760
Amortisation of Pre-operative expenses for the year on intangible assets as per Note 9 C	7,705,858	8,423,056
Less: Utilised from revaluation reserve	-	-
Depreciation and amortisation relating to discontinuing operations	-	-
Depreciation and amortisation relating to continuing operations	23,995,335	23,251,438

Note 10 A Non Current Investment

Particulars	As at 31 March, 2014	As at 31 March, 2013
Other than Trade Investment		
Invest in Pragjyotish Fertilizers & Chemicals Ltd. (PFCL) (A subsidiary company)		
100000 Equity Shares of `100 each (55.55% of total Shares)	10,000,000	10,000,000
Less: Provision for Diminution in the value of Investment	10,000,000	10,000,000
Net Value of Investment in Shares	-	-

Note 10 B Long-term loans and advances

Particulars	As at 31 March, 2014	As at 31 March, 2013
(a) Security deposits		
Secured, considered good		
Unsecured, considered good	16,079,683	11,390,964
Doubtful	153,750	153,750
	16,233,433	11,544,714
Less: Provision for doubtful deposits	153,750	153,750
	16,079,683	11,390,964
(b) Loans and advances to related parties (Refer Note 25.4)		
Secured, considered good		
Unsecured, considered good		-
Doubtful	4,664,185	4,316,585
	4,664,185	4,316,585
Less: Provision for doubtful deposits	4,664,185	4,316,585
	-	-
(c) Loans and advances to employees		
Secured, considered good		
Unsecured, considered good	5,540,415	7,841,454
Doubtful	-	-

Note 10 B Long-term loans and advances

Particulars	As at 31 March, 2014	As at 31 March, 2013
	5,540,415	7,841,454
Less: Provision for doubtful loans and advances	-	-
	5,540,415	7,841,454
(d) Advance income tax - Unsecured, considered good	61,789,799	44,663,578
(e) MAT credit entitlement - Unsecured, considered good	61,789,799	44,663,578
(f) Other loans and advances		
Secured, considered good		
Unsecured, considered good	4,088,232	21,044,141
Doubtful	750,000	750,000
	66,628,031	66,457,719
Less: Provision for doubtful loans and advances	750,000	750,000
	65,878,031	65,707,719
Total	87,498,130	84,940,137

Note: Long-term loans and advances include amounts due from:

Particulars	As at 31 March, 2014	As at 31 March, 2013
Managing Director	33,750	56,250
	33,750	56,250

Note 11 Other non-current assets

Particulars	As at 31 March, 2014	As at 31 March, 2013
(a) Unamortised expenses		
(l) ROC Fee for Increase of Authorised Capital	9,990,306	13,320,408
(d) Others:		
(l) Others (Stock of Unamortised Catalyst)	2,172,783	6,548,539
Total	12,163,089	19,868,947

Note 12 Inventories

(At lower of cost and net realisable value)

Particulars	As at 31 March, 2014	As at 31 March, 2013
(a) Finished goods (other than those acquired for trading)	10,043,730	5,686,424
Goods-in-transit		423,148
	10,043,730	6,109,572
(b) Stores and spares	90,371,190	91,396,621
Goods-in-transit	-	-
	90,371,190	91,396,621
(c) Loose tools	762,123	848,047
Goods-in-transit	-	-
	762,123	848,047
Total	101,177,043	98,354,240

Note 13 Trade Receivables

Particulars	As at 31 March, 2014	As at 31 March, 2013
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good	-	-
Unsecured, considered good	1,769,057	2,303
Doubtful	-	47,525
	1,769,057	49,828
Less: Provision for doubtful trade receivables	-	-
	1,769,057	49,828
Other Trade receivables		
Secured, considered good	13,139,151	20,853,345
Unsecured, considered good	30,726,852	56,126,091
Doubtful	-	-
	43,866,003	76,979,436
Less: Provision for doubtful trade receivables	-	-
	43,866,003	76,979,436
Total	45,635,060	77,029,264

Note 14 Cash and cash equivalents

Particulars	As at 31 March, 2014	As at 31 March, 2013
(a) Cash on hand	49,465	58,120
(b) Cheques, drafts on hand		-
(c) Balances with banks		
(i) In current accounts	33,126,711	28,027,963
(ii) In EEFC accounts		-
(iii) In deposit accounts upto 3 months maturity	185,500,000	133,992,194
(iv) In earmarked accounts		
- Unpaid dividend accounts	222,258	257,636
- Other earmarked accounts(Refer Note (i))	183,963,347	170,209,174
(d) Fixed Deposits with Banks:		
(i) With more than 3 months and upto 1 year maturity	335,600,000	354,100,000
(ii) With more than 1 year maturity		-
Total	738,461,781	686,645,087

Notes:

(i) Balances with banks - Other earmarked accounts include ` 17,02,00,000/- received against the equity participation of Govt. of Assam.

Note 15 Short-term loans and advances

Particulars	As at 31 March, 2014	As at 31 March, 2013
(a) Loans and advances to employees		
Secured, considered good	-	-
Unsecured, considered good	15,504,575	9,532,526
Doubtful	-	-
	15,504,575	9,532,526
Less: Provision for doubtful loans and advances	-	-
	15,504,575	9,532,526

Particulars	As at 31 March, 2014	As at 31 March, 2013
(b) Prepaid expenses - Unsecured, considered good	2,231,573	2,118,462
(e) Balances with government authorities Unsecured, considered good		
(i) CENVAT credit receivable	1,825,028	2,549,472
(ii) VAT credit receivable	21,737	76,156
(iii) Service Tax credit receivable	1,679,273	450,780
(g) Others (Advance to Suppliers & Contractors, etc) Secured, considered good	-	-
Unsecured, considered good	1,848,776	1,900,191
Doubtful	-	-
	1,848,776	1,900,191
Less: Provision for other doubtful loans and advances	-	-
	1,848,776	1,900,191
Total	23,110,962	16,627,587

Particulars

Note: Short-term loans and advances include amounts due from:

Particulars	As at 31 March, 2014	As at 31 March, 2013
Managing Director	22,500	22,500
	22,500	22,500

Note 16 Other current assets

Particulars	As at 31 March, 2014	As at 31 March, 2013
(a) Accruals		
(i) Interest accrued on deposits	23,118,330	21,788,025
(ii) Interest accrued on investments	-	-
(iii) Interest accrued on trade receivables	-	-
Total	23,118,330	21,788,025

Note 17 Revenue from operations

Particulars		For the year ended 31 March, 2014	For the year ended 31 March, 2013
(a)	Sale of products (Refer Note (i))	1,075,800,783	902,965,369
	Less:	1,075,800,783	902,965,369
(b)	Excise duty	111,059,319	94,457,817
	Total	964,741,464	808,507,552
Note	Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
(l)	Sale of products comprises: <u>Manufactured goods</u>		
	Methanol (Gross)	285,194,794	329,234,566
	Less: Sales Tax (i.e. Vat & CST)	7,212,574	6,541,754

Less: Quatity Discount	998,527	2,856,000
Formalin (Gross)	276,983,693	319,836,812
Less: Sales Tax (i.e. Vat & CST)	831,195,308	613,286,147
Less: Quatity Discount	20,739,047	14,743,710
Others	11,639,171	15,413,880
	798,817,090	583,128,557
Total - Sale of products	1,075,800,783	902,965,369

Note 18 Other Income

Particulars		For the year ended 31 March, 2014	For the year ended 31 March, 2013
(a)	Interest income (Refer Note (i))	61,289,412	52,752,804
(b)	Net gain on foreign currency transactions and translation (other than considered as finance cost)	-	164,120
(c)	Other non-operating income (net of expenses directly attributable to such income) (Refer Note (ii))	2,432,332	9,153,847
	Total	63,721,744	62,070,771
Note	Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
(i)	Interest income comprises: Interest from banks on: Deposits other balances Interest on loans and advances Other interest	58,856,638	52,171,745
	Total - Interest income	61,289,412	52,752,804
(ii)	Other non-operating income comprises: Power Subsidy received from AIDC Miscellaneous income [net of expenses directly attributable]	1,000,000	-
	Total - Other non-operating income	2,432,332	9,153,847

Note 19.a Cost of materials consumed

Particulars		For the year ended 31 March, 2014	For the year ended 31 March, 2013
Opening stock		-	-
Add: Purchases		326,350,302	317,374,674
Less: Closing stock		326,350,302	317,374,674
	Cost of material consumed	-	-
	Cost of material consumed	326,350,302	317,374,674
Material consumed comprises:			
Natural Gas		304,298,108	295,840,631
Raw Material Chemicals		3,420,847	2,793,947
Gas Transmission Charges		18,631,347	18,740,096
	Total	326,350,302	317,374,674

Note 19.b Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
<u>Inventories at the end of the year:</u>		
Finished goods	10,043,730	5,686,424
Finished goods-in transit	-	423,148
	10,043,730	6,109,572
<u>Inventories at the beginning of the year:</u>		
Finished goods	5,686,424	11,177,407
Finished goods-in transit	423,148	-
	6,109,572	11,177,407
Net (increase) / decrease	(3,934,158)	5,067,835

Note 20 Employee benefits expense

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
Salaries and wages	261,487,976	194,480,126
Contributions to provident and other funds (Refer Note 25.2)	102,666,114	41,600,733
Staff welfare expenses	17,100,716	10,135,597
Total	381,254,806	246,216,456

Note 21 Finance costs

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
(a) Interest expense on:		
(i) Borrowings	-	-
(ii) Trade payables	-	-
(iii) Others	2,032,646	3,857,602
(iv) Exchange Flucation Loss	41,617	-
Total	2,074,263	3,857,602

Note 22 Other Expenses

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
Consumption of stores and spare parts	18,458,399	7,664,317
Consumption of loose tools	132,653	153,803
Consumption of Other spares & materials	2,137,466	1,445,943
Increase / (decrease) of excise duty on inventory	432,771	-506,109
Power and fuel	86,669,622	88,953,374
Water	1,485,605	4,615,670
Conversion Charges	4,272,556	7,287,249
Repairs and maintenance - Buildings	1,674,595	1,318,658
Repairs and maintenance - Machinery	15,199,250	3,281,924
Repairs and maintenance - Others	9,213,333	6,674,506
Insurance	2,524,832	2,715,100
Rates and taxes	2,240,684	2,231,167
Travelling and conveyance	5,798,098	4,619,095
Printing and stationery	1,335,451	940,147
Freight and forwarding	4,589,617	6,866,669

Note 22 Other Expenses

Sales commission	8,868,919	6,952,616
Business promotion	772,919	40,113
Legal and professional	1,339,545	1,327,614
Payments to auditors (Refer Note (i))	153,482	131,060
Bad trade and other receivables, loans and advances written off	-	324,803
Provision for doubtful trade and other receivables, loans and advances (net)	347,600	-
Miscellaneous expenses *	19,823,870	5,701,276
Total	187,471,267	152,738,995

Notes:

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
(l) Payments to the auditors comprises (net of service tax input credit):		
As auditors - statutory audit	85,000	85,000
For taxation matters	40,000	40,000
For Certifications	10,000	-
For Others	15,000	-
Reimbursement of expenses	3,482	6,060
Total	153,482	131,060

Note 23.A Prior Period Items :

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
Turnover Discount for FY 2010-2011	-	39,753
Expenses for Low Concentration of Formalin (FY 2008-2009)	-	102,496
Selling Expenses (FY 2012-13)	141,293	-
Interest on Fixed Deposit	(1,515,724)	-
Vat Audit Fee (FY 2012-13)	2,500	-
Interest on Security Deposit (APDCL)	(856,536)	-
Unpaid Dividend	-	34
Depreciation of earlier years	695,381	-
Provisions / Liabilities / Advances Written Off/Back		
Liability for Advertisement Expenses	-	(571,136)
Liability for GSLI	(98,216)	-
Liability for PF	(952,574)	-
Liability for Freight Charges	378,065	-
Liability for IT TDS	-	(394)
Liability for Sales Tax	11,528	5
Liability for Income Tax	(1,787,887)	-
Liability for Bonus Ex Gratia	142,345	99,831
Liability for Earnest Money	(26,536)	-
Liability for Misc. Expenses	(5,001)	-
Staff Festival Advance	21,931	-
Staff Medical Advance	(39,303)	-
Staff Misc Advance	(24,775)	-
Advance to Contractors	80,177	15,290
Advance to Suppliers	-	46,216
CENVAT Credit of Excise Duty	-	(1,927)
CENVAT Credit of Input	1	10,179
CENVAT Credit of Input Service Tax	44,329	-
Catlyst Amortisation (FY 2011-2012)	-	(582,856)

Stock of Raw Materials & Others (124,662)		(124,662)
Stock of Laboratory Chemicals	(295)	122
Stock of Loose Tools	238	3,138
Stock of Stores & Spares	10,478	103,875
	(3,778,581)	(860,036)

Note 23.B Exceptional items:

Particulars	For the year ended	For the year ended
	31 March, 2014	31 March, 2013
Arrear Salary	-	65,561,915
Arrear Contribution to PF	-	10,783,211
Capital Subsidy Written Back	(86,783)	(86,783)
Total	(86,783)	76,258,343

Note 24 Additional information to the financial statements

Note	Particulars		
24.1	Share application money pending allotment As at 31 March 2014, the Company has received an amount of ` 17,02,00,00/- towards share application money towards equity shares of the Company (As at 31 March, 2013 ` 17,02,00,00/- towards equity/preference shares). The money was received against the equity participation of Govt. of Assam in 500 TPD Methanol and 200 TPD Acidic Plant Project. The Company has sufficient authorised capital to cover the allotment of these shares. Pending allotment of shares, the amounts are maintained in a designated bank account and is not available for use by the Company.		
24.2	Contingent liabilities and commitments (to the extent not provided for)	As at	As at
		31 March, 2014	31 March, 2013
	Contingent liabilities		
	(a) Claims against the Company not acknowledged as debt:		
	(i) Central Excise Duty (CESTAT, Kolkata, period Feb.2009 to Jan.2011)	50,454,714	50,454,714
	(ii) Central Excise Duty (CESTAT, Kolkata, period Feb.2011 to Feb.2012)	20,956,450	20,956,450
	(iii) Central Excise Duty (C(App), Guwahati, period Mar.2012 to Jan.2013)	8,244,126	-
	(iv) Oil India Limited (Debit Note for Vat on NG, period 2006-2007)	17,286,990	17,286,990
	(v) AGCL (Debit Note for Service Tax on Fuel Surcharge from 2007 to 2012)	-	317,257
	(vi) Arrear salary for the year 2009-2010 & 2010-2011 against Pay Revision	-	62,754,977
	(b) Guarantees	-	-
	(c) Other money for which the Company is contingently liable	-	-
	(d) Commitments not provided for :		
	(i) Estimated amount of contract remaining to be executed in Capital Account and not provided for :		
	Tata Consulting Engineers Limited	7,500,000	15,000,000
	SBI Capital Market Limited	-	12,700,000
	Total	7,500,000	27,700,000
	Less: Advance to Consultants	-	14,178,552
	Balance	7,500,000	13,521,448

24.3	Value of imports calculated on CIF basis	For the year ended 31 March, 2014	For the year ended 31 March, 2013	
		-	-	
	Raw materials	-	-	
	Components	-	-	
	Spare parts	-	-	
	Total Components and spare parts	-	-	
	Capital goods	-	-	
24.4	Expenditure in foreign currency:	For the year ended 31 March, 2014	For the year ended 31 March, 2013	
		-	-	
	Royalty	-	-	
	Know-how	-	-	
	Professional and consultation fees	-	-	
	Interest	-	-	
	Other matters (Current Year \$ 11,979/-, Previous Year \$ 5,250/-)	670,214	295,024	
24.5	Details of consumption of imported and indigenous items *	For the year ended 31 March, 2014		
	Imported	-	%	
	Raw materials	-	-	
	Components	-	-	
	Spare parts	-	-	
		Total	-	-
		Note: Figures / percentages in brackets relates to the previous year		
	Indigenous			
	Raw materials	322,929,455	100%	
		(314,580,727)	100%	
	Chemicals	3,420,847	100%	
		(2,793,947)	100%	
	Stores & Spare Parts	20,728,518	100%	
		(9,264,063)	100%	
	Catalyst	4,375,756	100%	
		(5,092,954)	100%	
	Total	351,454,576	100%	
		(331,731,691)	100%	
	Note: Figures / percentages in brackets relates to the previous year			
24.6	Earnings in foreign exchange:	For the year ended 31 March, 2014	For the year ended 31 March, 2013	
		-	-	
	Export of goods calculated on FOB basis	2,387,992	3,807,664	
	Royalty, know-how, professional and consultation fees	-	-	

	Interest and dividend	-	-
	Other income, indicating the nature thereof.	-	-
24.7	Amounts remitted in foreign currency during the year on account of dividend :	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	Amount of dividend remitted in foreign currency	-	-
	Total number of non-resident shareholders (to whom the dividends were remitted in foreign currency)	-	-
	Total number of shares held by them on which dividend was due	-	-
	Year to which the dividend relates	-	-

Note 25 Disclosures under Accounting Standards

Note	Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
25.1	Details of government grants Government grants received by the Company during the year towards - Other incentives (Grant for ISO Certification)	87,500	200,000

Note	Particulars
25.2	Employee benefit plans
25.2.a	Defined contribution plans The Company makes Provident Fund and Superannuation Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ` 2,00,41,862/- (Year ended 31 March, 2013 ` 1,31,36,856/-) for Provident Fund contributions and ` 43,36,249/- (Year ended 31 March, 2013 ` 38,71,144/-) for Superannuation Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.
25.2.b	Defined benefit plans The Company offers the following employee benefit schemes to its employees: i. Earned Leave Benefits (EL) EL per employee accrual is 33 days per year. Two days of EL is earned after 22 days of continuous service by an employee. Accumulation up to 360 days is allowed, out of which one part is encashable and other part can either be encashed at the time retirement or avail leave during the service period. ii. Sick Leave (SL) SL per employee accrual is 10 days per year and same can't be encashed during the service tenure. Encashment of 50% of accumulated SL is permitted at the time of retirement.

iii. Group Gratuity Scheme

15 days salary for each completed year of service or part thereof in excess of 6 months of continuous service. The eligibility of gratuity falls due on completion of 5 years of continuous service. The company has taken a policy under "Group Gratuity Scheme" of employees with Life Insurance Corporation of India (LIC). The amount payable calculated by LIC based on membership data provided by the company, actuarial assumption & valuation made by LIC & the balance in the Gratuity Fund is charged to the Statement of Profit and loss. The APL Employees Gratuity Fund is maintained by LIC in which interest accrued & payments made by the company are credited and payment of claims made to employees is debited.

iv. Leave Encashment Scheme

For the payment of leave encashment at the time of retirement, a policy under "group leave Encashment scheme" of employees has been taken from LIC. The amount payable, calculated by LIC on the basis of membership data provided by the company, actuarial assumption and valuation made by LIC and the balance in the fund maintained by LIC is charged to the Statement of Profit and Loss.

The following table sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements:

Particulars	Year ended 31 March, 2014		Year ended 31 March, 2013	
	Gratuity	Group Leave Encashment	Gratuity	Group Leave Encashment
Valuation Method	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit
Actuarial Assumptions				
a) Mortality Rate	LIC (1994-96) Ultimate	LIC (1994-96) Ultimate	LIC (1994-96) Ultimate	LIC (1994-96) Ultimate
b) Withdrawal Rate	1-3% depending on age	1-3% depending on age	1-3% depending on age	
c) Discount Rate	8% p.a.	8% p.a.	8% p.a.	8% p.a.
d) Salary Escalation	5% p.a.	5% p.a.	5% p.a.	5% p.a.
Result of Valuation				
PV of Past Service Benefit	161,046,150	76,641,630	120,726,906	50,840,648
Current Service Cost	3,201,225	13,044,615	4,519,832	9,082,150
Total Service Gratuity	289,269,818	-	205,120,989	-
Accrued Gratuity	212,620,452	-	145,946,175	-
LCSA	76,649,366	16,891,384	59,174,814	11,408,674
LC Premium	403,131	147,522	347,199	98,513
Service Tax @12.36%	49,827	18,234	42,914	12,176
Recommended Contribution Rate				
Fund as on Renewal Date	120,423,814	56,066,899	106,591,998	54,485,608
Additional Contribution for Existing Fund	40,622,336	20,574,731	14,134,908	-
Current Service Cost	3,201,225	13,044,615	4,519,832	5,437,191
Total Amount Payable	44,276,519	33,785,102	19,044,853	5,547,880
Expense recognised in the Statement of Profit and Loss				
Current service cost	3,201,225	13,044,615	4,519,832	5,437,191
Additional Contribution	40,622,336	20,574,731	14,134,908	-
LC Premium	452,958	165,756	390,113	110,689
Total expense	44,276,519	33,785,102	19,044,853	5,547,880

Note 25 Disclosures under Accounting Standards (contd.)

Note	Particulars	For the year ended 31 March, 2014						For the year ended 31 March, 2013			
		Business segments		Eliminations	Total	Business segments		Eliminations	Total		
		Methanol	Formalin			Methanol	Formalin				
25.3	Segment information										
	The Company has identified business segments as its primary segment and geographic segments as its secondary segment. Business segments are primarily Methanol and Formalin. Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Fixed assets that are used interchangeably amongst segments are not allocated to primary and secondary segments. Geographical revenues are allocated based on the location of the customer. Geographical segments of the Company are Namrup (Assam) and Siliguri (West Bengal).										
	Revenue	250,674,993	714,066,471		964,741,464	288,411,840	520,095,712				808,507,552
	Inter-segment revenue	510,411,044	-	(510,411,044)	-	425,565,177	-	(425,565,177)			-
	Total	761,086,037	714,066,471	(510,411,044)	964,741,464	713,977,017	520,095,712	(425,565,177)			808,507,552
	Segment result	75,777,800	69,057,280	(65,817,919)	79,017,162	23,391,304	41,813,226	-			65,204,530
	Unallocable expenses (net)				31,487,513						1,346,376
	Operating Income				47,529,649						63,858,154
	Other income (net)				63,721,744						62,070,771
	Profit before taxes & except.				111,251,393						125,928,925
	Unallocable prior period items				3,778,581						860,036
	Unallocable exceptional items				86,783						(76,258,343)
	Profit before taxes				115,116,757						50,530,618
	Tax expense				21,282,090						10,129,911
	Net profit/(Loss) for the year				93,834,667						40,400,707
	Segment assets	148,733,557	108,188,990		256,922,547	96,950,180	113,374,760	-			210,324,940
	Unallocable assets				966,317,002						971,621,975
	Total Assets				1,223,239,549						1,181,946,915
	Segment liabilities	48,772,231	18,299,317		67,071,548	59,088,251	19,437,758	-			78,526,009
	Unallocable liabilities				1,156,168,001						1,103,420,906
	Total liabilities				1,223,239,549						1,181,946,915

Note 25 Disclosures under Accounting Standards (contd.)

Note	Particulars	For the year ended 31 March, 2014			For the year ended 31 March, 2013				
		Business segments Methanol	Formalin	Eliminations	Total	Business segments Methanol	Formalin	Eliminations	Total
	<u>Other information</u>								
	Capital expenditure (allocable)	-	-		-	29,712,027		29,712,027	
	Capital expenditure (unallocable)		8,465,784		13,708,356			1,972,889	
	Depreciation and amortisation (allocable)	8,791,720			17,257,504	9,005,545	7,606,170		16,611,715
	Depreciation and amortisation (unallocable)				6,737,831				6,639,723
Note	Particulars								
	The geographic segments individually contributing 10 percent or more of the Company's revenues and segment assets are shown separately:								
	Geographic Segment	For the year ended 31 March, 2014			For the year ended 31 March, 2013				
		Namrup	Siliguri	Total	Namrup	Siliguri	Total		
	Segment Revenue	901,725,715	63,015,749	964,741,464	725,271,990	83,235,562	808,507,552		
	Segment Assets	1,223,239,549	-	1,223,239,549	1,181,946,915	-	1,181,946,915		
	Capital Expenditure incurred	13,708,356	-	13,708,356	31,684,916	-	31,684,916		
	Note: Fixed assets at Guwahati and Kolkata Office are shown under Namrup Geographical Segment.								

Note 25 Disclosures under Accounting Standards (contd.)

Note	Particulars																																																						
25.4	Related party transactions																																																						
25.4.a	Details of related parties:																																																						
	<table border="1"> <thead> <tr> <th>Description of relationship</th> <th>Names of related parties</th> </tr> </thead> <tbody> <tr> <td>Holding Company</td> <td>Assam Industrial Development Corporation Limited</td> </tr> <tr> <td>Subsidiaries</td> <td>Pragjyotish Fertilisers and Chemicals Limited</td> </tr> <tr> <td>Key Managerial Personnel</td> <td>Shri Ratul Bordoloi (Managing Director)</td> </tr> </tbody> </table>	Description of relationship	Names of related parties	Holding Company	Assam Industrial Development Corporation Limited	Subsidiaries	Pragjyotish Fertilisers and Chemicals Limited	Key Managerial Personnel	Shri Ratul Bordoloi (Managing Director)																																														
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25.4.b	Details of related party transactions during the year ended 31 March, 2014 and balances outstanding as at 31 March, 2014:																																																						
	<table border="1"> <thead> <tr> <th>Particulars</th> <th>Holding Company</th> <th>Subsidiaries</th> <th>KMP</th> </tr> </thead> <tbody> <tr> <td>Investment in Equity Shares</td> <td>-</td> <td>10,000,000</td> <td>-</td> </tr> <tr> <td></td> <td>-</td> <td>(10,000,000)</td> <td>-</td> </tr> <tr> <td>Advance for Share Application</td> <td>-</td> <td>480,000</td> <td>-</td> </tr> <tr> <td></td> <td>-</td> <td>(480,000)</td> <td>-</td> </tr> <tr> <td>Loans</td> <td>-</td> <td>4,184,185</td> <td>56,250</td> </tr> <tr> <td></td> <td>-</td> <td>(3,836,585)</td> <td>(78,750)</td> </tr> <tr> <td>Salary & Other Benefits</td> <td>-</td> <td>-</td> <td>1,567,851</td> </tr> <tr> <td></td> <td>-</td> <td>-</td> <td>(1,082,656)</td> </tr> <tr> <td>Amount Receivable as on 31.03.2014 (Equity shares, Loans & Share Application)</td> <td>-</td> <td>14,664,185</td> <td>-</td> </tr> <tr> <td></td> <td>-</td> <td>(14,316,585)</td> <td>-</td> </tr> <tr> <td>Amount Payable as on 31.03.2014 (Equity Shares)</td> <td>80,415,400</td> <td>-</td> <td>-</td> </tr> <tr> <td></td> <td>(80,415,400)</td> <td>-</td> <td>-</td> </tr> </tbody> </table>	Particulars	Holding Company	Subsidiaries	KMP	Investment in Equity Shares	-	10,000,000	-		-	(10,000,000)	-	Advance for Share Application	-	480,000	-		-	(480,000)	-	Loans	-	4,184,185	56,250		-	(3,836,585)	(78,750)	Salary & Other Benefits	-	-	1,567,851		-	-	(1,082,656)	Amount Receivable as on 31.03.2014 (Equity shares, Loans & Share Application)	-	14,664,185	-		-	(14,316,585)	-	Amount Payable as on 31.03.2014 (Equity Shares)	80,415,400	-	-		(80,415,400)	-	-		
Particulars	Holding Company	Subsidiaries	KMP																																																				
Investment in Equity Shares	-	10,000,000	-																																																				
	-	(10,000,000)	-																																																				
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Note	Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013																																																				
25.5	Earnings per share																																																						
	Basic																																																						
25.5.a	Continuing operations																																																						
	Net profit / (loss) for the year from continuing operations	93,834,667	40,400,707																																																				
	Less: Preference dividend and tax thereon	-	-																																																				
	Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	93,834,667	40,400,707																																																				
	Weighted average number of equity shares	9,119,947	9,119,947																																																				
	Par value per share	10.00	10.00																																																				
	Earnings per share from continuing operations - Basic	10.29	4.43																																																				

Note 25 Disclosures under Accounting Standards (contd.)

Note	Particulars	For the year ended	For the year ended
		31 March, 2014	31 March, 2013
25.5.b	Total operations		
	Net profit / (loss) for the year	93,834,667	40,400,707
	Less: Preference dividend and tax thereon	-	-
	Net profit / (loss) for the year attributable to the equity shareholders	93,834,667	40,400,707
	Weighted average number of equity shares	9,119,947	9,119,947
	Par value per share	10.00	10.00
	Earnings per share - Basic	10.29	4.43
	Basic (excluding extraordinary items)		
25.5.c	Continuing operations		
	Net profit / (loss) for the year from continuing operations	93,834,667	40,400,707
	(Add) / Less: Extraordinary items (net of tax) relating to continuing operations	-	-
	Less: Preference dividend and tax thereon	-	-
	Net profit / (loss) for the year from continuing operations attributable to the equity shareholders, excluding extraordinary items	93,834,667	40,400,707
	Weighted average number of equity shares	9,119,947	9,119,947
	Par value per share	10.00	10.00
	Earnings per share from continuing operations, excluding extraordinary items - Basic	10.29	4.43
25.5.d	Total operations		
	Net profit / (loss) for the year	93,834,667	40,400,707
	(Add) / Less: Extraordinary items (net of tax)	-	-
	Less: Preference dividend and tax thereon	-	-
	Net profit / (loss) for the year attributable to the equity shareholders, excluding extraordinary items	93,834,667	40,400,707
	Weighted average number of equity shares	9,119,947	9,119,947
	Par value per share	10.00	10.00
	Earnings per share, excluding extraordinary items - Basic	10.29	4.43
	Diluted		
	The diluted earnings per share has been computed by dividing the Net Profit After Tax available for Equity Shareholders by the weighted average number of equity shares, after giving dilutive effect of the outstanding Warrants, Stock Options and Convertible bonds for the respective periods. Since, the effect of the conversion of Preference shares was anti-dilutive, it has been ignored.		
25.5.e	Continuing operations		
	Net profit / (loss) for the year from continuing operations	93,834,667	40,400,707
	Less: Preference dividend and tax thereon	-	-
	Net profit / (loss) for the year attributable to the equity shareholders from continuing operations	93,834,667	40,400,707
	Add: Interest expense and exchange fluctuation on convertible bonds (net)	-	-
	Profit / (loss) attributable to equity shareholders from continuing operations (on dilution)	93,834,667	40,400,707
	Weighted average number of equity shares for Basic EPS	9,119,947	9,119,947
	Add: Effect of warrants, ESOPs and Convertible bonds which are dilutive	-	-
	Weighted average number of equity shares for Basic EPS	9,119,947	9,119,947
	Par value per share	10.00	10.00
	Earnings per share, from continuing operations - Diluted	10.29	4.43

Note 25 Disclosures under Accounting Standards (contd.)

Note	Particulars	For the year ended	For the year ended
		31 March, 2014	31 March, 2013
		-	-
25.5.f	Total operations		
	Net profit / (loss) for the year	93,834,667	40,400,707
	Less: Preference dividend and tax thereon	-	-
	Net profit / (loss) for the year attributable to the equity shareholders	93,834,667	40,400,707
	Add: Interest expense and exchange fluctuation on convertible bonds (net)	-	-
	Profit / (loss) attributable to equity shareholders (on dilution)	93,834,667	40,400,707
	Weighted average number of equity shares for Basic EPS	9,119,947	9,119,947
	Add: Effect of Warrants, ESOPs and Convertible bonds which are dilutive	-	-
	Weighted average number of equity shares - for diluted EPS	9,119,947	9,119,947
	Par value per share	10.00	10.00
	Earnings per share - Diluted	10.29	4.43
	Diluted (excluding extraordinary items)		
25.5.g	Continuing operations		
	Net profit / (loss) for the year from continuing operations	93,834,667	40,400,707
	(Add) / Less: Extraordinary items (net of tax)		
	Less: Preference dividend and tax thereon		
	Net profit / (loss) for the year from continuing operations attributable to the equity shareholders, excluding extraordinary items	93,834,667	40,400,707
	Add: Interest expense and exchange fluctuation on convertible bonds (net)		
	Profit / (loss) from continuing operations attributable to equity shareholders (on dilution)	93,834,667	40,400,707
	Weighted average number of equity shares for Basic EPS	9,119,947	9,119,947
	Add: Effect of Warrants, ESOPs and Convertible bonds which are dilutive	-	-
	Weighted average number of equity shares - for diluted EPS	9,119,947	9,119,947
	Par value per share	10.00	10.00
	Earnings per share, from continuing operations, excluding extraordinary items - Diluted	10.29	4.43
25.5.h	Total operations		
	Net profit / (loss) for the year	93,834,667	40,400,707
	(Add) / Less: Extraordinary items (net of tax)	-	-
	Less: Preference dividend and tax thereon		
	Net profit / (loss) for the year attributable to the equity shareholders, excluding extraordinary items	93,834,667	40,400,707
	Add: Interest expense and exchange fluctuation on convertible bonds (net)	-	-
	Profit / (loss) attributable to equity shareholders (on dilution)	93,834,667	40,400,707
	Weighted average number of equity shares for Basic EPS	9,119,947	9,119,947
	Add: Effect of Warrants, ESOPs and Convertible bonds which are dilutive	-	-
	Weighted average number of equity shares - for diluted EPS	9,119,947	9,119,947
	Par value per share	10.00	10.00
	Earnings per share, excluding extraordinary items - Diluted	10.29	4.43

Note 25 Disclosures under Accounting Standards (contd.)

Note	Particulars	As at 31 March, 2014	As at 31 March, 2013			
		-	-			
25.6	Deferred tax (liability) / asset	(8,713,191)	(7,852,514)			
	Tax effect of items constituting deferred tax liability					
	On difference between book balance and tax balance of fixed assets	714,727	1,097,254			
	On expenditure deferred in the books but allowable for tax purposes	(1,971,877)	(3,882,615)			
	On items included in Reserves and surplus pending amortisation into the Statement of Profit and Loss					
	Others					
	Tax effect of items constituting deferred tax liability	(407,882)	(860,677)			
	Tax effect of items constituting deferred tax assets					
	Provision for compensated absences, gratuity and other employee benefits					
	Provision for doubtful debts / advances					
	Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961	41,461,621	41,461,621			
	On difference between book balance and tax balance of fixed assets					
	Unabsorbed depreciation carried forward					
	Brought forward business losses					
	On items included in Reserves and surplus pending amortisation into the Statement of Profit and Loss					
	Others					
	Tax effect of items constituting deferred tax assets	13,452,223				
	Net deferred tax (liability) / asset	4,331,150	(8,713,191)			
	The Company has recognised deferred tax asset on disallowances of expenditure u/s 43B of the Income Tax Act, 1961 relating to Gratuity, Group leave encashment and Bonus to employee's based on the Management's estimates of future profits available against which such deferred tax Assets can be realised.					
Note	Particulars					
25.7	Details of provisions					
	The Company has made provision for various contractual obligations and disputed liabilities based on its assessment of the amount it estimates to incur to meet such obligations, details of which are given below:					
	Particulars	As at 1 April, 2013	Additions	Utilisation	Reversal (withdrawn as no longer required)	As at 31 March, 2014
		-	-	-	-	-
	Investment, Security, Loans & Advances	15,220,335	347,600	-	-	15,567,935
		(15,220,335)	-	-	-	(15,220,335)
	Debtors	-	-	-	-	-
		(803,541)	-	(803,541)	-	-
	Bonus & Ex-gratia	3,300,000	3,400,000	3,300,000	-	3,400,000
		(3,358,400)	(3,300,000)	(3,358,400)	-	(3,300,000)
	Arrear Salary & Other Defined Contribution Plan	76,345,126	3,453,293	76,345,126	-	3,453,293
		-	(76,345,126)	-	-	(76,345,126)
	Provision for Tax & Audit Fee	35,346,912	36,540,107	25,934,483	-	45,952,536
		(71,794,550)	(6,754,183)	(43,201,821)	-	(35,346,912)
	Note: - Figures in brackets relate to the previous year.					

Note	Particulars							
25.8	Capital Work-In-Progress (CWIP) All expenditure incurred for New 500TPD Methanol & 200TPD Acetic Acid Plant have been shown under CWIP, since these expenditure are related to the project only. No expenses which should have been charged to Profit & Loss, has been included in CWIP.							
25.9	Unused old catalyst held for disposal The company is carrying unused catalyst valued ` 65,97,535 which is more than 20 years old. A committee has been constituted for disposal of the same. The loss / gain on sale will be accounted for at the time of disposal.							
25.10	The company had given loans to Assam Tea Corporation Limited, details of which are as under <p style="text-align: right;">(Figures in `)</p>							
	Particulars	Principal	Date of Loan	Rate of Interest	Due Date of Repayment	Date of Repayment of Principal	Amount of Repayment of Principal	Interest Accrued & Due
	1	2	3	4	5	6	7	8
	Loan- I	3,500,000	08.05.2007	11.00%	07.08.2007	17.03.2011	1,000,000	2,676,856
	Loan- II	1,500,000	11.10.2007	11.00%	10.04.2009	22.10.2009	1,500,000	425,686
	The balance of principal of loan ` 25,00,000 is overdue. The company is pursuing through Govt. of Assam for repayment of balance amount of principal & the amount of interest over due as shown above. In past also the repayments were received through intervention of Govt. of Assam. The Company is fully hopeful of recovering the full amount of the balance principal and interest. Thus the principal outstanding ` 25,00,000 has been considered good but the interest on Loan I & II has not been recognized as income in view of AS 9 issued by the Companies Accounting Standard Rules, 2006 and prudent accounting principles.							
25.11	Documents in respect of subsidiary company (M/s Pragjyotish Fertilizer And Chemicals Limited) under section 212(1) of Companies Act, 1956. The documents required to be attached with Balance sheet of the company as per Section 212(1) of the Act are not available.							
25.12	Dues to Micro, Small & Medium Enterprise There is no supplier under Micro, Small and Medium Enterprise Development Act, 2006 on the basis of information made available to the company. The company has neither paid any interest in the terms of section 16 of the above Act nor any interest remain unpaid and no payments were beyond the "appointed date" to such enterprise during the year ended 31.03.2014. Amount outstanding to these enterprise for the year ended 31st March 2014 is ` Nil (previous year ` Nil)							

Note 26 Previous year's figures

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

Registered Office: 4th Floor, Orion Place, Bhangagarh,
G.S. Road, Guwahati-781005

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint shareholders may obtain additional slip at the venue of the meeting

Folio Number:.....

Number of shares held:.....

Name of the Shareholder :

Address of the shareholder :

I hereby record my presence at the 43rd Annual General Meeting of the company held on Tuesday, 30th September, 2014 at 11.00 am at 4th Floor, Orion Place, G.S. Road, Bhangagarh, Guwahati-781 005.

.....
Signature of the shareholder/proxy

Registered Office: 4th Floor, Orion Place, Bhangagarh,
G.S. Road, Guwahati-781005

PROXY FORM

Pursuant to Section 105(6) of the
Companies Act, 2013 and rule 19(3)
of the Companies (Management and
Administration) Rules, 2014

Name of the member(s) :

Registered Address :

E-mail id :

Folio Number :

I/We, being the member(s) of shares of Assam Petro-Chemicals Limited, hereby appoint

1. Name :

Address :

E-mail id :

.....
Signature of failing him

2. Name :
 Address :
 E-mail id :

.....
 Signature of failing him

3. Name :
 Address :
 E-mail id :

.....
 Signature

as my/our proxy to attend and vote (on poll) for me/us and on my/our behalf at the 43rd Annual General Meeting of Assam Petro-Chemicals Limited, to be held on the Tuesday, 30th September, 2014 at 11.00 am at 4th Floor, Orion Place, G.S. Road, Bhangagarh, Guwahati-781 005 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl.No.	Resolution	For	Against

Signed thisday of 2014

Revenue Stamp

.....
 Signature of the Shareholder

Note

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.

FORM 2B

(See rules 4CC and 5D of The Companies (Central Government's) General Rules & Forms, 1956)

NOMINATION FORM

(To be fitted in by individual applying single or jointly, only up to two persons)

I/We.....and..... the holders of shares bearing number(s)of Assam Petro-Chemicals Limited wish to make a nomination and do hereby nominate the following persons (s) in whom all rights of transfer and/or amount payable in respect of the said shares/ debentures shall vest in the event of my/ our death.

Particulars of Nominee

Name :
 Address :
 Pin Code :
 Signature :

Date of Birth * (* to be furnished in case the nominee is a minor)

** The Nominee is a minor whose guardian is (Name and Address).....
 (**To be deleted if not applicable)

Name, Address and Signature of Share holder (s)

Name :	Name :
Address :	Address :
Pin Code :	Pin Code :
Signature :.....	Signature :.....
Date :.....	Date :.....

Name, Address and Signature of two Witnesses

Name and Address	Signature with date
1.	
2.	

(for instructions please see reverse)

Instructions:

1. The nomination can be made by individuals only applying/holding share(s)/ debenture(s) on their own behalf singly or jointly up to two persons. Non-individuals including Society, Trust, Body Corporate, Partnership Firm, Karta of Hindu Undivided Family or a holder of Power of Attorney cannot nominate. If the shares/ debentures are held jointly by not more than two persons, both will sign the nomination form.
2. A minor can be nominated by a share/ debenture holder and in that event the name and address of the Guardian shall be given by the holder.
3. The nominee shall not be a Trust, Society, Body Corporate, Partnership Firm , Karta of Hindu Undivided Family or a Power of Attorney holder. A Non-resident Indian can be a nominee on repatriable basis.
4. Nomination stands rescinded upon transfer of shares/ debentures.
5. Transfer of share/ debenture in favour of a nominee shall be valid discharge by the Company against the legal heir (s).
6. The intimation regarding Nomination/ Nomination Form shall be filed in duplicate with Company/ Registrar and Share Transfer Agents of the Company who will return one copy thereof to the share or debenture holder.

...And, for APL, sky is the limit



BOOK POST



If un-delivered please mail it to:



Assam Petro-Chemicals Ltd.

(A Govt. of Assam Undertaking)
Regd Office: 4th Floor, Orion Place
G. S. Road, Bhangagarh, Guwahati - 781005
Phone: 0361 - 2461470 - 471
e-mail: aplguw@bsnl.in, Website:
www.assampetrochemicals.co.in