

ANDREW YULE & COMPANY LIMITED

[A Government of India Enterprise]

CIN: L63090WB1919GOI003229

Regd. Office : "Yule House", 8, Dr. Rajendra Prasad Sarani, Kolkata - 700001

Tel: (033) 2242 8210/8550; Fax: (033) 2242 9770; E-mail: com.sec@andrewyule.com; Website: www.andrewyule.com

STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER & TWELVE MONTHS ENDED 31st March 2018

							[₹ in lacs]	
							Consolidated	
Particulars		3 months ended 31.03.2018	Preceeding 3 months ended 31.12.2017	Corresponding 3 months ended in the previous year 31.03.2017	Year to date 31.03.18	Year to date 31.03.17	Year to date 31.03.18	Year to date 31.03.17
		[audited]	[audited]	[audited]	[audited]	[audited]	[audited]	[audited]
[1]	Income from Operations							
[a]	Net Sales/Income from Operations (Net of excise duty)	7,173.21	12,046.35	10,442.61	35,008.19	41,966.73	35881.04	43,527.76
[b]	Other Operating Income	963.22	58.80	384.38	1,142.09	703.80	1146.82	710.98
[2]	Other Income	473.28	909.95	488.07	2,763.23	4,208.23	2,779.23	4,212.22
[3]	Total Income	8,609.71	13,015.10	11,315.06	38,913.50	46,878.76	39,807.09	48,450.96
[4]	Expenses							
[a]	Cost of Materials Consumed	3,225.22	3,120.07	4,380.39	11,907.68	15,623.18	12,322.67	16,399.74
[b]	Purchases of Stock-in-trade	-	-	-	-	-	-	-
[c]	Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-trade	1,589.60	1,351.89	2,542.16	(420.35)	128.47	(420.35)	146.24
[d]	Employee Benefits Expense	3,853.14	3,552.89	3,367.65	16,059.82	15,778.16	16401.91	16,071.83
[e]	Finance Cost	126.73	151.20	154.35	595.54	862.05	668.96	693.02
[f]	Depreciation and Amortisation Expense	162.85	169.08	220.63	655.83	680.66	663.18	942.12
[g]	Other Expenses	1,670.87	1,786.52	1,900.70	7,757.66	9,956.28	8,171.04	10,371.63
	Total Expenses	10,628.40	10,131.65	12,565.88	36,556.17	43,028.80	37,807.41	44,624.58
[5]	Profit/(Loss) before Tax[3-4]	(2,018.70)	2,883.45	(1,250.82)	2,357.33	3,849.95	1,999.68	3,826.38
	Add Group Share of Profit						876.34	1,318.70
[6]	Tax Expense	707.96	-	529.67	707.96	592.58	704.93	604.74
[7]	Net Profit/(Loss) for the period [5-6]	(2,726.66)	2,883.45	(1,780.49)	1,649.37	3,257.37	2,171.09	4,540.34
[8]	Other Comprehensive Income							
	(a) Remeasurement of Investment	(2.49)	35.68	98.60	(8.72)	196.38	(8.72)	196.38
	(b) Adjustment of actuarial gains/losses	629.09	(117.40)	(117.48)	276.70	(469.92)	263.05	(493.87)
	Add Group Share of Profit						44.59	(74.49)
	Total Other Comprehensive Income	626.60	(81.72)	(18.88)	267.98	(273.54)	298.92	(371.98)
[9]	Total Comprehensive Income for the period[7+8]	(2,100.06)	2,801.73	(1,799.37)	1,917.35	2,983.83	2,470.01	4,168.35
[10]	Earnings per equity share (not annualised)							
	(a) Basic	(0.41)	0.59	(0.26)	0.48	0.79	0.41	0.78
	(b) Diluted	(0.41)	0.59	(0.26)	0.48	0.79	0.41	0.78
[11]	Paid-up Equity Share Capital	9,779.02	9,779.02	9,779.02	9,779.02	9,779.02	9,779.02	9,779.02
	(Face Value of Rs.2/- per share)							

1)

The financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. The Company adopted Ind AS from 1st April, 2017, and accordingly, these financial results (including for all the periods presented in accordance with Ind AS 101 - First-time Adoption of Indian Accounting Standards) have been prepared in accordance with the recognition and measurement principles in Ind AS 34 - Interim Financial Reporting, prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.

- 2) The above audited Financial Results for the year ended 31st March, 2018 were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on 30th May, 2018.
- 3) This statement is as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 4) Figures for the quarter /Twelve months ended 31st March, 2018 have been reclassified, wherever necessary to make them Ind AS compliant and comparable with the figures for the current period.
- 5) The reconciliation of net profit or loss reported in accordance with Indian GAAP as on 31.03.2017 to total comprehensive income in accordance with Ind AS is given below:

	(Rs. in Lakhs)	
	Standalone	Consolidated
Profit after Tax as per IGAAP	2,738.57	3960.44
Adjustments:		
Effect of Tea Board Subsidy	(203.55)	(203.55)
Effect of Prior Period adjustments-prior to 2016-17	288.92	304.43
Effect of Prior Period adjustments-found in 2017-18	(131.63)	(131.63)
Impact of adjustment on amortised cost of Trade Receivables	3.72	6.04
Impact of adjustment on amortised cost of Investments	30.90	30.90
Restatement of Fair Value of Investments	196.38	196.38
Impact of Depreciation		14.97
Impact of Change in Estimation		(100.32)
Impact of Fair Valuation of Long Term Trade Receivables		2.37
Impact in Group Share		13.65
Effect of Deferred Tax	60.52	74.67
	2983.83	4168.35

- 6) The above results may require adjustment before constituting the first set of Ind-AS financials as of and for the year ended 31st March, 2018 due to changes in financial reporting assumptions and applications arising from new or revised standards or interpretations received or changes in the use of one or more optional exemptions as permitted in Ind AS -
- 7) Under previous GAAP, Investments in Associates were stated at cost and provisions made to recognise the decline, other than temporary. Under Ind AS, the Company has elected to regard such carrying amount as at 31st March, 2016 as deemed cost at the date of transition.
- 8) Under previous GAAP, current investments were stated at lower of cost and fair value. Under Ind AS, these financial assets have been classified as FVTPL on the date of transition and fair value changes after the date of transition has been recognised in profit or loss.
- 9) The Board has proposed a dividend of 10% of PAT amounting Rs191.73Lakhs(excluding Dividend Tax)
- 10) Figures for the previous period /year have been re-arranged /re-grouped wherever found necessary.

Place: Kolkata
Date: 30th May, 2018



By Order of the Board
ANDREW YULE & COMPANY LIMITED


DEBASIS JANA
CHAIRMAN & MANAGING DIRECTOR
DIN : 07046349

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SEGMENT-WISE REVENUE, RESULTS, ASSETS & LIABILITIES FOR THE YEAR ENDED 31st March 2018

[₹ in lacs]

Particulars	STANDALONE				Consolidated		
	3 months ended 31.03.2018	Preceding 3 months ended 31.12.2017	Corresponding 3 months ended in the previous year 31.03.2017	Year to date 31.03.18	Year to date 31.03.17	Year to date 31.03.18	Year to date 31.03.17
	[audited]	[audited]	[audited]	[audited]	[audited]	[reviewed]	[reviewed]
[1] Segment Revenue [net sales/income from each segment]							
[a] Tea	2,507.83	8,170.07	3,215.09	20,748.73	20,829.80	20748.73	20829.80
[b] Electrical	4,150.11	3,303.29	5,753.66	12,057.49	17,634.75	12057.49	17634.75
[c] Engineering	1,162.02	481.91	1,693.14	2,535.68	3,547.14	2535.68	3547.14
[d] Unallocated	323.16	173.14	176.30	841.60	680.70	841.60	680.70
(e) Printing						918.85	1614.05
[f] Total	8,143.12	12,128.41	10,838.19	36,183.49	42,692.40	37,102.34	44,306.44
Less: Inter-Segment Revenue	(6.71)	23.25	11.20	33.22	21.86	74.49	67.70
Net Sales/Income from Operations	8,136.43	12,105.15	10,826.99	36,150.27	42,670.53	37,027.85	44,238.74
[2] Segment Results [Profit(+)/Loss(-) before Tax and Interest from each Segment]							
[a] Tea	(2,250.09)	2,027.62	(1,773.97)	1,951.90	3,260.28	1951.90	3260.28
[b] Electrical	114.01	437.82	568.18	(483.28)	698.41	(483.28)	698.41
[c] Engineering	222.94	(136.26)	166.35	(322.73)	(313.69)	(322.73)	(313.69)
[d] Printing						(289.52)	57.14
[e] Total	(1,913.14)	2,329.18	(1,039.44)	1,145.89	3,645.00	856.37	3,702.14
Less:							
[i] Interest	126.73	151.20	154.34	595.54	862.04	663.14	942.12
[ii] Other Unallocable Expenditure net off Unallocable Income	(21.16)	(705.46)	57.06	(1,806.97)	(1,066.98)	(1806.45)	(1066.35)
Total Profit before/(loss) Tax	(2,018.70)	2,883.45	(1,250.82)	2,357.33	3,849.95	1,999.68	3,826.37
Segment Assets							
Tea	16,016.09	14,026.78	(2,339.57)	15,892.33	14,488.98	15892.33	14488.98
Electrical	1,337.98	812.22	(1,262.84)	12,375.06	15,306.51	12375.06	15306.51
Engineering	(455.99)	(1,239.10)	640.13	4,592.42	5,859.48	4592.42	5859.48
Printing						1164.13	2131.17
Unallocated Corporate	62,010.83	62,341.29	(232.53)	6,394.75	5,398.00	23,018.89	21,105.02
Total	78,908.92	75,941.19	(3,194.81)	39,254.55	41,052.97	57,042.83	58,891.16
Segment Liabilities							
Tea	8,354.59	7,058.84	19.44	5,520.59	5,016.88	5520.59	5016.88
Electrical	1,271.92	132.99	(1,735.96)	9,025.70	11,624.19	9025.70	11624.19
Engineering	(39.79)	(1,399.71)	317.59	3,010.15	4,384.63	3010.15	4384.63
Printing						1247.02	1846.29
Unallocated Corporate	(445.58)	537.94	3.17	2,797.53	2,455.52	2731.10	2392.35
Total	9,141.14	6,330.06	(1,395.76)	20,353.97	23,481.22	21,534.57	25,264.34
Segment Capital Employed							
(Segment Assets-Segment Liabilities)							
Tea	7,661.50	6,967.94	(2,359.01)	10,371.74	9,472.10	10,371.74	9,472.10
Electrical	66.07	679.23	473.12	3,349.35	3,682.32	3,349.35	3682.32
Engineering	(416.19)	160.61	322.54	1,582.26	1,474.85	1,582.26	1474.85
Printing						(82.89)	284.88
Unallocated Corporate	62,456.41	61,803.35	(235.70)	3,597.22	2,942.48	20,287.79	18,712.67
	69,767.78	69,611.13	(1,799.05)	18,900.58	17,571.75	35,508.26	33,626.82

By Order of the Board
ANDREW YULE & COMPANY LIMITED

DEBASIS JANA
CHAIRMAN & MANAGING DIRECTOR
DIN : 07046349

Place: Kolkata
Date: 30th May, 2018





INDEPENDENT AUDITOR'S REPORT

To the Members of Andrew Yule & Company Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **Andrew Yule & Company Limited** ("the Company"), which comprise the balance sheet as at 31 March 2018, the statement of profit and loss (including other comprehensive income) and the statement of cash flows and the statement of changes in equity for the year ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS 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 standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

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

Basis for Qualified Opinion

No provision has been considered in the financial statement in respect of investments in Katras Jherriah Coal Company Limited amounting to Rs 6.95 lakh and New Beerbhoom Coal Company Limited amounting to Rs 12.27lakh.

Due to non-provision of the above amount in the accounts, the reported profit of the Company has been overstated by Rs.19.22lakh and the value of non-current investment has been overstated by the same amount and the provision has been understated by Rs.19.22 lakh.



Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except the matter described in the Basis for qualified opinion paragraph, the aforesaid standalone Ind AS 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 including the Ind AS, of the financial position of the Company as at 31 March, 2018, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Other Matters

Note No.51 Principal outstanding of West Bengal Sales Tax Loan of Rs 250 lakh has been repaid during the year towards full and final settlement. Interest amounting to Rs. 530.44 lakh has been written back in the books pending confirmation from West Bengal Sales Tax Department.

Report on Other Legal and Regulatory Requirements

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

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

(a) we have sought and obtained, except for the matter described in the Basis for Qualified Opinion Paragraph all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) except for the matter described in the Basis for Qualified Opinion Paragraph in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) the Balance sheet, the statement of profit and loss, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;

(d) except for the effects of the matter described in the Basis for Qualified Opinion Paragraph, in our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued there under;

(e.) the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, has an adverse effect on the profit of the Company.



(f) Section 164 (2) of the Companies Act, 2013 regarding disqualification of the Director is not applicable to the Company being a government company vide notification no. G.S.R 463(E) dated 5th June 2015.

(g) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure C"; and

(h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i). the Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 36 to the standalone Ind AS financial statements;

(ii). the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(iii). there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and

(3) As required by section 143(5) of the Act the directions and sub-directions issued by the Comptroller & Auditor General of India, we give our comments, action taken and the impact on the Standalone Financial Statement.

Place: Kolkata

Date: 30th May, 2018


For **U. S. SAHA & CO.**
Chartered Accountants
FBN No. 309037E
U. S. SAHA, FCA
(Partner)
M.No. 915491


ANNEXURE –A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 on Other Legal and Regulatory Requirements' of our report of even date to the Members of Andrew Yule & Company Limited on the Standalone Ind AS Financial Statements of the Company for the year ended 31st March ,2018)

[i.] (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of its fixed assets.

(b) As explained to us ,Fixed assets have been physically verified by the management at regular intervals and as informed to us ,no material discrepancies were noticed on such verification.

(c)As per records of the Company and according to the information and explanations given to us, the Title Deeds of immovable properties are held in the name of the Company except two properties situated at Kolkata ,the title deeds of which have been lost and a General Diary has been lodged by the Company with Burrabazar Police Station on 25th May ,2017.

[ii] According to the information and explanations given to us, the inventories have been physically verified during the year at reasonable intervals by the management .The discrepancies noticed on verification between the physical inventories and book records were not material in relation to the operation of the Company and the same have been properly dealt with in the books of account.

[iii.] [a] According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured loans, during the year .

[b]However, the outstanding amount due from Yule Electrical Limited arising out of making statutory payment by parent company amounting to Rs.3.29 lakhs.

[iv.] According to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans and investments made and guarantees given by it.

[v.] According to the information and explanations given to us, the Company has not accepted any deposits from the public during the year within the meaning of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under to the extent notified.

[vi.] We have broadly reviewed the cost records maintained by the Company relating to all products of the Company. However, we have not made a detailed examination of the records with a view to determine whether they are accurate or complete.

[vii.][a] As per records of the Company and according to the information and explanations given to us, the Company is generally regular in depositing undisputed applicable statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Value



Added Tax, Customs Duty, Excise Duty, Cess and any other statutory dues to the appropriate authorities and there are no undisputed amount payable in respect of the same which were in arrear as on 31st March ,2018 for a period of more than six months from the date the same became payable.

(b) According to the information and explanations given to us, the Company has not deposited the following dues on account of disputes with the appropriate authority.,

Nature of statute	Nature of Dues	Amount (Rs. Lakhs)	Period to which amount relates	Forum Where the dispute is pending
Income Tax Act	Income Tax (Penalty)	4.65	2004-05	C.I.T.(Appeal) (20) C.I.T.(Appeal)(20)
	Income Tax	2013.76	2010-11- Rs. 1873.94 lacs 2012-13- Rs. 84.23 lacs 2013-14- Rs. 23.07 lacs 2014-15- Rs. 32.52 lacs	ITAT-Calcutta Bench C.I.T.(Appeal)(2)
W.B.Sales Tax And VAT	W.B.Sales Tax & VAT	586.80	1979-80- Rs. 65.24 lac 1986-87- Rs. 74.77 lac 1988-89- Rs. 69.52 lac 2001-02- Rs. 37.66 lac 2004-05 Rs. 72.65 lac 2005-06 Rs. 0.22 lac 2006-07 Rs. 142.08 lac 2011-12 Rs. 82.14 lac 2012-13 Rs. 18.53 lac 2014-15 Rs. 23.99 lac	West Bengal Commercial Tax Appellate & Revisional Board.
		366.79	1973-74- Rs. 0.24 lac 1987-88- Rs. 5.56 lac 1994-95- Rs. 216.36 lac 1997-98- Rs. 72.37 lac 1999-00 Rs. 45.97 lac 2000-01 Rs. 16.19 lac 2003-04 Rs. 10.10 lac	West Bengal Taxation Tribunal.



		908.04	1985-86- Rs. 53.16 lac 1987-88- Rs. 236.57 lac 1992-93- Rs. 309.90 lac 1996-97- Rs. 44.68 lac 1997-98 Rs. 71.07 lac 1999-00 Rs. 69.31 lac 2000-01 Rs. 88.34 lac 2003-04 Rs. 35.01 lac	Appellate Authority, Calcutta High Court
		49.34	1980-81- Rs. 0.04 lac 1982-83- Rs. 4.55 lac 1983-84- Rs. 23.99 lac 1984-85 Rs. 20.75 lac	Appellate Authority, SoD
Assam Sales Tax and VAT	Sales Tax And VAT	152.93	1996-97 To 1998-99	Appellate Authority Revenue Board.
Orissa Sales Tax and VAT	Sales Tax	106.24	1999-2000	Appellate Authority Tribunal at High Court Cuttack
		5.64	2001-2002	2 nd Appellate Authority Berhampore
Karnataka Sales Tax and VAT	Karnataka Sales Tax	17.69	2017-18	Appellate Authority Karnataka Appellate Tribunal
Central Excise		331.98	1996-97, 1998-99, 1992-93, 1993-94, 1990-91, 2001 to 2003 2009-10	Appeal at CESTAT



	Central Excise			
		52.58	1991-92, 1992-93	Appeal at Calcutta High Court
		2.70	2012-13, 2013-14	Commissioner of Central Excise
Service Tax	Service Tax	30.64	2006-07, 2007-08, 2009-10, 2010-11	Appeal at Commissioner of Central Excise Appeals
		1.45	2006-07 & 2007-08	Commissioner of Central Excise

[viii.] According to the information and explanations given to us and based on our examination of the books and records of the Company, we report that the Company has not defaulted in repayment of dues to financial institutions and banks.

[ix.] According to the information and explanations given to us and based on our examination of the books and records of the Company, we report that the term loan has been applied for the purpose for which the same was obtained.

[x.] According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.



[xi.] According to the information and explanations given to us and based on our examination of the books and records of the Company, we report that the Company has paid or provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

[xii.] According to the information and explanations given to us, the Company is not a Nidhi Company Accordingly, clause 3(xii) of the Order is not applicable.

[xiii.] According to the information and explanations given to us and based on our examination of the books and records of the Company, we report that transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statement as required by the applicable accounting standards.


[xiv.] According to the information and explanations given to us and based on our examination of the books and records of the Company, we report that the Company has not made any preferential allotment/private placement of shares or fully or partly convertible debentures during the year except shares allotted to the Government of India and Bank of Baroda on conversion of their loans in the Equity Shares. Accordingly, Clause 3(xiv) of the Order is not applicable.

[xv.] According to the information and explanations given to us and based on our examination of the books and records of the Company, we report that the Company has not entered into any non-cash transactions with directors or persons connected with him during the year. Accordingly, Clause 3 (xv) of the Order is not applicable.

[xvi.] The Company is not required to be registered under section 45-1A of the Reserve Bank Of India Act ,1934.

Place: **Kolkata**

Date : **30th May, 2018**


For **U. S. SAHA & CO.**

Chartered Accountants

Firm Registration Number-309037E



ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT

Directions under section 143(5) of the Companies Act , 2013 on the basis of our audit of the Standalone Ind AS financial statements of Andrew Yule & Company Limited for the financial year 2017-18 we give below our answer to the question and information asked for in the above mentioned Directions.

Directions	Our Answer
[1] Whether the company has clear title/lease deeds for freehold and leasehold respectively? If not, please state the area of freehold and leasehold land for which title/lease deeds are not available.	Yes , the Company has clear title/lease deeds excepts for two properties at Kolkata the title deeds of which have been lost and the General diary has been lodged by the Company with Burrabazar Police Station on 25 th May,2017 in this respect.
[2] Please report whether there are any cases of waiver/write off of debts/loans/interest etc. If yes, the reason there for and the amount involved.	No debts/loan/interest have been written off in year ended on 31 st March, 2018.
[3] Whether proper records are not maintained for inventories lying with third parties & assets received as gift from Government or other authorities.	<p>On the basis of our examination of inventory records, in our opinion, proper records are maintained for inventories lying with third parties.</p> <p>According to the information and explanation given to us, no assets have been received as gift from Government and other authorities.</p>

Place: Kolkata

Date: 30th May, 2018


For **U. S. SAHA & CO.**
Chartered Accountants
Firm Registration No.309037E
U.S. SAHA
(Partner)
Membership No.015491



Annexure -C to the Independent Auditors' Report

(Referred to in paragraph-2(g) on Other Legal and Regulatory Requirements of our Report of even date to the members of Andrew Yule and Co. Ltd. On the Standalone Ind AS Financial Statements of the Company for the year ended 31st March ,2018)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Andrew Yule & Company Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting


Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Place: Kolkata

Date: 30th May, 2018


For **U. S. SAHA & CO.**
Chartered Accountants
FRN No. 309037E
U. S. SAHA, FCA
(Partner)
M.No. 015491





INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ANDREW YULE & COMPANY LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying Consolidated Ind AS Financial Statements of **ANDREW YULE & COMPANY LIMITED** (hereinafter referred to as "the Holding Company") and its Subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its Associate companies, comprising of the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information prepared based on the relevant records.

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind As financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act. The respective Board of Directors of the companies included in the Group and its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates entities respectively and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind As financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind As financial statements by the Directors of the Holding Company, as aforesaid.



Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act and Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the Audit report.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and Pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters Paragraph below, is sufficient and appropriate to provide a basis for our qualified opinion on the consolidated Ind AS financial statements.

Basis for Qualified Opinion

[i] No provision has been considered in the consolidated Ind AS financial statement in respect of non-current investment in Katras Jherriah Coal Company limited and New Beerbhoom Coal Company limited amounting to Rs.19.22 lakhs.

[ii] The financial statements of Yule Electrical Limited and Yule Engineering limited indicate that the companies are not going concern as defined in Ind AS1 on Disclosure of Accounting policies issued by the ICAI since there are no operating activities in the current year as well as in recent past.

[iii] Auditors of Associates Companies namely The New Beerbhoom Coal Company limited and Katras Jherriah Coal Company limited have qualified the reports of the



respective companies. In case of The New Beerbhoom Coal Company Limited, the auditors have given adverse comments on the valuation of investment in WEBFIL and BKNY & Company and disclaimer opinion on the realisability of advance income tax. In case of Yule Agro Industries Limited (Subsidiary Company subsidiary of New Beerbhoom Company Ltd), the auditors have expressed doubts about the going concern concepts. In case of Katras Jherriah Coal Company limited, the auditor have given adverse comments on the following matters namely

- other financial assets,
- non-current other liabilities,
- investment in The New Beerbhoom Coal Company limited and BKNY & Company,
- advance income tax.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required except for the effects of the matters described in the Basis for Qualified Opinion paragraph above, give a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its Associates as at March 31, 2018, and their consolidated profit, consolidated total comprehensive income, consolidated statement of changes in equity and their consolidated cash flows for the year ended on that date.

Other Matters

[a] Note No.51 Principal outstanding of West Bengal Sales Tax Loan of Rs 250 lakh has been repaid during the year towards full and final settlement. Interest amounting to Rs. 530.44 lakh has been written back in the books pending confirmation from West Bengal Sales Tax Department.

[b] We did not audit the financial statement/financial information of Hooghly Printing Company Limited .Their auditors have reported the decision of the Board Of Director as follows "The Board of Directors' of Hooghly Printing Co. Ltd. (HPCL) at their meeting held on 22nd February, 2018 has decided to close down HPCL's business operations and merge HPCL with its Holding Co. i.e. Andrew Yule & Co. Ltd., subject to approval of the Cabinet Committee of Government of India considering the fact that the future prospect of the company is not viable".

[c] We did not audit the financial statement/financial information of three subsidiaries namely Hooghly Printing Company Limited, Yule Engineering Limited and Yule Electrical Limited, whose financial statement/financial information reflect total assets of Rs.1164.89 lakh as at 31st March, 2018, Total Revenues of the Rs. 934.85 lakh for the year ended on that date, as considered in the consolidated Ind AS financial statement. The consolidated Ind AS financial statement/financial information also include the net loss of Rs.368.26 lakh, of the subsidiary



companies for the year ended 31st March, 2018. The consolidated financial statement/financial information also include the group share of net loss of Rs. 0.77 lakh for the year ended 31st March, 2018 as considered in the consolidated financial statement in respect of two associate companies namely, The New Beerbhoom Co. Ltd. & Katras jherriah coal Co. Ltd whose financial statement have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statement, in so far as it relates to the amounts and disclosures included in respect of these associates and our report in terms of subsections(3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of the other auditors.

[c] We did not audit the financial statement/financial information of one associate company namely Tide Water Oil (India) Limited. The consolidated Ind AS financial statement/financial information also include the group share of net profit of Rs. 921.70 lakh, for the year ended 31st March, 2018 as considered in the consolidated Ind AS financial statements in respect of the said associate company whose financial statements for the year ended 31st March, 2018 has been prepared as per the Indian Accounting Standards (Ind AS) notified under section 133 of the Act, and audited by other auditor whose along with profit after tax calculated as per Generally Accepted Accounting Policies in India, the accounting standards notified under companies (Accounting Standard) Rules, 2006 (as amended) read with Rule 7 of the companies (Accounts) Rule, 2014 and the other relevant provisions of the Act have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosure included in respect of this associate company, and our report in terms of sub-sections (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid associate company, is based solely on the report of the other auditor and the profit after tax as certified by the management.

Report on Other Legal and Regulatory Requirements

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

(a) we have sought and obtained, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

(b) except for the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law maintained by the Holding Company, its subsidiaries included in the group and associates Companies incorporated in India including relevant records relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and reports of the other auditors.

(c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in



Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company, its subsidiaries included in the group and associate Companies incorporated in India including relevant records for the purpose of preparation of the consolidated financial statements.

(d) except for the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

(e) the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, has an adverse effect on the profit of the Company.

(f) Section 164 (2) of the Companies Act, 2013 regarding disqualification of the Director is not applicable to the Company being a government company vide notification no. G.S.R 463(E) dated 5th June 2015.

(g) with respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiary Companies and associate Companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"** and

(h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

[i.] The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates.

[ii.] the Group and its associates didn't have any long term contracts including derivative contracts for which there were any material foreseeable losses.

[iii.] There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies and associate Companies incorporated in India.

[2] As required by section 143(5) of the Act the directions and sub-directions issued by the Comptroller & Auditor General of India we give our comments, action taken and impacts on the consolidated Ind AS financial statements in **"Annexure-B"** annexed herewith.

Place: Kolkata

Date: **30th May, 2018**

For **U. S.SAHA & CO.**

Chartered Accountants

Firm Registration No. 309037E



Membership No.-015491

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph-1(g) on Other Legal and Regulatory Requirements of even date to the members of Andrew Yule & Company Limited on the Consolidated Financial Statements for the year ended 31st March ,2018]

Report on the Internal Financial Controls under Clause (i) of Sub -section 3 of Section 143 of the Act

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of **ANDREW YULE & COMPANY LIMITED** (hereinafter referred to as "the Holding Company"), and its subsidiary companies and its associate companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies and associate Companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company and its subsidiary companies and associated companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent



applicable to an audit of internal financial controls both applicable to an audit of Internal Financial Controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary companies and associates companies, which are companies incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over



financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary companies and associates companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India(ICAI).

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to two subsidiary companies and one associate company which are companies incorporated in India, is based on the corresponding reports of the Auditors of such companies . Our opinion is not qualified in respect of this matter.

For **U.S.SAHA & CO.**

Chartered Accountants

Place : Kolkata

Date : 30th May,2018

Firm Registration No.-309037E



Membership No.-015491

ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT

Directions under section 143(5) of the companies Act , 2013 on the basis of our audit of the consolidated financial statements of Andrew Yule & Company Limited for the financial year 2017-18 we give below our answer to the question and information asked for in the above mentioned Directions.

Directions	Our Answer
[1] Whether the company has clear title/lease deeds for freehold and leasehold respectively? If not, please state the area of freehold and leasehold land for which title/lease deeds are not available.	[a] The holding company has clear title/lease deeds except for two properties owned at Kolkata the title deeds of which have been lost and a General Diary has been lodged by the company with Burrabazar Police Station on 25 th May, 2017 in this respect.
	[b] As reported by the Auditor of a subsidiary company Hooghly Printing Company Limited , the title deeds of immovable properties including leasehold land are in its name except in case of Building 2 nd class, having gross block Rs.0.79 lakh and net block nil.
[2] Please report whether there are any cases of waiver/write off of debts/loans/interest etc. If yes, the reason there for and the amount involved.	No debts/loan/interest have been written off in year ended on 31 st March, 2018.
[3] Whether proper records are not maintained for inventories lying with third parties & assets received as gift from Government or other authorities.	On the basis of our examination of inventory records, in our opinion, proper records are maintained for inventories lying with third parties. According to the information and explanation given to us, no assets have been received as gift from Government and other authorities.

Place : Kolkata
Date : 30th May, 2018

For **U.S. SAHA & CO.**
Chartered Accountants
Firm Registration No. 2090325

U.S. SAHA
(Partner)
Membership No.015491