



**Important Communication to Members**

The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the Companies and has issued circulars, stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail address in respect of electronic holdings with the Depository through their concerned Depository Participants and in respect of physical holdings with the Share Department.

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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

|                            |   |
|----------------------------|---|
| Shri Sunil Munshi          | – Director (Personnel) and Chairman & Managing Director |
| Shri R.C. Sen              | – Director (Finance)                                    |
| Shri Debasis Jana          | – Director (Planning)                                   |
| Shri Bhaskar Jyoti Mahanta | – Govt. of India Nominee Director                       |
| Ms. Sanyukta Samaddar      | – Govt. of India Nominee Director                       |
| Shri Sudhir Jhunjunwala    | – Non-Executive Independent Director                    |
| Dr. Dhanpat Ram Agarwal    | – Non-Executive Independent Director                    |

### AUDIT COMMITTEE

Dr. Dhanpat Ram Agarwal, Chairman  
Shri Sudhir Jhunjunwala  
Shri R.C. Sen

### NOMINATION & REMUNERATION COMMITTEE

Shri Sudhir Jhunjunwala, Chairman  
Dr. Dhanpat Ram Agarwal  
Ms. Sanyukta Samaddar

### STAKEHOLDERS RELATIONSHIP COMMITTEE

Dr. Dhanpat Ram Agarwal, Chairman  
Shri Sunil Munshi  
Shri R.C. Sen.

### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Shri Sudhir Jhunjunwala, Chairman  
Shri Sunil Munshi  
Shri R.C. Sen  
Shri Debasis Jana

### RISK MANAGEMENT COMMITTEE

Shri Sunil Munshi, Chairman  
Shri R.C. Sen  
Shri Debasis Jana

### CFO

Shri R.C. Sen

### COMPANY SECRETARY

Smt. Sucharita Das

### STATUTORY AUDITOR

V. Singhi & Associates,  
Chartered Accountants,  
4, Mangoe Lane, Surendra Mohan Ghosh Sarani,  
Kolkata-700 001.

### SECRETARIAL AUDITOR

S. Rath & Company,  
Company Secretaries,  
31/1, Chatawala Lane, 2nd Floor, Room No.209,  
Kolkata-700 012.

### COST AUDITOR

DGM & Associates,  
Cost Accountants,  
64, B.B. Ganguli Street, (2nd Floor),  
Kolkata-700 012.

### BANKERS

Allahabad Bank, IFB Branch, 17, R.N. Mukherjee Road,  
Kolkata-700 001.  
Bank of Baroda, India Exchange Place Branch, 4, India Exchange  
Place, Kolkata-700001.  
Union Bank of India, India Exchange Place Branch, 15, India  
Exchange Place, Kolkata-700001.  
United Bank of India, Kolkata Branch, 4, N.C. Dutta Sarani,  
Kolkata-700 001.

### REGISTERED OFFICE

“Yule House”,  
8, Dr. Rajendra Prasad Sarani,  
Kolkata-700 001.  
CIN – L63090WB1919GOI003229  
Telephone Nos. (033)2242 8210/8550  
Fax : (033) 2242 9770  
Website : [www.andrewyule.com](http://www.andrewyule.com)  
E-mail ID : [com.sec@andrewyule.com](mailto:com.sec@andrewyule.com)

### NORTHERN REGIONAL OFFICE

404, Guru Angad Bhavan,  
71, Nehru Place,  
New Delhi-110 019.

### REGISTRAR & TRANSFER AGENT

MCS SHARE TRANSFER AGENT LTD.,  
12/1/5, Manoharpukur Road, Ground Floor, Kolkata-700 026.  
Phone Nos.(033) 4072 4051/4052/4053  
Fax: 033-4072-4050  
Email : [mcssta@rediffmail.com](mailto:mcssta@rediffmail.com) / [mcskol@rediffmail.com](mailto:mcskol@rediffmail.com)



**ANDREW YULE & COMPANY LIMITED**

**(A Government of India Enterprise)**

**Registered Office: "YULE HOUSE", 8, Dr. Rajendra Prasad Sarani, Kolkata-700 001**

**CIN No. L63090WB1919GOI00322**

**Tel.: (033) 2242-8210/8550; Fax: (033) 2242-9770;**

**E-mail : com.sec@andrewyule.com; Website: www.andrewyule.com**

**NOTICE TO MEMBERS**

NOTICE is hereby given that the 68th Annual General Meeting of the members of Andrew Yule & Company Limited will be held at the Williamson Magor Hall of the Bengal Chamber of Commerce & Industry, Royal Exchange, 6, Netaji Subhas Road, Kolkata - 700001 on Friday, the 23rd day of September, 2016 at 11.00 a.m. to transact the following business:

**ORDINARY BUSINESS :**

- [01] To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2016 including the Consolidated Audited Financial Statements for the year ended on that date together with the Reports of the Board of Directors, Auditors and Comments of the Comptroller & Auditor General of India (CAG) thereon.
- [02] To appoint a Director in place of Ms. Sanyukta Samaddar (DIN:06780179), who retires by rotation at this Annual General Meeting under Section 152(6) of the Companies Act, 2013 and being eligible, offers herself for re-appointment.
- [03] To authorise the Board of Directors to fix the remuneration of the Statutory Auditors of the Company for the Financial Year 2016-17 in compliance with the orders and directions of appointment by the Comptroller and Auditor General of India.

**SPECIAL BUSINESS :**

To consider and, if thought fit, to pass with or without modification the following resolutions:

[04] **As an Ordinary Resolution :**

**"RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 including any amendment, modification or variation thereof, the Company hereby ratifies the remuneration of Rs.1,45,000/- per annum (exclusive of service tax, travelling expenses, etc.) payable to M/s. DGM & Associates, Cost Accountants (Firm Registration No: 000038) who have been appointed by the Board of Directors as Cost Auditors of the Company to conduct the audit of the cost records of the Company as prescribed under the Companies (Cost Records and Audit) Rules, 2014, for the financial year ending on 31st March, 2017."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

[05] **As an Ordinary Resolution :**

**"RESOLVED THAT** subject to the terms and conditions as determined by the Government of India, Shri Bhaskar Jyoti Mahanta (DIN: 07487571) was appointed as a Part-time Official Director on the Board of Directors of the Company by the Department of Heavy Industry, Ministry of Heavy Industries & Public Enterprises, Government of India vide letter no.10(9)/2012-PE.I dated 21st March, 2016 and subsequently pursuant to the provisions of Section 161 and any other applicable provisions of the Companies Act, 2013 (Act) and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shri Bhaskar Jyoti Mahanta (DIN : 07487571) was appointed as an Additional Director of the Company by the Board of Directors w.e.f. 21st March, 2016 to hold office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member, signifying his intention to propose Shri Bhaskar Jyoti Mahanta as a candidate for the office of the Director of the Company, be and is hereby appointed as a part-time Official Director of the company whose term of office shall be liable to retirement by rotation."



[06] **As an Ordinary Resolution :**

**“RESOLVED THAT** subject to the terms and conditions as determined by the Government of India, Shri Sudhir Jhunjhunwala (DIN: 00548176) was appointed as a Part-time Non-Official Independent Director on the Board of Directors of the Company by the Department of Heavy Industry, Ministry of Heavy Industries & Public Enterprises, Government of India vide order no.10(33)/2010-PE.I (i) dated 4th July, 2016 and subsequently pursuant to the provisions of Sections 149, 152, 161 and any other applicable provisions of the Companies Act, 2013 (Act) and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Act and Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shri Sudhir Jhunjhunwala (DIN: 00548176) was appointed as an Additional Director of the Company by the Board of Directors w.e.f. 4th July, 2016 and who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member, signifying his intention to propose Shri Sudhir Jhunjhunwala as a candidate for the office of the Director of the Company, be and is hereby appointed as a Part-time Non-Official Independent Director of the Company w.e.f. 4th July, 2016, whose term shall not be subject to retirement by rotation, to hold office for a period of 3 (three) consecutive years or until further order by the Government of India, whichever is earlier.”

[07] **As an Ordinary Resolution :**

**“RESOLVED THAT** subject to the terms and conditions as determined by the Government of India, Dr. Dhanpat Ram Agarwal (DIN: 00322861) was appointed as a Part-time Non-Official Independent Director on the Board of Directors of the Company by the Department of Heavy Industry, Ministry of Heavy Industries & Public Enterprises, Government of India vide order no.10(33)/2010-PE.I (ii) dated 4th July, 2016 and subsequently pursuant to the provisions of Sections 149, 152, 161 and any other applicable provisions of the Companies Act, 2013 (Act) and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Act and Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Dr. Dhanpat Ram Agarwal (DIN: 00322861) was appointed as an Additional Director of the Company by the Board of Directors w.e.f. 4th July, 2016 and who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member, signifying his intention to propose Dr. Dhanpat Ram Agarwal as a candidate for the office of the Director of the Company, be and is hereby appointed as a Part-time Non-Official Independent Director of the Company w.e.f. 4th July, 2016, whose term shall not be subject to retirement by rotation, to hold office for a period of 3 (three) consecutive years or until further order by the Government of India, whichever is earlier.”

Registered Office :  
“Yule House”,  
8, Dr. Rajendra Prasad Sarani,  
Kolkata - 700 001  
Date : 12th August, 2016

By Order of the Board  
Sucharita Das  
Company Secretary

**NOTES :**

- [01] An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business to be transacted at the Meeting, is annexed to this Notice.
- [02] **A Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote on a poll instead of himself / herself and a proxy need not be a member. A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10% (ten percent) of the total share capital of the Company. A member holding more than 10% (ten percent) of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The instrument 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.**
- [03] Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting.
- [04] The Register of the Members and the Share Transfer Registers of the Company will remain closed from 17th September, 2016 (Saturday) to 23rd September, 2016 (Friday), both days inclusive.



- [05] Messrs. MCS Share Transfer Agent Limited, 12/1/5, Manoharpukur Road, Kolkata – 700 026 has been appointed as Registrar and Share Transfer Agent (RTA) of the Company.
- [06] Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or to the Registrar of the Company, the details of such folios for consolidating their holding in one folio.
- [07] Members desirous of making a nomination in respect of their shareholding in physical form, as permitted under Section 72 of the Companies Act, 2013, are requested to submit the prescribed form SH-13 and SH-14, as per Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, to the Share Department of the Company or to the office of the Registrar and Share Transfer Agent.
- [08] Members holding shares in dematerialized form are requested to intimate all changes pertaining to their Bank Details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS) mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc. to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrar and Share Transfer Agent, to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to the Company or to Company's Registrar and Share Transfer Agent.
- In case the mailing address mentioned on the Attendance Slip is without the PINCODE, Members are requested to kindly inform the PINCODE immediately.
- [09] The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Share Department of the Company or to Company's Registrar and Share Transfer Agent. SEBI has also mandated that for registration of transfer of securities, the transferee(s) as well as the transferor(s) shall furnish a copy of their PAN Card to the Company for registration of transfer of securities.
- [10] In case of Joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- [11] Electronic copy of the Notice of the 68th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip, Proxy Form and Route Map is being also sent to all the members whose email IDs are registered with the Company/Company's Registrar and Share Transfer Agent/Depository Participants for communication purposes. For Members who have not registered their email address, physical copies of the Notice of the 68th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip, Proxy Form and Route Map is being sent in the permitted mode.
- [12] Electronic copy of the Annual Report for Financial Year 2015-2016 is being sent to all Members whose email IDs are registered with the Company/Company's Registrar and Share Transfer Agent/Depository Participants for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their email address, physical copies of the Annual Report for Financial Year 2015-2016 is being sent in the permitted mode.
- [13] Members may also note that the Notice of the 68th Annual General Meeting, Attendance Slip and Proxy Form will be available on the Company's website at [www.andrewyule.com](http://www.andrewyule.com) and also on the website of NSDL at <https://www.evoting.nsdl.com/> for their download. The Annual Report for Financial Year 2015-2016 will be available on the Company's website [www.andrewyule.com](http://www.andrewyule.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Kolkata for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's email id : [ay\\_share@rediffmail.com](mailto:ay_share@rediffmail.com).
- [14] To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with the Company for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
- [15] The Route Map showing directions to reach the venue of the 68th AGM is annexed hereto.
- [16] Additional information pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms an integral part of the Notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
- [17] Kindly note that as per the notifications of SEBI, the Company's equity shares have been under compulsory demat trading mode for all the investors. You are therefore, requested to demat your shareholding to avoid inconvenience in future.



- [18] The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
- [19] Non-Resident Indian Members are requested to inform Company's Registrar and Share Transfer Agent, immediately of :
- [a] Change in their residential status on return to India for permanent settlement.
  - [b] Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
- [20] In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 68th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

The instructions for remote e-voting are as under:

- [A] In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company) :
- [i] Open the e-mail and also open PDF file namely "AndrewYule e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user / login ID and password for e-voting. Please note that the password is an initial password.
  - [ii] Open the internet browser and type the following URL: <https://www.evoting.nsdl.com>.
  - [iii] Click on Shareholder - Login.
  - [iv] If you are already registered with NSDL for e-voting then you can use your existing user / login ID and password.
  - [v] If you are logging in for the first time, please enter the user / login ID and password provided in the PDF file attached.
  - [vi] The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
  - [vii] Once the e-voting home page opens, click on e-voting > Active Voting Cycles.
  - [viii] Select "EVEN" (E-Voting Event Number) of Andrew Yule & Company Limited. Now you are ready for e-voting as Cast Vote page opens.
  - [ix] Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - [x] Upon confirmation, the message "Vote cast successfully" will be displayed.
  - [xi] Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
  - [xii] Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF / JPG format) of the relevant Board Resolution / Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [psarawagi@vsnl.com](mailto:psarawagi@vsnl.com) and / or [pawan@sarawagi.in](mailto:pawan@sarawagi.in), with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
  - [xiii] In case of any queries, you may refer the Frequently Asked Questions (FAQs) - Shareholders and e-voting User Manual - Shareholder, available at the 'downloads' section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. 1800-222-990.
  - [xiv] You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
  - [xv] Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as on 16th September, 2016 may obtain user/login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [mcssta@rediffmail.com](mailto:mcssta@rediffmail.com).

However, if you are already registered with NSDL for e-voting then you can use your existing user/login ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no. 1800-222-990.



- [B] In case a Member receives physical copy of the Notice of Annual General Meeting (for Members whose email addresses are not registered with the Company):
- [i] Initial password is provided in the enclosed form: EVEN (E-Voting Event Number), user / login ID and password.
  - [ii] Please follow all steps from Sl. No. (i) to Sl. No. (xv) above, to cast vote.
- [C] Other Instructions:
- [i] The remote e-voting period commences on Tuesday, 20th September, 2016 (9.00 a.m.) and ends on Thursday, 22nd September, 2016 (5.00 p.m.). During this period, members of the Company, holding shares, as on 16th September, 2016, may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he / she shall not be allowed to change it subsequently.
  - [ii] The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 16th September, 2016.
  - [iii] Shri P. K. Sarawagi, Practicing Company Secretary (Membership No. FCS 3381), Proprietor of M/s. P. Sarawagi & Associates, Company Secretaries, has been appointed as the Scrutinizer to scrutinize the voting at the AGM and remote e-voting process in a fair and transparent manner.
  - [iv] Facility for voting through polling paper shall be made available at the 68th Annual General Meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their rights at the concerned meeting.
  - [v] The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least 2 (two) witnesses not in the employment of the Company and make, not later than 3 (three) days of the conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
  - [vi] Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
  - [vii] Members of the company holding shares as on 16th September, 2016, may opt for remote e-voting or voting at the AGM through polling paper.
  - [viii] The results declared along with the Scrutinizer's Report shall be placed on the Company's Website [www.andrewyule.com](http://www.andrewyule.com) and on the Website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately on declaration of result by the Chairman and communicated to BSE Limited (BSE), where the shares of the Company are listed.

[21] All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (09.30 am to 6.00 pm) on all working days, up to and including the date of Annual General Meeting of the Company.

[22] Members are requested to -

- ➡ Note that copies of Annual Report will not be distributed at the Annual General Meeting.
- ➡ Bring copies of Notice, Annual Report and Attendance Slip duly completed and signed at the meeting.
- ➡ Deliver duly completed and signed Attendance Slip at the entrance of the meeting venue.
- ➡ Members, who hold shares in dematerialized form, are requested to bring their Client ID and DP ID Nos. for easier identification of attendance at the meeting.
- ➡ Quote the Folio/Client ID & DP ID Nos. in all correspondence.
- ➡ Note that no gifts will be distributed at the Annual General Meeting.

Registered Office :  
"Yule House",  
8, Dr. Rajendra Prasad Sarani,  
Kolkata - 700 001  
Date : 12th August, 2016

By Order of the Board  
Sucharita Das  
Company Secretary



## ANDREW YULE & COMPANY LIMITED

### EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

- Item No.4** The Board of Directors of the Company has approved at their Meeting held on 18th June, 2016, the appointment and remuneration of M/s. DGM & Associates, Cost Accountants, the Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year 2016-17 at a remuneration of ₹1,45,000/- (Rupees one lakh forty-five thousand only) per annum (exclusive of service tax, travelling expenses, etc.).
- In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company.
- Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out under Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2017.
- None of the Directors, Key Managerial Personnel and their relatives are concerned or interested, financially or otherwise, in the aforesaid Resolution. The Board recommends the passing of the Resolution as set out under Item No.4 of the Notice.
- Item No.5** Shri Bhaskar Jyoti Mahanta (DIN: 07487571), Joint Secretary, Department of Heavy Industry, Ministry of Heavy Industries & Public Enterprises was appointed as a Part-time Official Director on the Board of Directors of the Company by the Government of India vide letter no.10(9)/2012-PE.I dated 21st March, 2016 issued by the Department of Heavy Industry, Ministry of Heavy Industries & Public Enterprises and was accordingly appointed as an Additional Director of the Company w.e.f. 21st March, 2016 in terms of the provisions of Section 161 of the Companies Act, 2013 to hold office upto the date of this Annual General Meeting of the Company and in respect of whom the Company has received a Notice in writing from a member pursuant to Section 160 of the Companies Act, 2013 signifying his intention to propose Shri Bhaskar Jyoti Mahanta as a candidate for the office of the Director of the Company.
- The brief profile of Shri Bhaskar Jyoti Mahanta is included in the Notice.
- None of the Directors, Key Managerial Personnel (KMPs) or the relatives of Directors or KMPs, except Shri Bhaskar Jyoti Mahanta, are in any way, concerned or interested, financial or otherwise, in the said resolution.
- Item No.6** Shri Sudhir Jhunjhunwala (DIN: 00548176) was appointed as a Part-time Non-Official Independent Director on the Board of Directors of the Company by the Government of India vide order no.10(33)/2010-PE.I (i) dated 4th July, 2016 issued by the Department of Heavy Industry, Ministry of Heavy Industries & Public Enterprises and was accordingly appointed as an Additional Director of the Company w.e.f. 4th July, 2016 in terms of the provisions of Section 161 of the Companies Act, 2013 to hold office upto the date of this Annual General Meeting of the Company and in respect of whom the Company has received a Notice in writing from a member pursuant to Section 160 of the Companies Act, 2013 signifying his intention to propose Shri Sudhir Jhunjhunwala as a candidate for the office of the Director of the Company to hold office for 3 (three) consecutive years.
- The brief profile of Shri Sudhir Jhunjhunwala is included in the Notice. Based on his vast experience in the corporate world and wider knowledge, the Board considers his appointment to be in the interest of the Company and recommends the resolution considered in Item No.6 of the accompanying notice for approval of the members as an Ordinary Resolution.
- Shri Jhunjhunwala has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Act.
- None of the Directors, Key Managerial Personnel (KMPs) or the relatives of Directors or KMPs, except Shri Sudhir Jhunjhunwala, are in any way, concerned or interested, financial or otherwise, in the said resolution.
- Item No.7** Dr. Dhanpat Ram Agarwal (DIN: 00322861) was appointed as a Part-time Non-Official Independent Director on the Board of Directors of the Company by the Government of India vide order no.10(33)/2010-PE.I (ii) dated 4th July, 2016 issued by the Department of Heavy Industry, Ministry of Heavy Industries & Public Enterprises and was accordingly appointed as an Additional Director of the Company w.e.f. 4th July, 2016 in terms of the provisions of Section 161 of the Companies Act, 2013 to hold office upto the date of this Annual General Meeting of the Company and in respect of whom the Company has received a Notice in writing from a member pursuant to Section 160 of the Companies Act, 2013 signifying his intention to propose Dr. Dhanpat Ram Agarwal as a candidate for the office of the Director of the Company to hold office for 3 (three) consecutive years.
- The brief profile of Dr. Dhanpat Ram Agarwal is included in the Notice. Based on his vast experience in the corporate world and wider knowledge, the Board considers his appointment to be in the interest of the Company and recommends the resolution considered in Item No.7 of the accompanying notice for approval of the members as an Ordinary Resolution.
- Dr. Agarwal has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Act.
- None of the Directors, Key Managerial Personnel (KMPs) or the relatives of Directors or KMPs, except Dr. Dhanpat Ram Agarwal, are in any way, concerned or interested, financial or otherwise, in the said resolution.

Registered Office :  
"Yule House",  
8, Dr. Rajendra Prasad Sarani,  
Kolkata - 700 001  
Date : 12th August, 2016

By Order of the Board  
Sucharita Das  
Company Secretary





Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of the Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting are provided as under:

| Name of Director  | Ms. Sanyukta Samaddar  | Shri Bhaskar Jyoti Mahanta   | Shri Sudhir Jhunjhunwala   | Dr. Dhanpat Ram Agarwal  |
|---|--|--|--|--|
| Date of Birth   | 28th August, 1975  | 24th January, 1963   | 6th June, 1967   | 13th January, 1959   |
| Date of Appointment   | 27th May, 2015   | 21st March, 2016   | 4th July, 2016   | 4th July, 2016   |
| Expertise   | Expertise in Administration, Finance and Vigilance   | Expertise in Administration  | Expertise in Finance   | Expertise in World Trade Organization and International Trade Studies, Intellectual Property Rights – Legal and Technical Rights, Finance and Taxation   |
| Qualification   | M.A. (Pol. Sc.) from Jawahar Lal Nehru University, New Delhi; M.A. (Public Adm.) from Syracuse University, New York, USA | IPS Officer (1988 batch), M.A. (Social Work) from Delhi University | MBA from London Business School  | PhD (Econ.) from North Bengal University, FCA, LLB from University of Calcutta   |
| Shareholding in the Company   | NIL  | NIL  | NIL  | NIL  |
| List of other Listed entities in which Directorship held  | NIL  | Tide Water Oil Co. (I) Ltd.  | NIL  | 1. TCI Finance Ltd.<br>2. Barak Valley Cements Ltd.  |
| Chairman / Member of the Committees of the Board across all other Listed entities in which he/she is a Director | NIL  | NIL  | NIL  | 1. Member of Stakeholders Relationship Committee – TCI Finance Ltd.<br>2. Member of Corporate Social Responsibility Committee – TCI Finance Ltd.<br>3. Member of Nomination & Remuneration Committee – Barak Valley Cements Ltd. |
| Chairman/Member of the Committees of the Board of Directors of the Company                                      | Member - Nomination and Remuneration Committee   | NIL  | Chairman - Nomination and Remuneration Committee; Chairman - Corporate Social Responsibility Committee; Member - Audit Committee | Chairman - Audit Committee; Chairman - Stakeholders Relationship Committee; Member - Nomination and Remuneration Committee   |
| Disclosure of relationships between Directors inter-se  | No relationship shared between Directors inter-se  | No relationship shared between Directors inter-se                  | No relationship shared between Directors inter-se  | No relationship shared between Directors inter-se  |

### REQUEST TO MEMBERS

Members desirous of getting Information/Clarification on the Accounts and Operations of the Company or intending to raise any query are requested to forward the same at least 7 days in advance of the meeting to the Company Secretary at the office address so as the same may be attended appropriately.

### KIND ATTENTION OF SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM

The Shares held by you in physical form can be easily dematerialized i.e. converted into electronic form. The various benefits derived out of dematerialization of shares are:

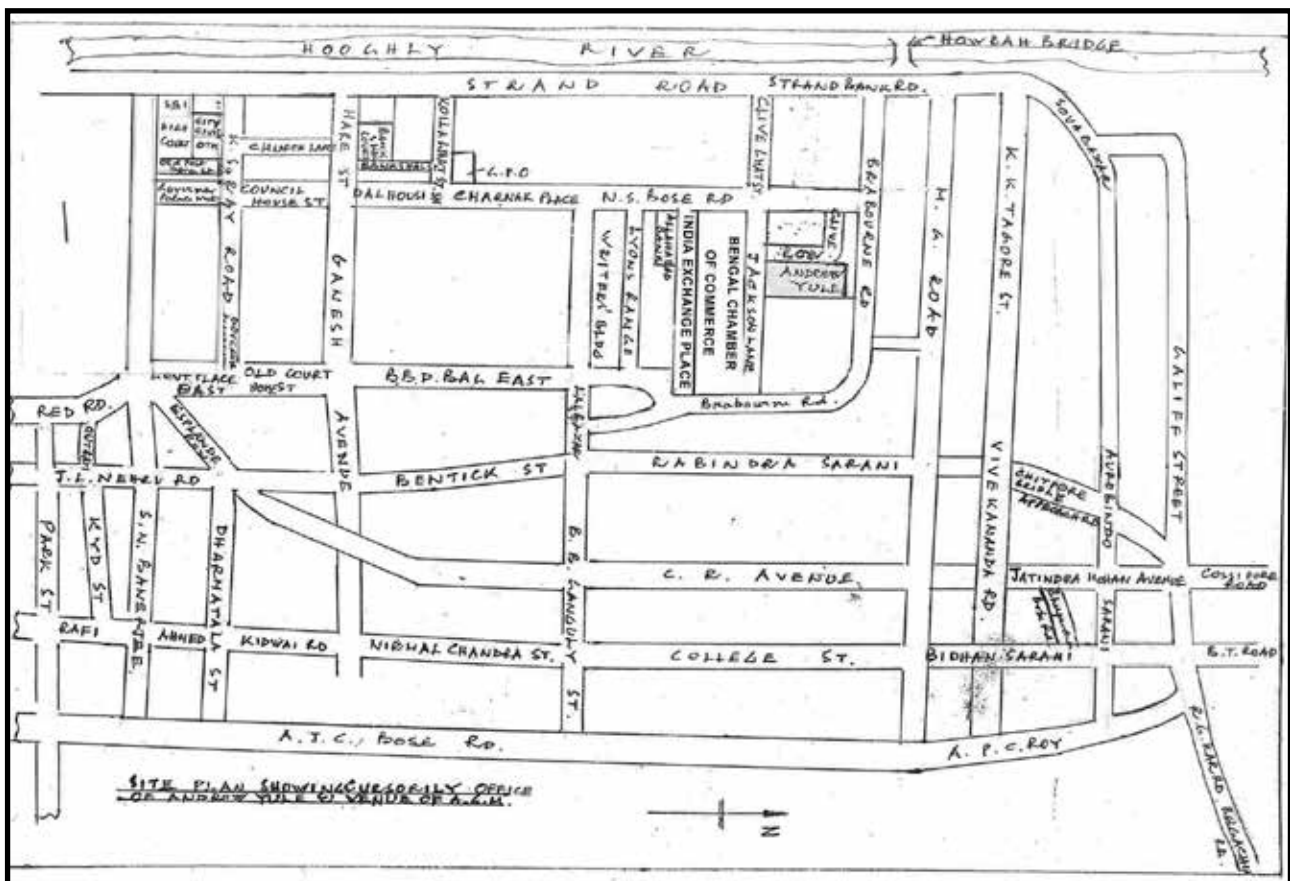
- [01] Immediate transfer of securities.
- [02] No stamp duty on transfer of securities.
- [03] Elimination of risk associated with physical certificates such as bad delivery, fake securities etc.



## ANDREW YULE & COMPANY LIMITED

- [04] Reduction in paperwork involved in transfer of securities.
- [05] Reduction in transaction cost.
- [06] Nomination facility.
- [07] Changes in address recorded with DP get registered electronically with all Companies in which investor holds securities in demat form, eliminating the need to correspond with each of them separately.
- [08] Transmission of securities is done by DP eliminating correspondence with Companies.
- [09] Convenient method of consolidation of folios/accounts.
- [10] Automatic credit into demat account of shares arising out of split/consolidation/merger. You are therefore, requested to:
  - [a] Approach any Depository Participant (DP) of your choice for opening a Demat Account.
  - [b] Fill in a Demat Request Form (DRF) and handover the relative physical share certificate(s) to your DP for Dematerialization of your shares.

Shares will get converted into electronic form and automatically credited to your Demat Account.





## BOARDS' REPORT

Dear Shareholders,

Your Directors take pleasure in presenting the 68th Annual Report on the operations of the Company together with the Auditor's Report and Audited Financial Statements for the year ended 31st March, 2016 :

### [01] FINANCIAL RESULTS

The financial results of the Company for the year 2015-16 in comparison with the previous financial year 2014-15 are highlighted herein below :

|  | [₹ in lakh]                    |                                |
|--|--------------------------------|--------------------------------|
|  | Year ended 31st<br>March, 2016 | Year ended 31st<br>March, 2015 |
| Revenue from operations and other operational Income | 35955.03                       | 35630.51                       |
| Other Income   | 3042.70                        | 4583.20                        |
| Total Revenue  | 38997.73                       | 40213.71                       |
| Profit before Tax                                    | 927.36                         | 1389.16                        |
| Less: Provision for Tax                              |                                |                                |
| – Current Tax  | 114.87                         | 97.04                          |
| – Deferred Tax                                       | (–) 22.80                      | (–) 3.94                       |
| Profit after Tax                                     | 835.29                         | 1296.06                        |
| Balance brought forward from previous year           | 786.57                         | 241.39                         |
| Transfer to Bond Redemption Reserve                  | ...                            | 166.67                         |
| Depreciation Adjustment                              | ...                            | 183.86                         |
| Proposed Dividend                                    | ...                            | 333.64                         |
| Dividend Distribution Tax                            | ...                            | 66.71                          |
| Balance carried forward to Balance Sheet             | 1621.86                        | 786.57                         |

### [02] FINANCIAL PERFORMANCE

Your Company's results during the year under review have declined as compared to the previous year. Your Company has recorded revenue from operations and other income of ₹389.98 crore during the financial year 2015-16 as compared to ₹402.14 crore as recorded in the previous year.

Profit before Tax (PBT) during the financial year 2015-16 stood at ₹9.27 crore as compared to ₹13.89 crore for the previous financial year registering a decrease by 33.26%. Profit after Tax (PAT) for the financial year 2015-16 had been ₹8.35 crore as compared to ₹12.96 crore during the previous financial year 2014-15 registering a decrease by 35.57%. Though the other income has been declined during the year 2015-16 by ₹15.41 crore, your Company has registered a decline in PBT by only ₹4.62 crore which implies that there has been reduction in operational loss by ₹10.79 crore.

### [03] DIVIDEND

In view of the inadequate net profit for the financial year 2015-16, your Directors regret their inability to

recommend any dividend on Equity Shares for the year under review.

### [04] PROSPECTS / OPERATIONS

#### [4.1] Tea

- [a] North Indian Batting Order (Ranking): Being a prime Quality parameter, all Assam & Dooars Gardens are within Top 28 during the year 2015-16. 3 (Three) AYCL gardens featured in Top 10 and 2 (Two) AYCL gardens are featured in Top 20. Most of the gardens showed improvement in the batting order.
- [b] Installation of Green Tea manufacturing facility at Mim T.E. in Darjeeling and New Dooars T.E. in North Bengal.
- [c] Manufactured Specialty Teas and exported to US and Domestic Markets.
- [d] Promotion and sales of Packet Teas through e-commerce, TRIFED outlets in Gangtok, Bhopal, Delhi and Bengaluru, BISWA BANGLA outlets in Kolkata, Delhi, Darjeeling & Bagdogra, Yule Tea Lounge at Eco Park, Kolkata,
- [e] Successful implementation of ISO 220000 of all Dooars Gardens.
- [f] Turnover of Tea division of your company has increased from ₹188.41 crore to ₹212.29 crore during the year. Tea exports during the year was 1.92 lakh kgs with FOB ₹4.49 crore compared to 1.00 lakh kgs with FOB ₹2.17 crore last year catering to markets in Georgia, Ukraine, USA, Iran, Canada, Ireland and Germany.
- [g] In view of the huge investments made in gardens by way of uprooting, replanting and modernising the processing facilities, the outlook appears promising.

#### [4.2] Electrical Division

- [a] Order booking of your Company has crossed ₹70.00 crore (Chennai Operations) and ₹100.00 crore (Kolkata Operations) for the financial year 2015-16 and net sales was ₹116.00 crore during the year under review. This is a record high compared to all previous years.
- [b] The Electrical Division also has designed and manufacture the highest rating of 132 KV class 63 MVA – Transformers during the current financial year.

#### [4.3] Engineering Division

- [a] Order Booking of your Company was ₹30.73 crore and net sales was ₹24.00 crore during the financial year 2015-16.



- [b] Division has recorded All Time High Steel consumption of 867 MT (+65% YOY) in 2015-16.
- [c] Division's Capacity utilization also reached All Time High, as number of Impellers, produced in-house stands at 305 (+45% YOY).
- [d] Productivity increased with system improvement like Rolling weld stand.
- [e] New Axial Fan developed with adjustable pitch blade. This has a unique "Laminar high tensile blade" for high efficiency and long life.

**[05] BIFR STATUS**

The Company ceased to be a Sick Industrial Company within the meaning of Section 3(1)(o) of SICA, as its net worth had turned positive.

**[06] MANAGEMENT DISCUSSION & ANALYSIS REPORT**

Management Discussion & Analysis Report for the year under review, as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of the Board's Report as **Annexure I**.

**[07] CORPORATE GOVERNANCE**

The report on Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, together with a certificate from a Practicing Company Secretary confirming compliance, is annexed and forms part of the Annual Report.

**[08] SUBSIDIARY COMPANIES**

The Company has three wholly owned subsidiaries as on 31st March, 2016.

In accordance with the provisions of Section 129(3) of the Companies Act, 2013, the Company has prepared a Consolidated Financial Statement of the Company and all the subsidiaries namely, Hooghly Printing Co. Ltd., Yule Engineering Ltd. and Yule Electrical Ltd., in compliance with the applicable accounting standards and the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

**[09] PERFORMANCE OF SUBSIDIARIES, ASSOCIATE COMPANIES AND JOINT VENTURE COMPANIES AS REQUIRED UNDER RULE 8(1) OF THE COMPANIES (ACCOUNTS) RULES 2014**

A statement containing salient features of the financial statements of the subsidiaries and associates in Form AOC-1 is attached to the financial statements of the Company.

**[10] CONSOLIDATED FINANCIAL STATEMENTS**

The audited consolidated financial statements of your Company as on 31st March, 2016, have been prepared in accordance with the relevant Accounting Standards issued by the Institute of Chartered Accountants of

India and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also in accordance with the applicable provisions of the Companies Act, 2013 and form part of this Annual Report. The Financial Statements as stated above are also available on the website of the Company and can be accessed at <http://www.andrewyule.com>.

**[11] CHANGES IN SHARE CAPITAL**

The Paid-up Equity Share Capital as on 31st March, 2016 was ₹66,72,76,956/- divided into 33,36,38,478 ordinary shares of ₹2/- each, fully paid up. During the year the Company has not issued any ordinary shares or shares with differential voting rights neither granted stock options nor sweat equity.

However, the Company has allotted 1,24,62,500 Equity Shares of ₹2/- each to Bank of Baroda on 18th June, 2016, in conversion of Working Capital Term Loan availed of by the Company from Bank of Baroda, as per direction given by the Cabinet Committee on Economic Affairs (CCEA) at their meeting held on 6th April, 2016. Accordingly, as on date, the post allotment Equity Share Capital of the Company has become ₹69,22,01,956/- divided into 34,61,00,978 Equity Shares of ₹2/- each, fully paid up.

**[12] EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in Form MGT-9 as required under Section 92 of the Companies Act, 2013, is marked as **Annexure II**, which is annexed hereto and forms part of the Board's Report.

**[13] NUMBER OF MEETINGS OF BOARD OF DIRECTORS**

There were 4 (Four) meetings of the Board of Directors of the Company held during the year 2015-16 on 30th May, 2015, 13th August, 2015, 2nd November, 2015 and 28th January, 2016. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and the Listing Regulations.

**[14] DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that :

- [i] in the preparation of the annual accounts for the financial year ended 31st March, 2016, the applicable accounting standards had been followed along with the proper explanation relating to material departures, if any;
- [ii] the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;



- [iii] the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- [iv] the Directors had prepared the annual accounts on a going concern basis;
- [v] the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and operating effectively; and
- [vi] the Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**[15] PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

Pursuant to Section 186 of the Companies Act, 2013, the details of the loans given, guarantees or securities provided and investments made by the Company during the year under review, have been disclosed in the financial statements.

**[16] MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There are no material change(s) and commitment(s) affecting the financial position of the Company, occurring between the end of the financial year to which these financial statements relate and the date of the report.

**[17] DIRECTORS**

Ms. Sanyukta Samaddar, Director (Vigilance), Department of Heavy Industry has been appointed as a Part-time Official Director on the Board of the Company with effect from 27th May, 2015 in place of Shri A. M. Manichan, Dy. Director, Department of Heavy Industry.

Shri Debasis Jana has been appointed as Director (Planning) of the Company with effect from 1st August, 2015 in place of Shri S. Swaminathan, the erstwhile Director (Planning) of the Company.

Shri Bhaskar Jyoti Mahanta, Joint Secretary, Department of Heavy Industry has been appointed as a Part-time Official Director designated as Additional Director on the Board of the Company with effect from 21st March, 2016 in place of Shri Rajesh Kumar Singh, Joint Secretary, Department of Heavy Industry. However, being Additional Director, he will hold office upto the date of the ensuing Annual General Meeting and is eligible for re-appointment. The Company has received notice in writing under Section 160 of the Companies Act, 2013 proposing his appointment as Director.

Shri Kallol Datta ceased to be the Chairman & Managing Director of the Company with effect from the close of the business on 31st March, 2016.

Shri Sunil Munshi has been entrusted with the additional charge of the post of the Chairman & Managing Director of the Company with effect from 1st April, 2016.

The Board places on record its deep appreciation of the valuable services and guidance rendered by Shri A. M. Manichan, Shri S. Swaminathan, Shri Rajesh Kumar Singh and Shri Kallol Datta during their association with the Company.

In accordance with the provisions of Section 152(6)(c) of the Companies Act, 2013 and your Company's Articles of Association, Ms. Sanyukta Samaddar, Director of the Company, retires by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

In terms of the provisions of the Companies Act, 2013 and other applicable provisions, if any, Shri Sudhir Jhunjunwala and Dr. Dhanpat Ram Agarwal have been appointed as Part-time Non-Official Independent Directors designated as Additional Directors for a period of 3 (three) consecutive years with effect from 4th July, 2016. However, being Additional Directors, they will hold office upto the date of the ensuing Annual General Meeting and are eligible for appointment for specified period(s), on approval of the shareholders. The Company has received notices in writing under Section 160 of the Companies Act, 2013 proposing their appointment as Directors.

Appropriate resolutions seeking appointment of Shri Bhaskar Jyoti Mahanta, Ms. Sanyukta Samaddar, Shri Sudhir Jhunjunwala and Dr. Dhanpat Ram Agarwal as Directors are appearing in the Notice convening the 68th Annual General Meeting of the Company.

The brief resume/details relating to Shri Bhaskar Jyoti Mahanta, Ms. Sanyukta Samaddar, Shri Sudhir Jhunjunwala and Dr. Dhanpat Ram Agarwal are furnished in the notes annexed to the Notice of the ensuing Annual General Meeting of the Company.

Pursuant to the provisions of the Listing Regulation, it is disclosed that no Director share any relationship inter se.

**[18] KEY MANAGERIAL PERSONNEL**

The following Key Managerial Personnel of the Company were appointed / resigned during the year 2015-16, in compliance with the provisions of Section 203 of the Companies Act, 2013 :

- [i] Shri Kallol Dutta, erstwhile Chairman and Managing Director, ceased to be a KMP w.e.f. the close of business on 31st March, 2016.
- [ii] Shri Debabrata Bandyopadhyay, erstwhile Company Secretary, ceased to be a KMP w.e.f. 1st October, 2015.



[iii] Shri Ayan Dutta was appointed as the Company Secretary designated as KMP w.e.f. 1st October, 2015.

**Note:** Shri Ayan Dutta ceased to be the Company Secretary as well as KMP of the Company w.e.f. 12th August, 2016 and re-designated as Assistant Company Secretary. Smt. Sucharita Das has been appointed as Company Secretary designated as a KMP of the Company w.e.f. 12th August, 2016.

**[19] DECLARATION BY INDEPENDENT DIRECTORS**

The Company has received the necessary declaration from all the Independent Directors of the Company in accordance with Section 149(7) of the Companies Act, 2013, that they meet the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and the Listing Regulations.

**[20] APPOINTMENT AND REMUNERATION POLICY**

Being a Central Public Sector Undertaking, the appointment, tenure, performance evaluation, remuneration, etc., of Directors are made/ fixed by the Government of India. The remuneration of officers is decided as per Government guidelines on Pay Revision and remunerations of other employees of the company are decided as per Wage Settlement Agreement entered with their Union every five years. The appointments/promotions etc. of the employees are made as per Recruitment and Promotion Policy approved by the Board.

**[21] CORPORATE SOCIAL RESPONSIBILITY**

In accordance with Section 135 of the Companies Act, 2013 and the rules made thereunder, the Company has formulated a Corporate Social Responsibility Policy, a brief outline of which along with the required disclosures is given in **Annexure III**, which is annexed hereto and forms a part of the Boards' Report.

The detail of the CSR Policy is also posted on the website of the Company and may be accessed at the link - [http://www.andrewyule.com/pdf/New\\_CSR\\_SD\\_Policy.pdf](http://www.andrewyule.com/pdf/New_CSR_SD_Policy.pdf)

**[22] RISK MANAGEMENT**

Risk Management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximize the realization of opportunities.

The Board of Directors of the Company has constituted a Risk Management Committee voluntarily. The Board has defined the roles and responsibilities of the Risk Management Committee and has delegated monitoring and reviewing of the Risk Management Plans to the Committee.

Relevant details of the Risk Management Committee have been furnished under the Corporate Governance Report.

**[23] COMMITTEES OF BOARD**

Details of various committees constituted by the Board of Directors as per the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given in the Corporate Governance Report and forms part of this report.

**[24] RELATED PARTY TRANSACTIONS**

The Company has not entered into any materially significant related party transactions that may have potential conflict with the interests of the company at large. Nonetheless, transactions with related party have been disclosed in Note No.10.14 to the accounts. Hence no disclosure is made in form AOC-2 as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014.

The related party transaction policy for determining materiality of related party transaction and also on dealing with related parties is uploaded on the Company's website at the link - [http://www.andrewyule.com/pdf/Policy\\_Related\\_Party\\_Transaction.pdf](http://www.andrewyule.com/pdf/Policy_Related_Party_Transaction.pdf)

**[25] DISCLOSURES UNDER RULE 8(5) OF COMPANIES (ACCOUNTS) RULES, 2014**

- [i] Financial summary or highlights : As detailed under the heading 'Financial Performance'
- [ii] Change in the nature of business, if any : None
- [iii] Details of Directors or Key Managerial Personnel (KMP), who were appointed or resigned during the year :

|                           |   |
|---------------------------|---|
| [a] Director(s) appointed | : Ms. Sanyukta Samaddar<br>Shri Debasis Jana<br>Shri Bhaskar Jyoti Mahanta        |
| [b] Director(s) resigned  | : Shri A. M. Manichan<br>Shri S. Swaminathan (retired)<br>Shri Rajesh Kumar Singh |
| [c] KMP(s) appointed      | : Shri Ayan Dutta   |
| [d] KMP(s) resigned       | : Shri Debabrata Bandyopadhyay (retired)  |

- [iv] Names of Companies which have become or ceased to be Subsidiaries, Joint Venture Companies or Associate Companies during the year: There were no such Companies in terms of the provisions of the Companies Act, 2013.
- [v] Details relating to deposits: There were no fixed deposits of the Company from the public, outstanding at the end of the financial year. No fixed deposit has been accepted during the year and as such, there is no default in repayment of the said deposits.
- [vi] There has not been any deposit, which is not in compliance with the requirements of Chapter V of the Companies Act, 2013.



[vii] No significant and material orders have been passed by any Regulator(s) or Court(s) or Tribunal(s) impacting the going concern status and Company's operations in future.

**[26] INTERNAL CONTROL SYSTEMS**

Your Company has an adequate system of internal controls commensurate with its size and scale of operations that are designed to provide reasonable reassurance that the company's financial statements are reliable and prepared in accordance with the law. The Internal Audit function comprising of both external audit firms, who have been appointed as internal auditors, and also the in-house internal audit team conducts the audits at each unit of operation, branch, regional and head office as per the annual audit plan with the objective to evaluate and continuously improve the effectiveness of internal controls and governance processes. Additional areas, if any, identified during the year are taken up as special assignments. The key Internal Audit findings are reviewed periodically by the Company and corrective action, as deemed necessary, is taken. Your Company also has laid down procedures and authority levels with suitable checks and balances encompassing the entire operations of the Company.

**[27] DISCLOSURE AS PER RULE 5(1) OF COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

The Company, being a Government of India Enterprise, is exempted to make disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Hence, no information is required to be appended to this report in this regard.

**[28] PARTICULARS OF EMPLOYEES – RULE 5(2) & 5(3) OF COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

Your company has not paid any remuneration attracting the provisions of Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Hence, no information is required to be appended to this report, in this regard.

**[29] MANPOWER**

Manpower of the Company as on 31st March, 2016 :

| Category | Executives | Non-Executives | Total |
|----------|------------|----------------|-------|
| Male     | 310        | 7796           | 8106  |
| Female   | 07         | 6747           | 6754  |
| Total    | 317        | 14543          | 14860 |

**[30] WELFARE OF WEAKER SECTIONS OF THE SOCIETY**

Statutory welfare facilities as incorporated in the Factories Act, 1948 and The Plantation Labour Act, 1951 are administered by the Company for its employees. Apart from the statutory welfare facilities the Company extends scholarships to the off spring of the employees to encourage academic excellence for the ultimate betterment. In addition, financial accommodation is extended to the employees for their welfare to address eventuality and contingency. To promote sports talent in far flung areas of North Eastern India., Soccer tournaments are organized at our Tea Gardens annually.

Percentage of employees in total strength of the Company belongs to SC / ST / OBC is as follows :

SC – 17.06%, ST – 29.44% and OBC – 51.24%.

**[31] EMPOWERMENT OF WOMEN**

The Company continues to accord due importance to gender equality. All necessary measures/statutory provisions for safeguarding the interests of women employees in issues like payment of wages, hours of work, health, safety, welfare aspects and maternity benefits etc are being followed by the Company.

Total number women employees as on 31st March, 2016 were as follows :

|                                 |  |
|---------------------------------|--|
| Officer                         | : 04 (four)                                    |
| Non-unionised Supervisor        | : 03 (three)                                   |
| Staff                           | : 43 (forty-three)                             |
| Subordinate Staff               | : 48 (forty-eight)                             |
| Plantation Worker               | : 6656 (six thousand six hundred fifty six)    |
| Total number of Women employees | : 6754 (six thousand seven hundred fifty four) |

**[32] PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

In accordance with the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Internal Complaints Committee has been constituted and the same holds meetings at regular interval. No complaint or allegation of sexual harassment has yet been received.

**[33] GRIEVANCE REDRESSAL MECHANISM (GRM)**

The Company expeditiously disposes of the public grievance and copy of the reply is sent to the controlling Ministry in case the public grievance is forwarded by them.

**[34] INDUSTRIAL RELATIONS**

During the year under review, Industrial Relations at the Company's units continued to remain cordial and peaceful.



**[35] SIGNING OF MEMORANDUM OF UNDERSTANDING (MOU) FOR THE YEAR 2016-17**

Your Company has signed Memorandum of Understanding (MoU) with the Ministry of Heavy Industries and Public Enterprises for the year 2016-17. The MoU sets forth various targets and parameters of performance, which are assessed against actual achievements after close of financial year. The rating for 2015-16 has not been issued so far.

**[36] IMPLEMENTATION OF THE RIGHT TO INFORMATION ACT, 2005**

The Company abides by the provisions of the Right to Information Act, 2005 (RTI Act) and information seekers are furnished with relevant information by the Public Information Officers. Every endeavour is there on the part of the Company to dispose of the applications expeditiously.

During the year ended on 31st March, 2016, the number of applications received / accepted / rejected / disposed of under RTI Act is as follows :

|                          |                 |
|--------------------------|-----------------|
| Applications received    | : 13 (thirteen) |
| Applications accepted    | : 13 (thirteen) |
| Applications rejected    | : NIL           |
| Applications disposed of | : 13 (thirteen) |

**[37] VIGILANCE**

The functioning of vigilance department includes preventive as well as punitive vigilance and the main thrust is on the systems improvements in the organisation. Various activities of vigilance department during the year 2015-16 are as under :

- [i] The disposal of scrap/ redundant assets, across all divisions has been initiated through MSTC.
- [ii] As per the instructions of Chief Vigilance Commission (CVC) and Ministry, quarterly structured meetings of vigilance department with the management are being conducted regularly. During 2015-16, four meetings were conducted. Issues related to e-governance, leveraging of technology, updation of DOP, etc. have been discussed.
- [iii] Tea division, Engineering Division, Electrical Division and M/s Hooghly Printing Co. Ltd (HPCL) have commenced e-procurement & e-payment.
- [iv] Updation of manuals: Various manuals such as Purchase Procedure, Travelling and daily expenses rules, internal audit manual, CDA Rules etc, have been prepared and put in practice. As per the instructions of the CVC and the Ministry, the said manuals are also posted on the Company's website/intranet and need-based updation of manuals is carried out.
- [v] Training programme: Periodical training programmes, workshops, interactive sessions,

presentation etc are organized by Vigilance Study Circle, Kolkata Chapter. Being a corporate member, the programmes are attended by Officers from different departments of AYCL as per the nomination of the Management.

- [vi] Annual Property Returns: Annual Property Returns of executives are being scrutinized regularly as per the guidelines of CVC.
- [vii] Vigilance awareness week: Vigilance awareness week was observed from 26th October, 2015 to 31st October, 2015 at all the locations/offices of AYCL. Various competitions, workshops and seminars are conducted during the week for employees and students of school.

**[38] PROGRESSIVE USE OF HINDI**

In AYCL, the Unicode system has been implanted in majority of the computers of the Company. The Company has provided Hindi Language software in computers and imparting training to its employees, so that AYCL's employees can use the same in their day-to-day workings. For propagating and implementation of the provisions of Official Language Act, 1963 the company is continuously organizing Hindi competitions like slogan writing, Kabya Path Competition, etc., and the same are published in the in-house magazine "Yule Observer". Employees are being given re-training under the "Hindi Education Scheme" of the Home Ministry, in which 600 employees have already been given training for Pragya (Higher Level) which is a continuous process in the Company. Employees of the company are encouraged to participate in various competitions in Hindi conducted by other institutions.

**[39] CORPORATE WEBSITE OF THE COMPANY**

The Company maintains a website [www.andrewyule.com](http://www.andrewyule.com) where detailed information of the Company is provided.

**[40] RESEARCH & DEVELOPMENT (R & D) FACILITIES OF THE COMPANY**

The main focus of in house R & D facilities in the Company is to provide continuous upgradation to the existing products to match the demand of the domestic market as well as to grab the opportunity in export market. The task includes new product development, product extension and revalidation of the test certificates for the upper ranges to be followed up by prototype development and commercialization. The Company's R & D set up has been recognized by the Department of Scientific and Industrial Research. Some of the R & D activities carried out by the company's different Divisions were as follows :

- [a] For Tea research & development, we are members of Tea Research Association, under Tea Board, Ministry of Commerce. Latest developments/recommendations are adopted by the Company for improving land productivity and quality of our tea produce.





- [b] Engineering Division has developed designs of the new series of fans and offers submitted to customers are expected to mature in order in the forthcoming financial year;
- [c] The new design of Siemens has already been developed, validated and supplies against orders have already commenced;
- [d] The Chennai Unit of Electrical Division has commissioned the Impulse Generator with which transformers including 220 KV class rating can be tested.

**[41] CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The particulars relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo, as required to be disclosed under provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, are furnished in **Annexure IV** and forms part of the Board's Report.

**[42] PUBLIC PROCUREMENT POLICY FOR MICRO AND SMALL ENTERPRISES (MSE)**

As required by the Public Procurement Policy of the Government of India, the information on procurement from Micro and Small Enterprises during financial years 2015-16 is given below :

- [a] Procurement target from MSE is 20%
- [b] Sub target of 4% out of 20% is to be procured from MSEs owned by SC/ST entrepreneurs.

**[43] TRAINING PROGRAMME**

During the year 2015-16, total 39 training programmes (internal and external) were conducted. Out of 404 participants who were imparted training during the year in various programmes, 176 were executives and unionized supervisors and 228 workers. Total 329 man days' of training was completed on various topics during the year under review.

AYCL has been encouraging its workmen to show their inherent skills and has been providing various platforms to exhibit their skill.

**[44] STATUTORY AUDITORS AND AUDIT REPORT**

In terms of Section 143 (5) of the Companies Act, 2013, M/s V. Singhi & Associates, Chartered Accountants, have been appointed by the Comptroller & Auditor General of

India as auditors of your Company for the year 2015-16. There is no fraud reported by Auditors of the Company under sub-section (12) of section 143 of the Act. The Statutory Auditors' Report is attached, which is self explanatory.

In respect of the comments made by the Statutory Auditors in their report, your Directors have stated that :

| Type of Audit Qualification             |  | Management's View   |
|---|--|---|
| <b>Standalone Audit Qualification</b>   |  |   |
| 1.                                      | No provision has been made in respect of diminution in the value of investments in WEBFIL Ltd., Fort Gloster Industries Ltd., Katras Jheriah Coal Co. Ltd., The New Beerbhoom Coal Co. Ltd. amounting to ₹33.84 lakh.                          | Diminution in the value of long term equity investment as stated point no. 1, is in the opinion of the management not of a permanent nature and accordingly no provision has been made in the Accounts. A suitable disclosure in this regard has been made in the Note No.10.08.  |
| 2.                                      | No provision for diminution in the value of investments in 6% Cumulative Redeemable Preference Shares amounting to ₹204.40 lakh and Zero Rate Unsecured Redeemable Bond amounting to ₹305.00 lakh of WEBFIL Ltd.                               | The Company has decided to increase the moratorium period in respect of 6% Cumulative Redeemable Preference Shares- WEBFIL of ₹204.40 lakh and WEBFIL Ltd. Zero Rate Unsecured Redeemable Bond of ₹305.00 lakh for a period of 7 (seven) years commencing from 1st April, 2014 and 20th December, 2014, respectively. Hence Management feel no provision is required and suitable disclosure in this regard has been made in the Note No.10.24. |
| <b>Consolidated Audit Qualification</b> |  |   |
| 3.                                      | No provision has been made in the Financial Statements for diminution in the value of non-current investments amounting to ₹543.24 lakh (Refer Note No.10.10).   | Diminution in the value of long term equity investment as stated in point no. 3, it is in the opinion of the management not of a permanent nature and accordingly no provision has been in the Accounts. A suitable disclosure in this regard has been made in the Note No.10.10.   |
| 4.                                      | In the Financial Statements of Tide Water Oil Co. (I) Ltd. no provision has been made for diminution in value of non-current quoted investments amounting to ₹41.00 lakh. Group interest in the same is ₹10.75 lakh (Refer Note No. 10.11[i]). | Diminution in the value of long term equity investment as stated in point no. 4, it is in the opinion of the management not of a permanent nature and accordingly no provision has been made in the Accounts.   |



|   |  |  |
|---|--|--|
| 5 In the financial statements of The New Beerbhoom Coal Co. Ltd.: |  |  |
| [a]   | No provision has been made in the financial statements for diminution in the value of long term Investments in Yule Financing and Leasing Co. Ltd., Yule Agro Industries Ltd. & Webfil Ltd. amounting to ₹8.67 lakh. Group share in Consolidated Financial Statements is ₹2.86 lakh (Refer Note No. 10.11[iii]).   | Diminution in the value of long term equity investment as stated in point no. 5(a) it is in the opinion of the management not of a permanent nature and accordingly no provision has been made in the Accounts.. |
| [b]   | No provision has been made against non realisability of the principal on maturity amounting to ₹4.50 lakh due from a body corporate. Group Share in Consolidated Financial Statements is ₹1.48 lakh. (Refer Note No. 10.11[iv]).   | The amount stated in point no. 5(b) is realisable as per the opinion of the Management.  |
| 6 In the financial statements of Katras Jherriah Coal Co. Ltd.:   |  |  |
| [a]   | Only those claims in relation to coking/non coking coal mines have been admitted by the respective commissioners of payments or are subject to appeal filed by the claimants and still pending with the Appellate Courts have been included in other long term liabilities. Accordingly, the extent of adjustments as may be required in respect of claims under appeals still pending with the Appellate Court is not ascertainable. Refer Note 10.15(a). | Financial impact is not ascertainable and the same is pending with appellate courts.   |
| [b]   | From the available records and information it has not been possible to ascertain the extent to which amount receivable ₹1.79 lakh may eventually be realized. Group Share in Consolidated Financial Statements is ₹0.57 lakh [Refer Note No. 10.11(v)].  | The amount stated in point no. 6(b) is realisable as per the opinion of the Management.  |

|     |   |   |
|-----|---|---|
| [c] | No provision has been made against diminution in value of investments in Yule Agro Industries Ltd. and The New Beerbhoom Coal Co. Ltd. amounting to ₹4.73 lakh. Group Share in Consolidated Financial Statements is ₹1.50 lakh (Refer Note No. 10.11[iii]). | Diminution in the value of long term equity investment as stated in point no. 6(c) it is in the opinion of the management not of a permanent nature and accordingly no provision has been made in the Accounts. |
| [d] | No provision has been made against non realisability of the principal on maturity amounting to ₹2.00 lakh due from a body corporate. Group share in the Consolidated Financial Statements is ₹0.63 lakh (Refer Note No. 10.11[vi]).                         | The amount stated in point no. 6(d) is realisable as per the opinion of the Management.   |

**[45] SECRETARIAL AUDITOR AND AUDIT REPORT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed Shri Sahadeb Rath, Practicing Company Secretary, Proprietor of M/s. S. Rath & Co., Company Secretaries (C.P. No. 3452), 31/1, Chatawala Lane, 2nd Floor, Room No.209, Kolkata – 700012, to undertake the Secretarial Audit of the Company. The Secretarial Auditor's Report is attached hereto as **Annexure V** and forms part of the Board's Report.

There is no qualification in the report except on composition of the Board of the company, as there were no independent directors as against requirement of 6 (six) during the financial year 2015-16. Being a Government Company, all the directors are appointed by the Government of India. The Board believes that the Government of India is in process of appointment of requisite number of directors on the Board of AYCL. Presently in the Board of AYCL, 2 (two) independent directors were inducted and accordingly audit committee and other statutory committees were formed under compliance of the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

**[46] COST AUDITORS AND COST AUDIT REPORT**

Your Company has appointed M/s. DGM & Associates, Cost Accountants (Firm Registration No: 000038) as Cost Auditors of the Company for the year 2016-17 at the remuneration as set out in Item No.4 of the Explanatory Statement attached to the Notice, which is subject to the ratification of the members in the ensuing Annual General Meeting.



The Company submits its Cost Audit Report with the Ministry of Corporate Affairs within the stipulated time period.

**[47] COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA ON THE ACCOUNTS**

The Comptroller and Auditor General of India (CAG) had conducted Supplementary Audit under Section 143 (6) (a) of the Companies Act, 2013 of the financial statements of Andrew Yule & Co. Ltd for the year ended 31st March, 2016. The comments of Comptroller & Auditor General of India under Section 143 (6) (b) of the Companies Act, 2013 on the Accounts of the Company for the year 2015-16 forms part of this report.

**[48] GREEN INITIATIVES**

As in the previous years, this year also, the electronic copies of the Notice have been sent to all the Members whose email IDs are registered with the Company/ Company's Registrar and Share Transfer Agent/ Depository Participant(s) for communication purposes. The electronic copies of the Annual Report for the year 2015-16 are being sent to all Members whose email addresses are registered with the Company/ Company's Registrar and Share Transfer Agent/ Depository Participant(s). For members who have not registered their email addresses, physical copies of Annual Report are being sent in the permitted mode.

**[49] CAUTIONARY STATEMENT**

Statements in the report, describing the Company's objectives, expectations and/or anticipations may be forward looking within the meaning of applicable

Securities Law and Regulations. Actual results may differ materially from those stated in the statement. Important factors that could influence the Company's operations includes global and domestic supply and demand conditions affecting selling prices of finished goods, availability of inputs and their prices, changes in the Government policies, regulations, tax laws, economic developments within the country and outside and other factor such as litigation and industrial relations.

The Company assumes no responsibility in respect of the forward-looking statements, which may undergo changes in future on the basis of subsequent developments, information or events.

**[50] ACKNOWLEDGEMENT**

Your Directors place on record their appreciation of the endeavour of the employees at all levels and the services rendered by them.

The Board also gratefully acknowledges the valuable guidance, support and cooperation received from Department of Heavy Industry, Ministry of Heavy Industries & Public Enterprises, Government of India as well as other Ministries in both Central and State Governments.

The Board is also thankful to the Company's valued shareholders, esteemed customers for their valued patronage and for the support received from the bankers, financial institutions and suppliers in India and abroad.

Place: Kolkata  
Date: 12th August, 2016

For and on behalf of the Board  
Sunil Munshi  
Chairman & Managing Director



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Industry Structure and Developments :

- [i] The Quick Estimates of Index of Industrial Production (IIP) with base 2004-05 for the month of March 2016 have been released by the Central Statistics Office of the Ministry of Statistics and Programme Implementation. The General Index for the month of March 2016 stands at 198.2, which is 0.1 percent higher as compared to the level in the month of March 2015. The cumulative growth for the period April-March 2015-16 over the corresponding period of the previous year stands at 2.4 percent.
- [ii] The Indices of Industrial Production for the Mining, Manufacturing and Electricity sectors for the month of March 2016 stand at 148.8, 207.7 and 196.3 respectively, with the corresponding growth rates of (-) 0.1 percent, (-) 1.2 percent and 11.3 percent as compared to March 2015. The cumulative growth in these three sectors during April-March 2015-16 over the corresponding period of 2014-15 has been 2.2 percent, 2.0 percent and 5.6 percent, respectively.

### Opportunities and Threats :

#### [A] OPPORTUNITIES

##### Tea Division

- [i] Your tea gardens have the potential to achieve increased yields, produce best quality of tea through better field practices and vigorous uprooting and replanting programme leading to the Company to the path of continuous growth for the tea division.
- [ii] Possibility of value addition by marketing of packaged, instant, flavored, green, specialty and organic tea.
- [iii] Opportunities in export of tea in the market of Georgia, Ukraine, USA, Iran, UK and Germany.
- [iv] Some Gardens in Assam have Orthodox tea making facility, which fetches higher prices and margins as compared to CTC Tea.

##### Electrical & Engineering Division

- [i] The Engineering and Electrical Divisions' performances are linked to growth in steel, cement, power generation, transmission and distribution sectors. The Power transformer market scenario in the segment in which the company operates have shown marginal improvement and increase in order booking was achieved by the Electrical division with targeted customers.
- [ii] In order to sustain, steps are taken for reduction in total cycle time of production and post dispatch areas to maintain the required cash flow.
- [iii] The Electrical division also has designed and manufactures the highest rating of 132 KV class 63 MVA Transformers during the current financial year.
- [iv] For the past few years, the transmission and distribution sector had problems of overall under utilization of manufacturing capacity against envisaged requirements because of slippage in the planned sector augmentation in T&D. The Government is continuously taking steps for augmentation and restructuring of finance of DISOMS is expected to achieve a brighter future for T&D segment resulting in growth potential.

#### [B] THREATS

##### Tea Division

- [i] Industry is largely dependent on weather conditions. Adverse weather conditions can drastically change the bottom line.
- [ii] Determination of prices of Tea are market driven and not in the hands of the producers.
- [iii] Increased irrigation and pest management expenditure, wage cost and consequential benefits have escalated production cost significantly and sales realisation is not commensurate with increase in Cost of Production.

##### Electrical & Engineering Division

- [i] Due to ever increasing cost, the products manufactured at our units are not competitive. However, constant vigil of the market and change in strategy in the market product mix is being adopted for the sustainability of the units.

### Segment-wise Performance :

The Company is a multi-segment Company as reported in Note No.10.12 in the Accounts.



## **Outlook :**

### **Tea Division**

The outlook for Indian tea industry remains subdued on concerns regarding production, rising input costs and wage related issues though domestic tea prices are stabilizing and exports are rising. Domestic consumption of tea has increased as compared to production and this may help in better price realization. However, slump in global commodity market may hit Indian tea sector to some extent.

Turnover of Tea division of your company has increased from Rs. 188.41 crores to Rs. 212.29 crores during this year. Tea exports this year was 1.92 lakh kgs with FOB Rs. 4.49 Crores compared to 1.00 lakh kgs with FOB Rs. 2.17 Crores last year, catering to markets in Georgia, Ukraine, USA, Iran, UK, Canada & Ireland and Germany. With Company's focus on quality and continuous investments in uprooting and replanting, the outlook for Tea Division is encouraging.

### **Electrical Division**

Power sector development programme in India has now gained momentum. The power transmission & distribution system goes through distinct stage of development. In India, there will be a significant growth in the T&D systems as the per capita power consumption increases to global levels and the per capita GDP moves closer the developed nations.

Ministry of Power, Government of India had envisaged a capacity addition of 78,577 MW and 86,500 MW in the 11th and 12th plan period respectively. (Source: www.powermin.nic.in). A corresponding plan for new investment and R&D is also conceived for the Transmission and Distribution segments in line with the National Electricity Plan and the Integrated Energy Policy.

Order booking was increased by the Company with targeted customers. The Company also has designed and manufactures the highest rating of 132 KV class 63 MVA Transformers during the current financial year.

### **Engineering Division**

Indian engineering industry which is currently not performing well due to recession in the market, continuously declining exports and slackening global demand, will be benefitting in the long term with all the latest initiatives of the government, which has rationalized customs and excise duties in products manufactured domestically. This move will help to reduce local manufacturing costs and increase competitiveness of domestic industry. Further, rising government spending on infrastructure sector will too support the industry.

Despite the recession, the Division has recorded all time high steel consumption of 867MT (+65% YOY) in 2015-16. Division's capacity utilization also reached All Time High, as number of Impellers produced in-house stands at 305(+45% YOY).

### **Risk and Concern :**

Apart from normal risk applicable to an industrial undertaking, the Company does not foresee any serious area of concern.

### **Financial Performance :**

The details of financial performance of the Company are appearing in the Balance Sheet and Statement of Profit & Loss for the year. During the year, the profit has decreased by 35.57%.

### **Internal Control Systems :**

The Company has proper and adequate system of internal control.

The CEO and CFO certification provided in the relevant section of the Annual Report specify the adequacy of the internal control system and the procedures of the company.

### **Human Resources :**

During the year, employer and employee relationship remained cordial.

### **Cautionary Statement :**

Statements made in the Board's Report and Report on Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations, predictions etc may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/ supply and price conditions in the domestic markets in which the Company operates, changes in the Government regulations, tax laws, litigation, industrial relations and other statutes and incidental factors. Readers are cautioned not to place undue conviction on the forward looking statements.



**FORM NO. MGT 9**

**EXTRACT OF ANNUAL RETURN  
as on financial year ended on 31.03.2016**

**Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014**

**I. REGISTRATION & OTHER DETAILS :**

|       |   |   |  |
|-------|---|---|--|
| [i]   | CIN   | : | L63090WB1919GOI003229  |
| [ii]  | Registration Date   | : | 26.05.1919   |
| [iii] | Name of the Company   | : | Andrew Yule & Company Limited  |
| [iv]  | Category/Sub-category of the Company                                      | : | Public Limited / Limited by Shares   |
| [v]   | Address of Registered office and contact details                          | : | "YULE HOUSE", 8, Dr. Rajendra Prasad Sarani, Kolkata - 700 001<br>Tel. : (033) 2242 8210 / 8550; Fax : (033) 2242 9770<br>E-mail : com.sec@andrewyule.com;<br>Website : www.andrewyule.com                           |
| [vi]  | Whether listed Company  | : | Yes  |
| [vii] | Name, Address & contact details of the Registrar & Transfer Agent, if any | : | M/s. MCS Share Transfer Agent Limited<br>12/1/5, Manoharpukur Road, Kolkata – 700 026<br>Tel. : (033) 4072 4051/4052/4053 Fax : (033) 4072 4050<br>Email : mcssta@rediffmail.com;<br>Website : www.mcsregistrars.com |

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10% or more of the total turnover of the company shall be stated)**

| Division    | Name and Description of main products / services      | NIC Code of the Product/service | % to total turnover of the company |
|-------------|---|---------------------------------|------------------------------------|
| Engineering | Industrial Fans                                       | 29199                           | ...                                |
|             | Air Pollution and Water Pollution Control equipments. | ...                             | ...                                |
|             | Turn-key projects involving the above products.       | ...                             | ...                                |
| Electrical  | HT and LT Switchgears                                 | 27104                           | ...                                |
|             | Transformers  | 27102                           | 27.82%                             |
|             | Relay and Contactors                                  | 27104                           | ...                                |
|             | Turn-key projects and power distribution              | 2710                            | ...                                |
| Tea         | Tea growing and manufacturing                         | 01271                           | 60.11%                             |

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

| Sl. No. | Name and Address of the Company  | CIN/GLN               | Holding/Subsidiary/ Associate   | % of shares held | Applicable Section |
|---------|--|-----------------------|---------------------------------|------------------|--------------------|
| [1]     | Hooghly Printing Co. Ltd. Yule House, 8, Dr. Rajendra Prasad Sarani, Kolkata - 700001              | U22219WB1922SGC004390 | Wholly Owned Subsidiary Company | 100              | 2(87)              |
| [2]     | Yule Engineering Ltd. Yule House, 8, Dr. Rajendra Prasad Sarani, Kolkata – 700001                  | U29299WB2007PLC118032 | Wholly Owned Subsidiary Company | 100              | 2(87)              |
| [3]     | Yule Electrical Ltd. Yule House, 8, Dr. Rajendra Prasad Sarani, Kolkata- 700001                    | U40101WB2007PLC118031 | Wholly Owned Subsidiary Company | 100              | 2(87)              |
| [4]     | Tide Water Oil Company (India) Limited Yule House, 8, Dr. Rajendra Prasad Sarani, Kolkata – 700001 | L23209WB1921PLC004357 | Associate Company               | 26.23            | 2(6)               |
| [5]     | Katras Jherriah Coal Co. Ltd. Yule House, 8, Dr. Rajendra Prasad Sarani, Kolkata– 700001           | U10200WB1893PLC000769 | Associate Company               | 31.67            | 2(6)               |
| [6]     | The New Beerbhoom Coal Co. Ltd. Yule House, 8, Dr. Rajendra Prasad Sarani, Kolkata – 700001        | U10200WB1873PLC000262 | Associate Company               | 32.95            | 2(6)               |



IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

[A] Category-wise Share Holding

| Category of Shareholders  | No. of Shares held at the beginning of the year<br>[As on 01.04.2015] |               |                  |                   | No. of Shares held at the end of the year<br>[As on 31.03.2016] |               |                  |                   | % Change during the year |
|---|---|---------------|------------------|-------------------|---|---------------|------------------|-------------------|--------------------------|
|   | Demat   | Physical      | Total            | % of Total Shares | Demat   | Physical      | Total            | % of Total Shares |                          |
| <b>[A] Promoters</b>  |   |               |                  |                   |   |               |                  |                   |                          |
| <b>[1] Indian</b>   |   |               |                  |                   |   |               |                  |                   |                          |
| [a] Individual / HUF  | ...   | ...           | ...              | ...               | ...   | ...           | ...              | ...               | ...                      |
| [b] Central Govt.   | 293524630   | -             | 293524630        | 87.98             | 293524630   | -             | 293524630        | 87.98             | ...                      |
| [c] State Govt.(s)  | ...   | ...           | ...              | ...               | ...   | ...           | ...              | ...               | ...                      |
| [d] Bodies Corporate  | ...   | ...           | ...              | ...               | ...   | ...           | ...              | ...               | ...                      |
| [e] Banks / FI  | ...   | ...           | ...              | ...               | ...   | ...           | ...              | ...               | ...                      |
| [f] Any other   | ...   | ...           | ...              | ...               | ...   | ...           | ...              | ...               | ...                      |
| <b>Sub-total (A)(1)</b>   | <b>293524630</b>  | ...           | <b>293524630</b> | <b>87.98</b>      | <b>293524630</b>  | ...           | <b>293524630</b> | <b>87.98</b>      | ...                      |
| <b>[2] Foreign</b>  |   |               |                  |                   |   |               |                  |                   |                          |
| [a] NRIs - Individuals  | ...   | ...           | ...              | ...               | ...   | ...           | ...              | ...               | ...                      |
| [b] Other - Individuals   | ...   | ...           | ...              | ...               | ...   | ...           | ...              | ...               | ...                      |
| [c] Bodies Corporate  | ...   | ...           | ...              | ...               | ...   | ...           | ...              | ...               | ...                      |
| [d] Banks / FI  | ...   | ...           | ...              | ...               | ...   | ...           | ...              | ...               | ...                      |
| [e] Any other   | ...   | ...           | ...              | ...               | ...   | ...           | ...              | ...               | ...                      |
| <b>Sub-total (A)(2)</b>   | ...   | ...           | ...              | ...               | ...   | ...           | ...              | ...               | ...                      |
| Total Shareholding of Promoter [A]<br>(A) = (A)(1) + (A)(2)                       | 293524630   | ...           | 293524630        | 87.98             | 293524630   | ...           | 293524630        | 87.98             | ...                      |
| <b>[B] Public Shareholding</b>  |   |               |                  |                   |   |               |                  |                   |                          |
| <b>[1] Institutions</b>   |   |               |                  |                   |   |               |                  |                   |                          |
| [a] Mutual Funds  | ...   | 1300          | 1300             | ...               | ...   | 950           | 950              | ...               | -26.92                   |
| [b] Banks / FI  | 18238788  | 17302         | 18256090         | 5.47              | 11009103  | 17652         | 11026755         | 3.31              | -39.60                   |
| [c] Central Govt.   | ...   | ...           | ...              | ...               | ...   | ...           | ...              | ...               | ...                      |
| [d] State Govt.(s)  | ...   | ...           | ...              | ...               | ...   | ...           | ...              | ...               | ...                      |
| [e] Venture Capital Funds   | ...   | ...           | ...              | ...               | ...   | ...           | ...              | ...               | ...                      |
| [f] Insurance Companies   | ...   | ...           | ...              | ...               | ...   | ...           | ...              | ...               | ...                      |
| [g] FIs   | ...   | ...           | ...              | ...               | ...   | ...           | ...              | ...               | ...                      |
| [h] Foreign Venture Capital Funds   | 43577   | 500           | 44077            | 0.01              | 43577   | 500           | 44077            | 0.01              | ...                      |
| [i] Others (specify)  | ...   | ...           | ...              | ...               | ...   | ...           | ...              | ...               | ...                      |
| <b>Sub-total (B)(1)</b>   | <b>18282365</b>   | <b>19102</b>  | <b>18301467</b>  | <b>5.49</b>       | <b>11052680</b>   | <b>19102</b>  | <b>11071782</b>  | <b>3.32</b>       | <b>-39.50</b>            |
| <b>[2] Non Institutions</b>   |   |               |                  |                   |   |               |                  |                   |                          |
| [a] Bodies Corp.  |   |               |                  |                   |   |               |                  |                   |                          |
| [i] Indian  | 2347814   | 17583         | 2365397          | 0.71              | 3352420   | 17583         | 3370003          | 1.01              | 42.47                    |
| [ii] Overseas   | ...   | ...           | ...              | ...               | ...   | ...           | ...              | ...               | ...                      |
| [b] Individuals   |   |               |                  |                   |   |               |                  |                   |                          |
| [i] Individual shareholders holding nominal share capital upto Rs.1 lakh          | 17531426  | 535908        | 18066334         | 5.41              | 24432028  | 594555        | 25026583         | 7.50              | 38.53                    |
| [ii] Individual shareholders holding nominal share capital in excess of Rs.1 lakh | 1318443   | 62207         | 1380650          | 0.41              | 645480  | ...           | 645480           | 0.19              | -53.25                   |
| [c] Others (Specify)  | ...   | ...           | ...              | ...               | ...   | ...           | ...              | ...               | ...                      |
| <b>Sub-total (B)(2)</b>   | <b>21196683</b>   | <b>615698</b> | <b>21812381</b>  | <b>6.53</b>       | <b>28429928</b>   | <b>612138</b> | <b>29042066</b>  | <b>8.70</b>       | <b>33.14</b>             |
| Total Public Shareholding [B]<br>(B) = (B)(1) + (B)(2)                            | 39479048  | 634800        | 40113848         | 12.02             | 39482608  | 631240        | 40113848         | 12.02             | ...                      |
| <b>[C] Shares held by Custodian for GDRs &amp; ADRs</b>                           | ...   | ...           | ...              | ...               | ...   | ...           | ...              | ...               | ...                      |
| <b>Grand Total (A+B+C)</b>  | <b>333003678</b>  | <b>634800</b> | <b>333638478</b> | <b>100</b>        | <b>333007238</b>  | <b>631240</b> | <b>333638478</b> | <b>100</b>        | ...                      |



## ANDREW YULE & COMPANY LIMITED

### [B] Shareholding of Promoter(s)

| Sl.No. | Shareholder's Name | Shareholding at the beginning of the year<br>(As on 01.04.2015) |                                  |   | Shareholding at the end of the year<br>(As on 31.03.2016) |                                  |   | % Change in shareholding during the year |
|--------|--------------------|---|----------------------------------|---|---|----------------------------------|---|--|
|        |                    | No. of shares   | % of total Shares of the company | % of Shares Pledged/ encumbered to total shares | No. of shares   | % of total Shares of the company | % of Shares Pledged/ encumbered to total shares |  |
| 1      | President of India | 293524630   | 87.98                            | ...   | 293524630   | 87.98                            | ...   | ...                                      |

### [C] Change in Promoter's Shareholding (please specify, if there is no change) :

| Sl.No. | Shareholder's Name | Shareholding at the beginning of the year<br>(As on 01.04.2015) |                                  | Cumulative Shareholding during the year<br>(01.04.2015 to 31.03.2016) |                                  |
|--------|--------------------|---|----------------------------------|---|----------------------------------|
|        |                    | No. of shares   | % of total shares of the Company | No. of shares   | % of total shares of the Company |
| 1      | President of India | No Change During the Year                                       |                                  |   |                                  |

### [D] Shareholding Pattern of top ten Shareholders : (Other than Directors, Promoters and Holders of GDRs and ADRs) :

| Sl.No.                              | Shareholder's Name                       | Shareholding at the beginning of the year<br>(As on 01.04.2015) |                                  | Shareholding at the end of the year<br>(As on 31.03.2016) |                                  |
|-------------------------------------|--|---|----------------------------------|---|----------------------------------|
|                                     |  | No. of shares   | % of total shares of the Company | No. of shares   | % of total shares of the Company |
| <b>AT THE BEGINNING OF THE YEAR</b> |  |   |                                  |   |                                  |
| [01]                                | State Bank of India                      | 7076558   | 2.12                             | ...   | ...                              |
| [02]                                | Allahabad Bank                           | 395627  | 0.12                             | ...   | ...                              |
| [03]                                | Tarun Jain & Rajni Jain                  | 250000  | 0.07                             | ...   | ...                              |
| [04]                                | Quant Capital Holding (P) Ltd.           | 250000  | 0.07                             | ...   | ...                              |
| [05]                                | Sheetal Devi                             | 125000  | 0.04                             | ...   | ...                              |
| [06]                                | Manu Mansharmani & Kiran Mansharmani     | 125000  | 0.04                             | ...   | ...                              |
| [07]                                | Bonanza Portfolio Ltd.                   | 104691  | 0.03                             | ...   | ...                              |
| [08]                                | Angel Broking (P) Ltd.                   | 102968  | 0.03                             | ...   | ...                              |
| [09]                                | Kunal Mehta                              | 100000  | 0.03                             | ...   | ...                              |
| [10]                                | Pawan Kumar                              | 100000  | 0.03                             | ...   | ...                              |
| <b>AT THE END OF THE YEAR</b>       |  |   |                                  |   |                                  |
| [01]                                | Sanjay Jethalal Vora                     | ...   | ...                              | 271000  | 0.08                             |
| [02]                                | Allahabad Bank                           | ...   | ...                              | 242500  | 0.07                             |
| [03]                                | Neha Sanjay Vora                         | ...   | ...                              | 152000  | 0.05                             |
| [04]                                | Sheetal Devi                             | ...   | ...                              | 120600  | 0.04                             |
| [05]                                | LKP Securities Ltd.                      | ...   | ...                              | 116569  | 0.03                             |
| [06]                                | Angel Fincap Private Ltd.                | ...   | ...                              | 115349  | 0.03                             |
| [07]                                | Nilesh Chunilal Shah & Anita Nilesh Shah | ...   | ...                              | 101880  | 0.03                             |
| [08]                                | Kunal Mehta                              | ...   | ...                              | 100000  | 0.03                             |
| [09]                                | Aryavrat Financial Services Ltd.         | ...   | ...                              | 100000  | 0.03                             |
| [10]                                | Jaykumar Annasaheb Danole                | ...   | ...                              | 100000  | 0.03                             |

### [E] Shareholding of Directors and Key Managerial Personnel : NONE




**V. INDEBTEDNESS**
**Indebtedness of the Company including interest outstanding / accrued but not due for payment**
**[₹ in lakh]**

|  | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |          |
|--|----------------------------------|-----------------|----------|--------------------|----------|
| <b>Indebtedness at the beginning of the financial year</b> |                                  |                 |          |                    |          |
| [i]  | Principal Amount                 | 9142.73         | ...      | 303.35             | 9446.08  |
| [ii]   | Interest due but not paid        | 300.40          | ...      | ...                | 300.40   |
| [iii]  | Interest accrued but not due     | 261.44          | ...      | ...                | 261.44   |
|  | Total (i + ii + iii)             | 9704.57         | ...      | 303.35             | 10007.92 |
| <b>Change in Indebtedness during the financial year</b>    |                                  |                 |          |                    |          |
| *  | Addition                         | 33.38           | ...      | ...                | 33.38    |
| *  | Reduction                        | 1140.11         | ...      | 142.00             | 1282.11  |
|  | Net Change                       | 1106.73         | ...      | 142.00             | 1248.73  |
| <b>Indebtedness at the end of the financial year</b>       |                                  |                 |          |                    |          |
| [i]  | Principal Amount                 | 8020.88         | ...      | 161.35             | 8182.23  |
| [ii]   | Interest due but not paid        | 333.78          | ...      | ...                | 333.78   |
| [iii]  | Interest accrued but not due     | 243.18          | ...      | ...                | 243.18   |
|  | Total (i + ii + iii)             | 8597.84         | ...      | 161.35             | 8759.19  |

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**[A] Remuneration to Managing Director, Whole-time Directors and/or Manager :**
**[₹ in lakh]**

| Sl. No. | Particulars of Remuneration   | Name of MD / WTD / Manager |              |                |           |              | Total Amount |
|---------|---|----------------------------|--------------|----------------|-----------|--------------|--------------|
|         |   | Kallol Datta               | Sunil Munshi | S. Swaminathan | R. C. Sen | Debasis Jana |              |
| [01]    | Gross Salary  |                            |              |                |           |              |              |
| [a]     | Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 49.16                      | 18.95        | 22.35          | 17.93     | 12.39        | 120.78       |
| [b]     | Value of perquisites u/s.17(2) of the Income-tax Act, 1961                      | ...                        | ...          | ...            | ...       | ...          | ...          |
| [c]     | Profits in lieu of salary u/s. 17(3) of the Income-tax Act, 1961                | ...                        | ...          | ...            | ...       | ...          | ...          |
| [02]    | Stock Option  | ...                        | ...          | ...            | ...       | ...          | ...          |
| [03]    | Sweat Equity  | ...                        | ...          | ...            | ...       | ...          | ...          |
| [04]    | Commission  | ...                        | ...          | ...            | ...       | ...          | ...          |
| [05]    | Others, please specify  | 6.72                       | 3.54         | 0.91           | 2.73      | 1.55         | 15.45        |
|         | Total (A)   | 55.88                      | 22.49        | 23.26          | 20.66     | 13.94        | 136.23       |
|         | Ceiling as per the Companies Act, 2013  | ...                        |              |                |           |              |              |

\* Shri S. Swaminathan ceased to be a Director w.e.f. 31st July, 2015 and Shri Debasis Jana joined on 1st August, 2015.

**[B] Remuneration to other Directors :**
**[₹ in lakh]**

| Sl. No. | Particulars of Remuneration                  | Name of Directors |     |     | Total Amount |
|---------|--|-------------------|-----|-----|--------------|
|         |  | --                | --  | --  |              |
| [01]    | Independent Directors                        |                   |     |     |              |
| [a]     | Fee for attending Board / Committee meetings | ...               | ... | ... | ...          |
| [b]     | Commission                                   | ...               | ... | ... | ...          |
| [c]     | Others, please specify                       | ...               | ... | ... | ...          |
|         | Total (1)                                    | ...               | ... | ... | ...          |



## ANDREW YULE & COMPANY LIMITED

| Sl. No. | Particulars of Remuneration                    | Name of Directors |                   |                    |                       | Total Amount |
|---------|--|-------------------|-------------------|--------------------|-----------------------|--------------|
|         |  | A. M. Manichan    | Sanyukta Samaddar | Rajesh Kumar Singh | Bhaskar Jyoti Mahanta |              |
| [02]    | Other Non-Executive Directors                  |                   |                   |                    |                       |              |
| [a]     | Fee for attending Board/Committee meetings     | ...               | ...               | ...                | ...                   | ...          |
| [b]     | Commission                                     | ...               | ...               | ...                | ...                   | ...          |
| [c]     | Others, please specify                         | ...               | ...               | ...                | ...                   | ...          |
|         | Total (2)                                      | ...               | ...               | ...                | ...                   | ...          |
|         | Total (B) = (1 + 2)                            | ...               | ...               | ...                | ...                   | ...          |
|         | Total Managerial Remuneration                  | ...               | ...               | ...                | ...                   | ...          |
|         | Overall Ceiling as per the Companies Act, 2013 |                   |                   | ...                |                       |              |

\* There were no Independent Directors on the Board of the Company during the year 2015-16.

\* The other non-executive Directors were the nominees of the DHI, hence no fees were paid to them.

\* Shri A. M. Manichan and Shri Rajesh Kumar Singh ceased to be a Director w.e.f. 27th May, 2015 and 21st March, 2016, respectively.

\* Ms. Sanyukta Samaddar and Shri Bhaskar Jyoti Mahanta joined w.e.f. 27th May, 2015 and 21st March, 2016, respectively.

### [C] Remuneration to Key Managerial Personnel other than MD/Manager/WTD :

[₹ in lakh]

| Sl. No. | Particulars of Remuneration   | Key Managerial Personnel                             |   | Total |
|---------|---|--|---|-------|
|         |   | (CS)<br>Debabrata Bandyopadhyay<br>(till 30.09.2015) | (CS)<br>Ayan Dutta (w.e.f.<br>01.10.2015) |       |
| [01]    | Gross Salary  |  |   |       |
| [a]     | Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 14.41  | 3.07                                      | 17.48 |
| [b]     | Value of perquisites u/s. 17(2) of the Income-tax Act, 1961                     | -  | -   | -     |
| [c]     | Profits in lieu of salary u/s. 17(3) of the Income-tax Act, 1961                | -  | -   | -     |
| [02]    | Stock Option  | -  | -   | -     |
| [03]    | Sweat Equity  | -  | -   | -     |
| [04]    | Commission  | -  | -   | -     |
| [05]    | Others, please specify  | 1.07   | 0.33                                      | 1.40  |
|         | Total   | 15.48  | 3.40                                      | 18.88 |

### VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

| Type                          | Section of the Companies Act | Brief Description | Details of Penalty/Punishment/Compounding fees imposed | Authority [RD/NCLT/COURT] | Appeal made, if any (give Details) |
|-------------------------------|------------------------------|-------------------|--|---------------------------|------------------------------------|
| [A] COMPANY                   |                              |                   |  |                           |                                    |
| Penalty                       |                              |                   |  |                           |                                    |
| Punishment                    |                              |                   | NONE   |                           |                                    |
| Compounding                   |                              |                   |  |                           |                                    |
| [B] DIRECTORS                 |                              |                   |  |                           |                                    |
| Penalty                       |                              |                   |  |                           |                                    |
| Punishment                    |                              |                   | NONE   |                           |                                    |
| Compounding                   |                              |                   |  |                           |                                    |
| [C] OTHER OFFICERS IN DEFAULT |                              |                   |  |                           |                                    |
| Penalty                       |                              |                   |  |                           |                                    |
| Punishment                    |                              |                   | NONE   |                           |                                    |
| Compounding                   |                              |                   |  |                           |                                    |

Kolkata  
12th August, 2016

For and on behalf of the Board  
Sunil Munshi  
Chairman & Managing Director



ANNEXURE - III

**CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORT**

- [01] A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes :

In accordance with the provisions of the Companies Act, 2013 and the rules made thereunder, the Company has framed its CSR Policy to carry out its CSR activities in accordance with Schedule VII of the Act. The Company has been promoting organizational integrity and ethical business practices through transparency in disclosure and reporting procedures; leveraging green technologies, processes and standards to produce goods and services that contribute to social and environment sustainability; contributing to inclusive growth and equitable development in society through capacity building measures, empowerment of the marginalized and under privileged sections/ communities; promoting welfare of the employees and labour (casual or contractual) by addressing their concerns of safety, security, professional enrichment and healthy working conditions, whether mandated or otherwise. The Company wishes to formalize and institutionalize its efforts made in the domain of Corporate Social Responsibility and this Policy shall serve as a guiding document to help identify, execute and monitor CSR projects in keeping with the spirit of the Policy. This Policy shall apply to all CSR initiatives and activities taken up by the Company for the benefit of different sections of the society.

The Company's CSR policy is posted on its website and the web-link for the same is [http://www.andrewyule.com/pdf/New\\_CSR\\_SD\\_Policy.pdf](http://www.andrewyule.com/pdf/New_CSR_SD_Policy.pdf)

- [02] **The Composition of the CSR Committee** : Shri Sudhir Jhunjunwala, Chairman  
 Shri Sunil Munshi, Member  
 Shri R. C. Sen, Member  
 Shri Debasis Jana, Member

- [03] **Average net profit of the Company for last three finance years:** Rs.1339.52 lakh.

- [04] **Prescribed CSR Expenditure (two percent of the amount as in item 3 above):** Rs.26.79 lakh.

- [05] **Details of CSR spent during the financial year 2015 -16 :**

- [a] **Total amount to be spent for the financial year** : Rs.32.69 lakh.  
 [b] **Amount unspent, if any** : Not Applicable.  
 [c] **Manner in which the amount spent during the financial year is detailed below :**

(Amount in ₹)

| Sl. No. | CSR Projects/Activities                                  | Sector in which the project is covered | Locations (Local Area / Districts / State)         | Amount out-lay (budget) project or programme wise | Amount spent on the projects or programme | Cumulative expenditure upto the reporting period | Amount spent: Direct or through implementing agency |
|---------|--|--|--|---|---|--|---|
| [01]    | Drinking Water Distribution                              | Social Welfare                         | Own initiative (Elec. Div.) at Perungudi, Chennai. | 30,000.00   | 47,400.00                                 | 47,400.00  | Direct  |
| [02]    | School for Street Children                               | Education                              | Own initiative (Gen. Div.) at Kolkata              | 30,000.00   | 45,320.00                                 | 45,320.00  | Direct  |
| [03]    | Blood Donation Camp                                      | Social Welfare                         | NGO: Voluntary Blood Doner Association, Kolkata    | 33,500.00   | 33,500.00                                 | 33,500.00  | Implementing Agency                                 |
| [04]    | Children with disability Day Care Centre (10 Children's) | Education                              | NGO: Behala Bodhayan, Kolkata                      | 1,50,000.00                                       | 1,12,500.00                               | 1,12,500.00                                      | Implementing Agency                                 |
| [05]    | Rehabilitation Program for Children (14 boys)            | Social Welfare                         | NGO: Mukti Rehabilitation Centre, Kolkata          | 2,04,000.00                                       | 2,04,000.00                               | 2,04,000.00                                      | Implementing Agency                                 |



|              |                                       |   |  |                     |                     |                     |                     |
|--------------|---------------------------------------|---|--|---------------------|---------------------|---------------------|---------------------|
| [06]         | Village Development Program           | Social Welfare  | NGO: Niswarth at Totgaon in North Bengal                     | 1,50,000.00         | 1,50,000.00         | 1,50,000.00         | Implementing Agency |
| [07]         | [a]                                   | Embroidery "SRIJAN", Khowang TE   | NGO: Garia Sarada Home for Women & Children Welfare in Assam | 2,20,425.00         | 2,20,425.00         | 2,20,425.00         | Implementing Agency |
|              | [b]                                   | Incense & Candel making "ANJALI", Basmatia TE                                   |  | 2,07,000.00         | 2,07,000.00         | 2,07,000.00         | Implementing Agency |
|              | [c]                                   | Vocational Training Centre (Courses: Computer, Driving, Beautician & Tailoring) | NGO: NISWARTH Binaguri, North Bengal                         | 5,63,000.00         | 5,38,548.00         | 5,38,548.00         | Implementing Agency |
|              | [d]                                   | Vocational Training Centre (Courses: Mobile, Computer, Home Appliance)          | NGO: Lily Foundation, Kolkata                                | 4,82,631.00         | 3,43,777.00         | 3,43,777.00         | Implementing Agency |
| [08]         | Sustainable Development (SD) Projects |   |  | 8,00,000.00         |                     |                     |                     |
|              | [a]                                   | Bio Waste (Vermicompost)  | Mim, W.Bengal.   |                     | 1,31,250.00         | 1,31,250.00         | Direct              |
|              | [b]                                   | Bio Waste (Vermicompost)  | Hoolungooree, Assam  |                     | 90,158.00           | 90,158.00           | Direct              |
|              | [c]                                   | Rain Water Harvestation   | Choonabhutti, Dooars, WB. Thru: Kedia Farm Pattern           |                     | 12,65,270.00        | 12,65,270.00        | Direct              |
| <b>TOTAL</b> |                                       |   |  | <b>28,70,556.00</b> | <b>33,89,148.00</b> | <b>33,89,148.00</b> |                     |

**[06] Reason for not spending the amount earmarked :** Not Applicable.

**[07] Responsibility statement of the CSR Committee :**

The CSR Committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and policy of the Company.

Kolkata,  
12th August, 2016.

Sunil Munshi  
Chairman & Managing Director

Sudhir Jhunjhunwala  
Chairman of the CSR Committee



ANNEXURE - IV

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

**[A] CONSERVATION OF ENERGY**

- [i] **Steps taken or impact on conservation of energy :**
  - [a] Maximum Contractual Demand with WBSEDCL has been proposed to reduce from 500 KVA to 380 KVA in order to reduce Minimum Demand Charge (MDC).
  - [b] Power factor fluctuation has been arrested with the introduction of Capacitor Bank to make it stable to 0.96. The Division is getting now Power Factor (PF) rebate on every month energy bill on such action.
  - [c] New energy efficient Gas Based Generator has been installed replacing the old higher consumption based generator
- [ii] Steps taken by the company for utilizing alternate sources of Energy : NIL
- [iii] Capital Investment on Energy Conservation equipments : ₹24.99 lakh.

**[B] TECHNOLOGY ABSORPTION**

- [i] **Steps have been taken for**
  - [a] initiation of New Product in the F.Y. 2015-16 as follow :
    - [i] Tube Axial Fan;
    - [ii] High Flow Low Pressure (HFLP) Centrifugal Fan;
    - [iii] Mine Ventilation Fan.
  - [b] Design optimization to reduce the weight of the Complete Industrial Fan.
  - [c] Elimination of use of Stiffener during impeller manufacturing in order to reduce the process costs in the form of saving of material and man hours.
  - [d] Introduction of Roller stand in the production process for welding of impeller which reduce the man hour requirement.
  - [e] Elimination of Truing/Grinding process on selective basis.
  - [f] Improvised method of fixation of Hub during impeller building.
- [ii] **Benefits derived like product development, cost reduction or import substitution :**
  - [a] We have a business projection of 300 cores in H2 of 2016-17 in Tube Axial Fan.
  - [b] The benefits out of other costs reduction measures would accrue in 2016-17.
- [iii] Imported Technology Details : NIL
- [iv] The expenditure Incurred on Research and Development : ₹19.61 lakh

**[C] FOREIGN EXCHANGE EARNINGS AND OUTGO**

Earnings : ₹449.42 lakh  
Outgo : ₹ 19.51 lakh

Kolkata  
12th August, 2016.

For and on behalf of the Board  
Sunil Munshi  
Chairman & Managing Director



**FORM NO. MR - 3**

**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016  
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,  
The Members,  
Andrew Yule & Company Limited  
8, Dr. Rajendra Prasad Sarani,  
Kolkata - 700 001

- [01] We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Andrew Yule & Co. Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.
- [02] On the basis of verification of the secretarial compliance and on the basis of secretarial audit of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and as shown to us during the said audit and also based on the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion and to the best of our understanding, the Company has, during the audit period covering the financial year ended on 31st March, 2016, complied with the statutory provisions listed hereunder and also that the Company has adequate Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.
- [03] We further report that compliance with applicable laws is the responsibility of the Company and our report constitutes an independent opinion. Our report is neither an assurance for future viability of the Company nor a confirmation of efficient management by the Company.
- [04] We have examined the secretarial compliance based on the books, papers, minute books, forms and returns filed and other records maintained by M/s. Andrew Yule & Co. Limited for the financial year ended on 31st March, 2016 and as shown to us during our audit, according to the provisions of the following laws :
- [i] The Companies Act, 2013 (the Act) and the rules made thereunder;
  - [ii] The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder
  - [iii] The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - [iv] Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - [v] The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
    - [a] The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - [b] The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
    - [c] The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not Applicable to the Company during the Audit Period);
    - [d] The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;(Not Applicable to the Company during the Audit Period);
    - [e] The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during the Audit Period);
    - [f] The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
    - [g] The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit Period); and
    - [h] The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable to the Company during the Audit Period).
  - [vi] and other applicable laws :

Based on the representation given by the Management of the Company , it is observed that the following Laws are specifically applicable to the business of the Company. It is also confirmed by the management that the company has devised proper systems to



ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

- [01] Factories Act, 1948
- [02] The Payment of Wages Act, 1936
- [03] The Minimum Wages Act, 1948
- [04] Employees State Insurance Act, 1948
- [05] The Employees Provident Fund and Miscellaneous Provisions Act, 1952
- [06] The Payment of Bonus Act, 1965
- [07] The Payment of Gratuity Act, 1972
- [08] The Maternity Benefit Act, 1961
- [09] Industries (Development & Regulation) Act, 1951
- [10] Plantation Labour Act, 1951 and Rules made thereunder
- [11] Tea Marketing Control Order, 2003
- [12] Food Safety and Standards Act, 2006
- [13] Tea Act, 1953
- [14] Sexual Harassment of Women at work place (prevention, prohibition and redressal) Act, 2013
- [15] Industrial Disputes Act, 1947
- [16] Employees Pension Scheme 1995
- [17] Trademarks Act, 1999
- [18] Copyright Act, 1957
- [19] Patents Act, 1957
- [20] The Environment (protection) Act, 1986
- [21] Central Excise Act, 1944

[05] We have also examined compliance with the applicable clauses of the following :

- [i] Secretarial Standards issued by The Institute of Company Secretaries of India.
- [ii] The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited (BSE)

[06] To the best of our understanding we are of the view that during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations :-

- [a] As per the information and explanations provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we report that the provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of
  - [i] External Commercial Borrowings were not attracted to the Company under the financial year under report.
  - [ii] Foreign Direct Investment (FDI) were not attracted to the Company under the financial year under report.
  - [iii] Overseas Direct Investment by Residents in Joint venture/Wholly Owned Subsidiary abroad was not attracted to the company under the financial year under report.

[b] As per the information and explanation provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ADRs or any commercial instruments under the financial year under report.

[c] **The company is yet to comply with the Minimum Public Share Holding Criteria specified in Regulation 38 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Rule 19(2) and Rule 19A of the Securities Contracts (Regulation) Rules, 1957.**

[07] We further report that, The Board of Directors of the Company is not duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as explained below. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

**There was no independent Director on the Board of Directors of the Company during the financial year 2015-16 and the number of Non Executive Directors was less than fifty percent of the Board of Directors. As there was no independent Director on the Board of Directors during the financial year 2015-16 the provisions of companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 related with independent Directors viz. constitution of Board**



**and applicable Committees was not complied by the Company during the financial year 2015-16. As informed to us, the Company is in process of appointing Independent Directors and regularizing the corporate governance issues during the coming Financial Year.**

- [08] Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- [09] Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- [10] We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- [11] We further report that during the audit period there were no instances of
- [a] Public /Right/Preferential Issue of shares/debentures/sweat equity, etc.
  - [b] Redemption/buy-back of securities
  - [c] Merger/amalgamation/reconstruction etc.
  - [d] Foreign Technical Collaborations
- [12] This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Kolkata  
12th August, 2016.

**For S. Rath & Co.**  
**Company Secretaries**  
Sahadeb Rath  
Proprietor  
Membership No. ACS13298  
CP No. 3452

### **Annexure A to the Secretarial Audit Report**

To,  
The Members,  
Andrew Yule & Company Limited  
8, Dr. Rajendra Prasad Sarani,  
Kolkata - 700 001

Our Secretarial Audit Report for the financial year ended 31/03/2016 of even date is to be read along with this letter.

- [01] Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- [02] We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- [03] We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- [04] We do not report on financial laws like Tax Laws, Customs Act, Banking, Financial Transactions, default in repayment of any loans/ debts or deposits / interest thereon, if any as the same is either carried out by the Statutory Auditors/Internal Auditors, designated professional.
- [05] Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
- [06] The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
- [07] The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Kolkata  
12th August, 2016.

**For S. Rath & Co.**  
**Company Secretaries**  
Sahadeb Rath  
Proprietor  
Membership No. ACS13298  
CP No. 3452





**REPORT ON CORPORATE GOVERNANCE**

**[01] CORPORATE GOVERNANCE PHILOSOPHY**

The Company promotes a work culture based on the principles of good Corporate Governance – integrity, equity, fairness, individual accountability and commitment to values. The Company emphasizes the need for highest level of transparency and accountability in all its transactions in order to protect the interest of all its stakeholders.

It has thus become crucial to foster and sustain a culture that integrates all components of good governance by carefully balancing the complex inter-relationship among the Board of Directors, Finance, Compliance teams, Auditors and the Senior Management. Above all, AYCL feels honoured to be integral to India’s social development. Details of several such initiatives are available in the Report on Corporate Social Responsibility.

**[02] BOARD OF DIRECTORS**

The total number of Directors of the Company as on 31st March, 2016 was six (6) out of which four (4) were Whole-time Directors, viz. Chairman & Managing Director, Director (Personnel), Director (Finance), Director (Planning) and two (2) were part-time Non Executive Government Nominee Director from Department of Heavy Industry.

**[a] The composition of the Board of Directors and the number of other Directorship and Membership/Chairmanship held by the Directors in the Committees of various Companies as on 31st March, 2016 are given below :**

| Name of Director                              | Designation                                       | Category      | No. of Directorships held in other Companies | No. of Committee Positions held in other Companies |           |
|---|---|---------------|--|--|-----------|
|   |   |               |  | As Chairman  | As Member |
| Shri Kallol Datta<br>(DIN: 00172325)          | Chairman & Managing Director                      | Executive     | 2  | -  | 1         |
| Shri Sunil Munshi<br>(DIN: 02749579)          | Director (Personnel)                              | Executive     | 9  | 1  | 1         |
| Shri R. C. Sen<br>(DIN: 07131320)             | Director (Finance)                                | Executive     | 2  | -  | -         |
| Shri Debasis Jana<br>(DIN: 07046349)          | Director (Planning)                               | Executive     | 3  | -  | -         |
| Ms. Sanyukta Samaddar<br>(DIN: 06780179)      | Nominee Director,<br>Department of Heavy Industry | Non-Executive | 8  | -  | -         |
| Shri Bhaskar Jyoti Mahanta<br>(DIN: 07487571) | Nominee Director,<br>Department of Heavy Industry | Non-Executive | 2  | -  | -         |

**Notes:** [i] Ms. Sanyukta Samaddar, Shri Debasis Jana and Shri Bhaskar Jyoti Mahanta joined on 27th May, 2015, 1st August, 2015 and 21st March, 2016, respectively. Shri Kallol Datta superannuated w.e.f. the close of the business on 31st March, 2016 and Shri Sunil Munshi took over the Additional Charge of the post of the Chairman & Managing Director w.e.f. 1st April, 2016 in terms of the Order issued by the Department of Heavy Industry (DHI).

[ii] No. of Directorships held in other Companies exclude Directorships in Private Limited Companies, Foreign Companies and Companies registered under Section 8 of the Companies Act, 2013. Memberships / Chairmanships of only the Audit Committee and Stakeholders Relationship Committee have been considered in accordance with Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

[iii] None of the Directors on the Board hold directorships in more than 10 (ten) Public Companies. Further, none of them is a Member of more than 10 (ten) Committees or Chairman of more than 5 (five) Committees across all the Public Companies in which he/she is a Director.

[iv] Directors are not related to each other.

**[b] Meetings of Board and Attendance during the year :**

During the financial year ended 31st March, 2016, 4 (four) meetings of the Board of Directors were held on 30th May, 2015, 13th August, 2015, 2nd November, 2015 and 28th January, 2016.



## ANDREW YULE & COMPANY LIMITED

Attendance of the Directors at the Board Meetings and at the last Annual General Meeting is as under :

| Name of Director                 | No. of Board Meetings Attended | Attendance in the last Annual General Meeting held on 28th July, 2015 |
|----------------------------------|--------------------------------|---|
| <b>Executive Directors :</b>     |                                |   |
| Shri Kallol Datta                | 4                              | Yes   |
| Shri Sunil Munshi                | 4                              | Yes   |
| Shri S. Swaminathan              | 1                              | Yes   |
| Shri R. C. Sen                   | 4                              | Yes   |
| Shri Debasis Jana                | 3                              | No  |
| <b>Non-Executive Directors :</b> |                                |   |
| Shri Rajesh Kumar Singh          | 2                              | No  |
| Shri A. M. Manichan              | ...                            | No  |
| Shri Bhaskar Jyoti Mahanta       | ...                            | No  |
| Ms. Sanyukta Samaddar            | 2                              | No  |

**Note:** Shri S. Swaminathan and Shri Kallol Datta superannuated on 31st July, 2015 and 31st March, 2016, respectively. Shri A. M. Manichan and Shri Rajesh Kumar Singh resigned on 27th May, 2015 and 21st March, 2016, respectively. Ms. Sanyukta Samaddar, Shri Debasis Jana and Shri Bhaskar Jyoti Mahanta joined on 27th May, 2015; 1st August, 2015 and 21st March, 2016, respectively.

**[c] Information placed before the Board of Directors :**

As per Regulation 17(7) read with Part A of Schedule - II of SEBI (LODR) Regulations, 2015, all statutory and other significant and material information are placed before the Board to enable it to discharge its responsibilities of strategic supervision of the Company and as trustees of the stakeholders.

**[d] Compliance :**

While preparing the agenda, notes on agenda, minutes of the meeting(s), all applicable laws under the Companies Act, 2013 read with rules made thereunder as well as Secretarial Standard (SS-1 & 2), as applicable, has been followed.

**[03] COMMITTEE**

The Board Committees focus on certain specific areas and make informed decisions with the authority delegated to them. Presently, the Company is having following Board Committees :

**[3.1] COMMITTEE OF THE BOARD OF DIRECTORS**

**[i] Terms of Reference :**

The Company is having a Committee of the Board of Directors, duly constituted by the Board of Directors to supervise and ensure smooth functioning of the day-to-day operations of the Company. Meetings of such Committee are held as and when necessary. The minutes of the meetings of the Committee of the Board of Directors are placed before the Board for perusal and noting.

The Committee has been inter alia delegated the following powers by the Board of Directors :

- [i] General powers of management
- [ii] Borrow monies upto the specified limit from Banks, Financial Institution and others for working capital purposes.
- [iii] Authorize creation of securities including Equitable mortgage on the immovable properties of the Company, execution of security documents pertaining to term loan, bridge loan, working capital loan, etc.
- [iv] Issue Indemnity Bonds and Powers of Attorney.
- [v] Opening of Accounts with Banks.
- [vi] Approve overseas tour for official purpose.
- [vii] Sale of Fixed Assets.
- [viii] Invest funds of the Company in Government Securities, long term deposit with Banks/Financial Institutions etc.
- [ix] Approve appointment of Consultants/Architects.
- [x] Approve transfer/transmission / re-materialization of shares.
- [xi] Carryout the function of Stakeholders Relationship Committee.



**[ii] Meetings :**

There were 20 (twenty) meetings of the Committee held during the year 2015-16 on 8th April, 2015, 23rd April, 2015, 8th May, 2015, 18th May, 2015, 5th June, 2015, 18th June, 2015, 7th July, 2015, 27th July, 2015, 26th August, 2015, 28th September, 2015, 16th October, 2015, 5th November, 2015, 12th November, 2015, 1st December, 2015, 17th December, 2015, 24th December, 2015, 14th January, 2016, 12th February, 2016, 7th March, 2016 and 30th March, 2016.

**[iii] Composition :**

The composition of Committee of the Board of Directors as on 31st March, 2016 and the attendance of the members at the meetings thereof during 2015-16, are given below :

| Name of Director    | Designation | Number of Meetings attended |
|---------------------|-------------|-----------------------------|
| Shri Kallol Datta   | Chairman    | 20                          |
| Shri Sunil Munshi   | Member      | 20                          |
| Shri S. Swaminathan | Member      | 8                           |
| Shri R. C. Sen      | Member      | 20                          |
| Shri Debasis Jana   | Member      | 12                          |

**Note:** Shri S. Swaminathan and Shri Kallol Datta superannuated on 31st July, 2015 and 31st March, 2016, respectively. Shri Debasis Jana joined on 13th August, 2015.

**[3.2] AUDIT COMMITTEE**

The Directors on the Board of the Company are being appointed by the Govt. of India. As there were no Independent Directors on the Board of Directors of the Company during the financial year 2015-16, no Audit Committee was formed during the year. Hence no meeting of the Audit Committee was held during the year.

**Note:** However, Audit Committee was constituted on 12th August, 2016, consisting of the following Directors: Dr. Dhanpat Ram Agarwal as Chairman, Shri Sudhir Jhunjunwala and Shri R. C. Sen as Members of the Committee.

**[3.3] NOMINATION AND REMUNERATION COMMITTEE**

Since there were no Independent Directors on the Board of Directors of the Company during the year 2015-16, Nomination and Remuneration Committee could not be constituted. Hence no meeting of the Nomination and Remuneration Committee was held during the year.

**Note:** However, Nomination and Remuneration Committee was constituted on 12th August, 2016, consisting of the following Directors: Shri Sudhir Jhunjunwala as Chairman, Dr. Dhanpat Ram Agarwal and Ms. Sanyukta Samaddar as Members of the Committee.

**[3.4] STAKEHOLDERS RELATIONSHIP COMMITTEE**

The matters relating to redressal of the shareholders' complaints viz. transfer / transmission of shares, non-receipt of copy of Annual Report, etc. are being looked after by the Committee of the Board of Directors as mentioned under Item No. 3.1 of this Report.

**Note:** However, Stakeholders Relationship Committee was constituted on 12th August, 2016, consisting of the following Directors: Dr. Dhanpat Ram Agarwal as Chairman, Shri Sunil Munshi and Shri R. C. Sen as members of the Committee.

**[a] During the year 2015-16 the following cases of transfer/transmission/issue of duplicate shares were received and processed :**

| Particulars                           | Number of Cases | Number of Equity Shares |
|---------------------------------------|-----------------|-------------------------|
| Transfer of Shares                    | 14              | 5571                    |
| Transmission of Shares                | NIL             | NIL                     |
| Issue of duplicate Share Certificates | 3               | 850                     |

**[b] Details of Dematerialization of Physical Shares and Rematerialization of Shares during the period from 1st April, 2015 to 31st March, 2016 :**

| Particulars  | DEMAT        |                      | REMAT        |                      |
|--------------|--------------|----------------------|--------------|----------------------|
|              | No. of Cases | No. of Equity Shares | No. of Cases | No. of Equity Shares |
| NSDL         | 28           | 2682                 | 1            | 5000                 |
| CDSL         | 20           | 5878                 | NIL          | NIL                  |
| <b>TOTAL</b> | <b>48</b>    | <b>8560</b>          | <b>1</b>     | <b>5000</b>          |



[c] **Name and Designation of the Compliance Officer:** Shri Ayan Dutta, Company Secretary.

[d] **Details in respect of shareholders' complaints in SEBI Complaint Redressal System (SCORES) :**

|  |     |
|--|-----|
| Number of shareholders complaints received during the year | NIL |
| Number of complaints redressed during the period           | NIL |
| Number of pending complaints as on 31.03.2016              | NIL |

During the financial year ended 31st March, 2016, the Company and the RTA have attended investor grievances expeditiously except for the cases constraint by disputes or legal impediment.

[e] Pursuant to Regulation 62(1)(d) of SEBI (LODR) Regulations, 2015 the Company's e-mail for grievance redressal purpose is ay\_share@rediffmail.com where complaints can be lodged by the investors.

**[3.5] CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE**

[i] **Terms of Reference :**

The Committee has been constituted for formation/review of Policy on Corporate Social Responsibility & Sustainable Development, monitoring the progress of the CSR and Sustainability projects sanctioned by the Company to ensure that they are carried out in terms of sanction. All the CSR and Sustainable proposals are put up to the Committee, before putting the same to the Board and it found appropriate, the Committee recommends the same to the Board.

[ii] **Meetings :**

There were 2 (two) meetings of the Committee held during the year 2015-2016 on 20th May, 2015 and 20th January, 2016.

[iii] **Composition :**

The composition of Committee of the Board of Directors as on 31st March, 2016 and the attendance of the members at the meetings thereof during 2015-16, are given below :

| Name of Director    | Designation | Number of Meetings attended |
|---------------------|-------------|-----------------------------|
| Shri Sunil Munshi   | Chairman    | 2                           |
| Shri S. Swaminathan | Member      | 1                           |
| Shri R. C. Sen      | Member      | -                           |
| Shri Debasis Jana   | Member      | 1                           |

**Note:** [i] Shri S. Swaminathan superannuated on 31st July, 2015. Shri Debasis Jana joined on 13th August, 2015.

[ii] The CSR Committee was re-constituted on 12th August, 2016, consisting of the following Directors :  
Shri Sudhir Jhunjhunwala as Chairman, Shri Sunil Munshi, Shri R. C. Sen and Shri Debasis Jana, as members of the Committee.

**[3.6] RISK MANAGEMENT COMMITTEE**

The Board of Directors of the Company has constituted a Risk Management Committee voluntarily. The Board has defined the roles and responsibilities of the Risk Management Committee and has delegated monitoring and reviewing of the Risk Management Plans to the Committee.

The Risk Management Committee comprises of Shri Sunil Munshi as Chairman, Shri R. C. Sen and Shri Debasis Jana as Member of the Committee.

**[3.7] OTHER FUNCTIONAL COMMITTEE**

Apart from the above, the Board constitutes, from time to time, Functional Committees with specific terms of reference as it may deem fit. Meetings of such Committees are held as and when the need for discussing the matter concerning the purpose arises. Time schedule for holding the meetings of such Committees are finalized in consultation with the Committee members.

**[3.8] PROCEDURE AT COMMITTEE MEETINGS**

The Company's guidelines relating to Board meetings are applicable to Committee meetings as far as may be practicable. Minutes of the proceedings of the Committee meetings are placed before the Board Meetings for perusal and noting.

**[3.9] POST MEETING FOLLOW-UP MECHANISM**

The Guidelines for Board and Board Committee meetings facilitate an effective post meeting follow-up, review and reporting process



for the decisions taken by the Board and Board Committees thereof. The important decisions taken at the Board/Board Committee meetings are communicated to the Department/Divisions concerned promptly. Action taken report on the decision/minutes of the previous meeting(s) is placed at the immediately succeeding meeting of the Board/Board Committee for noting by the Board/Board Committee.

**[04] REMUNERATION POLICY**

AYCL, being a Public Sector Enterprises, the appointment, tenure, performance evaluation, remuneration, etc. of the Directors are being made/fixed by the Government of India. The remunerations of the Key Managerial Personnel, Senior Management Personnel and other Officers are decided as per Government guidelines on Pay Revision and remuneration of other employees of the Company are decided as per Wage Settlement Agreement entered into with their Union. The appointments/promotions etc. of the employees are made as per Recruitment and Promotion Policy approved by the Board of Directors of the Company.

**[05] THE DETAILS OF REMUNERATION PAID TO FUNCTIONAL DIRECTORS DURING THE FINANCIAL YEAR 2015-16 ARE AS FOLLOWS.**

[₹ In lakh]

| Sl. No. | Name of the Directors | Salary | Benefits | PF and other funds | Performance Linked Incentives Stock Option | Total |
|---------|-----------------------|--------|----------|--------------------|--|-------|
| 01.     | Shri Kallol Datta     | 49.16  | 4.05     | 2.67               | ...  | 55.88 |
| 02.     | Shri S. Swaminathan   | 22.35  | 0.19     | 0.72               | ...  | 23.26 |
| 03.     | Shri R. C. Sen        | 17.93  | 0.80     | 1.93               | ...  | 20.66 |
| 04.     | Shri Sunil Munshi     | 18.95  | 1.27     | 2.27               | ...  | 22.49 |
| 05.     | Shri Debasis Jana     | 12.39  | 0.25     | 1.30               | ...  | 13.94 |

\* Shri S. Swaminathan superannuated on 31st July, 2015. Shri Debasis Jana joined on 1st August, 2015.

AYCL, being a Government Company, the terms and conditions of appointment and remuneration of functional Directors are determined by Government through its administrative Ministry, Department of Heavy Industry, Ministry of Heavy Industries & Public Enterprises, New Delhi.

Government Directors, Functional Directors are not paid sitting fees for attending the meeting of the Board or any Committee Meetings thereof.

**[06] CODE OF CONDUCT**

The Board of Directors have laid down a Code of Conduct for all members of the Board of Directors and senior management of the Company. The same inter-alia also contains duties of Independent Directors as laid down under the Companies Act, 2013. The Code of Conduct for Board Members and Senior Management of the Company is disclosed on the website of the Company and may be accessed at the web link [http://www.andrewyule.com/rti/CODE\\_OF\\_CONDUCT.pdf](http://www.andrewyule.com/rti/CODE_OF_CONDUCT.pdf)

The certificate regarding compliance with the Code of Conduct is given separately.

**[07] SUBSIDIARY COMPANIES**

The Company has three wholly owned subsidiary companies viz. Hooghly Printing Company Limited, Yule Engineering Company Limited and Yule Electrical Company Limited.

Separate disclosure, in connection with the performance of the above-mentioned subsidiaries is provided in the Board's Report.

**[08] GENERAL BODY MEETINGS**

[a] Particulars of last three Annual General Meetings are given below :

| Financial Year | Date       | Time       | Location   |
|----------------|------------|------------|--|
| 2014-2015      | 28.07.2015 | 11.00 a.m. | Williamson Magor Hall of The Bengal Chamber of Commerce & Industry, Royal Exchange, 6, Netaji Subhas Road, Kolkata - 700 001 |
| 2013-2014      | 24.09.2014 | 11.00 a.m. |  |
| 2012-2013      | 20.09.2013 | 11.00 a.m. |  |



## ANDREW YULE & COMPANY LIMITED

- [b] All the resolutions set out in the respective notices were passed by the shareholders. The following Special Resolutions were passed in the previous 3 (Three) Annual General Meetings :

| Date of AGM | Special Resolutions  |
|-------------|--|
| 28.07.2015  | NIL  |
| 24.09.2014  | [i] Resolution under Section 180(1)(a) of the Companies Act, 2013 for creation of mortgage/charge of Company's assets.   |
|             | [ii] Resolution under Section 180(1)(c) of the Companies Act, 2013 for borrowing money up to Rs.300 crores over and above the aggregate of paid up capital and free reserves of the Company. |
| 20.09.2013  | NIL  |

- [c] Details of Extra Ordinary General Meeting held during the last three years : NIL

- [d] Details of Resolutions passed through Postal Ballot : NIL

### [09] DISCLOSURES

- [i] Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large :

There were no materially significant transactions with related parties took place during the financial year 2015-16 which were in conflict with the interest of the Company.

The Board has approved a Related Party Transaction Policy for determining materiality of related party transactions and also on the dealings with related parties. This policy has been disclosed on the website of the Company and may be accessed at the web link [http://www.andrewyule.com/pdf/Policy\\_Related\\_Party\\_Transaction.pdf](http://www.andrewyule.com/pdf/Policy_Related_Party_Transaction.pdf)

- [ii] Disclosures on Compliance of Law :

The Company has complied with the mandatory requirements of the Stock Exchange, SEBI and other statutory authorities on all matters related to capital markets during the last three years. No penalties or strictures were imposed by SEBI, Stock Exchange or any statutory authorities on any matter related to capital markets during the last three years.

- [iii] Non-executive Government Nominee Directors are not holding any Shares or convertible instruments in the Company.

- [iv] Pledge of Shares :

No pledge has been created over the Equity Shares held by the Promoters of the Company during the year 2015-16.

- [v] The Company has a competent and Independent Vigilance Department, headed by Chief Vigilance Officer (CVO), for monitoring any unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. All the personnel are having the access to the Vigilance Department for their complaints, grievances, etc.

- [vi] Code for Prevention of Insider Trading Practices :

In January, 2015 SEBI notified the SEBI (Prohibition of Insider Trading) Regulations, 2015 which came into effect from May, 2015.

The "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" allows the formulation of a trading plan subject to certain conditions and requires pre-clearance for dealing in the Company's shares. It also prohibits the purchase or sale of Company's shares by the Directors, designated employees and connected persons, while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

- [vii] The Company has complied with the requirement of Corporate Governance as per SEBI (LODR) Regulations, 2015 and DPE Guidelines on Corporate Governance except provisions related to composition of Board of Directors. AYCL is a Government Company and Directors are appointed by the President of India through Department of Heavy Industry, Ministry of Heavy Industries & Public Enterprises.

- [viii] It is always Company's endeavor to present unqualified financial statements.

- [ix] Other Disclosures :

[a] The certification by CEO and CFO in compliance with Regulation 17(8) of SEBI (LODR) Regulations, 2015 to the Board is appended to this report.

[b] The Company has also laid down the Enterprise Risk Management Policy and Procedures thereof for periodically informing Board Members about the risk assessment and minimizing procedures.

[c] In preparation of the Financial Statements, the Company has followed the accounting standards issued by the Institute of Chartered Accountants of India. The significant accounting policies have been set out in the notes to accounts.



- [d] None of the Directors are inter-se related to other Directors of the Company.
- [e] The details of the Presidential Directives received by the Company and the compliance thereof have been provided in the Board's Report.
- [f] There have been no public issues, right issues or other public offerings during the past five years. The Company has not issued any GDR's/ADR's/Warrants or any convertible instruments.
- [g] The Board has periodically reviewed the Compliance Reports of all applicable laws to the Company and has ensured the compliance of all the applicable laws.
- [x] Being a PSU, appointment/nomination of the Directors is done by Government of India through Department of Heavy Industry, Ministry of Heavy Industries & Public Enterprises. The Company has not adopted any mechanism for evaluating individual performance of Non-Executive Board Members.
- [xi] Non-Executive Directors have no pecuniary relationship or transactions with the Company during the year under report.
- [xii] Items of expenditure debited in books of accounts, which are not for the purposes of the business : Nil
- [xiii] Expenses incurred which are personal in nature and incurred for the Board of Directors and Top Management : Nil
- [xiv] The Company has not granted any Options during the financial year 2015-16.

**[10] MEANS OF COMMUNICATION**

Quarterly, Half Yearly and Annual Results of the Company are published in the following newspapers :

| Name of Newspaper                     | Region  | Language |
|---------------------------------------|---------|----------|
| Business Standard / Financial Express | Kolkata | English  |
| Dainik Statesman                      | Kolkata | Bengali  |

The quarterly/half yearly/annual results are also uploaded at the Company's website [www.andrewyule.com](http://www.andrewyule.com). The same are also furnished to Listing Centre of BSE Limited.

The website also displays official news releases as and when the same takes place. No presentation was made to institutional investors and to the analysts.

**[11] GENERAL SHAREHOLDERS' INFORMATION**

|   |   |                    |                  |                   |                  |                             |
|---|---|--------------------|------------------|-------------------|------------------|-----------------------------|
| [i] <b>Annual General Meeting Date, Time and Venue</b>  | 68th Annual General Meeting will be held on Friday, the 23rd day of September, 2016 at 11.00 a.m. at the Williamson Magor Hall of The Bengal Chamber of Commerce & Industry, Royal Exchange, 6, Netaji Subhas Road, Kolkata – 700001. |                    |                  |                   |                  |                             |
| [ii] <b>Financial Year</b>  | : 1st April, 2015 to 31st March, 2016.  |                    |                  |                   |                  |                             |
| [iii] <b>Date of Book Closure</b>   | : From 16th September, 2016 to 23rd September, 2016 (both days inclusive).  |                    |                  |                   |                  |                             |
| [iv] <b>Listing on Stock Exchange</b>   | : BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001, Scrip Code 526173 The Listing Fee for the Financial Year 2016-17 has been paid to BSE Limited on 29th April, 2016.  |                    |                  |                   |                  |                             |
| [v] <b>Market Price high and low during each month in the last financial year in comparison with the BSE SENSEX along with the No. of Shares traded during the period April, 2015 to March, 2016 (as available from the website of BSE Limited)</b> | <b>Month</b>  | <b>Share Price</b> |                  | <b>BSE Sensex</b> |                  | <b>No. of Shares traded</b> |
|   |   | <b>High (Rs.)</b>  | <b>Low (Rs.)</b> | <b>High (Rs.)</b> | <b>Low (Rs.)</b> |                             |
|   | Apr, 2015   | 22.95              | 18.05            | 29,094.61         | 26,897.54        | 21,67,043                   |
|   | May, 2015   | 19.85              | 17.60            | 28,071.16         | 26,423.99        | 7,40,499                    |
|   | Jun, 2015   | 21.80              | 17.75            | 27,968.75         | 26,307.07        | 15,15,758                   |
|   | Jul, 2015   | 26.70              | 18.40            | 28,578.33         | 27,416.39        | 2,09,94,111                 |
|   | Aug, 2015   | 31.00              | 18.20            | 28,417.59         | 25,298.42        | 1,53,61,002                 |
|   | Sep, 2015   | 26.90              | 18.75            | 26,471.82         | 24,833.54        | 54,53,099                   |
|   | Oct, 2015   | 25.80              | 23.00            | 27,618.14         | 26,168.71        | 37,57,489                   |
|   | Nov, 2015   | 25.40              | 21.50            | 26,824.30         | 25,451.42        | 33,21,740                   |
|   | Dec, 2015   | 33.85              | 23.05            | 26,256.42         | 24,867.73        | 2,28,96,347                 |
|   | Jan, 2016   | 33.15              | 23.20            | 26,197.27         | 23,839.76        | 1,55,89,386                 |
|   | Feb, 2016   | 25.40              | 18.15            | 25,002.32         | 22,494.61        | 42,63,932                   |
| Mar, 2016   | 23.40   | 18.15              | 25,479.62        | 23,133.18         | 50,55,991        |                             |



## ANDREW YULE & COMPANY LIMITED

|       |  |   |                            |                            |                           |                           |
|-------|--|---|----------------------------|----------------------------|---------------------------|---------------------------|
| vi.   | <b>Registrar and Share Transfer Agent :</b>  | MCS Share Transfer Agent Limited, 12/1/5, Manoharpukur Road, Ground Floor, Kolkata - 700 026, Phone : (033) 4072 - 4051/4052/4053, Fax : (033) 4072 - 4050, E-mail : mcssta@rediffmail.com  |                            |                            |                           |                           |
| vii.  | <b>Share Transfer System :</b>   | Share transfers in physical form can be lodged at the Registered Office of the Company or with the Registrar and are normally processed within a period of 15 days from the date of receipt of such request for transfer, if technically found to be in order and complete in all respects. |                            |                            |                           |                           |
| viii. | <b>Geographical Analysis Report as :<br/>on 31st March, 2016</b>                               | <b>State</b>  | <b>No. of Shareholders</b> | <b>% to total holders</b>  | <b>No. of Shares</b>      | <b>% to Share Capital</b> |
|       |  | Delhi   | 1,021                      | 3.52                       | 30,54,47,097              | 91.55                     |
|       |  | Haryana   | 215                        | 0.74                       | 1,64,227                  | 0.05                      |
|       |  | Punjab  | 174                        | 0.60                       | 2,61,762                  | 0.08                      |
|       |  | Chandigarh  | 58                         | 0.20                       | 23,711                    | 0.01                      |
|       |  | Himachal Pradesh  | 17                         | 0.06                       | 20,427                    | 0.01                      |
|       |  | Jammu Kashmir   | 24                         | 0.08                       | 22,020                    | 0.01                      |
|       |  | Uttar Pradesh   | 784                        | 2.70                       | 6,25,953                  | 0.19                      |
|       |  | Rajasthan   | 774                        | 2.67                       | 6,46,803                  | 0.19                      |
|       |  | Gujarat   | 4,993                      | 17.22                      | 40,31,819                 | 1.21                      |
|       |  | Maharashtra   | 9,482                      | 32.70                      | 1,50,38,573               | 4.51                      |
|       |  | Madhya Pradesh  | 551                        | 1.90                       | 4,27,446                  | 0.13                      |
|       |  | Andhra Pradesh  | 784                        | 2.70                       | 9,10,524                  | 0.27                      |
|       |  | Karnataka   | 1,011                      | 3.49                       | 9,05,278                  | 0.27                      |
|       |  | Tamil Nadu  | 996                        | 3.43                       | 7,81,617                  | 0.23                      |
|       |  | Kerala  | 270                        | 0.93                       | 1,53,971                  | 0.05                      |
|       |  | West Bengal   | 7,187                      | 24.79                      | 37,28,971                 | 1.12                      |
|       |  | Port Blair  | 5                          | 0.02                       | 810                       | 0.00                      |
|       |  | Orissa  | 87                         | 0.30                       | 83,328                    | 0.02                      |
|       |  | Assam   | 98                         | 0.34                       | 84,922                    | 0.03                      |
|       |  | Meghalaya   | 8                          | 0.03                       | 2,755                     | 0.00                      |
|       |  | Monipur   | 1                          | 0.00                       | 300                       | 0.00                      |
|       |  | Nagaland  | 1                          | 0.00                       | 660                       | 0.00                      |
|       |  | Tripura   | 6                          | 0.02                       | 736                       | 0.00                      |
|       |  | Bihar   | 310                        | 1.07                       | 1,28,383                  | 0.04                      |
|       |  | Others  | 140                        | 0.48                       | 1,46,385                  | 0.04                      |
|       |  | <b>Total</b>  | <b>28,997</b>              | <b>100.00</b>              | <b>33,36,38,478</b>       | <b>100.00</b>             |
| ix.   | <b>Depositories with whom Company :<br/>has entered into agreement</b>                         | <b>Name</b>   |                            | <b>ISIN CODE</b>           |                           |                           |
|       |  | Central Depository Services (India) Limited (CDSL)  |                            | INE 449001025              |                           |                           |
|       |  | National Securities Depository Limited (NSDL)   |                            | INE 449001025              |                           |                           |
| x.    | <b>Corporate Identification Number :</b>   | Corporate Identification Number (CIN) of the Company, allotted by the Ministry of Corporate Affairs, Government of India is : L63090WB1919GOI003229.  |                            |                            |                           |                           |
| xi.   | <b>Payment of Depository Fees :</b>  | Annual Custody / Issuer fee for the year 2016-17 has been paid by the Company to NSDL and CDSL.   |                            |                            |                           |                           |
| xii.  | <b>No. of Shares held in dematerialized :<br/>and physical mode as on 31st March,<br/>2016</b> | <b>No. of Shares</b>  | <b>% to Share Capital</b>  | <b>No. of Shareholders</b> | <b>% to total holders</b> |                           |
|       |  | Demat Form  |                            |                            |                           |                           |
|       |  | In NSDL   | 32,00,00,850               | 95.91                      | 13,368                    | 46.10                     |
|       |  | In CDSL   | 1,30,06,388                | 3.90                       | 10,339                    | 35.66                     |
|       |  | Physical Form   | 6,31,240                   | 0.19                       | 5,290                     | 18.24                     |
|       |  | <b>Total</b>  | <b>33,36,38,478</b>        | <b>100.00</b>              | <b>28,997</b>             | <b>100.00</b>             |





|  |  |  |                           |  |                                |  |
|--|--|--|---------------------------|--|--------------------------------|--|
| xiii. Distribution of Shareholding as on :<br>31st March, 2016                             | <b>Size of Holdings</b>  |  | <b>No. of Shares</b>      | <b>Percentage (%)<br/>to Share Capital</b> | <b>No. of<br/>Shareholders</b> | <b>Percentage (%)<br/>to total holders</b> |
|  | <b>From</b>  | <b>To</b>                              |                           |  |                                |  |
|  | 1  | 500                                    | 36,26,663                 | 1.09                                       | 21199                          | 73.11                                      |
|  | 501  | 1000                                   | 31,50,759                 | 0.95                                       | 3568                           | 12.31                                      |
|  | 1001   | 2000                                   | 29,79,244                 | 0.89                                       | 1820                           | 6.28                                       |
|  | 2001   | 5000                                   | 50,46,324                 | 1.51                                       | 1454                           | 5.01                                       |
|  | 5001   | 10000                                  | 43,04,438                 | 1.29                                       | 552                            | 1.90                                       |
|  | 10001  | Above                                  | 31,45,31,050              | 94.27                                      | 404                            | 1.39                                       |
| <b>Total</b>   |  | <b>33,36,38,478</b>                    | <b>100.00</b>             | <b>28,997</b>                              | <b>100.00</b>                  |  |
| xiv. Shareholding Pattern as on 31st :<br>March, 2016                                      | <b>Category</b>  |  | <b>No. of Shares held</b> | <b>Percentage (%)<br/>of Holdings</b>      |                                |  |
|  | Central Government   |  | 29,35,24,630              | 87.98                                      |                                |  |
|  | Financial Institutions   |  | 1,07,65,476               | 3.23                                       |                                |  |
|  | Nationalized Banks   |  | 2,61,279                  | 0.08                                       |                                |  |
|  | Mutual Funds   |  | 950                       | ...  |                                |  |
|  | Domestic Companies   |  | 33,70,003                 | 1.01                                       |                                |  |
|  | Non-domestic Companies   |  | 44,077                    | 0.01                                       |                                |  |
|  | Resident Individual  |  | 2,52,49,180               | 7.57                                       |                                |  |
|  | Non Resident Individuals (Foreign National)  |  | 22,471                    | 0.01                                       |                                |  |
|  | Non-Resident Individuals (Indian)  |  | 4,00,412                  | 0.11                                       |                                |  |
| Director and their Relatives   |  | ...                                    | ...                       |  |                                |  |
| <b>Total</b>   |  | <b>33,36,38,478</b>                    | <b>100.00</b>             |  |                                |  |
| xv. List of Top 10 Shareholders as on :<br>31.03.2016                                      | <b>Sl. No.</b>   | <b>Name / Jt Name</b>                  | <b>Holding</b>            |  |                                |  |
|  | 01.  | President of India                     | 29,35,24,630              |  |                                |  |
|  | 02.  | Special National Investment Fund       | 1,07,65,076               |  |                                |  |
|  | 03.  | Sanjay Jethalal Vora                   | 2,71,000                  |  |                                |  |
|  | 04.  | Allahabad Bank                         | 2,42,500                  |  |                                |  |
|  | 05.  | Neha Sanjay Vora                       | 1,52,000                  |  |                                |  |
|  | 06.  | Sheetal Devi                           | 1,20,660                  |  |                                |  |
|  | 07.  | LKP Securities Ltd.                    | 1,16,569                  |  |                                |  |
|  | 08.  | Angel Fincap Private Limited           | 1,15,349                  |  |                                |  |
|  | 09.  | NileshChunilal Shah, Anita Nilesh Shah | 1,01,880                  |  |                                |  |
| 10.  | Kunal Mehta  | 1,00,000                               |                           |  |                                |  |
| xvi. Financial Calendar for 2016-17 :<br>(Tentative)                                       | <b>Sl. No.</b>   | <b>Approval / Adoption of</b>          | <b>On or before</b>       |  |                                |  |
|  | 1st quarter results  | (Unaudited)                            | on or before 14.08.2016   |  |                                |  |
|  | 2nd quarter results  | (Unaudited)                            | on or before 14.11.2016   |  |                                |  |
|  | 3rd quarter results  | (Unaudited)                            | on or before 14.02.2017   |  |                                |  |
|  | 4th quarter results  | (Audited)                              | on or before 30.05.2017   |  |                                |  |
| Next Annual General Meeting within September   |  | 30th September, 2017                   |                           |  |                                |  |
| xvii. Plant Location   | The Company's plants are located at –  |  |                           |  |                                |  |
|  | (i) 16A & B, Block "D", Kalyani, West Bengal,  |  |                           |  |                                |  |
|  | (ii) 14, Mayurbhanj Road, Kolkata - 700 023,   |  |                           |  |                                |  |
|  | (iii) P-25, Transport Depot Road, Kolkata - 700 088, and   |  |                           |  |                                |  |
|  | (iv) 5/346, Old Mahabalipuram Road, Perungudi, Chennai - 600 096.  |  |                           |  |                                |  |
| The Company's Tea Gardens are located in West Bengal and in Assam.                         |  |  |                           |  |                                |  |
| xviii. Address for Correspondence (For :<br>any other matter and unresolved<br>complaints) | <b>Company Secretary</b><br>Andrew Yule & Company Limited,<br>"Yule House", 8, Dr. Rajendra Prasad Sarani, Kolkata - 700 001,<br>Phone: 033 2242 - 8210 / 8550, Fax: 033 2242 - 9770,<br>E-mail: com.sec@andrewyule.com  |  |                           |  |                                |  |
| xix. Nomination Facility   | Shareholders who hold shares in the physical form and wish to make/change a nomination in respect of their shares in the Company, as permitted under the Companies Act, 2013, may obtain from MCS Share Transfer Agent Ltd., the prescribed Form. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant (DP). |  |                           |  |                                |  |



**[12] INVESTOR SAFEGUARDS**

In pursuit of the Company's objective to mitigate/avoid risks while dealing with shares and related matters, the following are the Company's recommendations to its Members :

**[a] Open Demat Account and Dematerialize your Shares :**

Members should convert their physical holdings into electronic holdings. Holding shares in electronic form helps Members to achieve immediate transfer of shares. No stamp duty is payable on transfer of shares held in electronic form and risks associated with physical certificates such as forged transfers, fake certificates and bad deliveries are avoided.

**[b] Consolidate your Multiple Folios :**

Members are requested to consolidate their shareholding held under multiple folios. This facilitates one-stop tracking of all corporate benefits on the shares and would reduce time and efforts required to monitor multiple folios.

**[c] Confidentiality of Security Details :**

Folio Nos./DP ID/Client ID should not be disclosed to any unknown persons. Signed blank transfer deeds, delivery instruction slips should not be given to any unknown persons.

**[d] Dealing with Registered Intermediaries :**

Members should transact through a registered intermediary who is subject to the regulatory discipline of SEBI, as it will be responsible for its activities, and in case the intermediary does not act professionally, Members can take up the matter with SEBI.

**[e] Obtain documents relating to purchase and sale of securities :**

A valid Contract Note/Confirmation Memo should be obtained from the broker/sub-broker, within 24 hours of execution of the trade. It should be ensured that the Contract Note/Confirmation Memo contains order no., trade no., trade time, quantity, price and brokerage.

**[f] Update your Address :**

To receive all communications and corporate actions promptly, please update your address with the Company or DP, as the case may be.

**[g] Prevention of Frauds :**

There is a possibility of fraudulent transactions relating to folios which lie dormant, where the Member is either deceased or has gone abroad. Hence, we urge you to exercise diligence and notify the Company of any change in address, stay abroad or demise of any Member, as and when required.

**[h] Monitor holdings regularly :**

Do not leave your demat account dormant for long. Periodic statement of holdings should be obtained from the concerned DPs and holdings should be verified.

**[i] PAN Requirement for Transfer of Shares in Physical Form :**

SEBI has mandated the submission of Permanent Account Number (PAN) for securities market transactions and off market/private transactions involving transfer of shares of listed companies in physical form. It is, therefore, mandatory for any transferee(s) to furnish a copy of the PAN card for registration of such transfers. Members are, therefore, requested to make note of the same and submit their PAN card copy.

**[j] Mode of Postage :**

Share Certificates and high value dividend warrants/cheques/demand drafts should not be sent by ordinary post. It is recommended that Members should send such instruments by registered post or courier.

**[13] CAUTIONARY STATEMENT**

Details given here in above relating to various activities and future plans may be 'forward looking statements' within the meaning of applicable laws and regulations. The actual performance may differ from those expressed or implied.

**[14] NON-MANDATORY REQUIREMENTS**

The Company has not adopted the non-mandatory requirements as specified in the SEBI (LODR) Regulations, 2015.

**[15] AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

The Company has obtained a Certificate regarding compliance of conditions of Corporate Governance from M/s. S. Deepak & Associates, Company Secretaries (C.P. No. 9131), as stipulated in SEBI (LODR) Regulations, 2015 and the same is enclosed herewith.

Place: Kolkata  
Date: 12th August, 2016.

For and on behalf of the Board  
Sunil Munshi  
Chairman & Managing Director



**DECLARATION REGARDING COMPLIANCE WITH THE COMPANY'S CODE OF CONDUCT UNDER REGULATION 26(3) OF THE SEBI (LODR) REGULATIONS, 2015**

I, Sunil Munshi, Chairman & Managing Director of Andrew Yule & Company Limited, hereby confirm that all the Members of the Board of Directors and Senior Management Personnel have complied with the Company's Code of Conduct for Board Members and Senior Management Personnel for the year ended 31st March, 2016 in terms of the SEBI (LODR) Regulations, 2015.

Place: Kolkata  
Date: 12th August, 2016

Sunil Munshi  
Chairman & Managing Director

**CEO AND CFO CERTIFICATION PURSUANT TO REGULATION 17(8) OF THE SEBI (LODR) REGULATIONS, 2015**

We, Shri Sunil Munshi, Chairman & Managing Director and Shri R. C. Sen, Director (Finance) of the Company, certify to the Board of Directors of the Company that to the best of our knowledge & belief :-

- [A] we have reviewed the Financial Statements and the Cash Flow Statement of the Company for the year ended 31st March, 2016 and that to the best of our knowledge and belief :
- [1] these statements do not contain any false or misleading statements or figures and do not omit any material fact, which may make the statements or figures contained therein misleading;
  - [2] 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.
- [B] there are no transactions entered into by the Company during the year ended 31st March, 2016, which are fraudulent, illegal or violative of the Company's code of conduct.
- [C] we accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting.
- [D] we have indicated to the auditors –
- [1] significant changes in internal control over financial reporting during the year; and
  - [2] significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements.

Kolkata,  
30th May, 2016.

R.C. Sen  
Director (Finance).

Sunil Munshi,  
Chairman & Managing Director.



**CERTIFICATE OF COMPLIANCE WITH CORPORATE GOVERNANCE**  
**As per requirements under the SEBI (Listing Obligations and Disclosure Requirements)**  
**Regulations, 2015**

To the Members of  
Andrew Yule & Company Limited

We have examined the Compliance of conditions of Corporate Governance by Andrew Yule & Co. Limited ('the Company') for the period ended 31st March, 2016, as stipulated in Clause 49 of the Listing Agreement ('Listing Agreement') with the Stock Exchanges for the period from 1st April, 2015 to 30th November, 2015 and as per relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the period from 1st December, 2015 to 31st March, 2016. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to the procedure and implementation process adopted by the Company for ensuring the compliance of the conditions of the corporate governance.

In our opinion and to the best of our information and according to the explanations and information furnished to us, we report that :

- [i] The Board of Directors was not properly constituted during the financial year 2015-16.
- [ii] The Board of Directors did not have any Independent Director during the financial year 2015-16. Consequently, no (a) Audit Committee, (b) Nomination and Remuneration Committee and (c) Stakeholders Relationship Committee were constituted.
- [iii] Corporate Social Responsibility (CSR) Committee was formed but not properly constituted due to absence of Independent Directors during the financial year 2015-16.

Except as stated above we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement/Listing Regulations, as applicable.

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

Kolkata  
12th August, 2016.

**For S. Deepak & Associates**  
**Company Secretaries**  
CS Deepak Swain  
Proprietor  
ACS - 25625, C. P. No. 9131



## INDEPENDENT AUDITOR'S REPORT

To the Members of Andrew Yule & Company Limited

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Andrew Yule & Company Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, 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 Standalone 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 and presentation of these standalone financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 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 have taken into account the provisions of the Act, and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.

We conducted our audit in accordance with the Standards on Auditing, as specified under Section 143(10) of the Act and other applicable authoritative pronouncements 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 the 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 financial control relevant to the Company's preparation of the 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 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 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 made in the financial statements for diminution in the value of non current investments amounting to ₹543.24 lakh [Refer Note 10.08].

Had the observation been considered, Profit for the year before provision of taxes would have been ₹384.12 lakh as against the reported profit of ₹927.36 lakh, Reserves and Surplus would have been ₹12597.11 lakh as against the reported Reserves and Surplus of ₹13140.35 lakh and value of Non-Current Investments would have been ₹322.03 lakh as against the reported figure of ₹865.27 lakh.

### Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the matter described in the Basis for Qualified Opinion paragraph, the aforesaid standalone 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 of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year then ended.

### Other Matters

- [1] Note No.10.03 regarding sanctioned rehabilitation scheme vide Board for Industrial and Financial Reconstruction (BIFR) Order dated October 30, 2007. The rehabilitation schedule of the Company, with cutoff date 31st March, 2006 is in process of implementation.
- [2] Note No.10.03[a](i)&(iii) regarding further financial restructuring package sanctioned by Government of India and later approved by Board for Industrial and Financial Reconstruction (BIFR) vide Order No. 501/2003 dated 15.07.2013 for the reasons stated there in.



[3] Note No.10.09 regarding Balances of Trade Receivables, Deposits and Advances to the parties and Non-Current Assets, Trade Payables and other liabilities, which are subject to confirmation. In absence of confirmations from the parties we are unable to verify adequacy of the provision made for Bad & Doubtful Debts. Necessary adjustment if required will be made in the standalone Financial Statement on receipts of confirmation of the parties

Our opinion is not qualified in respect of these matters.

#### 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 sub-section (11) of section 143 of the Act and on the basis of such checks of the books and records of the Company as considered appropriate and as per information and explanations given to us, we give in the Annexure-A, a statement on the matters specified in paragraphs 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 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;

[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 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 and the Cash Flow Statement 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 financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

[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] on the basis of the written representations received from the directors as on 31st March, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;

[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 its pending litigations on its financial position in its standalone financial statements. Refer Note 10.02 to the standalone financial statements.

[ii] the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses and

[iii] there were no amounts due which were required to be transferred to the Investor Education and Protection Fund by the Company.

[3] As required by section 143(5) of the Act the directions and sub-directions issued by the Controller & Auditor General of India we give our comments, action taken and inspect on the financial statement in Annexure-B annexed herewith.

For V. SINGHI & ASSOCIATES  
Chartered Accountants  
Firm Registration No.311017E  
(V. K. SINGHI)

Place : Kolkata.  
Date : 30th May,2016

Partner.  
Membership No.050051



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 Financial Statements of the Company for the year ended 31st March, 2016)

- [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 discrepancy 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.
- [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 operations 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 loans, secured or unsecured, during the year (excluding outstanding unsecured loans to its fully owned Subsidiary Companies viz. Yule Electrical limited (₹2.51 lakh), and Yule Engineering Limited (₹12.18 lakh) as on 31.03.2016 to Companies, Firms or other parties covered in the register maintained under Section 189 of the Act.
- [b] No interest is being charged on the above loan. Yule Electrical Ltd. and Yule Engineering Ltd. do not have any transactions with respect to above mentioned loans and these Companies were formed as per BIFR Order. There are no schedules as regards to repayments of Principal amount and therefore we are not in a position to make any comments as to whether or not the Company was regular in receipt of principal amount.
- [c] In view of our comments in Para (a) and (b) above, we are not in a position to make any comment as to whether or not there were any overdue amounts and whether any reasonable steps have been taken by the Company for recovery of the principal amount.
- [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, Custom Duty, Value Added Tax, 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 arrears as on 31st March, 2016 for a period of more than six months from the date the same became payable.
- [b] According to the information and explanation given to us the Company has not deposited the following dues on account of disputes with the appropriate authority :

| Name of Statute       | Nature of Dues       | Amount [₹ lac] | Period to which amount relates  | Forum where the dispute is pending                       |                          |
|-----------------------|----------------------|----------------|---|--|--------------------------|
| Income Tax Act.       | Income Tax (Penalty) | 12.85          | 1988-89 & 2004-05   | C.I.T. (Appeal) (IV)                                     |                          |
|                       | Income Tax           | 472.19         | 2009-10 to 2012-13  | C.I.T. (Appeal) (IV)                                     |                          |
| W.B.Sales Tax and VAT | W.B.Sales Tax & VAT  | 636.61         | 1979-80, 1986-87, 1988-89, 2001-02, 2004-05, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10, 2011-12 | West Bengal Commercial Tax Appellate & Revisional Board. |                          |
|                       |                      |                | 1973-74, 1987-88, 1994-95, 1997-98, 1999-2000, 2000-01, 2003-04                                   | West Bengal Taxation Tribunal                            |                          |
|                       |                      |                | 1985-86, 1987-88, 1992-93, 1996-97, 1997-98, 1999-2000, 2000-01, 2003-04                          | Appellate Authority, Calcutta High Court                 |                          |
|                       |                      |                | 18.53   | 2012-13  | Special Commissioner     |
|                       |                      |                | 49.33   | 1980-81, 1982-83 to 1984-85                              | Appellate Authority, SoD |



| Name of Statute          | Nature of Dues   | Amount [₹ lac] | Period to which amount relates                                      | Forum where the dispute is pending                  |
|--------------------------|------------------|----------------|---|---|
| Assam Sales Tax and VAT  | Assam Gardens    | 152.93         | 1996-97 to 1998-99  | Appellate Authority Revenue Board                   |
| Orissa Sales Tax and VAT | Orissa Sales Tax | 106.24         | 1999-2000   | Appellate Authority Tribunal at High Court, Cuttack |
|                          |                  | 5.64           | 2001-02   | 2nd Appellate Authority Berhampore                  |
| Central Excise           | Central Excise   | 331.98         | 1996-97, 1998-99, 1992-93, 1993-94, 1990-91, 2001 to 2003 & 2009-10 | Appeal at CESTAT                                    |
|                          |                  | 52.58          | 1991-92, 1992-93  | Appeal at Calcutta High Court                       |
|                          |                  | 24.46          | 1995 to 1997  | Commissioner of Central Excise                      |
|                          |                  | 7.79           | 1997-99, 1993   | Commissioner of Appeal                              |
| Service Tax              | Service Tax      | 12.21<br>0.25  | 2006-07, 2007-08, 2009-10 & 2010-11                                 | Appeal at CESTAT                                    |

- [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. However we cannot comment on the repayment of Sales Tax Loan from Government of West Bengal of ₹715.20 lakh (inclusive of interest ₹465.20 lakh) as the repayment schedule of the same has not provided for our verification.
- [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 financial statements 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. 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.

For **V. SINGHI & ASSOCIATES**  
Chartered Accountants  
Firm Registration No.311017E  
**(V. K. SINGHI)**

Place : Kolkata.  
Date : 30th May, 2016

Partner.  
Membership No.050051





**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 financial statements of Andrew Yule & Company Limited for the financial year 2015-16, we give below our answer to the questions and information asked for in the above mentioned Directions.**

| <b>Directions</b> |  | <b>Our Answer</b>  |
|-------------------|--|--|
| [1]               | Please report whether there are any cases of waiver/write off of debts/loan/interest etc. If yes, the reason there for and the amount involved.  | No debts/loan/interest have been written off in the year ended 31st March, 2016.   |
| [2]               | Whether proper records are maintained for inventories lying with third parties and 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.<br><br>According to the information and explanations given to us, no assets have been received as gift from Government or other authorities. |
| [3]               | 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.  |

For **V. SINGHI & ASSOCIATES**  
Chartered Accountants  
Firm Registration No.311017E  
**(V. K. SINGHI)**  
Partner.  
Membership No.050051

Place : Kolkata.  
Date : 30th May, 2016



**Annexure - C to the Independent Auditor's Report**

**(Referred to in paragraph-2(f) on Other Legal and Regulatory Requirements of our Report of even date to the members of Andrew Yule and Co. Ltd. on the standalone Financial Statements of the Company for the year ended 31st March, 2016)**

**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 and Company Ltd ("the Company") as of 31st March, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is 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 Act.

**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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, 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 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 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, 2016, 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.

For V. SINGHI & ASSOCIATES  
Chartered Accountants  
Firm Registration No.311017E  
(V. K. SINGHI)

Place : Kolkata.  
Date : 30th May, 2016

Partner.  
Membership No.050051



**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER  
SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL  
STATEMENTS OF ANDREW YULE & COMPANY LIMITED FOR THE YEAR  
ENDED 31 MARCH, 2016**

The preparation of financial statements of Andrew Yule & Company Limited for the year ended 31 March 2016 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 30 May 2016.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143 (6)(a) of the Act of the financial statements of Andrew Yule & Company Limited for the year ended 31 March 2016. 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 the 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 143(6)(b) of the Act 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 :

**Balance Sheet**

Other Current Assets (Note-7.6) ₹669.20 lakh

The erroneous inclusion of surplus balance of Yule Agency Superannuation Fund of ₹250.00 lakh has resulted in overstatement of the above head as well as profit by ₹250.00 lakh.

For and on the behalf of the  
Comptroller & Auditor General of India  
(Praveer Kumar)

Principal Director of Commercial Audit  
& Ex-officio Member, Audit Board-I, Kolkata

Place: Kolkata

Date: 16th August, 2016.

| CAG Comments  | Management's Reply  |
|---|---|
| Balance Sheet<br>Other Current Assets (Note-7.6) ₹669.20 lakh<br>The erroneous inclusion of surplus balance of Yule Agency Superannuation Fund of ₹250.00 lakh has resulted in overstatement of the above head as well as profit by ₹250.00 lakh. | This will be reviewed in 2016-17 and necessary adjustment will be passed in the Books of 2016-17. |



# ANDREW YULE & COMPANY LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2016

[₹ in lakh]

| Particulars   | Note No. | As at 31st March, 2016 | As at 31st March, 2015 |
|---|----------|------------------------|------------------------|
| <b>I. EQUITY AND LIABILITIES</b>                      |          |                        |                        |
| [1] Shareholders' Funds                               | 2        |                        |                        |
| [a] Share Capital                                     | 2.1      | 6672.77                | 6672.77                |
| [b] Reserves and Surplus                              | 2.2      | 13140.37               | 12317.50               |
| [2] Share application money pending allotment         | 3        | 2857.00                | 2857.00                |
| [3] Non-Current Liabilities                           | 4        |                        |                        |
| [a] Long Term Borrowings                              | 4.1      | 2001.26                | 3057.65                |
| [b] Deferred Tax Liabilities [Refer Note No.10.10(b)] |          | 286.04                 | 308.84                 |
| [c] Other Long Term Liabilities                       | 4.2      | 98.05                  | 101.39                 |
| [d] Long Term Provisions                              | 4.3      | 1583.46                | 1866.81                |
| [4] Current Liabilities                               | 5        |                        |                        |
| [a] Short Term Borrowings                             | 5.1      | 3976.42                | 4436.97                |
| [b] Trade Payables                                    | 5.2      | 9514.34                | 10005.53               |
| [c] Other Current Liabilities                         | 5.3      | 7656.98                | 6417.46                |
| [d] Short Term Provisions                             | 5.4      | 943.26                 | 1561.24                |
| <b>TOTAL :</b>  |          | <b>48729.95</b>        | <b>49603.16</b>        |
| <b>II. ASSETS</b>                                     |          |                        |                        |
| [1] Non-Current Assets                                |          |                        |                        |
| [a] Fixed Assets                                      | 6        |                        |                        |
| [i] Tangible Assets                                   | 6        | 18313.61               | 18009.30               |
| [ii] Intangible Assets                                | 6        | 27.15                  | 30.53                  |
| [iii] Capital Work-in-Progress                        | 6        | 87.79                  | 467.05                 |
| [b] Non-Current Investments                           | 6.1      | 865.27                 | 838.62                 |
| [d] Long Term Loans and Advances                      | 6.2      | 946.64                 | 1253.63                |
| [e] Other Non-Current Assets                          | 6.3      | 900.88                 | 1753.00                |
| [2] Current Assets                                    | 7        |                        |                        |
| [a] Current Investments                               | 7.1      | 0.35                   | 5.62                   |
| [b] Inventories                                       | 7.2      | 4577.23                | 4179.57                |
| [c] Trade Receivables                                 | 7.3      | 9696.02                | 10076.07               |
| [d] Cash and Bank Balances                            | 7.4      | 8184.61                | 8892.53                |
| [e] Short Term Loans and Advances                     | 7.5      | 4461.18                | 3941.12                |
| [f] Other Current Assets                              | 7.6      | 669.22                 | 156.12                 |
| <b>TOTAL :</b>  |          | <b>48729.95</b>        | <b>49603.16</b>        |

Significant Accounting Policies

1

III THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

**For Andrew Yule & Company Limited**

**AYAN DUTTA**  
Company Secretary.

**SANDIP ROY**  
Financial Controller.

**R. C. SEN**  
Director (Finance).

**SUNIL MUNSHI**  
Chairman & Managing Director.

As per our Report of even date.

For **V. SINGHI & ASSOCIATES**

Chartered Accountants

Firm Registration No.311017E

(V. K. SINGHI)

Partner.

Membership No.050051

Date : 30th May, 2016.

Place : Kolkata.



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

[₹ in lakh]

| Particulars  | Note No.   | For the year ended<br>31st March, 2016 | For the year ended<br>31st March, 2015 |
|--|------------|--|--|
| <b>I. REVENUE</b>  | 8          |  |  |
| <b>Revenue from Operations</b>   | <b>8.1</b> |  |  |
| Sale of Products   |            | 37038.80                               | 36901.51                               |
| Less: Trade and Other Discount   |            | 132.21                                 | 135.77                                 |
| Less: Excise Duty  |            | 1597.26                                | 1662.44                                |
|  |            | <b>35309.33</b>                        | 35103.30                               |
| Sale of Services   |            | 450.53                                 | 411.53                                 |
| Revenue from Operations [i]  |            | 35759.86                               | 35514.83                               |
| Other Operational Income [ii]  |            | 195.17                                 | 115.68                                 |
|  |            | <b>35955.03</b>                        | 35630.51                               |
| Other Income   | 8.2        | 3042.70                                | 4583.20                                |
| <b>Total Revenue [A]</b>   |            | <b>38997.73</b>                        | <b>40213.71</b>                        |
| <b>II. EXPENSES</b>  | 9          |  |  |
| Cost of Materials Consumed   | 9.1        | 12826.67                               | 14727.43                               |
| Changes in Inventories of Finished Goods   | 9.2        | (-) 441.32                             | (-) 340.25                             |
| Employee Benefits Expense  | 9.3        | 15529.51                               | 13835.25                               |
| Finance Costs  | 9.4        | 955.83                                 | 1073.11                                |
| Depreciation and Amortisation Expenses   | 9.5        | 667.18                                 | 626.34                                 |
| Other Expenses   | 9.6        | 8513.11                                | 8902.08                                |
| Item relating to previous year [Refer Note No.10.18 of<br>Other Notes to Financial Statements] |            | 19.39                                  | 0.59                                   |
| <b>Total Expenses [B]</b>  |            | <b>38070.37</b>                        | <b>38824.55</b>                        |
| <b>Profit Before Tax [PBT]</b>   |            | <b>927.36</b>                          | <b>1389.16</b>                         |
| <b>Tax Expenses :</b>  |            |  |  |
| Provision for Current Tax  |            | 114.87                                 | 97.04                                  |
| Deferred Tax [Refer Note No.10.10(b)]  |            | (-) 22.80                              | (-) 3.94                               |
| Total Tax Expenses   |            | 92.07                                  | 93.10                                  |
| <b>Profit for the year</b>   |            | <b>835.29</b>                          | <b>1296.06</b>                         |
| <b>Earning per share [Note No.10.16]</b>   |            |  |  |
| Basic  |            | ₹0.25                                  | ₹0.39                                  |
| Diluted  |            | ₹0.18                                  | ₹0.28                                  |

Significant Accounting Policies 1

III THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

For Andrew Yule & Company Limited

AYAN DUTTA  
Company Secretary.

SANDIP ROY  
Financial Controller.

R. C. SEN  
Director (Finance).

SUNIL MUNSHI  
Chairman & Managing Director.

As per our Report of even date.

For V. SINGHI & ASSOCIATES

Chartered Accountants

Firm Registration No.311017E

(V. K. SINGHI)

Partner.

Membership No.050051

Date : 30th May, 2016.

Place : Kolkata.



**STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2016**

[₹ in lakh]

|  | As at 31st March, 2016 | As at 31st March, 2015 |
|--|------------------------|------------------------|
| <b>[A] CASH FLOW FROM OPERATING ACTIVITIES :</b>   |                        |                        |
| <b>Net Profit before Tax and Extraordinary items</b>                                       | <b>927.36</b>          | <b>1389.16</b>         |
| <b>Adjustments for :</b>   |                        |                        |
| Depreciation/Impairment of Assets  | 667.18                 | 626.34                 |
| Interest charges   | 748.09                 | 890.04                 |
| (Profit)/Loss on Sale of Investments   | (5.86)                 | ...                    |
| Subsidy Credited to Profit and Loss Account  | (12.42)                | (27.74)                |
| Subsidy Received   | 0.00                   | 22.81                  |
| Interest Income  | (566.85)               | (654.60)               |
| Dividend Income  | (922.41)               | (695.16)               |
| Provision no longer required written back  | (187.89)               | (53.00)                |
| Liabilities no longer required written back  | (394.49)               | (1306.81)              |
| Gain on Acquisition of Land by Government  | (76.93)                | ...                    |
| Excess provision for YASF written back   | (94.87)                | ...                    |
| Fixed Assets written off   | 0.40                   | ...                    |
| Provision for Doubtful Debts   | 202.45                 | 58.59                  |
| Provision for Doubtful Loans, Advances and Deposits  | 63.38                  | 20.37                  |
| Provision for Stock/Stores Obsolence   | 12.19                  | 8.85                   |
|  | (568.03)               | (1110.31)              |
| <b>Operating profit before changes in amount of Current Liabilities and Current Assets</b> | <b>359.33</b>          | <b>278.85</b>          |
| <b>Adjustment for :</b>  |                        |                        |
| Trade and Other Receivables  | 810.55                 | (2797.02)              |
| Inventories  | (397.66)               | (221.05)               |
| Trade and Other Payables   | 403.98                 | 3778.91                |
|  | 816.87                 | 760.84                 |
| <b>Cash Generated from Operations</b>  | <b>1176.20</b>         | <b>1039.69</b>         |
| Tax paid   | (92.50)                | (104.27)               |
| <b>NET CASH FROM OPERATING ACTIVITIES (A)</b>  | <b>1083.70</b>         | <b>935.42</b>          |
| <b>[B] CASH FLOW FROM INVESTING ACTIVITIES :</b>   |                        |                        |
| Purchase of Fixed Assets   | (611.10)               | (1086.23)              |
| Sale of Fixed Assets   | 98.75                  | 11.84                  |
| Purchase of Investments  | (17.49)                | (5.62)                 |
| Sale Proceeds of Investments   | 11.13                  | ...                    |
| Dividend Received  | 913.25                 | 695.16                 |
| Interest Received  | 495.19                 | 806.92                 |
| <b>NET CASH FROM INVESTING ACTIVITIES (B)</b>  | <b>889.73</b>          | <b>422.07</b>          |



**STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2016 – [Contd.]**

[₹ in lakh]

|   | As at 31st March, 2016 | As at 31st March, 2015 |
|---|------------------------|------------------------|
| <b>[C] CASH FLOW FROM FINANCING ACTIVITIES :</b>  |                        |                        |
| Dividend Paid   | (333.64)               | 0.00                   |
| Dividend Distribution Tax paid  | (66.71)                | 0.00                   |
| Interest Paid   | (766.35)               | (1761.04)              |
| Short Term Borrowings (Repaid)/Taken  | (32.08)                | 2752.02                |
| Long Term Borrowings (Repaid)/Taken   | (1056.38)              | (2443.57)              |
| <b>NET CASH USED IN FINANCING ACTIVITIES [C]</b>  | <b>(2255.16)</b>       | <b>(1452.59)</b>       |
| Increase/(Decrease) in Cash and Cash Equivalents [A+B+C]  | <b>(281.73)</b>        | <b>(95.10)</b>         |
| CASH AND CASH EQUIVALENT Opening Balance as at 1st April, 2015  | 3423.29                | 3518.39                |
| CASH AND CASH EQUIVALENT Closing Balance as at 31st March, 2016   | 3141.56                | 3423.29                |
| [1] The above Cash Flow Statement has been prepared under "Indirect Method" as set out in the Accounting Standard-3 on Cash Flow Statement notified by the Companies (Accounting Standard) Rules, 2006. |                        |                        |
| <b>[2] Break-up of Cash and Cash equivalent</b>   |                        |                        |
| Balance with Banks  | 1271.92                | 995.16                 |
| Cheques in Hand   | 0.00                   | 1.58                   |
| Cash in Hand  | 47.15                  | 27.31                  |
| Postage and Stamps in Hand  | 0.02                   | 0.02                   |
| Remittance in Transit   | 0.90                   | 0.00                   |
| Deposit with Bank maturing within 3 months  | 1655.40                | 2332.25                |
| Margin Money with Bank maturing within 3 months   | 166.17                 | 66.97                  |
|   | <b>3141.56</b>         | <b>3423.29</b>         |

[3] Previous year's figures have been regrouped/rearranged wherever necessary.

**For Andrew Yule & Company Limited**

**AYAN DUTTA**  
Company Secretary.

**SANDIP ROY**  
Financial Controller.

**R. C. SEN**  
Director (Finance).

**SUNIL MUNSHI**  
Chairman & Managing Director.

As per our Report of even date.

For **V. SINGHI & ASSOCIATES**

Chartered Accountants

Firm Registration No.311017E

(**V. K. SINGHI**)

Partner.

Membership No.050051

Date : 30th May, 2016.

Place : Kolkata.



NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016

**Note 1 – Significant Accounting Policies**

The Financial Statements have been prepared under the historical cost convention on accrual basis adjusted by revaluation of Tangible Fixed Assets in compliance with all material aspects of applicable Accounting Standards in India and in accordance with the Company's (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 2013.

**1.1 Reserves :**

- [a] Central and State Subsidies received by the Company are retained in Special Reserve until the conditions stipulated in the respective schemes are complied with, and the same are credited to the Statement of Profit and Loss or Capital Reserve after the expiry of the specified period depending upon the nature of the subsidy.
- [b] Sales value of fixed assets and investments to the extent it exceeds the original cost of the relevant asset is credited to the Statement of Profit and Loss. Provided, however, loss/diminution in value of assets acquired through amalgamation/merger are adjusted against the Capital Reserve created out of the same.

**1.2 Fixed Assets :**

- [a] The Physical verification of fixed assets is carried out in a phased manner so as to cover each item of the fixed assets over a period of 3 years.
- [b] Machinery manufactured by one Unit/Division for use in another Unit/Division are accounted for at Works/Factory cost of the Transferor Unit.
- [c] The gross fixed assets are valued at actual cost and other related expenses incurred to bring them to their present condition. The gross amount of interest on loans utilised for various expansion/diversification schemes is capitalised till the commissioning of the projects. Further, no interest for inter-unit transfer of funds on Capital Account is considered for the above purpose.
- [d] Depreciation is provided on the Assets other than Estates on Straight Line Method as per Schedule- II of the Companies Act, 2013.
- [e] No amortisation of cost of long-term leasehold land is done. However, fee payable for renewal of lease of land is charged as expenditure in the Statement of Profit and Loss as and when the payment is due.
- [f] Grant/Subsidy in respect of capital expenditure is accounted for as per applicable Accounting Standard and depreciations on the assets acquired out of such subsidy is adjusted there against.

- [g] Expenditure incurred/capitalised in respect of projects abandoned/to be abandoned are accounted for in compliance of relevant Accounting Standard.
- [h] The carrying amount of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is recognised in the Statement of Profit and Loss where the carrying amount of an asset exceeds its recoverable amount. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.
- [i] Liquidated damages recovered by the Company for delayed construction and delayed supply of equipment are set-off against the capital expenditure to which it relates.

**1.3 Intangible Assets :**

Intangible Assets expected to provide future enduring economic benefits are stated at cost less amortisation. Cost comprises purchase price and directly attributable expenditure on making the assets ready for its intended use.

**1.4 Inventories :**

- [a] Stocks of stores, spares, raw materials etc., are valued at cost. However, materials and other items held for use in production of inventories are not written down below cost if the finished products in which those will be incorporated are expected to be sold at or above cost. Cost is determined on weighted average cost basis.
- [b] Provisions for slow and non-moving stores lying for more than three years but less than five years are made at 15% of Book Value, for such stores remaining more than 5 years, provision @ 36.25% of Book Value are made. Provision for obsolete stores are made at 100% of Book Value.
- [c] Work-in-Progress is valued at Works Cost. Works cost includes direct materials, labour and manufacturing overhead. All losses on Work-in-progress incurred upto the end of the year and losses estimated for further Works Cost to be incurred on such jobs are taken into account and duly provided for.

While valuing the contract jobs in progress at the close of the year, future estimated losses are considered only in respect of jobs valued at `25.00 lakhs or more and/or physical progress whereof as per technical estimate, is minimum 50%.





[d] Royalty liabilities calculated with reference to Sales as per the collaboration agreements are considered as selling expenses and thus, have not been considered for the purpose of valuation of stocks of Work-in-Progress and finished goods.

[e] Inter-Unit transfers of own manufactured stores, spares, raw materials etc., if lying in stock at the close of the year, are valued at estimated Works/Factory cost of the Transferor Unit.

[f] Excise Duty, Insurance and Freight outward in connection with transfer of finished goods from factories to branches have been considered for valuation of branch stock at the close of the year.

[g] Stocks of finished goods including Finished goods-in-transit are valued at estimated total cost or net realisable value, whichever is lower. Estimated total cost covers all costs excluding administration overheads, selling and distribution overheads and interest. However, for Finished Goods-in-Transit, the estimated total cost includes expenses on Freight and Insurance incurred for delivery of such Finished goods.

[h] Imported materials lying in bonded warehouse and at Port are valued at cost including Customs Duty, Port Charges etc.

[i] Loose Tools are amortised over a period of 5 years.

[j] Stock of scrap, is valued on the basis of estimated/actual realised value as the case may be. However tea waste is not valued.

[k] Export benefits against Advance Licences are considered at the time of actual consumption of the imported materials. Advance Licences in hand at the close of the year are not accounted for.

#### 1.5 Investments :

Non Current Investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than of temporary nature in the opinion of the Management.

Current Investments are carried at lower of cost or market fair value.

#### 1.6 Subsidy :

Subsidy received from Tea Board related to specific fixed assets are deducted from gross values of related assets in arriving at their book value.

Subsidy related to revenue are recognized in the Statement of Profit and Loss.

#### 1.7 Sales :

[a] [i] Sales against Ex-Works/FOR Contracts are booked on the basis of deliveries to transport carriers upto 31st March, irrespective of whether the goods have been received by the customers by 31st March or not. Sales in respect of transactions against FOR destination contracts are booked for the goods actually received by customers by 31st March.

[ii] Despatches against FOR destination contracts not reaching the customers within the close of the year, are shown as Finished goods-in-transit.

[b] Partial deliveries are accounted for in accordance with the billing schedule as per the terms of Sales Contract.

[c] Tea sales against contracts are accounted for on the basis of delivery orders and on completion of sale in auction centres in accordance with the norms of tea trade.

[d] Sales returns, if any, upto the cut-off date i.e. 30th April, are accounted for.

[e] Except in disputed cases, escalation/de-escalation claim bills are accounted for on the basis of the terms of the relevant contracts.

[f] Export sales are accounted for with reference to the date of Bill of Lading.

[g] Freight and other charges recoverable under the terms of the sales contract are included in sales.

#### 1.8 Dividend Receipts :

Dividends declared and received within the close of the accounting year are accounted for in respect of investments held by the Company.

#### 1.9 Other Income :

[a] [i] Insurance and other claims are accounted for on the basis of amounts admitted;

[ii] Sales Tax, Excise Duty and Customs Duty refunds are accounted for on the basis of assessment/refund orders received;

[iii] Central/State Subsidies from Government and Tea Board are accounted for on the receipt of intimation of grant.

[b] Interest receivable from customers as per stipulation of the Sales Contract on account of late receipt of full/proportionate payments are accounted for to the extent such interest is ascertainable with respect to the payment so far received.



- [c] Export/Deemed Export benefits are accounted for on completion of despatches in terms of the contract.
- [d] Liquidated Damages recovered by the Company for delayed supply of equipment/spares are treated as Other Income.

**1.10 Purchases :**

- [a] Insurance charges incurred in relation to the incoming goods where materials are directly relatable are accounted for in respect of individual items; otherwise, such insurance premium is charged off to the Statement of Profit and Loss.
  - [b] In case of goods purchased from overseas, the shipment is treated as goods-in-transit :
    - [i] in case of both CIF and C&F Contracts, from the date of intimation received from bank;
    - [ii] in case of FOB Contracts, from the date of actual shipment as per Bill of Lading.
- Customs Duty is charged on the basis of the date of arrival in port.

**1.11 Other Revenue Expenses :**

- [a] Issue of materials/components as free replacements during the guarantee period, which can not be provided being unknown, is accounted for on actual despatches. Known free replacements upto the close of the accounting year are provided for.
- [b] The Company provides liability on account of repairs and rectifications for goods already sold to customers on the basis of past three years average expenses on the above head.
- [c] Liabilities in respect of Liquidated Damages are provided if and to the extent, not disputed by the Company. Liquidated Damages disputed by the Company are treated as contingent liability. The amount of liability/contingent liability is estimated on the basis of contracted terms and the facts of each case to the extent of revenue recognised.
- [d] Liability in respect of commission is provided in proportion to sales.
- [e] Interest on delayed payments of Income Tax/ Agricultural Income-Tax is accounted for on the basis of assessment orders of the Tax Authorities, if not disputed by the Company or actual payment effected, as the case may be.
- [f] Payment of Technical Know how Fees is accounted for in compliance with the relevant Accounting Standard.

- [g] Provision for unrealised profit is made in respect of partially completed composite/turnkey contracts on the basis of proportionate direct cost on the revenue recognised.
- [h] Medicine purchase for Tea Estates are all charged out as per consistent practice.
- [i] Guarantee commission is taken in the year of guarantees issued/renewed.

**1.12 Taxation :**

- [i] Taxation comprises of Income Tax, Agricultural Income Tax (both Assam and West Bengal), Deferred Tax and Wealth Tax. These taxes other than Deferred Taxes are measured as the amount expected to be paid to the Tax Authorities in accordance with the Indian Income Tax Act, 1961, West Bengal Agricultural Income Tax Act, 1944, Assam Agricultural Income Tax Act, 1939 and Wealth Tax Act, 1957 respectively.
- [ii] Deferred Tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred Tax assets/liabilities is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods in the Statement of Profit and Loss and the cumulative effect thereof is reflected in the Balance Sheet.
- [iii] In respect of proceedings pending before the various Income Tax/Agricultural Income Tax Authorities on account of Appeal/Rectification filed by the Company, adjustments are made on final settlement of such proceedings.

**1.13 Contingent Liabilities and Contingent Assets :**

Disputed liabilities and claims against the Company including claims by Tax Authorities (for example, Income-tax, Sales tax etc.) pending in appeal, are treated as contingent liabilities. Contingent assets are not accounted for.

Contingent liabilities are considered by using a substantial degree of estimates in compliance with Accounting Standard-29.

**1.14 Booking/Writing Back of Liabilities :**

- [a] For providing liabilities, cut-off date is 30th April but all known liabilities, if material, are booked as far as practicable (previous year cut-off date 30th April). Impact for this change is negligible.
- [b] Liabilities, which are more than 5 years old and not likely to materialise, are written back except government debts. In case of extraordinary items only, separate disclosure is given in the financial statements.



**1.15 Conversion of Foreign Currencies :**

- [a] Foreign currency loans to finance fixed assets including technical know-how fees are converted either at the exchange parity rate ruling at the close of the accounting year or at the fixed rate when the exchange is booked in advance, as the case may be. Necessary adjustments with regard to such exchange rate difference are made to secured loans, fixed assets and depreciation.
- [b] In respect of any import of materials both under CIF, FOB and C&F Contracts, purchases are booked at the exchange rates ruling on the date of Bill of Entry. The exchange difference, if any, arising from the difference between the above rate and the rate at which the actual payment is made or at the rate prevailing on 31st March, whichever is earlier, is accounted for in the Statement of Profit and Loss.
- [c] Exports/Overseas Sales are booked at the rates ruling on the date of bill of lading. Exchange difference, if any, relating to such bills arising either on realisation of the proceeds or on conversion thereof at the exchange rate ruling at the close of the year, whichever is earlier, is accounted for in the Statement of Profit and Loss.
- [d] Receivables and Payables in foreign currency are reported in the Balance Sheet at the parity rate ruling at the close of the financial year. The exchange difference arising on the settlement of such receivables/payable or on reporting such receivables/payables at rates different from those at which those are initially recorded during the period or reported in previous Balance Sheet is accounted for in the Statement of Profit and Loss.
- [e] Wherein contract for import or export is covered by forward exchange contract any premium or discount at inception of such contract and any other gain or loss arising out of exchange differences between the forward contract rate and the rate on the day of reporting are treated in compliance with Accounting Standard-11.

**1.16 Research and Development Costs :**

Expenditure in relation to Research and Development activities are expensed out in the year in which they are incurred.

**1.17 Employee Benefits :**

- [a] Defined Contribution Schemes (DCS) : The Company's contribution towards Provident Fund and Employees State Insurance paid/payable during the year to the Appropriate Authorities are charged to the Statement of Profit and Loss.
- [b] The Company's liabilities towards Defined Benefit Schemes for Gratuity, Superannuation and Pension, value of Plan Assets of the Trustee managed Funds maintained for meeting such liabilities, contribution to those Funds and benefits paid out of such Funds are ascertained and accounted for on the basis of independent actuarial valuation as per the requirement of Accounting Standard -15 (Revised 2005) on "Employee Benefits".

In respect of a section of employees, the Company's liability towards Defined Benefit for Provident Fund is determined and accounted for on the basis of prescribed contributions to the respective Trustee Managed Funds and shortfall, if any, in plan assets as per Audited Financial Statements of such Fund.

In respect of post retirement Defined Benefit Scheme of Leave Encashment, the Company's liability is determined and accounted for on the basis of independent actuarial valuation as required by Accounting Standard-15 (Revised 2005) though there is no funding for such liability.

- [c] Leave encashment is unfunded but benefits have been determined and accounted for in accordance with Accounting Standard-15 (Revised 2005).



**NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016**

[₹ in lakh]

**Note 2.1 - Share Capital**

**Authorised :**

Equity Shares

55,00,00,000 (Previous year 37,50,00,000) of ₹2/- each

**Issued, Subscribed and Fully Paid-up :**

Equity Shares

33,36,38,478 (Previous year 33,36,38,478) of ₹2/- each

[Out of above 6,00,000 shares issued as Bonus Shares by Capitalisation of General Reserve, 21,35,344 shares issued pursuant to a contract without payment being received in cash and 11,57,600 shares issued to Govt. of India in the name of President of India pursuant to Transformer & Switch-gear Ltd. and Brentford Electric India Ltd. against compensation money paid by them]

|  | As at 31st March, 2016 | As at 31st March, 2015 |
|--|------------------------|------------------------|
|  | <u>11000.00</u>        | <u>7500.00</u>         |
|  | <u>6672.77</u>         | 6672.77                |
|  | <u>6672.77</u>         | <u>6672.77</u>         |

- [a] During the year the Company has increased its Authorised Share Capital to ₹11000 lakh from ₹7500 lakh.
- [b] The shareholders have the right to declare and approve dividend, as proposed by the Board of Directors for any financial year, to be paid to the members according to their rights and interest in the profits. However, no larger dividend shall be declared than is recommended by the Board of Directors.
- [c] In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution of all or any of the assets in specie among the shareholders would be in accordance with their rights.
- [d] The Company has only one Class of Equity Shares having a par value of ₹2/- per share. Each holder of Equity Shares is entitled to one Vote per share.
- [e] The details of Shareholders holding more than 5% shares as at 31st March set out below :

| Nature of the Shareholders | 31st March, 2016 |        | 31st March, 2015 |        |
|----------------------------|------------------|--------|------------------|--------|
|                            | No. of shares    | %age   | No. of shares    | %age   |
| President of India         | 293524630        | 87.98% | 293524630        | 87.98% |

- [f] The reconciliation of the number of shares outstanding

|  | 31st March, 2016 |         | 31st March, 2015 |         |
|--|------------------|---------|------------------|---------|
|  | No. of Shares    | Value   | No. of Shares    | Value   |
| Equity shares at the beginning of the year | 333638478        | 6672.77 | 326138478        | 6522.77 |
| Issued during the year                     | ...              | ...     | 7500000          | 150.00  |
| Equity shares at the end of the year       | 333638478        | 6672.77 | 333638478        | 6672.77 |



NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016

[₹ in lakh]

|  | As at 31st March, 2016 | As at 31st March, 2015 |
|--|------------------------|------------------------|
| <b>Note 2.2 - Reserves and Surplus</b>                               |                        |                        |
| <b>Capital Reserve :</b>   |                        |                        |
| Balance as per Last Account  | 406.36                 | 406.36                 |
| <b>Bond Redemption Reserve :</b>                                     |                        |                        |
| Balance as per Last Account  | 666.67                 | 500.00                 |
| Add: During the year   | ...                    | 166.67                 |
|  | 666.67                 | 666.67                 |
| <b>Revaluation Reserve :</b>   |                        |                        |
| Balance as per Last Account  | 10332.52               | 10332.52               |
| <b>Other Reserves :</b>  |                        |                        |
| <b>Special :</b>   |                        |                        |
| <b>Central/State Subsidy for Capital Assets :</b>                    |                        |                        |
| Balance as per Last Account  | 2.74                   | 11.74                  |
| Less: Adjusted during the year                                       | ...                    | 9.00                   |
|  | 2.74                   | 2.74                   |
| <b>Tea Board Subsidy for Capital Assets :</b>                        |                        |                        |
| Balance as per Last Account  | 122.64                 | 118.57                 |
| Add: During the year   | ...                    | 22.81                  |
|  | 122.64                 | 141.38                 |
| Less: Transfer to Statement of Profit and Loss                       | 12.42                  | 18.74                  |
|  | 110.22                 | 122.64                 |
| <b>Surplus</b>   |                        |                        |
| Balance as per last Financial Statement                              | 786.57                 | 241.39                 |
| Add: Profit for the current year as per Statement of Profit and Loss | 835.29                 | 1296.06                |
|  | 1621.86                | 1537.45                |
| Less: Transfer to Bond Redemption Reserve                            | ...                    | 166.67                 |
|  | 1621.86                | 1370.78                |
| Less: Depreciation Adjustment  | ...                    | 183.86                 |
|  | 1621.86                | 1186.92                |
| Less: Proposed Dividend  | ...                    | 333.64                 |
| Less: Dividend Distribution Tax                                      | ...                    | 66.71                  |
|  | 1621.86                | 786.57                 |
|  | <b>13140.37</b>        | <b>12317.50</b>        |

**Note 3 - Share application money pending allotment**

**Government of India**

Conversion of GOI Loan into Equity

Total Pending Shares

Please see Note 10.03(a) of Other Notes to Financial Statement

| No. of Shares @ ₹2/- per share | As at 31st March, 2016 | No. of Shares @ ₹2/- per share | As at 31st March, 2015 |
|--------------------------------|------------------------|--------------------------------|------------------------|
| 14,28,50,000                   | 2857.00                | 14,28,50,000                   | 2857.00                |
| 14,28,50,000                   | 2857.00                | 14,28,50,000                   | 2857.00                |



**NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016**

[₹ in lakh]

|  | As at 31st March, 2016 | As at 31st March, 2015 |
|--|------------------------|------------------------|
| <b>Note 4.1 - Long Term Borrowings</b>   |                        |                        |
| <b>Secured Loans :</b>   |                        |                        |
| <b>Bonds :</b>   |                        |                        |
| 9.1% Secured Redeemable Non-Convertible 10 Years Bond  | 666.67                 | 1333.33                |
| Less: To be Redeemed within one year   | 666.67                 | 666.66                 |
| (To be redeemed on 22nd August, 2016)  | ...                    | 666.67                 |
| Term Loans from Bank of Baroda [Refer Note No.10.11]   | 381.42                 | 381.42                 |
| Other Loans [Refer Note No.10.03(b)(i)]  |                        |                        |
| (West Bengal Govt. Sales Tax Loan secured by a residuary charge ranking next only to the charges in the favour of the Banks on the fixed assets of the Company situated at Yule House, 8, Dr. Rajendra Prasad Sarani, Kolkata-700001)  |                        |                        |
| Add: Accrued Interest  | 333.78                 | 300.40                 |
| Car Loan from Allahabad Bank   | 715.20                 | 681.82                 |
| (Secured against car purchased there against)  | 4.18                   | ...                    |
|  | <u>2001.26</u>         | <u>3057.65</u>         |
| <b>Note 4.2 - Other Long Term Liabilities</b>  |                        |                        |
| Security Deposits from Related Parties [Note No.10.14(iii)]  | 28.80                  | 28.80                  |
| Others (Security Deposit, Earnest Money Deposit)   | 69.25                  | 72.59                  |
|  | <u>98.05</u>           | <u>101.39</u>          |
| <b>Note 4.3 - Long Term Provisions</b>   |                        |                        |
| For Employee Benefits  |                        |                        |
| Gratuity   | 545.86                 | 288.61                 |
| Leave and Medical  | 952.16                 | 1491.77                |
| For Superannuation and Pension   | 3.76                   | ...                    |
| For Contingencies  | 76.43                  | 81.18                  |
| For Sales Tax (C-Form)   | 5.25                   | 5.25                   |
|  | <u>1583.46</u>         | <u>1866.81</u>         |
| <b>Note 5.1 - Short Term Borrowings</b>  |                        |                        |
| <b>Secured :</b>   |                        |                        |
| <b>From Scheduled Banks :</b>  |                        |                        |
| Union Bank   | 146.36                 | 386.20                 |
| United Bank of India   | 340.88                 | 384.39                 |
| Allahabad Bank   | 2620.85                | 2927.16                |
| (The above loan is secured by whole of the Company's present and future stock of raw materials, work-in-progress, finished goods and manufactured goods and articles, stores, components and spares, other movable properties wherever situated, book debts and all other current assets, claims, rights to movable properties by way of first charge ranking pari-passu inter-se without any preference to one over the other and loans from Allahabad Bank, United Bank of India and Union Bank of India are secured by hypothecation of the whole of crops, book debts and all other movable assets both present and future and by equitable mortgage of all immovable properties of the designated Tea Estates). |                        |                        |
| Bank of Baroda   | 868.33                 | 739.22                 |
| (Secured by Equitable mortgage of properties situated at 8, Dr. Rajendra Prasad Sarani, Kolkata-700001 and properties at P.S. Behala, Dist. 24 Parganas (South) has been extended by way of pari-passu 1st charge in favour of Allahabad Bank for its limit of ₹30.00 crore and in favour of Bank of Baroda for its limit of ₹52.41 crore granted to Electrical Division, Transformer & Switchgear Unit of the Company).   |                        |                        |
|  | <u>3976.42</u>         | <u>4436.97</u>         |


**NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016**

[₹ in lakh]

|  | As at 31st March, 2016 | As at 31st March, 2015 |
|--|------------------------|------------------------|
| <b>Note 5.2 - Trade Payable</b>  |                        |                        |
| <b>For Goods and Services [Refer Note No.10.06]</b>  |                        |                        |
| To Related Parties (Refer Note No.10.14)   | 6.99                   | 26.99                  |
| To Others  | 9507.35                | 9978.54                |
|  | <u>9514.34</u>         | <u>10005.53</u>        |
| <b>Note 5.3 - Other Current Liabilities</b>  |                        |                        |
| <b>Current Maturity on Long Term Debt</b>  |                        |                        |
| 9.1% Secured Non-convertible 10 Years Bond   | 666.67                 | 666.67                 |
| The above Bond is secured by way of charge on Banarhat & Karballa Tea Estate of the Company together with all buildings, factories structures, erections, plant and machinery, boilers, fixtures and fittings on the said Tea Estate or which might be erected, built, constructed, put up, set up or installed on the same.   |                        |                        |
| <b>Secured Term Loan :</b>   |                        |                        |
| From Bank of Baroda  | 1709.12                | 1281.84                |
| Secured by Equitable mortgage of properties situated at 8, Dr. Rajendra Prasad Sarani, Kolkata-700001 and properties at P.S.Behala, Dist.24 Parganas (South) has been extended by way of pari-passu 1st charge in favour of Allahabad Bank for its limit of ₹30.00 crore and in favour of Bank of Baroda for its limit of ₹52.41 crore granted to Electrical Division, Transformer & Switchgear Unit of the Company. |                        |                        |
| Car Loan from Allahabad Bank   | 1.19                   | ...                    |
|  | <u>2376.98</u>         | 1948.51                |
| <b>Interest accrued but not due on borrowings :</b>  |                        |                        |
| — From Scheduled Banks   | 236.70                 | 248.81                 |
| — Others   | 6.48                   | 12.63                  |
| Advance received from Customers  | 767.23                 | 664.31                 |
| Earmont Money/Security Deposit   | 63.30                  | 201.96                 |
| Payable to Statutory Authorities   | 840.26                 | 837.83                 |
| Others   | 3366.03                | 2503.41                |
|  | <u>7656.98</u>         | <u>6417.46</u>         |
| <b>Note 5.4 - Short Term Provisions</b>  |                        |                        |
| <b>Others :</b>  |                        |                        |
| For Stock Obsolescence, Contingencies and Food Stuff   | 451.78                 | 569.64                 |
| For Wealth Tax [Net of Advance Tax ₹1226670/- (₹1226670/-)]  | 6.30                   | 6.30                   |
| For Proposed Dividend  | ...                    | 333.64                 |
| For Dividend Distribution Tax  | ...                    | 66.71                  |
| For Gratuity   | 264.17                 | 232.70                 |
| For Leave Encashment   | 145.23                 | 214.84                 |
| For Warranty   | 75.78                  | 137.41                 |
|  | <u>943.26</u>          | <u>1561.24</u>         |



NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016

[₹ in lakh]

Note 6 - Fixed Assets

| Description of Assets  | GROSS BLOCK                           |   |  |  | DEPRECIATION          |               |   |                       | IMPAIRMENT OF ASSETS  |                 | NET BLOCK              |                        |
|--|---------------------------------------|---|--|--|-----------------------|---------------|---|-----------------------|-----------------------|-----------------|------------------------|------------------------|
|  | Cost/Book Value as at 1st April, 2015 | Additions/ Adjust-ments during the year | Less:Sales/ Adjust-ments during the year | Cost/Book Value as at 31st March, 2016 | Upto 31st March, 2015 | For the year  | Less:On Sales/ Adjust-ments during the year | Upto 31st March, 2016 | Upto 31st March, 2015 | During the year | As at 31st March, 2016 | As at 31st March, 2015 |
| <b>Tangible Assets</b>   |                                       |   |  |  |                       |               |   |                       |                       |                 |                        |                        |
| Land (including cost of development and leasehold land ₹15.10 lakh; 2014-15 ₹15.10 lakh) | 175.39                                | ...                                     | ...                                      | 175.39                                 | ...                   | ...           | ...   | ...                   | ...                   | ...             | 175.39                 | 175.39                 |
| Estates[Leasehold (including garden development expenses)]                               | 12472.88                              | 10.17                                   | 2.56                                     | 12480.49                               | 261.71                | 1.78          | ...   | 263.49                | ...                   | ...             | 12217.00               | 12211.17               |
| Buildings  | 3827.57                               | 522.21                                  | 12.71                                    | 4337.07                                | 1717.97               | 190.82        | 0.36  | 1908.43               | 5.78                  | ...             | 2422.86                | 2103.82                |
| Roads and Culverts   | 74.66                                 | 11.21                                   | ...                                      | 85.87                                  | 58.20                 | 7.87          | ...   | 66.07                 | ...                   | ...             | 19.80                  | 16.46                  |
| Plant and Equipments   | 5952.86                               | 286.72                                  | 31.19                                    | 6208.39                                | 3684.65               | 251.74        | 26.29                                       | 3910.10               | 62.97                 | ...             | 2235.31                | 2205.24                |
| Drawings, Designs and Tracings etc.  | 74.99                                 | ...                                     | ...                                      | 74.99                                  | 40.90                 | ...           | ...   | 40.90                 | 34.09                 | ...             | ...                    | ...                    |
| Electrical Installations   | 1120.12                               | 20.64                                   | 0.48                                     | 1140.28                                | 692.96                | 58.98         | 0.03  | 751.91                | ...                   | ...             | 388.37                 | 427.16                 |
| Water Installations  | 850.72                                | 55.04                                   | 0.10                                     | 905.65                                 | 405.03                | 47.01         | ...   | 452.04                | ...                   | ...             | 453.62                 | 445.69                 |
| Furniture and Fixtures   | 347.04                                | 6.43                                    | 2.06                                     | 351.41                                 | 280.18                | 13.36         | 1.79  | 291.75                | 0.01                  | ...             | 59.64                  | 66.85                  |
| Office Equipments  | 16.22                                 | 0.38                                    | 0.20                                     | 16.40                                  | 15.07                 | 0.38          | 0.19  | 15.27                 | ...                   | ...             | 1.14                   | 1.15                   |
| Vehicles   | 914.51                                | 68.54                                   | 8.75                                     | 974.30                                 | 558.15                | 82.85         | 7.17  | 633.83                | ...                   | ...             | 340.48                 | 356.37                 |
| <b>TOTAL</b>   | <b>25826.96</b>                       | <b>981.33</b>                           | <b>58.05</b>                             | <b>26750.24</b>                        | <b>7714.82</b>        | <b>654.78</b> | <b>35.82</b>                                | <b>8333.78</b>        | <b>102.85</b>         | <b>...</b>      | <b>18313.61</b>        | <b>18009.30</b>        |
| <b>Intangible Assets</b>   |                                       |   |  |  |                       |               |   |                       |                       |                 |                        |                        |
| Computer Software  | 92.09                                 | 9.02                                    | ...                                      | 101.11                                 | 61.56                 | 12.40         | ...   | 73.96                 | ...                   | ...             | 27.15                  | 30.53                  |
| <b>TOTAL</b>   | <b>25919.05</b>                       | <b>990.35</b>                           | <b>58.05</b>                             | <b>26851.34</b>                        | <b>7776.38</b>        | <b>667.18</b> | <b>35.82</b>                                | <b>8407.74</b>        | <b>102.85</b>         | <b>...</b>      | <b>18340.76</b>        | <b>18039.83</b>        |
| <b>Tangible Assets</b>   |                                       |   |  |  |                       |               |   |                       |                       |                 |                        |                        |
| Capital Work-in-Progress   | 467.05                                | 594.20                                  | 973.46                                   | 87.79                                  | ...                   | ...           | ...   | ...                   | ...                   | ...             | 87.79                  | 467.05                 |
| <b>TOTAL</b>   | <b>26386.10</b>                       | <b>1584.55</b>                          | <b>1031.51</b>                           | <b>26939.14</b>                        | <b>7776.38</b>        | <b>667.18</b> | <b>35.82</b>                                | <b>8407.74</b>        | <b>102.85</b>         | <b>...</b>      | <b>18428.55</b>        | <b>18506.88</b>        |
| PREVIOUS YEAR'S TOTAL  | 25445.80                              | 2222.31                                 | 1282.01                                  | 26386.10                               | 7284.13               | 626.34        | 134.09                                      | 7776.38               | 102.85                | ...             | 18506.88               |                        |




**NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016**

[₹ in lakh]

|  | As at 31st March, 2016 |                           |                               | As at 31st March, 2015 |                               |              |
|--|------------------------|---------------------------|-------------------------------|------------------------|-------------------------------|--------------|
|  | No. of Shares/Units    | Face Value per Share/Unit | Amount                        | No. of Shares/Units    | Face Value per Share/Unit     | Amount       |
| <b>Note 6.1 Non-Current Investments (Other than Trade) – at Cost:</b>  |                        |                           |                               |                        |                               |              |
| <b>1. Equity Shares in Subsidiary Company (Fully Paid) :</b>   |                        |                           |                               |                        |                               |              |
| Unquoted :   |                        |                           |                               |                        |                               |              |
| Hooghly Printing Co. Ltd.  | 10,27,128              | 10                        | 103.20                        | 10,27,128              | 10                            | 103.20       |
| Yule Engineering Ltd.-Ordinary Shares  | 50,000                 | 10                        | 5.00                          | 50,000                 | 10                            | 5.00         |
| Yule Electrical Ltd. - Ordinary Shares   | 50,000                 | 10                        | 5.00                          | 50,000                 | 10                            | 5.00         |
| <b>2. Equity Shares in Associate Company - (Fully Paid) :</b>  |                        |                           |                               |                        |                               |              |
| Quoted :   |                        |                           |                               |                        |                               |              |
| Tide Water Oil Co. (India) Ltd.<br>(2,28,490 Shares of ₹10/- each split into 4,56,980 Shares of ₹5/- each during the year)<br>(Bonus Shares received during the year 4,56,980) | 9,13,960               | 5                         | 158.56                        | 2,28,390               | 10                            | 141.07       |
| WEBFIL Ltd.  | 1,45,000               | 10                        | 14.50                         | 1,45,000               | 10                            | 14.50        |
| Yule Financing & Leasing Co. Ltd.<br>[Net of Provision other than temporary diminution in carrying amount of investments ₹27.88 lakh (₹27.88 lakh)]                            | 3,00,000               | 10                        | ...                           | 3,00,000               | 10                            | ...          |
| Unquoted :   |                        |                           |                               |                        |                               |              |
| The Bengal Coal Co. Ltd.<br>[Net of Provision other than temporary diminution in carrying amount of investment ₹0.51 lakh (₹0.51 lakh)]  | 10,305                 | 100                       | ...                           | 10,305                 | 100                           | ...          |
| Katras Jherriah Coal Co. Ltd.  | 60,260                 | 10                        | 6.95                          | 60,260                 | 10                            | 6.95         |
| The New Beerhoom Coal Co. Ltd.   | 1,05,355               | 10                        | 12.27                         | 1,05,355               | 10                            | 12.27        |
| <b>Preference Shares (Fully Paid) :</b>  |                        |                           |                               |                        |                               |              |
| Unquoted :   |                        |                           |                               |                        |                               |              |
| 6% Cumulative Redeemable Preference Shares - WEBFIL Ltd.   | 20,44,000              | 10                        | 204.40                        | 20,44,000              | 10                            | 204.40       |
| <b>Bonds ( Fully Paid) :</b>   |                        |                           |                               |                        |                               |              |
| Unquoted :   |                        |                           |                               |                        |                               |              |
| ** WEBFIL Ltd. Zero Rate Unsecured Redeemable Bond   | 305                    | 1,00,000                  | 305.00                        | 305                    | 1,00,000                      | 305.00       |
| <b>3. In Other Companies - Non-Trade Investments :</b>   |                        |                           |                               |                        |                               |              |
| Equity Shares (Fully Paid) :   |                        |                           |                               |                        |                               |              |
| Quoted :   |                        |                           |                               |                        |                               |              |
| India Power Corporation Ltd. (erstwhile DPSC Ltd.)   | 34,500                 | 1                         | 0.01                          | 34,500                 | 1                             | 0.01         |
| Fort Gloster Industries Ltd.   | 1,040                  | 10                        | 0.12                          | 1,040                  | 10                            | 0.12         |
| Gloster Ltd.   | 832                    | 10                        | 0.01                          | 832                    | 10                            | 0.01         |
| Exide Industries Ltd.  | 2,12,714               | 1                         | 4.22                          | 2,12,714               | 1                             | 4.22         |
| The Gillapukri Tea and Industries Ltd.   | 26                     | 10                        | ...                           | 26                     | 10                            | ...          |
| Unquoted :   |                        |                           |                               |                        |                               |              |
| The Statesman Ltd. [Net of Provision other than temporary diminution in carrying amount of investments ₹4.70 lakh (₹4.70 lakh)]  | 9,966                  | 100                       | ...                           | 9,966                  | 100                           | ...          |
| ABC Tea Workers Welfare Services   | 750                    | 10                        | 0.08                          | 750                    | 10                            | 0.08         |
| Woodlands Multispeciality Hospital Ltd.  | 23,200                 | 10                        | 0.66                          | 23,200                 | 10                            | 0.66         |
| <b>4. Units (Fully Paid) :</b>   |                        |                           |                               |                        |                               |              |
| Quoted :   |                        |                           |                               |                        |                               |              |
| Unit Trust of India  |                        |                           |                               |                        |                               |              |
| Balanced Fund  | 2,03,706               | 10                        | 45.29                         | 1,70,781               | 10                            | 36.13        |
|  |                        |                           | 865.27                        |                        |                               | 838.62       |
| <b>SUMMARY</b>   |                        |                           | <b>Book Value</b>             |                        |                               |              |
| 1. Subsidiary Company - Equity Shares  |                        |                           | 113.20                        |                        |                               | 113.20       |
| 2. Associate Companies   |                        |                           |                               |                        |                               |              |
| Preference Shares  |                        |                           | 204.40                        |                        |                               | 204.40       |
| Equity Shares  |                        |                           | 192.28                        |                        |                               | 174.79       |
| Bonds  |                        |                           | 305.00                        |                        |                               | 305.00       |
| 3. Other Companies (Non-Trade Investments) :   |                        |                           | 701.68                        |                        |                               | 684.19       |
| Equity Shares  |                        |                           | 5.10                          |                        |                               | 5.10         |
| 4. Unit Trust of India   |                        |                           |                               |                        |                               |              |
| Balanced Fund  |                        |                           | 45.29                         |                        |                               | 36.13        |
|  |                        |                           | 865.27                        |                        |                               | 838.62       |
|  |                        |                           | <b>As at 31st March, 2016</b> |                        |                               |              |
|  |                        |                           | Book Value                    | Market Value           | <b>As at 31st March, 2015</b> |              |
|  |                        |                           | 222.71                        | 54178.47               | Book Value                    | Market Value |
| Quoted   |                        |                           | 642.56                        |                        | 196.06                        | 31266.34     |
| Unquoted   |                        |                           | 865.27                        |                        | 642.56                        |              |
|  |                        |                           |                               |                        | 838.62                        |              |



**NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016**

[₹ in lakh]

|   | As at 31st March, 2016 | As at 31st March, 2015 |
|---|------------------------|------------------------|
| <b>Note 6.2 - Long Term Loans and Advances</b>  |                        |                        |
| Capital Advances - Unsecured Considered good  | 22.28                  | 22.28                  |
| Advance Tax (FBT)   | 2.11                   | 2.11                   |
| Advance Income Tax [Net of Provision ₹978.99 lakh (₹864.12 lakh)]                                   | <b>881.90</b>          | 1038.36                |
| <b>Loans and Advance to related parties (Refer Note 10.14)</b>                                      |                        |                        |
| Unsecured Considered good   | 2.49                   | 2.41                   |
| Doubtful  | <b>567.40</b>          | 567.40                 |
|   | <b>569.89</b>          | 569.81                 |
| Less: Provision for Doubtful Advance  | <b>567.40</b>          | 567.40                 |
|   | 2.49                   | 2.41                   |
| Other Loans and Advances - Unsecured Considered good  | <b>37.86</b>           | 188.47                 |
|   | <b>946.64</b>          | <b>1253.63</b>         |
| <b>Note 6.3 - Other Non-Current Assets</b>  |                        |                        |
| Long Term Trade Receivables   | 235.95                 | 440.11                 |
| Security Deposits   | 121.03                 | 114.06                 |
| Interest Accrued on Fixed Deposits maturing after 12 months   | 8.91                   | ...                    |
| Others (Plan Assets for Superannuation Fund)  | <b>534.99</b>          | 1198.83                |
|   | <b>900.88</b>          | <b>1753.00</b>         |
| <b>Note 7.1 - Current Investment (Investments in Mutual Fund)</b>                                   |                        |                        |
| <b>Quoted :</b>   |                        |                        |
| <b>In Mutual Fund</b>   | ...                    | 5.27                   |
| (18718.15 Units of ₹10/- each of Unit Trust of India Balanced Fund) [NAV ₹Nil (₹553383/-)]          |                        |                        |
| In National Savings Certificate   | <b>0.35</b>            | 0.35                   |
|   | <b>0.35</b>            | <b>5.62</b>            |
| <b>Note 7.2 - Inventories (At lower of cost and net realisable value)</b>                           |                        |                        |
| Raw Materials, Components & Packing Material  | 1019.85                | 904.64                 |
| Work in Progress  | 1090.27                | 887.35                 |
| Finished Goods/Semi-finished Goods  | 1048.88                | 810.48                 |
| Stores and Spare Parts  | 1385.32                | 1538.60                |
| Loose Tools   | 9.89                   | 9.05                   |
| Food Stuff  | 14.55                  | 14.93                  |
| Scrap   | 8.47                   | 14.52                  |
|   | <b>4577.23</b>         | <b>4179.57</b>         |
| <b>Note 7.3 - Trade Receivables</b>   |                        |                        |
| <b>Unsecured :</b>  |                        |                        |
| <b>Debts outstanding over six months from due date :</b>  |                        |                        |
| Considered Good   | 2861.29                | 2380.78                |
| Considered Doubtful   | <b>4463.58</b>         | 4300.48                |
|   | <b>7324.87</b>         | 6681.26                |
| Less: Provision for Doubtful Debts  | <b>4463.58</b>         | 4300.48                |
|   | <b>2861.29</b>         | 2380.78                |
| <b>Other Debts :</b>  |                        |                        |
| Outstanding less than six months from due date :  |                        |                        |
| Considered Good [includes ₹45.94 lakh (₹15.47 lakh) due from related parties (Refer Note No.10.14)] | <b>6834.73</b>         | 7695.29                |
|   | <b>9696.02</b>         | <b>10076.07</b>        |


**NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016**

[₹ in lakh]

|   | As at 31st March, 2016 | As at 31st March, 2015 |
|---|------------------------|------------------------|
| <b>Note 7.4 - Cash and Bank Balances</b>  |                        |                        |
| <b>Cash and Cash Equivalents :</b>  |                        |                        |
| Balance with Bank   | 1271.92                | 995.16                 |
| Cheques in Hand   | ...                    | 1.58                   |
| Cash in Hand  | 47.15                  | 27.31                  |
| Postage and Stamps in hand  | 0.02                   | 0.02                   |
| Remittance in Transit   | 0.90                   | ...                    |
| Deposit with Bank maturing within 3 months  | 1655.40                | 2332.25                |
|   | <b>2975.39</b>         | <b>3356.32</b>         |
| <b>Other Bank Balances :</b>  |                        |                        |
| Deposit with Bank maturing after 3 months   | 57.31                  | 3314.87                |
| Deposit with Bank maturing after 12 months  | 193.92                 | ...                    |
| Margin Money with Bank maturing after 3 months                                    | 4791.82                | 2154.37                |
| Margin Money with Bank maturing within 3 months                                   | 166.17                 | 66.97                  |
|   | <b>5209.22</b>         | <b>5536.21</b>         |
|   | <b>8184.61</b>         | <b>8892.53</b>         |
| <b>Note 7.5 - Short Term Loans and Advances</b>                                   |                        |                        |
| <b>Loans and Advances :</b>   |                        |                        |
| Secured Considered good   | 1.73                   | 7.56                   |
| Related Parties - Unsecured Considered good [Refer Note 10.14]                    | 224.25                 | 285.07                 |
| Others - Unsecured Considered good  | 3.28                   | ...                    |
|   | <b>229.26</b>          | <b>292.63</b>          |
| Balance with Government Authorities   | <b>820.39</b>          | <b>325.28</b>          |
| <b>Deposits - Unsecured :</b>   |                        |                        |
| Considered Good   | 393.57                 | 287.87                 |
| Considered Doubtful   | 10.31                  | 10.31                  |
|   | <b>403.88</b>          | <b>298.18</b>          |
| Less: Provision for doubtful deposits   | 10.31                  | 10.31                  |
|   | <b>393.57</b>          | <b>287.87</b>          |
| <b>Other Advance recoverable in cash or in kind or for value to be received :</b> |                        |                        |
| Considered Good   | 3017.96                | 3035.34                |
| Considered Doubtful   | 1428.87                | 1386.52                |
|   | <b>4446.83</b>         | <b>4421.86</b>         |
| Less: Provision for doubtful advances   | 1428.87                | 1386.52                |
|   | <b>3017.96</b>         | <b>3035.34</b>         |
|   | <b>4461.18</b>         | <b>3941.12</b>         |
| <b>Note 7.6 - Other Current Assets</b>  |                        |                        |
| Deposit with National Bank for Agriculture and Rural Development                  | 332.51                 | 67.90                  |
| <b>Interest Accrued :</b>   |                        |                        |
| On Fixed Deposits   | 62.75                  | ...                    |
| <b>On Loans and Advances :</b>  |                        |                        |
| From Related Parties (Considered Doubtful) [Refer Note 10.14]                     | 56.00                  | 56.00                  |
| Less: Provision   | 56.00                  | 56.00                  |
|   | ...                    | ...                    |
| Other Receivables   | 273.96                 | 88.22                  |
|   | <b>669.22</b>          | <b>156.12</b>          |



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

[₹ in lakh]

|   | <b>For the year ended 31st<br/>March, 2016</b> | <b>For the year ended 31st<br/>March, 2015</b> |
|---|--|--|
| <b>REVENUE</b>  |  |  |
| <b>Note 8.1 - Revenue from Operations</b>   |  |  |
| Sale of Products  | 37038.80                                       | 36901.51                                       |
| Related Parties ₹72.24 lakh (₹62.29 lakh) [Refer Note No.10.14]                                     | 132.21   | 135.77   |
| Less: Trade and Other Discount  | 1597.26  | 1662.44  |
| Less: Excise Duty   | 35309.33                                       | 35103.30                                       |
|   | 450.53   | 411.53   |
| Sale of Services  | 35759.86                                       | 35514.83                                       |
| Related Parties ₹450.53 lakh (₹411.53 lakh) [Refer Note No.10.14]                                   | 175.03   | 95.06  |
| <b>Revenue from Operations [A]</b>  | <b>35759.86</b>                                | <b>35514.83</b>                                |
| <b>Other Operational Income :</b>   |  |  |
| Tea Board Subsidy   | 175.03   | 95.06  |
| Other Export Incentives and sale thereof  | 7.26   | 2.59   |
| Tea Waste Sale  | 12.88  | 18.03  |
| <b>Other Operational Income [B]</b>   | <b>195.17</b>                                  | <b>115.68</b>                                  |
| <b>Total [A+B]</b>  | <b>35955.03</b>                                | <b>35630.51</b>                                |
| <b>Note 8.2 - Other Income</b>  |  |  |
| Royalty [Refer Note 10.14]  | 221.21   | 219.06   |
| Interest Income (Gross)   | 566.85   | 654.60   |
| <b>Dividend Income :</b>  |  |  |
| From Associate Company [Refer Note No.10.14]  | 913.55   | 685.17   |
| From Others   | 8.86   | 9.99   |
|   | 922.41   | 695.16   |
| Profit on Sale of Investments   | 5.86   | ...  |
| Provision no longer required written back   | 187.89   | 53.00  |
| Liabilities no longer required written back   | 394.49   | 1306.81  |
| Net Gain on Foreign Currency Transaction  | 4.32   | 3.34   |
| Gain on Acquisition of Land by Government   | 76.93  | ...  |
| Excess provision for YASF written back  | 94.87  | ...  |
| Others (Related Parties ₹254.30 lakh (₹191.31 lakh) [Refer Note No.10.14])                          | 567.87   | 1651.23  |
|   | 3042.70  | 4583.20  |
| <b>Note 9.1 - Cost of Material Consumed</b>   |  |  |
| Raw Materials, Components, Packing Materials and Loose Tools  | 13402.80                                       | 15281.43                                       |
| Less: Raw Materials and Stores used on various jobs [Refer Note 10.19(b)]                           | 576.13   | 554.00   |
|   | 12826.67                                       | 14727.43                                       |
| <b>Note 9.2 - Changes in Inventories of Finished Goods,<br/>Work-in-Progress and Stock in Trade</b> |  |  |
| <b>Inventories (at close) :</b>   |  |  |
| Finished Goods  | 1048.88  | 810.48   |
| Work in Progress  | 1090.27  | 887.35   |
|   | 2139.15  | 1697.83  |
| <b>Inventories (at commencement) :</b>  |  |  |
| Finished Goods  | 810.48   | 382.32   |
| Work in Progress  | 887.35   | 975.26   |
|   | 1697.83  | 1357.58  |
|   | (-) 441.32                                     | (-) 340.25                                     |



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

[₹ in lakh]

|  | For the year ended 31st<br>March, 2016 | For the year ended 31st<br>March, 2015 |
|--|--|--|
| <b>Note 9.3 - Employee Benefits Expense</b>              |  |  |
| Salaries and Wages                                       | 12874.66                               | 11339.70                               |
| Contribution to Provident and Other Funds                | 1663.13                                | 1432.61                                |
| Staff Welfare Expenses                                   | 1333.69                                | 1376.28                                |
|  | <b>15871.48</b>                        | 14148.59                               |
| Less: Incurred on Capital Jobs, Repair Jobs etc.         | 341.97                                 | 313.34                                 |
|  | <b>15529.51</b>                        | <b>13835.25</b>                        |
| <b>Note 9.4 - Finance Costs</b>                          |  |  |
| <b>Interest Expenses :</b>                               |  |  |
| To Banks   | 532.45                                 | 542.93                                 |
| To Government Departments                                | 33.70                                  | 33.49                                  |
| To Others  | 181.94                                 | 313.62                                 |
|  | <b>748.09</b>                          | 890.04                                 |
| Other Borrowing costs                                    | 207.74                                 | 183.07                                 |
|  | <b>955.83</b>                          | <b>1073.11</b>                         |
| <b>Note 9.5 - Depreciation and Amortisation Expenses</b> |  |  |
| Depreciation on Tangible Assets                          | 654.78                                 | 612.90                                 |
| Amortisation of Intangible Assets                        | 12.40                                  | 13.44                                  |
|  | <b>667.18</b>                          | 626.34                                 |
|  | <b>667.18</b>                          | <b>626.34</b>                          |



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

[₹ in lakh]

|  | For the year ended 31st<br>March, 2016 | For the year ended 31st<br>March, 2015 |
|--|--|--|
| <b>Note 9.6 - Other Expenses</b>                               |  |  |
| Consumption of Stores and Spare parts [Refer Note No.10.19(b)] | 315.05                                 | 292.83                                 |
| Power and Fuel   | 2687.90                                | 2518.47                                |
| Tea Cultivation and Manufacturing Expenses                     | 799.35                                 | 602.18                                 |
| Rent (Net)   | 75.36                                  | 77.92                                  |
| <b>Repairs and Maintenance :</b>                               |  |  |
| Buildings  | 371.58                                 | 376.83                                 |
| Plant and Machinery  | 378.84                                 | 370.27                                 |
| Others   | 78.77                                  | 64.10                                  |
|  | <b>829.19</b>                          | <b>811.20</b>                          |
| Travelling Expenses and Upkeep of Vehicles                     | 756.00                                 | 708.93                                 |
| Research and Development Expenses                              | 48.71                                  | 24.05                                  |
| Insurance  | 65.89                                  | 69.01                                  |
| Rates and Taxes  | 28.05                                  | 27.97                                  |
| Excise Duty  | (–) 3.75                               | 8.67                                   |
| Broker's Commission  | 264.85                                 | 227.96                                 |
| <b>Selling Expenses :</b>                                      |  |  |
| Selling Agent's Commission                                     | 52.76                                  | 124.56                                 |
| Others   | 854.05                                 | 857.13                                 |
|  | <b>906.81</b>                          | <b>981.69</b>                          |
| Liquidated Damages and Penalty etc.                            | 81.98                                  | 189.64                                 |
| Rectification/Replacement                                      | 58.53                                  | 20.84                                  |
| Bad Debt written off   | ...                                    | 587.35                                 |
| Fixed Assets written off                                       | 0.40                                   | ...                                    |
| Advances irrecoverable written off                             | ...                                    | 411.38                                 |
| <b>Provision for :</b>   |  |  |
| Doubtful Debts   | 202.45                                 | 58.59                                  |
| Doubtful Loans, Advances and Deposits                          | 63.38                                  | 20.37                                  |
| Provision for ST ("C" Form)                                    | ...                                    | 5.25                                   |
| Stock/Stores Obsolescence                                      | 12.19                                  | 8.85                                   |
|  | <b>278.02</b>                          | <b>93.06</b>                           |
| <b>Auditor's Remuneration :</b>                                |  |  |
| As Auditor   | 2.25                                   | 2.25                                   |
| For Tax Audit  | 0.40                                   | 0.40                                   |
| For Other Services   | 0.45                                   | 1.53                                   |
| For Reimbursement Expenses                                     | ...                                    | 0.66                                   |
|  | <b>3.10</b>                            | <b>4.84</b>                            |
| Cess on Tea  | 57.58                                  | 53.29                                  |
| Green Leaf Cess  | 100.15                                 | 94.20                                  |
| Corporate Social Responsibility Expenses                       | 19.02                                  | 32.42                                  |
| Miscellaneous Expenses   | 1140.92                                | 1064.18                                |
|  | <b>8513.11</b>                         | <b>8902.08</b>                         |



OTHER NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016

[₹ in lakh]

Note 10

10.01 Estimated amount of contracts remaining to be executed on Capital Account ₹ 9.78 lakh (Net of advance)(₹13.24 lakh).

10.02 Contingent liabilities not provided for in respect of :

- [a] Claims against the Company not acknowledged as debts ₹203.18 lakh (₹146.96 lakh)(deposited under protest).
- [b] Guarantees and Indemnities given by banks to various customers and Authorities in connection with Company's operations amounting to ₹3295.50 lakh (₹2451.37 lakh).
- [c] Guarantees given to Banks on behalf of other Group and/or Subsidiary Companies :
  - [i] \*India Paper Pulp Co. Ltd. – ₹265.00 lakh (₹265.00 lakh).
  - [ii] Hooghly Printing Co. Ltd. – ₹334.70 lakh (₹334.70 lakh).

\* In respect of item Nos.(i) above, although the notice of invocation of guarantees has been received neither any payment nor any provision has been made as the matter is sub-judice.
- [d] Disputed Sales Tax aggregating to ₹2244.11 lakh (₹2844.75 lakh). The demand under the WBST, CST, AGST and OST Acts are according to the opinion of the Company, erroneously raised for which appeals have been preferred at higher Forums of Sales Tax Authority.
- [e] Aggregate Income Tax demands including penalty amounting to ₹485.04 lakh (₹485.04 lakh) excluding interest not admitted, against which appeals have been preferred by the Company.
- [f] Disputed Excise/Customs Duty/Service Tax claims ₹429.27 lakh (₹447.33 lakh) excluding interest against which appeal have been preferred by the Company.
- [g] Unexpired Letter of Credit opened by the Company's Bankers – ₹2307.40 lakh (₹2301.11 lakh).

10.03 Sanctioned Rehabilitation Scheme approved by Board for Industrial and Financial Reconstruction (BIFR) vide Order dated 30th October, 2007 with the cut-off date of 31st March, 2006 is under implementation and the Company has come out from BIFR as per Order of BIFR dated 8th July, 2015.

Pursuant to Sanctioned Rehabilitation Scheme (hereinafter SRS) of BIFR stated above, the necessary effects have been given in the Financial Statement as under :-

- [a] [i] Shares pending allotment appearing in Note No.3 for ₹ 2857.00 lakh representing 14,28,50,000 number of shares at a face value of ₹2/- each to be issued to Government of India (GOI) arising out of conversion of non-plan GOI loan of ₹4152.00 lakh after writing off ₹1295.00 lakh against accumulated loss as a part of financial restructuring package approved by GOI and BIFR.
- [ii] The above pending shares will be allotted upon Board Approval and obtaining trading approval from BSE Ltd.
- [b] [i] West Bengal Sales Tax Loan amounting to ₹250.00 lakh was granted by Government of India in 1999 repayment of which was to commence from 1st April, 2001 and was payable in 5 equal annual installments. BIFR vide its Order dated 30th October, 2007 recorded the issue of the said outstanding loan and prescribed that the accrued interest as on cut-off date amounting to ₹131.42 lakh, on the above principal amount of ₹250.00 lakh will be added to the latter and will be converted into an additional soft loan and prescribed a fresh repayment schedule, wherein the said Sales Tax Loan aggregating to ₹381.42 lakh was to be repaid over 8 (eight) years in 16 (sixteen) semi-annual instalments with a moratorium of three years, subject to rephasing by the Government of West Bengal. However, no rephasing of loan has been done by the Government of West Bengal as yet.

10.04 [a] Employee Benefits :

The Company's contribution to Defined Contribution Plans aggregated to ₹1267.59 lakh (₹1130.98 lakh) for the year ended 31st March, 2016 has been recognised under the line item Contribution to Provident and Other Funds included in Note No.9.3 above.

|  | 2015-16 | 2014-15 |
|--|---------|---------|
| Contribution to Provident Fund                 | 1265.64 | 1129.62 |
| Contribution to Employees State Insurance Fund | 1.95    | 1.36    |



**OTHER NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016 – [Contd.]**

[₹ in lakh]

**Note 10 – [Contd.]**

[b] The details of amount recognised in the financial statements in respect of the following Defined Employee Benefit Schemes are disclosed in the table below :

| Employee Benefits  | 2015-16                                      |                   |         |                | 2014-15                                      |                   |         |                | 2013-14                                      |                   |         |                |
|--|--|-------------------|---------|----------------|--|-------------------|---------|----------------|--|-------------------|---------|----------------|
|  | Gratuity                                     | Leave en-cashment | Pension | Superannuation | Gratuity                                     | Leave en-cashment | Pension | Superannuation | Gratuity                                     | Leave en-cashment | Pension | Superannuation |
| Defined benefit plans/Long term compensated absences.<br>As per actuarial valuation as on 31st March, 2016.                    |  |                   |         |                |  |                   |         |                |  |                   |         |                |
| [I] Change in present value of Defined Benefit Obligations during the year ended 31st March, 2016.                             |  |                   |         |                |  |                   |         |                |  |                   |         |                |
| [1] Present value of DBO at beginning of period  | 4924.20                                      | 1213.62           | ...     | 293.64         | 4535.69                                      | 1027.21           | ...     | 406.69         | 4322.86                                      | 918.52            | 1.41    | 385.73         |
| [2] Current Service cost   | 264.17                                       | 179.27            | ...     | ...            | 232.71                                       | 51.60             | ...     | 38.89          | 221.79                                       | 46.14             | ...     | 36.89          |
| [3] Interest cost  | 371.84                                       | 85.29             | ...     | 23.00          | 415.92                                       | 94.19             | ...     | 37.29          | 348.90                                       | 72.94             | 0.11    | 31.08          |
| [4] Curtailment cost/(Credit)  | ...  | ...               | ...     | ...            | ...  | ...               | ...     | ...            | ...  | ...               | ...     | ...            |
| [5] Settlement cost/(Credit)   | ...  | ...               | ...     | ...            | ...  | ...               | ...     | ...            | ...  | ...               | ...     | ...            |
| [6] Plan amendments  | ...  | ...               | ...     | ...            | ...  | ...               | ...     | ...            | ...  | ...               | ...     | ...            |
| [7] Acquisitions   | ...  | ...               | ...     | ...            | ...  | ...               | ...     | ...            | ...  | ...               | ...     | ...            |
| [8] Actuarial (Gains)/Losses   | 360.72                                       | (88.35)           | ...     | 18.35          | 89.33  | 204.87            | ...     | (68.73)        | (119.45)                                     | 69.08             | (0.26)  | (24.50)        |
| [9] Benefits paid  | 540.73                                       | 292.43            | ...     | 11.50          | (349.45)                                     | (164.25)          | ...     | (120.50)       | (238.41)                                     | (79.47)           | (0.23)  | (22.51)        |
| [10] Present Value of DBO at the end of period   | 5380.20                                      | 1097.39           | ...     | 323.49         | 4924.20                                      | 1213.62           | ...     | 293.64         | 4535.69                                      | 1027.21           | 1.03    | 406.69         |
| [II] Change in Fair value of Assets during the year ended 31st March, 2016.  |  |                   |         |                |  |                   |         |                |  |                   |         |                |
| [1] Plan assets at beginning of period   | 4402.89                                      | ...               | ...     | 726.28         | 4273.99                                      | ...               | ...     | 772.25         | 3713.76                                      | ...               | ...     | 751.82         |
| [2] Actuarial Gain/(Loss)  | 45.04  | ...               | ...     | 78.65          | (35.60)                                      | ...               | ...     | 3.71           | 11.38  | ...               | ...     | (18.53)        |
| [3] Actual return on plan assets   | 342.97                                       | ...               | ...     | 57.57          | 391.92                                       | ...               | ...     | 70.82          | 317.83                                       | ...               | ...     | 61.47          |
| [4] Actual Company contribution  | 320.00                                       | 292.43            | ...     | ...            | 122.03                                       | 164.25            | ...     | ...            | 469.43                                       | 79.47             | 0.23    | ...            |
| [5] Benefits paid  | 540.73                                       | (292.43)          | ...     | 11.50          | (349.45)                                     | (164.25)          | ...     | (120.50)       | (238.41)                                     | (79.47)           | (0.23)  | (22.51)        |
| [6] Plan assets at the end of the period   | 4570.17                                      | ...               | ...     | 851.00         | 4402.89                                      | ...               | ...     | 772.25         | 4273.99                                      | ...               | ...     | 772.25         |
| [III] Net Assets/(Liability) recognised in Balance Sheet as at 31st March, 2016.   |  |                   |         |                |  |                   |         |                |  |                   |         |                |
| [1] Present value of Defined Benefit Obligation  | 5380.20                                      | 1097.39           | ...     | (323.49)       | 4924.20                                      | 1213.61           | ...     | (293.64)       | 4535.69                                      | 1027.21           | 1.03    | 406.69         |
| [2] Fair value of plan assets  | 4570.17                                      | ...               | ...     | 851.00         | 4402.89                                      | ...               | ...     | 772.25         | 4273.99                                      | ...               | ...     | 772.25         |
| [3] Funded status [Surplus/(Deficit)]  | (810.03)                                     | (1097.39)         | ...     | ** 527.51      | (521.31)                                     | (1213.61)         | ...     | 432.64         | (261.70)                                     | (1027.21)         | (1.03)  | 365.56         |
| [4] Unrecognised past service cost   | ...  | ...               | ...     | ...            | ...  | ...               | ...     | ...            | ...  | ...               | ...     | ...            |
| [5] Net assets/(liability) recognised in Balance Sheet   | (810.03)                                     | (1097.39)         | ...     | 527.51         | (521.31)                                     | (1213.61)         | ...     | 432.64         | (261.70)                                     | (1027.21)         | (1.03)  | 365.56         |
| [IV] Components of employer Expenses recognised in the Statement of Profit & Loss Account for the year ended 31st March, 2016. |  |                   |         |                |  |                   |         |                |  |                   |         |                |
| [1] Current Service Cost   | 264.17                                       | 179.27            | ...     | ...            | 232.71                                       | 51.60             | ...     | 38.89          | 221.79                                       | 46.14             | ...     | 36.89          |
| [2] Interest Cost  | 371.84                                       | 85.29             | ...     | 23.00          | 24.00  | 94.19             | ...     | (33.52)        | 348.90                                       | 72.94             | 0.11    | 31.08          |
| [3] Expected return on plan assets   | 342.97                                       | ...               | ...     | 57.57          | ...  | ...               | ...     | ...            | (317.83)                                     | ...               | ...     | (61.47)        |
| [4] Curtailment cost/(credit)  | ...  | ...               | ...     | ...            | ...  | ...               | ...     | ...            | ...  | ...               | ...     | ...            |
| [5] Settlement cost/(credit)   | ...  | ...               | ...     | ...            | ...  | ...               | ...     | ...            | ...  | ...               | ...     | ...            |
| [6] Past Service Cost  | ...  | ...               | ...     | ...            | ...  | ...               | ...     | ...            | ...  | ...               | ...     | ...            |
| [7] Actuarial Losses/(Gains)   | 315.68                                       | (88.35)           | ...     | (60.30)        | 124.93                                       | 204.87            | ...     | (72.45)        | (130.83)                                     | 69.08             | (0.26)  | (5.97)         |
| [8] Total expenses recognised in the statement of Profit & Loss Account under the head Salaries & Wages                        | * 608.72                                     | 176.21            | ...     | (94.87)        | 381.64                                       | 350.66            | ...     | (67.08)        | 122.03                                       | 188.16            | (0.15)  | 0.53           |
| [V] Actuarial Assumptions  |  |                   |         |                |  |                   |         |                |  |                   |         |                |
| [1] Discount Rate  | 7.83%  | 7.83%             | ...     | 7.83%          | 7.99%  | 7.99%             | ...     | 7.99%          | 9.17%  | 9.17%             | 9.17%   | 9.17%          |
| [2] Expected return on plan assets   | 7.99%  | NA                | ...     | 7.99%          | 7.99%  | NA                | ...     | 7.99%          | 8.30%  | NA                | NA      | NA             |
| [3] Salary escalation  | 4.00%  | 4.00%             | ...     | 4.00%          | 3.00%  | 3.00%             | ...     | 3.00%          | 5.00%  | 5.00%             | NA      | 5.00%          |
| [4] Expected Average remaining working lives of employees (years)  | 18.05  | 18.05             | ...     | 1.67           | 15.00  | 15.00             | ...     | 2.56           | 18.27  | 12.00             | NA      | 3.07           |
| [5] Method of valuation  | Projected Unit Credit (PUC) Actuarial Method |                   |         |                | Projected Unit Credit (PUC) Actuarial Method |                   |         |                | Projected Unit Credit (PUC) Actuarial Method |                   |         |                |

(\*) YASF Surplus Assets of ₹250.00 lakh, which will not be required in future has been transferred to the Company as on 31st March, 2016. The expenses recognised in the Statement of Profit & Loss on account of Gratuity is the amount indicated by the Actuary i.e. ₹608.72 lakh reduced by the amount transferred from YASF i.e. ₹250.00 lakh. Thus the liability recognised during the year is ₹358.72 lakh.

(\*\*) Reconciliation of difference in Plan Assets for Superannuation Fund as per actuarial valuation and as shown under Note No.6.3 is under process.




**OTHER NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016 – [Contd.]**

[₹ in lakh]

**Note 10 – [Contd.]**

10.05 The medical benefits for the employees for domiciliary treatment is for a block of three years and shall lapse yearly thereafter if the concerned employee does not avail it. The liability towards such unavailed quantum of medical benefits has been determined on actual basis instead of actuarial valuation method since the eligible amount will remain fixed during the next block. The total amount of liability as on 31st March, 2016 is ₹380.23 lakh (₹550.09 lakh) has been taken into account.

10.06 Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006

| Sl.No. | Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006  | 2015-16 | 2014-15 |
|--------|--|---------|---------|
| [I]    | The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the year   |         |         |
|        | [i] Principal Amount unpaid  | 42.27   | ...     |
|        | [ii] Interest Due  | ...     | ...     |
| [II]   | The amount of interest paid by the buyer in terms of Section 16, of the Micro Small and Medium Enterprise Development Act, 2006 alongwith the amounts of the payment made to the supplier beyond the appointed day during the year   |         |         |
|        | [i] Payment made beyond the Appointed Date   | ...     | ...     |
|        | [ii] Interest paid beyond the Appointed Date   | ...     | ...     |
| [III]  | The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006   | ...     | ...     |
| [IV]   | The amount of interest accrued and remaining unpaid at the end of the year   | ...     | ...     |
| [V]    | The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprise Development Act, 2006 | ...     | ...     |

The above disclosures are furnished by the Company based on information available with the Company in respect of the Registration status of its vendors/suppliers.

10.07 Provision for Liquidated damages amounting to ₹2521.71 lakh (₹2217.02 lakh) has been set off against Trade Receivables.

10.08 The Company has made investments of ₹543.24 lakh in the following companies which have diminution in its value which is not of permanent nature and against which no provision has been made and the same has been considered recoverable in future by the management.

|   |                                      |              |
|---|--------------------------------------|--------------|
| In Equity Shares  | WEBFIL Limited                       | ₹14.50 lakh  |
|   | Fort Gloster Industries Limited      | ₹0.12 lakh   |
|   | Katras Jherriah Coal Company Limited | ₹6.95 lakh   |
|   | New Beerbhoom Coal Company Limited   | ₹12.27 lakh  |
| In 6% Cumulative Redeemable Preference Shares of WEBFIL Limited |                                      | ₹204.40 lakh |
| In Zero Rate Unsecured Redeemable Bond of WEBFIL Limited        |                                      | ₹305.00 lakh |

10.09 Balances of Trade Receivables, Deposits and Advances to the parties, Trade Payables, dues to and from Govt. Undertakings and stock with third parties are subject to confirmation.

10.10 The major component of the respective balances of Deferred Tax Assets and Liabilities are disclosed in the Financial Statement. Details of Deferred Tax Liability as on 31st March, 2016 are given below :-

[a] **Timing difference :**

|   | 31st March, 2016 | 31st March, 2015 |
|---|------------------|------------------|
| [i] Depreciation as per Tax Laws                | 601.28           | 593.41           |
| [ii] Depreciation as per Books                  | 667.18           | 907.50           |
| [iii] Difference                                | (-) 65.90        | (-) 314.09       |
| Deferred Tax liability including Education Cess | (-) 22.80        | (-) 108.70       |
| Adjustment/Credit related to previous years     | ...              | 7.46             |
| Total   | (-) 22.80        | (-) 101.24       |

[b] Major components of Deferred Tax Liabilities and Deferred Tax Assets pursuant to Accounting Standard (AS-22) "Accounting for Taxes on Income".

| Particulars                                  | Deferred tax liabilities/(assets) As at 31.03.2015 | Charge/(credit) to Statement of Profit & Loss | Charge/(Credit) to Retained Earnings | Deferred Tax liabilities/(assets) As at 31.03.2016 |
|--|--|---|--------------------------------------|--|
| <b>Deferred Tax Liability :</b>              |  |   |                                      |  |
| Difference between book and tax depreciation | 308.84   | (-) 22.80                                     | ...                                  | 286.04   |
| <b>Total</b>                                 | <b>308.84</b>                                      | <b>(-) 22.80</b>                              | <b>...</b>                           | <b>286.04</b>                                      |
| Previous year                                | 410.08   | (-) 3.94                                      | (-) 97.30                            | 308.84   |

[c] In computing deferred tax liability of the Company for the financial year 2015-16, unabsorbed depreciation, business loss, as well as disallowances u/s.43B as per Income Tax Act, 1961 has not been considered as deferred tax assets.



**OTHER NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016 – [Contd.]**

[₹ in lakh]

**Note 10 – [Contd.]**

10.11 In terms of the sanction letter/debt covenants received by the Company from Bank of Baroda, repayment schedule of term loan and applicable rate of interest are as set out below :

|                     |  |                               |
|---------------------|--|-------------------------------|
| From Bank of Baroda | ₹2991.00 lakh to be repaid in 28 equal quarterly installments of ₹106.82 lakh each commencing from 25th March, 2013. Company's proposal for conversion of said term loan into equity is agreed to, by concerned Bank and approved by GOI on 6th April, 2016. | 9.25% p.a. with monthly rest. |
|---------------------|--|-------------------------------|

**10.12 Segment Reporting**

The Company's segment information as at and for the year ended 31st March, 2016 are as below :-

| Business Segment   | Electrical             | Tea                    | Engineering            | Segment Total          | Elimination      | Total                  |
|--|------------------------|------------------------|------------------------|------------------------|------------------|------------------------|
| *1. Segment Revenue  |                        |                        |                        |                        |                  |                        |
| – External sales   | 11666.71<br>[13725.32] | 21226.21<br>[18838.48] | 2416.40<br>[2539.50]   | 35317.72<br>[35103.30] |                  |                        |
| – Inter Segment sales                                      | 2.63<br>[2.86]         | 2.69<br>[2.89]         | 19.57<br>[28.02]       | 24.89<br>[33.77]       |                  |                        |
| – Total Revenue  | 11669.34<br>[13728.18] | 21228.90<br>[18841.37] | 2435.97<br>[2567.52]   | 35334.21<br>[35137.07] | 24.89<br>[33.77] | 35309.33<br>[35103.30] |
| *2. Segment Results  | (-) 257.49<br>[438.79] | 1297.93<br>[606.42]    | (-) 303.92<br>[597.50] | 736.52<br>[1642.71]    |                  | 736.52<br>[1642.71]    |
| – Unallocated Corporate expenses net of unallocated income |                        |                        |                        |                        |                  | 342.58<br>[(-)80.72]   |
| – Operating Profit   |                        |                        |                        |                        |                  | 393.94<br>[1561.99]    |
| – Interest expenses  |                        |                        |                        |                        |                  | 955.83<br>[1073.11]    |
| – Interest/Dividend Income                                 |                        |                        |                        |                        |                  | 1489.25<br>[900.29]    |
| – Profit Before Tax and Items relating to previous year    |                        |                        |                        |                        |                  | 946.75<br>[1389.75]    |
| – Items relating to previous year                          |                        |                        |                        |                        |                  | 19.39<br>[0.59]        |
| – Profit from ordinary activities                          |                        |                        |                        |                        |                  | 927.36<br>[1389.16]    |
| – Net Profit   |                        |                        |                        |                        |                  | 927.36<br>[1389.16]    |
| 3. Segment Assets  | 14526.56<br>[15578.11] | 24481.62<br>[24551.59] | 5053.10<br>[4474.32]   | 44061.28<br>[44604.02] |                  | 44061.28<br>[44604.02] |
| – Unallocated Corporate Assets                             |                        |                        |                        |                        |                  | 4668.66<br>[5835.40]   |
| – Total Assets   |                        |                        |                        |                        |                  | 48729.94<br>[50439.42] |
| 4. Segment Liabilities                                     | 15422.95<br>[16669.79] | 5656.33<br>[6212.36]   | 3683.28<br>[3061.55]   | 24762.56<br>[25943.70] |                  | 24762.56<br>[25943.70] |
| – Unallocated Corporate Liabilities                        |                        |                        |                        |                        |                  | 23967.38<br>[2282.58]  |
| – Total Liabilities  |                        |                        |                        |                        |                  | 48729.94<br>[28226.28] |
| 5. Others  |                        |                        |                        |                        |                  |                        |
| – Capital Expenditure                                      | 376.36<br>[32.37]      | 571.74<br>[1050.26]    | 27.43<br>[47.83]       | 975.53<br>[1130.46]    |                  |                        |
| – Depreciation including Impairment                        | 108.65<br>[64.67]      | 516.72<br>[519.32]     | 32.58<br>[31.10]       | 657.95<br>[615.09]     |                  |                        |
| – Non-Cash expenses other than depreciation                | 251.54<br>[141.03]     | 5.91<br>[0.50]         | 11.79<br>[950.27]      | 269.24<br>[1091.80]    |                  |                        |
| [*] From Sale of Products.                                 |                        |                        |                        |                        |                  |                        |



OTHER NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016 – [Contd.]

[₹ in lakh]

Note 10 – [Contd.]

Notes: [1] The business segments comprise of the following major product groups :-

|             |   |   |
|-------------|---|---|
| Engineering | ⇒ | Industrial Fans.                                      |
|             | ⇒ | Air Pollution and Water Pollution Control Equipments. |
|             | ⇒ | Turn-key projects involving the above products.       |
| Electrical  | ⇒ | HT and LT Switchgears.                                |
|             | ⇒ | Transformers  |
|             | ⇒ | Relay and Contactors                                  |
|             | ⇒ | Turn-key projects on power distribution.              |
| Tea         | ⇒ | Tea growing and manufacturing.                        |

[2] The information relating to erstwhile Belting Division has been considered as part of the corporate information for the purpose of the above reporting as the related business has been discontinued earlier.

[3] Information relating to "Project" has been reported after being clubbed with Engineering Division.

[4] Figures in bracket pertaining to previous year.

10.13 Particulars relating to discontinued operations.

[a] Description of discontinued operations

| Business Segments        | Discontinued Operations |                               |
|--------------------------|-------------------------|-------------------------------|
| [i] Engineering Division | ⇒                       | Air Handling Unit (AHU)       |
|                          | ⇒                       | Core Lamination Project (CLP) |
|                          | ⇒                       | Project                       |
| [ii] Electrical Division | ⇒                       | Port Engineering Works (PEW)  |
|                          | ⇒                       | Turnkey                       |
|                          | ⇒                       | Agency                        |

[b] Carrying amount of Fixed Assets, Current Assets and Current Liabilities in respect of discontinued operations included in the total Assets and liabilities as shown in the Balance Sheet as on 31st March, 2016 :

| Sl.No. | Discontinued operations | Fixed Assets | Current Assets | Current Liabilities and Provisions |
|--------|-------------------------|--------------|----------------|------------------------------------|
| 01     | Project                 | 0.09         | 40.00          | 35.32                              |
|        | <b>Total</b>            | <b>0.09</b>  | <b>40.00</b>   | <b>35.32</b>                       |

[c] Revenue, Expenses and Pre-Tax, Profit/Loss and Cash Flow in respect of discontinued operations : Nil

10.14 Related party disclosure :

[i] Names of Related Parties with whom Company had transactions during the year :

|                      |   |                                     |
|----------------------|---|-------------------------------------|
| Subsidiary Companies | ⇒ | Hooghly Printing Co. Ltd.           |
|                      | ⇒ | Yule Electrical Co. Ltd.            |
|                      | ⇒ | Yule Engineering Co. Ltd.           |
| Associate Companies  | ⇒ | Tide Water Oil Co. (I) Ltd.         |
|                      | ⇒ | The Bengal Coal Co. Ltd.            |
|                      | ⇒ | The New Beerbhoom Coal Co. Ltd.     |
|                      | ⇒ | Katras Jherriah Coal Co. Ltd.       |
|                      | ⇒ | Yule Agro Industries Ltd.           |
|                      | ⇒ | WEBFIL Ltd.                         |
|                      | ⇒ | Yule Financing and Leasing Co. Ltd. |

[ii] Key Management Personnel :

|                               |   |  |
|-------------------------------|---|--|
| [a] Mr. Kallol Datta          | ⇒ | Chairman & Managing Director [till 31st March, 2016] |
| [b] Mr. Sunil Munshi          | ⇒ | Whole Time Director                                  |
| [c] Mr. R. C. Sen             | ⇒ | Whole Time Director                                  |
| [d] Mr. Debasis Jana          | ⇒ | Whole Time Director [w.e.f. 1st August, 2015]        |
| [e] Ms. Sanyukta Samaddar     | ⇒ | Nominee Director [w.e.f. 27th May, 2015]             |
| [f] Mr. Bhaskar Jyoti Mahanta | ⇒ | Nominee Director [w.e.f. 21st March, 2016]           |
| [g] Mr. Rajesh Kumar Singh    | ⇒ | Nominee Director [till 21st March, 2016]             |



## ANDREW YULE & COMPANY LIMITED

### OTHER NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016 – [Contd.]

[₹ in lakh]

#### Note 10 – [Contd.]

|                                |   |   |
|--------------------------------|---|---|
| [h] Mr. A. M. Manichan         | ⇒ | Nominee Director [till 27th May, 2015]        |
| [i] Mr. S. Swaminathan         | ⇒ | Whole Time Director [till 31st July, 2015]    |
| [j] Mr. Debabrata Bandopadhyay | ⇒ | Company Secretary [till 30th September, 2015] |
| [k] Mr. Ayan Dutta             | ⇒ | Company Secretary [w.e.f. 1st October, 2015]  |

[iii] Disclosure of transactions between the Company and Associates and Subsidiaries and the status of outstanding balance as on 31st March, 2016.

| Particulars  | Associates     |               | Subsidiaries |              |
|--|----------------|---------------|--------------|--------------|
|  | 2015-16        | 2014-15       | 2015-16      | 2014-15      |
| <b>Purchase of Goods</b>                           | <b>18.76</b>   | <b>22.03</b>  | <b>13.61</b> | <b>18.19</b> |
| Tide Water Oil Co. (I) Ltd.                        | 18.76          | 20.82         | ...          | ...          |
| WEBFIL Ltd.  | ...            | 1.21          | ...          | ...          |
| Hooghly Printing Co. Ltd.                          | ...            | ...           | 13.61        | 18.19        |
| <b>Purchase of Fixed Assets</b>                    | <b>...</b>     | <b>56.75</b>  | <b>...</b>   | <b>...</b>   |
| Yule Financing & Leasing Co. Ltd.                  | ...            | 53.00         | ...          | ...          |
| WEBFIL Ltd.  | ...            | 3.75          | ...          | ...          |
| <b>Sale of Goods</b>                               | <b>71.94</b>   | <b>62.07</b>  | <b>0.30</b>  | <b>0.22</b>  |
| Yule Financing & Leasing Co. Ltd.                  | 0.02           | 0.02          | ...          | ...          |
| Tide Water Oil Co. (I) Ltd.                        | 71.16          | 61.47         | ...          | ...          |
| WEBFIL Ltd.  | 0.76           | 0.58          | ...          | ...          |
| Hooghly Printing Co. Ltd.                          | ...            | ...           | 0.30         | 0.22         |
| <b>Sale of Services</b>                            | <b>420.53</b>  | <b>375.53</b> | <b>30.00</b> | <b>36.00</b> |
| Tide Water Oil Co. (I) Ltd.                        | 378.00         | 345.00        | ...          | ...          |
| WEBFIL Ltd.  | 20.42          | 14.43         | ...          | ...          |
| The Bengal Coal Co. Ltd.                           | 12.81          | 10.30         | ...          | ...          |
| The New Beerbhoom Coal Co. Ltd.                    | 3.61           | 1.85          | ...          | ...          |
| Katras Jherriah Coal Co. Ltd.                      | 5.69           | 3.94          | ...          | ...          |
| Hooghly Printing Co. Ltd.                          | ...            | ...           | 30.00        | 36.00        |
| <b>Dividend Income</b>                             | <b>913.55</b>  | <b>685.17</b> | <b>...</b>   | <b>...</b>   |
| Tide Water Oil Co. (I) Ltd.                        | 913.55         | 685.17        | ...          | ...          |
| <b>Interest Expenses</b>                           | <b>3.45</b>    | <b>3.45</b>   | <b>...</b>   | <b>...</b>   |
| The Bengal Coal Co. Ltd.                           | 3.45           | 3.45          | ...          | ...          |
| <b>Rent and Hire Charges Received</b>              | <b>254.30</b>  | <b>191.31</b> | <b>...</b>   | <b>...</b>   |
| Tide Water Oil Co. (I) Ltd.                        | 237.84         | 174.85        | ...          | ...          |
| WEBFIL Ltd.  | 15.57          | 15.57         | ...          | ...          |
| The Bengal Coal Co. Ltd.                           | 0.69           | 0.69          | ...          | ...          |
| The New Beerbhoom Coal Co. Ltd.                    | 0.06           | 0.06          | ...          | ...          |
| Katras Jherriah Coal Co. Ltd.                      | 0.14           | 0.14          | ...          | ...          |
| <b>Royalty Received</b>                            | <b>221.21</b>  | <b>219.06</b> | <b>...</b>   | <b>...</b>   |
| Tide Water Oil Co. (I) Ltd.                        | 221.21         | 219.06        | ...          | ...          |
| <b>Advance paid during the year</b>                | <b>2.03</b>    | <b>6.27</b>   | <b>0.26</b>  | <b>0.22</b>  |
| Yule Financing & Leasing Co. Ltd.                  | 2.03           | 6.27          | ...          | ...          |
| Yule Engineering Ltd.                              | ...            | ...           | 0.08         | 0.01         |
| Yule Electrical Ltd.                               | ...            | ...           | 0.18         | 0.21         |
| <b>Refund of Loans and Advance/Amount Received</b> | <b>1012.43</b> | <b>996.57</b> | <b>88.78</b> | <b>46.49</b> |
| Tide Water Oil Co. (I) Ltd.                        | 939.27         | 858.37        | ...          | ...          |
| WEBFIL Ltd.  | 28.78          | 56.45         | ...          | ...          |
| Coal Companies                                     | 42.47          | 79.48         | ...          | ...          |
| Hooghly Printing Co. Ltd.                          | ...            | ...           | 88.78        | 46.49        |
| Yule Financing & Leasing Co. Ltd.                  | 1.91           | 2.27          | ...          | ...          |
| <b>As at 31st March, 2016 :</b>                    |                |               |              |              |
| <b>Trade Receivable</b>                            | <b>45.91</b>   | <b>14.09</b>  | <b>0.03</b>  | <b>1.38</b>  |
| Tide Water Oil Co. (I) Ltd.                        | 45.29          | 9.20          | ...          | ...          |
| Yule Financing & Leasing Co. Ltd.                  | 0.03           | ...           | ...          | ...          |
| WEBFIL Ltd.  | 0.59           | 4.89          | ...          | ...          |
| Hooghly Printing Co. Ltd.                          | ...            | ...           | 0.03         | 1.38         |


**OTHER NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016 – [Contd.]**

[₹ in lakh]

**Note 10 – [Contd.]**

|   |               |               |              |               |
|---|---------------|---------------|--------------|---------------|
| <b>Trade Payable</b>                                  | <b>0.90</b>   | <b>3.94</b>   | <b>6.09</b>  | <b>23.05</b>  |
| Tide Water Oil Co. (I) Ltd.                           | 0.90          | ...           | ...          | ...           |
| WEBFIL Ltd.   | ...           | 3.94          | ...          | ...           |
| Hooghly Printing Co. Ltd.                             | ...           | ...           | 6.09         | 23.05         |
| <b>Long Term Loans and Advances</b>                   | <b>569.89</b> | <b>569.81</b> | <b>...</b>   | <b>...</b>    |
| Tide Water Oil Co. (I) Ltd.                           | 2.49          | 2.41          | ...          | ...           |
| Yule Financing & Leasing Co. Ltd.                     | 447.00        | 447.00        | ...          | ...           |
| Yule Agro Industries Ltd.                             | 120.40        | 120.40        | ...          | ...           |
| <b>Short Term Loans and Advances</b>                  | <b>140.32</b> | <b>146.68</b> | <b>83.93</b> | <b>138.39</b> |
| Yule Financing & Leasing Co. Ltd.                     | 18.17         | 18.05         | ...          | ...           |
| Tide Water Oil Co. (I) Ltd.                           | 44.35         | 48.62         | ...          | ...           |
| WEBFIL Ltd.   | 42.04         | 27.98         | ...          | ...           |
| Coal Companies  | 35.76         | 52.03         | ...          | ...           |
| Hooghly Printing Co. Ltd.                             | ...           | ...           | 71.59        | 126.20        |
| Yule Engineering Ltd.                                 | ...           | ...           | 12.34        | 12.19         |
| <b>Other Current Assets</b>                           | <b>56.00</b>  | <b>56.00</b>  | <b>...</b>   | <b>...</b>    |
| Yule Financing & Leasing Co. Ltd.                     | 56.00         | 56.00         | ...          | ...           |
| <b>Other Loans and Advances</b>                       | <b>...</b>    | <b>...</b>    | <b>2.71</b>  | <b>2.53</b>   |
| Yule Electrical Ltd.                                  | ...           | ...           | 2.71         | 2.53          |
| <b>Other Long Term Liabilities (Security Deposit)</b> | <b>28.80</b>  | <b>28.80</b>  | <b>...</b>   | <b>...</b>    |
| The Bengal Coal Co. Ltd.                              | 28.80         | 28.80         | ...          | ...           |

**10.15 Disclosure of transactions between the Company and Key Management Personnel.**
**Key Management Personnel**
**2015-16**

2014-15

**[a] Remuneration to Directors**

|                    |               |       |
|--------------------|---------------|-------|
| Mr. Kallol Datta   | <b>55.88</b>  | 25.88 |
| Mr. S. Swaminathan | <b>23.26</b>  | 23.20 |
| Mr. Sunil Munshi   | <b>22.49</b>  | 20.28 |
| Mr. R. C. Sen      | <b>20.66</b>  | 0.68  |
| Mr. Debasis Jana   | <b>13.94</b>  | ...   |
| Late Amitava Dhar  | ...           | 6.87  |
| Total              | <b>136.23</b> | 76.91 |

**[b] Remuneration to Key Management Personnel**

|                             |              |       |
|-----------------------------|--------------|-------|
| Mr. Debabrata Bandyopadhyay | <b>15.48</b> | 20.32 |
| Mr. Ayan Dutta              | <b>3.40</b>  | ...   |
| Total                       | <b>18.88</b> | 20.32 |

**10.16 Earning per share :**

|   | <b>For the year ended<br/>31st March, 2016</b> | For the year ended<br>31st March, 2015 |
|---|--|--|
| <b>[a] Number of Equity Share :-</b>  |  |  |
| At the beginning of the year  | <b>33,36,38,478</b>                            | 32,61,38,478                           |
| At the end of the year  | <b>33,36,38,478</b>                            | 33,36,38,478                           |
| Weighted average number of Equity Shares outstanding during the year (for basic)          | <b>33,36,38,478</b>                            | 32,83,16,560                           |
| Weighted average number of Equity Shares outstanding during the year (for diluted)        | <b>47,64,88,478</b>                            | 47,11,66,560                           |
| Face value of each Equity Share   | <b>₹2.00</b>                                   | ₹2.00                                  |
| <b>[b] Profit after Tax after extra ordinary income available for Equity Shareholders</b> | <b>835.29</b>                                  | 1296.06                                |
| <b>[c] Earnings per Share :-</b>  |  |  |
| <b>[i] Basic</b>  | <b>₹0.25</b>                                   | ₹0.39                                  |
| <b>[ii] Diluted</b>   | <b>₹0.18</b>                                   | ₹0.28                                  |

**10.17 Revenue expenditure on Research and Development represent ₹18,75,152/- for subscription to Tea Research Association and ₹19,60,698/- for development of a new type of Industrial Fan. Moreover, ₹18,75,152/- has been incurred for development of Electrical Transformer.**



**OTHER NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016 – [Contd.]**

[₹ in lakh]

Note 10 – [Contd.]

10.18 Details of Expenses under Item relating to previous year are as under :-

| Particulars                             | 2015-16      | 2014-15     |
|---|--------------|-------------|
| Electricity Duty                        | ...          | 0.59        |
| Depreciation                            | ...          | ...         |
| Miscellaneous Expenses                  | 11.52        | ...         |
| Arrear Salary of Executive/Asstt./Staff | ...          | ...         |
| Repair to Plant and Machinery           | 7.87         | ...         |
| <b>Total</b>                            | <b>19.39</b> | <b>0.59</b> |

10.19 [a] Particulars of Sales and Raw Materials consumed

| [i] Sales :  | Class of Goods                    | 2015-16         | 2014-15         |
|--|-----------------------------------|-----------------|-----------------|
|  | Black and Packet Tea              |                 | 21226.21        |
| Transformers                                       |                                   | 9821.85         | 11831.78        |
| Industrial Fans                                    |                                   | 1298.47         | 1196.69         |
| LT and HT Switchgears                              |                                   | 191.66          | 786.00          |
| Spares   |                                   | 1067.55         | 1323.74         |
| Others   |                                   | 1703.59         | 1126.61         |
| <b>Total [sale of products net of excise duty]</b> |                                   | <b>35309.33</b> | <b>35103.30</b> |
| [ii] Raw Materials and Stores consumed :           | Steel                             | 776.36          | 396.71          |
|  | Copper                            | 1359.88         | 2830.61         |
|  | Green Leaf                        | 1275.36         | 1323.36         |
|  | Parts of Distribution Transformer | 3145.85         | 5376.70         |
|  | Oil, Chemical etc.                | 503.00          | 2360.02         |
|  | Others                            | 6081.27         | 2732.86         |
|  | <b>Total</b>                      | <b>13141.72</b> | <b>15020.26</b> |

[b] Value of Imported and Indigenous Raw Materials, Components, Stores and Spare parts consumed (excluding items consumed for Capital and Repair jobs etc.)

|              | Raw Materials and Components |               |                 |               | Stores and Spare Parts |               |               |               |
|--------------|------------------------------|---------------|-----------------|---------------|------------------------|---------------|---------------|---------------|
|              | 2015-16                      | %             | 2014-15         | %             | 2015-16                | %             | 2014-15       | %             |
| Imported     | 10.16                        | 0.08          | 9.65            | 0.07          | ...                    | ...           | ...           | ...           |
| Indigenous   | 12816.51                     | 99.92         | 14717.78        | 99.93         | 315.05                 | 100.00        | 292.83        | 100.00        |
| <b>Total</b> | <b>12826.67</b>              | <b>100.00</b> | <b>14727.43</b> | <b>100.00</b> | <b>315.05</b>          | <b>100.00</b> | <b>292.83</b> | <b>100.00</b> |

[c] Value of Imports on C.I.F. basis (excluding canalised imports) :

|                              | 2015-16      | 2014-15     |
|------------------------------|--------------|-------------|
| Raw materials and Components | 10.16        | 9.65        |
| <b>Total</b>                 | <b>10.16</b> | <b>9.65</b> |

[d] Earnings in Foreign Exchange :

|                        | 2015-16 | 2014-15 |
|------------------------|---------|---------|
| Export on F.O.B. basis | 449.42  | 219.55  |

[e] Expenditure in Foreign Currencies (on Accrual basis) :

|                                | 2015-16 | 2014-15 |
|--------------------------------|---------|---------|
| Others (Foreign Tour Expenses) | 9.35    | 3.60    |

10.20 Proposed Dividend

| Particulars  | 2015-16 | 2014-15      |
|--|---------|--------------|
| The Dividend proposed for the year is as follows : |         |              |
| On Equity Share of Rs.2/- each                     |         | 33,36,38,478 |
| Amount of Dividend Proposed                        |         | 333.64       |
| Dividend per Equity Share                          |         | ₹0.10        |

10.21 There is no Investor Education and Protection Fund transferable by the Company as on 31st March, 2016.



**OTHER NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016 – [Contd.]**

[₹ in lakh]

**Note 10 – [Contd.]**

- 10.22 Pending transfer of Assets and Liabilities of Engineering and Electrical Divisions to two 100% subsidiaries incorporated in the name of Yule Engineering Ltd. and Yule Electrical Ltd. as per Sanctioned Rehabilitation Scheme (SRS) all transactions for the year ended 31st March, 2016 relating to aforesaid Divisions entered into by the Company in the name of Andrew Yule & Company Limited (AYCL) have been accounted for in the Books of Accounts.
- 10.23 Other receivables includes ₹23,95,676/- paid as Electricity Duty which is considered receivable vide Circular Number 233-IR/O/IM-4/2003 dated 25th February, 2014 issued by Government of West Bengal under “West Bengal Industrial Renewal Scheme, 2001” stating that the amount paid as Electricity Duty under the provisions of the Bengal Electricity Rules, 1935 shall be waived for a period of 5 (five) years with effect from 31st March, 2006.
- 10.24 The Company has decided to increase the moratorium period in respect of 6% Cumulative Redeemable Preference Shares-WEBFIL of ₹204.40 lakh and Zero Rate Unsecured Redeemable Bond of ₹305.00 lakh of WEBFIL Ltd. for a period of 7 (Seven) years commenced from 1st April, 2014 and 20th December, 2014 respectively.
- 10.25 The Employees Provident Fund Organisation has raised a demand vide Order Number RRC-II/21(88)05/WB amounting to ₹5,66,36,915/- against which an amount of ₹1,00,42,291/- has been paid under protest. The Hon’ble BIFR vide MA No.126 of 2014 has passed an Order dated 23rd June, 2015 to waive off the said demand.
- 10.26 [a] Previous year’s figures have been re-arranged and/or re-grouped wherever necessary.
- [b] The figures in these accounts have been rounded off to nearest lakhs of rupees and, as such, the balances in certain heads of account amounting to ₹500 or less, although maintained in the Books of Accounts of the Company, do not appear in these Accounts.

**For Andrew Yule & Company Limited**

**AYAN DUTTA**  
Company Secretary.

**SANDIP ROY**  
Financial Controller.

**R. C. SEN**  
Director (Finance).

**SUNIL MUNSHI**  
Chairman & Managing Director.

As per our Report of even date.

**For V. SINGHI & ASSOCIATES**

Chartered Accountants

Firm Registration No.311017E

(V. K. SINGHI)

Partner.

Membership No.050051

Date : 30th May, 2016.  
Place : Kolkata.

# **CONSOLIDATED ACCOUNTS**



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ANDREW YULE & COMPANY LIMITED****Report on the Consolidated Financial Statements**

We have audited the accompanying Consolidated 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") its Associates, comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of Significant Accounting Policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Financial Statements").

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

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated 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 and Consolidated Cash Flows of the Group including its Associates in accordance with the Accounting Principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the Companies included in the Group and 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 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 Financial Statements that give a true and fair view and are free from material mis-statement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our Audit. While conducting the Audit, we have taken into account the provisions of the Act and Rules made thereunder including the Accounting 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 disclosures in the Consolidated Financial Statements. The procedures selected depend on the Auditor's judgment, including the assessment of the risks of material mis-statement of the Consolidated 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 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 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 audit opinion on the Consolidated Financial Statements.

**Basis for Qualified Opinion**

- [I] No provision has been made in the Financial Statements for diminution in the value of non current investments amounting to ₹543.24 lakh (Refer Note No.10.10).
- [II] In the Financial Statements of Tide Water Oil Company (India) Limited no provision has been made for diminution in value of non current quoted investments amounting to ₹41.00 lakh. Group interest in the same is ₹10.75 lakh. (Refer Note 10.11[i]).
- [III] In the financial statements of The New Beerbhoom Coal Company Limited:
  - [a] No provision has been made in the financial statements for diminution in the value of long term Investments in Yule Financing and Leasing Company Limited, Yule Agro Industries Limited & Webfil amounting to ₹8.67 lakh. Group share in Consolidated Financial Statements is ₹2.86 lakh. (Refer Note No.10.11[iii]).
  - [b] No provision has been made against non realisability of the principal on maturity amounting to ₹4.50 lakh due from a body corporate. Group Share in Consolidated Financial Statements is ₹1.48 lakh. (Refer Note No.10.11[iv]).
- [IV] In the financial statements of Katras Jherriah Coal Company Limited :
  - [a] Only those claims in relation to coking/non coking coal mines have been admitted by the respective commissioners of payments or are subject to appeal filed by the claimants and still pending with the Appellate Courts have been included in other long term liabilities. Accordingly, the extent of adjustments as may be required in respect of claims under appeals still pending with the Appellate Court is not ascertainable. Refer Note 10.15(a).
  - [b] From the available records and information it has not been possible to ascertain the extent to which amount receivable ₹1.79 lakh may eventually be realized. Group Share in Consolidated Financial Statements is ₹0.57 lakh. (Refer Note No.10.15[b]).
  - [c] No provision has been made against diminution in value of investments in Yule Agro Industries Limited and The New Beerbhoom Coal Company Limited amounting to ₹4.73 lakh. Group Share in Consolidated Financial Statements is ₹1.50 lakh. (Refer Note No.10.11[iii]).
  - [d] No provision has been made against non realisability of the principal on maturity amounting to ₹2.00 lakh due from a body corporate. Group share in the Consolidated Financial Statements is ₹0.63 lakh. (Refer Note 10.11[vi]).

Had the observations made above were considered, Profit for the year after provision of taxes would have been ₹1554.12 lakh as against the reported figure of ₹2115.15 lakh, Reserves and Surplus would have been ₹26457.92 lakh as against the reported figure of ₹27018.95 lakh and value of Non-Current Investments would have been ₹13801.79 lakh as against the reported figure of ₹14345.03 lakh.

**Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Act in the manner so required, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group and



its associates as at 31st March, 2016, and their Consolidated Profit and their Consolidated Cash Flows for the year ended on that date.

#### Other Matters

- [a] We did not audit the Financial Statements/Financial Information of two Subsidiaries namely Yule Engineering Limited and Yule Electrical Limited. Whose Financial Statements/Financial Information reflect Total Assets of ₹16.15 lakh as at 31st March, 2016, Total Revenues of ₹0.05 lakh and Net Cash Outflow amounting to ₹Nil for the year ended on that date, as considered in the Consolidated Financial Statements. The Consolidated Financial Statements/Financial Information also include the cumulative Group Share of Net Profit of ₹13592.93 lakh for the year ended 31st March, 2016 and Group Share of Net Profit for the year ended 31st March, 2016 is ₹1267.40 lakh, in respect of three associates namely Tide Water Oil Co. (India) Limited, The New Beerbhoom Company Limited, Katras Jherriah Coal Company Limited whose Financial Statements have been Audited by other Auditors whose Reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these Subsidiaries and Associates, 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 Subsidiaries and Associates, is based solely on the Reports of the other Auditors.
- [b] We did not audit the Financial Statements/Financial Information of a Subsidiary namely Hooghly Printing Company Limited whose Financial Statements/Financial Information reflect Total Assets of ₹2005.87 lakh as at 31st March, 2016, Total Revenues of ₹1738.84 lakh and Net Cash Outflow amounting to ₹1.61 lakh for the year ended on that date, as considered in the Consolidated Financial Statements. The Consolidated Financial Statements/Financial Information are unaudited and have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this Subsidiary Company, 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 Subsidiary Company, is based solely on such Unaudited Financial Statements/Financial Information.
- Our opinion on the Consolidated Financial Statements, and our Report on other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the Reports of the other Auditors and the Financial Statements/Financial Information certified by the Management.
- [c] Note No.10.05 regarding Sanctioned Rehabilitation Scheme vide Board for Industrial and Financial Reconstruction (BIFR) Order dated October 30, 2007. The Rehabilitation Schedule of the Company, with cut-off date 31st March, 2006 is in process of implementation.
- [d] Note No.10.05[a](i)&(ii) regarding further Financial Restructuring Package sanctioned by Government of India and later approved by Board for Industrial and Financial Reconstruction (BIFR) vide Order No.501/2003 dated 15.07.2013 for the reasons stated there in.
- [e] Note No.10.12 regarding Balances of Trade Receivables, Deposits and Advances to the parties and Non-Current Assets, Trade Payables and other liabilities are subject to confirmation. In absence of confirmations from the parties we are unable to verify adequacy of the provision made for Bad & Doubtful Debts. Necessary adjustments, if required, will be made in the Financial Statements on receipts of confirmation from the parties.

Our opinion is not modified in respect of these matters.

#### Report on Other Legal and Regulatory Requirements

- [1] As required by section 143(3) of the Act, we report, to the extent applicable that:
- [a] we have sought and obtained, except for 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 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 Associate Companies incorporated in India including relevant records relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the Reports of the other Auditors,
- [c] the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement 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 relating to the 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 Financial Statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- [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] on the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 and taken on record by the Board of Directors of the Holding Company and the Reports of the Statutory Auditors of its Subsidiary Companies and Associate Companies incorporated in India, none of the Directors of the Group and its Associate Companies incorporated in India is disqualified as on 31st March, 2016 from being appointed as a Director in terms of Section 164 (2) of the Act; and
- [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-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, in our opinion and to the best of our information and according to the explanations given to us:
- [i] the Consolidated Financial Statements disclose the impact of pending litigations on the Consolidated Financial position of the Group and its Associates in Note 10.04 to the Consolidated Financial Statements;
- [ii] the Group and its Associates did not have any material foreseeable losses on long-term contracts including derivative contracts;
- [iii] there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its Subsidiary Company incorporated in India and Associate Companies.
- [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 impact on the Financial Statements in "Annexure-B" annexed herewith.

For V. SINGHI & ASSOCIATES  
Chartered Accountants  
Firm Registration No.311017E  
(V. K. SINGHI)  
Partner.  
Membership No.050051

Place : Kolkata.  
Date : 30th May, 2016



## ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT

**[Referred to in Paragraph-1(f) on Other Legal and Regulatory Requirements of our Report of even date to the members of Andrew Yule & Company Limited on the Consolidated Financial Statements of the Company for the year ended 31st March, 2016.]**

### **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 Financial Statements of the Company as of and for the year ended 31st March, 2016, we have audited the Internal Financial Controls over Financial Reporting of Andrew Yule & Company Limited (hereinafter referred to as "the Holding Company") 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, its Subsidiary Companies and Associate 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 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.

#### **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 the ICAI and the Standards on Auditing, deemed to be prescribed under section 143(10) of the Act, 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 mis-statement of the Financial Statements, whether due to fraud or error.

We believe that the Audit evidence we have obtained and the Audit evidence obtained by the other Auditors in terms of their reports referred to in the Other Matters paragraph below, 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 mis-statements 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 Holding Company, its Subsidiary Companies and its Associate Companies, which are 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 31st March, 2016, 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, except for the two Associate Companies namely The New Beerbhoom Coal Company Limited and Katras Jheriah Coal Company Limited whose respective Auditors have given a Disclaimer of Opinion on the system of Internal Financial Controls over Financial Reporting hence in respect of the above Associate Companies, we are unable to comment on the adequacy of the Internal Financial Controls over Financial Reporting.

#### **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 three Subsidiary Companies and three Associate Companies which are Companies incorporated in India is based on the corresponding Reports of the Auditors of such Companies incorporated in India. Our opinion is not qualified in respect of this matter.

For V. SINGHI & ASSOCIATES  
Chartered Accountants  
Firm Registration No.311017E  
(V. K. SINGHI)

Place : Kolkata.  
Date : 30th May, 2016

Partner.  
Membership No.050051



**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 2015-16, we give below our answer to the questions and information asked for in the above mentioned Directions.**

| <b>Directions</b>  | <b>Our Answer</b>  |
|--|--|
| [1] Please report whether there are any cases of waiver/write off of debts/loan/interest etc. If yes, the reason there for and the amount involved.  | No debts/loan/interest have been written off in the year ended on 31st March, 2016.  |
| [2] Whether proper records are 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.<br><br>According to the information and explanations given to us, no assets have been received as gift from Government or other authorities. |
| [3] 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.  |

**For V. SINGHI & ASSOCIATES**

Chartered Accountants

Firm Registration No.311017E

**(V. K. SINGHI)**

Partner.

Membership No.050051

Place : Kolkata.

Date : 30th May,2016



**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ANDREW YULE & COMPANY LIMITED, KOLKATA FOR THE YEAR ENDED 31 MARCH, 2016**

The preparation of consolidated financial statements of Andrew Yule & Company Limited for the year ended 31 March 2016 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act is responsible for expressing opinion on the financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 30 May 2016.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) read with section 129(4) of the Act of the consolidated financial statements of Andrew Yule & Company Limited for the year ended 31 March 2016. We conducted a supplementary audit of the financial statements of Andrew Yule & Company Limited and its subsidiary companies, viz - Hooghly Printing Company Limited, Yule Electrical Limited and Yule Engineering Limited for the year ended on that date. Further, section 139(5) and 143(6)(a) of the Act are not applicable to its associate companies Tide Water Oil Company (India) Limited, The New BeerBhoom Coal Company Limited and Katras Jherriah Coal Company Limited being private entities for appointment of their Statutory Auditor nor for conduct of supplementary audit. Accordingly, C&AG has neither appointed the Statutory Auditors nor conducted the supplementary audit of these companies. 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 the 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 matter under section 143(6)(b) read with section 129(4) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the consolidated financial statements and the related audit report :

**Balance Sheet**

Other Current Assets (Note-7.6) ₹694.61 lakh.

The erroneous inclusion of surplus balance of Yule Agency Superannuation Fund of ₹250.00 lakh has resulted in overstatement of the above head as well as profit by ₹250.00 lakh.

For and on the behalf of the  
Comptroller & Auditor General of India  
(Praveer Kumar)  
Principal Director of Commercial Audit  
& Ex-officio Member, Audit Board-I, Kolkata

Place: Kolkata

Date: 16th August, 2016.

| CAG Comments  | Management's Reply   |
|---|--|
| <p>Balance Sheet</p> <p>Other Current Assets (Note-7.6) ₹694.61 lakh.</p> <p>The erroneous inclusion of surplus balance of Yule Agency Superannuation Fund of ₹250.00 lakh has resulted in overstatement of the above head as well as profit by ₹250.00 lakh.</p> | <p>This will be reviewed in 2016-17 and necessary adjustment will be passed in the Books of 2016-17.</p> |



# ANDREW YULE & COMPANY LIMITED

## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

[₹ in lakh]

| Particulars   | Note No. | As at 31st March, 2016 | As at 31st March, 2015 |
|---|----------|------------------------|------------------------|
| <b>I. EQUITY AND LIABILITIES</b>                      |          |                        |                        |
| <b>[1] Shareholders' Funds</b>                        | <b>2</b> |                        |                        |
| [a] Share Capital                                     | 2.1      | 6672.77                | 6672.77                |
| [b] Reserves and Surplus                              | 2.2      | 27018.94               | 24916.21               |
| [2] Share application money pending allotment         | 3        | 2857.00                | 2857.00                |
| <b>[3] Non-Current Liabilities</b>                    | <b>4</b> |                        |                        |
| [a] Long Term Borrowings                              | 4.1      | 2007.29                | 3087.56                |
| [b] Deferred Tax Liabilities [Refer Note No.10.13(b)] |          | 286.04                 | 313.60                 |
| [c] Other Long Term Liabilities                       | 4.2      | 98.38                  | 101.72                 |
| [d] Long Term Provisions                              | 4.3      | 1608.05                | 1886.91                |
| <b>[4] Current Liabilities</b>                        | <b>5</b> |                        |                        |
| [a] Short Term Borrowings                             | 5.1      | 4436.28                | 4696.10                |
| [b] Trade Payables                                    | 5.2      | 10043.05               | 10337.35               |
| [c] Other Current Liabilities                         | 5.3      | 8131.08                | 6697.98                |
| [d] Short Term Provisions                             | 5.4      | 943.26                 | 1561.66                |
| <b>TOTAL :</b>  |          | <b>64102.14</b>        | <b>63128.86</b>        |
| <b>II. ASSETS</b>                                     |          |                        |                        |
| <b>[1] Non-Current Assets</b>                         |          |                        |                        |
| [a] Goodwill on Consolidation                         |          | 0.49                   | 0.49                   |
| <b>[b] Fixed Assets</b>                               | <b>6</b> |                        |                        |
| [i] Tangible Assets                                   | 6        | 18554.32               | 18276.01               |
| [ii] Intangible Assets                                | 6        | 27.35                  | 30.78                  |
| [iii] Capital Work-in-Progress                        | 6        | 92.14                  | 471.40                 |
| [c] Non-Current Investments                           | 6.1      | 14345.03               | 13050.98               |
| [d] Long Term Loans and Advances                      | 6.2      | 1273.75                | 1493.82                |
| [e] Other Non-Current Assets                          | 6.3      | 911.16                 | 1770.62                |
| <b>[2] Current Assets</b>                             | <b>7</b> |                        |                        |
| [a] Current Investments                               | 7.1      | 0.35                   | 5.62                   |
| [b] Inventories                                       | 7.2      | 4708.44                | 4282.78                |
| [c] Trade Receivables                                 | 7.3      | 10898.06               | 10865.97               |
| [d] Cash and Bank Balances                            | 7.4      | 8221.62                | 8931.16                |
| [e] Short Term Loans and Advances                     | 7.5      | 4374.82                | 3793.11                |
| [f] Other Current Assets                              | 7.6      | 694.61                 | 156.12                 |
| <b>TOTAL :</b>  |          | <b>64102.14</b>        | <b>63128.86</b>        |

Significant Accounting Policies

1

III THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

**For Andrew Yule & Company Limited**

**AYAN DUTTA**  
Company Secretary.

**SANDIP ROY**  
Financial Controller.

**R. C. SEN**  
Director (Finance).

**SUNIL MUNSHI**  
Chairman & Managing Director.

As per our Report of even date.  
For **V. SINGHI & ASSOCIATES**  
Chartered Accountants  
Firm Registration No.311017E  
(**V. K. SINGHI**)

Partner.

Membership No.050051

Date : 30th May, 2016.  
Place : Kolkata.


**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016**

[₹ in lakh]

| <u>Particulars</u>   | <u>Note No.</u> | <b>For the year ended<br/>31st March, 2016</b> | <b>For the year ended<br/>31st March, 2015</b> |
|--|-----------------|--|--|
| <b>I. REVENUE</b>  | <b>8</b>        |  |  |
| <b>Revenue from Operations :</b>   | <b>8.1</b>      |  |  |
| Sale of Products   |                 | 38730.55                                       | 38482.37                                       |
| Less: Trade and Other Discount   |                 | 132.21   | 135.77   |
| Less: Excise Duty  |                 | 1597.26  | 1662.44  |
|  |                 | <b>37001.08</b>                                | 36684.16                                       |
| Sale of Services   |                 | 420.53   | 375.53   |
| <b>Revenue from Operations [a]</b>   |                 | <b>37421.61</b>                                | 37059.69                                       |
| Other Operational Income [b]   |                 | 195.17   | 115.68   |
|  |                 | <b>37616.78</b>                                | 37175.37                                       |
| Other Income   | 8.2             | 3076.23  | 4611.08  |
| <b>Total Revenue [A]</b>   |                 | <b>40693.01</b>                                | <b>41786.45</b>                                |
| <b>II. EXPENSES</b>  | <b>9</b>        |  |  |
| Cost of Materials Consumed   | 9.1             | 13466.52                                       | 15441.72                                       |
| Changes in Inventories of Finished Goods & Work in Progress                              | 9.2             | (-) 427.57                                     | (-) 360.34                                     |
| Employee Benefits Expense  | 9.3             | 15820.90                                       | 14150.33                                       |
| Finance Costs  | 9.4             | 991.93   | 1115.92  |
| Depreciation and Amortisation Expenses   | 9.5             | 693.56   | 659.67   |
| Other Expenses   | 9.6             | 9122.40  | 9380.01  |
| Item relating to previous year (Refer Note 10.22 of Other Notes to Financial Statements) |                 | 19.53  | 0.59   |
| <b>Total Expenses [B]</b>  |                 | <b>39687.27</b>                                | <b>40387.90</b>                                |
| <b>Profit Before Tax [PBT]</b>   |                 | <b>1005.74</b>                                 | 1398.55  |
| Exceptional and Extraordinary Items  |                 | 49.24  | ...  |
| <b>Profit Before Tax [PBT]</b>   |                 | <b>956.50</b>                                  | 1398.55  |
| <b>Tax Expenses :</b>  |                 |  |  |
| Provision for Current Tax  |                 | 136.31   | 104.65   |
| Deferred Tax [Refer Note No.10.13(a)]  |                 | (-) 27.56                                      | (-) 8.35                                       |
| Total Tax Expenses   |                 | <b>108.75</b>                                  | 96.30  |
| Profit for the year  |                 | <b>847.75</b>                                  | 1302.25  |
| Add: Group Share of Profit from Associates   |                 | 1267.40  | 3311.43  |
|  |                 | <b>2115.15</b>                                 | <b>4613.68</b>                                 |
| <b>Earning per share [Note No.10.20]</b>   |                 |  |  |
| Basic  |                 | ₹0.63  | ₹1.41  |
| Diluted  |                 | ₹0.44  | ₹0.98  |

Significant Accounting Policies

1

**III THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS**
**For Andrew Yule & Company Limited**
**AYAN DUTTA**  
Company Secretary.

**SANDIP ROY**  
Financial Controller.

**R. C. SEN**  
Director (Finance).

**SUNIL MUNSHI**  
Chairman & Managing Director.

As per our Report of even date.

**For V. SINGHI & ASSOCIATES**

Chartered Accountants

Firm Registration No.311017E

(V. K. SINGHI)

Partner.

Membership No.050051

Date : 30th May, 2016.

Place : Kolkata.



# ANDREW YULE & COMPANY LIMITED

## CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2016

[₹ in lakh]

|  | As at 31st March, 2016 | As at 31st March, 2015 |
|--|------------------------|------------------------|
| <b>[A] CASH FLOW FROM OPERATING ACTIVITIES :</b>   |                        |                        |
| <b>Net Profit before Tax and extraordinary items</b>                                       | <b>1005.74</b>         | 1398.55                |
| <b>Adjustments for</b>   |                        |                        |
| Deprecation/Impairment of Assets   | 693.56                 | 659.67                 |
| (Profit)/Loss on Sale of Investments   | 784.19                 | 932.85                 |
| Subsidy Credited to Profit and Loss Account  | (5.86)                 | (21.13)                |
| Subsidy Received   | (12.42)                | (18.74)                |
| Interest Income  | (569.82)               | (635.77)               |
| Dividend Income  | (922.41)               | (695.16)               |
| Provision no longer required written back  | (188.33)               | (53.00)                |
| Liabilities no longer required written back  | (397.75)               | (1307.01)              |
| Gain on Acquisition of Land by Government  | (76.93)                | ...                    |
| Excess provision for YASF written back   | (94.87)                | ...                    |
| Fixed Asset written off  | 0.40                   | ...                    |
| Provision for Doubtful Debts   | 204.77                 | 58.59                  |
| Provision for Doubtful Loans, Advances and Deposits  | 68.49                  | 20.37                  |
| Provision for ST (C Form)  | ...                    | 5.25                   |
| Subsidy Received   | ...                    | 22.81                  |
| Provision for Stock/Stores Obsolence   | 12.19                  | 8.85                   |
|  | <b>(504.79)</b>        | <b>(1022.42)</b>       |
| <b>Operating profit before changes in amount of Current Liabilities and Current Assets</b> | <b>500.95</b>          | 376.13                 |
| <b>Adjustment for</b>  |                        |                        |
| Trade and other Receivables  | 241.57                 | (2966.44)              |
| Inventories  | (425.66)               | (288.90)               |
| Trade and other Payables   | 801.64                 | 5443.81                |
|  | <b>617.55</b>          | 2188.47                |
| <b>Cash Generated from Operations</b>  | <b>1118.50</b>         | 2564.60                |
| Tax paid   | (130.76)               | (114.67)               |
| <b>Cash Flow before Extraordinary Items</b>  | <b>987.74</b>          | 2449.93                |
| Extraordinary and Exceptional Items  | 49.24                  | ...                    |
| <b>NET CASH FROM OPERATING ACTIVITIES (A)</b>  | <b>938.50</b>          | 2449.93                |
| <b>[B] CASH FLOW FROM INVESTING ACTIVITIES :</b>   |                        |                        |
| Purchase of Fixed Assets   | (611.42)               | (1086.34)              |
| Sale of Fixed Assets   | 98.76                  | 11.85                  |
| Purchase of Investments  | (17.49)                | (5.62)                 |
| Sale Proceeds of Investments   | 11.13                  | ...                    |
| Dividend Received  | 913.25                 | 695.16                 |
| Interest Received  | 497.76                 | 809.22                 |
| <b>NET CASH FROM INVESTING ACTIVITIES (B)</b>  | <b>891.99</b>          | 424.27                 |





**CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2016 – [Contd.]**

[₹ in lakh]

|  | As at 31st March, 2016 | As at 31st March, 2015 |
|--|------------------------|------------------------|
| <b>[C] CASH FLOW FROM FINANCING ACTIVITIES :</b>   |                        |                        |
| Dividend paid  | (333.64)               | ...                    |
| Dividend Tax paid  | (66.71)                | ...                    |
| Interest paid  | (801.87)               | (2052.88)              |
| Short Term Borrowings (Repaid)/Taken   | 168.64                 | 1548.70                |
| Long Term Borrowings (Repaid)/Taken  | (1080.27)              | (2467.45)              |
| <b>NET CASH USED IN FINANCING ACTIVITIES [C]</b>   | <b>(2113.85)</b>       | <b>(2971.63)</b>       |
| <b>NET CHANGES IN CASH AND CASH EQUIVALENT [A+B+C]</b>   | <b>(283.36)</b>        | <b>(97.43)</b>         |
| <b>CASH AND CASH EQUIVALENT Opening Balance as at 1st April, 2015</b>  | <b>3436.38</b>         | <b>3533.81</b>         |
| <b>CASH AND CASH EQUIVALENT Closing Balance as at 31st March, 2016</b>   | <b>3153.04</b>         | <b>3436.38</b>         |
| [1] The above Cash Flow Statement has been prepared under Indirect Method as set out in the Accounting Standard-3 on Cash Flow Statement. Notified by the Companies (Accounting Standard) Rules, 2006. |                        |                        |
| <b>[2] Break-up of Cash and Cash equivalent</b>  |                        |                        |
| Balance with Banks   | 1283.38                | 1007.93                |
| Cheques in Hand  | ...                    | 1.58                   |
| Cash in Hand   | 47.17                  | 27.63                  |
| Postage and Stamps in Hand   | 0.02                   | 0.02                   |
| Remittance in Transit  | 0.90                   | ...                    |
| Deposit with Bank maturing within 3 months   | 1655.40                | 2332.25                |
| Margin Money with Bank maturing within 3 months On Current Account   | 166.17                 | 66.97                  |
|  | <b>3153.04</b>         | <b>3436.38</b>         |

[3] Previous year's figures have been regrouped/rearranged wherever necessary.

**For Andrew Yule & Company Limited**

**AYAN DUTTA**  
Company Secretary.

**SANDIP ROY**  
Financial Controller.

**R. C. SEN**  
Director (Finance).

**SUNIL MUNSHI**  
Chairman & Managing Director.

As per our Report of even date.

For **V. SINGHI & ASSOCIATES**

Chartered Accountants

Firm Registration No.311017E

(**V. K. SINGHI**)

Partner.

Membership No.050051

Date : 30th May, 2016.

Place : Kolkata.



**Note – 1 Statement of Significant Accounting Policies forming part of the Consolidated Financial Statements for the year ended 31st March, 2016.**

The Financial Statements have been prepared under the historical cost convention on accrual basis adjusted by revaluation of Tangible Fixed Assets in compliance with all material aspects of applicable Accounting Standards in India and in accordance with the Company's (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 2013.

**1.01 Reserves :**

- [a] Central and State Subsidies received by the Company are retained in Special Reserve until the conditions stipulated in the respective schemes are complied with, and the same are credited to the Statement of Profit and Loss or Capital Reserve after the expiry of the specified period depending upon the nature of the subsidy.
- [b] Sales value of fixed assets and investments to the extent it exceeds the original cost of the relevant asset is credited to the Statement of Profit and Loss. Provided, however, loss/diminution in value of assets acquired through amalgamation/merger are adjusted against the Capital Reserve created out of the same.

**1.02 Fixed Assets :**

- [a] The Physical verification of fixed assets is carried out in a phased manner so as to cover each item of the fixed assets over a period of 3 years.
- [b] Machinery manufactured by one Unit/Division for use in another Unit/Division are accounted for at Works/Factory cost of the Transferor Unit.
- [c] The gross fixed assets are valued at actual cost and other related expenses incurred to bring them to their present condition. The gross amount of interest on loans utilised for various expansion/diversification schemes is capitalised till the commissioning of the projects. Further, no interest for inter-unit transfer of funds on Capital Account is considered for the above purpose.
- [d] Depreciation is provided on the Assets other than Estates on Straight Line Method as per Schedule-II of the Companies Act, 2013.
- [e] No amortisation of cost of long-term leasehold land is done. However, fee payable for renewal of lease of land is charged as expenditure in the Statement of Profit and Loss as and when the payment is due.
- [f] Grant/Subsidy in respect of capital expenditure is accounted for as per applicable Accounting Standard and depreciations on the assets acquired out of such subsidy is adjusted there against.
- [g] Expenditure incurred/capitalised in respect of projects abandoned/to be abandoned are accounted for in compliance of relevant Accounting Standard.
- [h] The carrying amount of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is recognised in the Statement of Profit and Loss where the carrying amount of an asset exceeds its

recoverable amount. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

- [i] Liquidated damages recovered by the Company for delayed construction and delayed supply of equipment are set-off against the capital expenditure to which it relates.

**1.03 Intangible Assets :**

Intangible Assets expected to provide future enduring economic benefits are stated at cost less amortisation. Cost comprises purchase price and directly attributable expenditure on making the assets ready for its intended use.

**1.04 Inventories :**

- [a] Stocks of stores, spares, raw materials etc., are valued at cost. However, materials and other items held for use in production of inventories are not written down below cost if the finished products in which those will be incorporated are expected to be sold at or above cost. Cost is determined on weighted average cost basis.
- [b] Provisions for slow and non-moving stores lying for more than three years but less than five years are made at 15% of Book Value, for such stores remaining more than 5 years, provision @ 36.25% of Book Value are made. Provision for obsolete stores are made at 100% of Book Value.
- [c] Work-in-progress is valued at Works Cost. Works cost includes direct materials, labour and manufacturing overhead. All losses on Work-in-progress incurred upto the end of the year and losses estimated for further Works Cost to be incurred on such jobs are taken into account and duly provided for.  
  
While valuing the contract jobs in progress at the close of the year, future estimated losses are considered only in respect of jobs valued at ₹25.00 lakhs or more and/or physical progress whereof as per technical estimate, is minimum 50%.
- [d] Royalty liabilities calculated with reference to Sales as per the collaboration agreements are considered as selling expenses and thus, have not been considered for the purpose of valuation of stocks of Work-in-Progress and finished goods.
- [e] Inter-Unit transfers of own manufactured stores, spares, raw materials etc., if lying in stock at the close of the year, are valued at estimated Works/Factory cost of the Transferor Unit.
- [f] Excise Duty, Insurance and Freight outward in connection with transfer of finished goods from factories to branches have been considered for valuation of branch stock at the close of the year.
- [g] Stocks of finished goods including Finished goods-in-transit are valued at estimated total cost or net realisable value, whichever is lower. Estimated total cost covers all costs excluding administration.

overheads, selling and distribution overheads and interest. However, for Finished Goods-in-Transit, the estimated total cost includes expenses on Freight and Insurance incurred for delivery of such Finished goods.



- [h] Imported materials lying in bonded warehouse and at Port are valued at cost including Customs Duty, Port Charges etc.
- [i] Loose Tools are amortised over a period of 5 years.
- [j] Stock of scrap, is valued on the basis of estimated/actual realised value as the case may be. However tea waste is not valued.
- [k] Export benefits against Advance Licences are considered at the time of actual consumption of the imported materials. Advance Licences in hand at the close of the year are not accounted for.

**1.05 Investments :**

Non Current Investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than of temporary nature in the opinion of the Management.

Current Investments are carried at lower of cost or market fair value.

**1.06 Subsidy :**

Subsidy received from Tea Board related to specific fixed assets are deducted from gross values of related assets in arriving at their book value.

Subsidy related to revenue are recognized in the Statement of Profit and Loss.

**1.07 Sales :**

- [a] [i] Sales against Ex-Works/FOR Contracts are booked on the basis of deliveries to transport carriers upto 31st March, irrespective of whether the goods have been received by the customers by 31st March or not. Sales in respect of transactions against FOR destination contracts are booked for the goods actually received by customers by 31st March.
- [ii] Despatches against FOR destination contracts not reaching the customers within the close of the year, are shown as Finished goods-in-transit.
- [b] Partial deliveries are accounted for in accordance with the billing schedule as per the terms of Sales Contract.
- [c] Tea sales against contracts are accounted for on the basis of delivery orders and on completion of sale in auction centres in accordance with the norms of tea trade.
- [d] Sales returns, if any, upto the cut-off date i.e. 30th April, are accounted for.
- [e] Except in disputed cases, escalation/de-escalation claim bills are accounted for on the basis of the terms of the relevant contracts.
- [f] Export sales are accounted for with reference to the date of Bill of Lading.
- [g] Freight and other charges recoverable under the terms of the sales contract are included in sales.

**1.08 Dividend Receipts :**

Dividends declared and received within the close of the accounting year are accounted for in respect of investments held by the Company.

**1.09 Other Income :**

- [a] [i] Insurance and other claims are accounted for on the basis of amounts admitted;
- [ii] Sales Tax, Excise Duty and Customs Duty refunds are accounted for on the basis of assessment/refund orders received;
- [iii] Central/State Subsidies from Government and Tea Board are accounted for on the receipt of intimation of grant.
- [b] Interest receivable from customers as per stipulation of the Sales Contract on account of late receipt of full/proportionate payments are accounted for to the extent such interest is ascertainable with respect to the payment so far received.
- [c] Export/Deemed Export benefits are accounted for on completion of despatches in terms of the contract.
- [d] Liquidated Damages recovered by the Company for delayed supply of equipment/spares are treated as Other Income.

**1.10 Purchases :**

- [a] Insurance charges incurred in relation to the incoming goods where materials are directly relatable are accounted for in respect of individual items; otherwise, such insurance premium is charged off to the Statement of Profit and Loss.
- [b] In case of goods purchased from overseas, the shipment is treated as goods-in-transit:
  - [i] in case of both CIF and C&F Contracts, from the date of intimation received from bank;
  - [ii] in case of FOB Contracts, from the date of actual shipment as per Bill of Lading.Customs Duty is charged on the basis of the date of arrival in port.

**1.11 Other Revenue Expenses :**

- [a] Issue of materials/components as free replacements during the guarantee period, which can not be provided being unknown, is accounted for on actual despatches. Known free replacements upto the close of the accounting year are provided for.
- [b] The Company provides liability on account of repairs and rectifications for goods already sold to customers on the basis of past three years average expenses on the above head.
- [c] Liabilities in respect of Liquidated Damages are provided if and to the extent, not disputed by the Company. Liquidated Damages disputed by the Company are treated as contingent liability. The amount of liability/contingent liability is estimated on the basis of contracted terms and the facts of each case to the extent of revenue recognised.
- [d] Liability in respect of commission is provided in proportion to sales.
- [e] Interest on delayed payments of Income Tax/Agricultural Income-Tax is accounted for on the basis of assessment orders of the Tax Authorities, if not disputed by the Company or actual payment effected, as the case may be.
- [f] Payment of Technical Know how Fees is accounted for in compliance with the relevant Accounting Standard.



- [g] Provision for unrealised profit is made in respect of partially completed composite/turnkey contracts on the basis of proportionate direct cost on the revenue recognised.
- [h] Medicine purchase for Tea Estates are all charged out as per consistent practice.
- [i] Guarantee commission is taken in the year of guarantees issued/renewed.

#### 1.12 Taxation :

- [i] Taxation comprises of Income Tax, Agricultural Income Tax (both Assam and West Bengal), Deferred Tax and Wealth Tax. These taxes other than Deferred Taxes are measured as the amount expected to be paid to the Tax Authorities in accordance with the Indian Income Tax Act, 1961, West Bengal Agricultural Income Tax Act, 1944, Assam Agricultural Income Tax Act, 1939 and Wealth Tax Act, 1957 respectively.
- [ii] Deferred Tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred Tax assets/liabilities is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods in the Statement of Profit and Loss and the cumulative effect thereof is reflected in the Balance Sheet.
- [iii] In respect of proceedings pending before the various Income Tax/Agricultural Income Tax Authorities on account of Appeal/Rectification filed by the Company, adjustments are made on final settlement of such proceedings.

#### 1.13 Contingent Liabilities and Contingent Assets :

Disputed liabilities and claims against the Company including claims by Tax Authorities (for example, Income-tax, Sales tax etc.) pending in appeal, are treated as contingent liabilities. Contingent assets are not accounted for.

Contingent liabilities are considered by using a substantial degree of estimates in compliance with Accounting Standard-29.

#### 1.14 Booking/Writing Back of Liabilities :

- [a] For providing liabilities, cut-off date is 30th April but all known liabilities, if material, are booked as far as practicable (previous year cut-off date 30th April). Impact for this change is negligible.
- [b] Liabilities, which are more than 5 years old and not likely to materialise, are written back except government debts. In case of extraordinary items only, separate disclosure is given in the financial statements.

#### 1.15 Conversion of Foreign Currencies :

- [a] Foreign currency loans to finance fixed assets including technical know-how fees are converted either at the exchange parity rate ruling at the close of the accounting year or at the fixed rate when the exchange is booked in advance, as the case may be. Necessary adjustments with regard to such exchange rate difference are made to secured loans, fixed assets and depreciation.
- [b] In respect of any import of materials both under CIF, FOB and C&F Contracts, purchases are booked at the exchange rates

ruling on the date of Bill of Entry. The exchange difference, if any, arising from the difference between the above rate and the rate at which the actual payment is made or at the rate prevailing on 31st March, whichever is earlier, is accounted for in the Statement of Profit and Loss.

- [c] Exports/Overseas Sales are booked at the rates ruling on the date of bill of lading. Exchange difference, if any, relating to such bills arising either on realisation of the proceeds or on conversion thereof at the exchange rate ruling at the close of the year, whichever is earlier, is accounted for in the Statement of Profit and Loss.
- [d] Receivables and Payables in foreign currency are reported in the Balance Sheet at the parity rate ruling at the close of the financial year. The exchange difference arising on the settlement of such receivables/payable or on reporting such receivables/payables at rates different from those at which those are initially recorded during the period or reported in previous Balance Sheet is accounted for in the Statement of Profit and Loss.
- [e] Wherein contract for import or export is covered by forward exchange contract any premium or discount at inception of such contract and any other gain or loss arising out of exchange differences between the forward contract rate and the rate on the day of reporting are treated in compliance with Accounting Standard-11.

#### 1.16 Research and Development Costs :

Expenditure in relation to Research and Development activities are expensed out in the year in which they are incurred.

#### 1.17 Employee Benefits :

- [a] Defined Contribution Schemes (DCS) : The Company's contribution towards Provident Fund and Employees State Insurance paid/payable during the year to the Appropriate Authorities are charged to the Statement of Profit and Loss.
- [b] The Company's liabilities towards Defined Benefit Schemes for Gratuity, Superannuation and Pension, value of Plan Assets of the Trustee managed Funds maintained for meeting such liabilities, contribution to those Funds and benefits paid out of such Funds are ascertained and accounted for on the basis of independent actuarial valuation as per the requirement of Accounting Standard-15 (Revised 2005) on "Employee Benefits".

In respect of a section of employees, the Company's liability towards Defined Benefit for Provident Fund is determined and accounted for on the basis of prescribed contributions to the respective Trustee Managed Funds and shortfall, if any, in plan assets as per Audited Financial Statements of such Fund.

In respect of post retirement Defined Benefit Scheme of Leave Encashment, the Company's liability is determined and accounted for on the basis of independent actuarial valuation as required by Accounting Standard-15 (Revised 2005) though there is no funding for such liability.

- [c] Leave encashment is unfunded but benefits have been determined and accounted for in accordance with Accounting Standard-15 (Revised 2005).



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016

[₹ in lakh]

**Note 2.1 - Share Capital**

**Authorised :**

Equity Shares

55,00,00,000 (Previous year 37,50,00,000) of ₹2/- each

11000.00

7500.00

**Issued, Subscribed and Fully Paid-up :**

Equity Shares

33,36,38,478 (Previous year 33,36,38,478) of ₹2/- each

6672.77

6672.77

[Out of above 6,00,000 shares issued as Bonus Shares by Capitalisation of General Reserve, 21,35,344 shares issued pursuant to a contract without payment being received in cash and 11,57,600 shares issued to Govt. of India in the name of President of India pursuant to Transformer & Switchgear Ltd. and Brentford Electric India Ltd. against compensation money paid by them]

6672.77

6672.77

- [a] During the year the Company has increased its Authorised Share Capital to ₹11000 lakh from ₹7500 lakh.
- [b] The shareholders have the right to declare and approve dividend, as proposed by the Board of Directors for any financial year, to be paid to the members according to their rights and interest in the profits. However, no larger dividend shall be declared than is recommended by the Board of Directors.
- [c] In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution of all or any of the assets in specie among the shareholders would be in accordance with their rights.
- [d] The Company has only one Class of Equity Shares having a par value of ₹2/- per share. Each holder of Equity Shares is entitled to one Vote per share.
- [e] The details of Shareholders holding more than 5% shares as at 31st March set out below :

| Nature of the Shareholders | 31st March, 2016 |        | 31st March, 2015 |        |
|----------------------------|------------------|--------|------------------|--------|
|                            | No. of shares    | %age   | No. of shares    | %age   |
| President of India         | 293524630        | 87.98% | 293524630        | 87.98% |

- [f] The reconciliation of the number of shares outstanding

|  | 31st March, 2016 |         | 31st March, 2015 |         |
|--|------------------|---------|------------------|---------|
|  | No. of Shares    | Value   | No. of Shares    | Value   |
| Equity shares at the beginning of the year | 333638478        | 6672.77 | 326138478        | 6522.77 |
| Issued during the year                     | ...              | ...     | 7500000          | 150.00  |
| Equity shares at the end of the year       | 333638478        | 6672.77 | 333638478        | 6672.77 |



# ANDREW YULE & COMPANY LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016

[₹ in lakh]

|  | As at 31st March, 2016 | As at 31st March, 2015 |                 |
|--|------------------------|------------------------|-----------------|
| <b>Note 2.2 - Reserves and Surplus</b>                               |                        |                        |                 |
| <b>Capital Reserve :</b>   |                        |                        |                 |
| Balance as per Last Financial Statement                              | 406.76                 |                        | 406.76          |
| <b>Bond Redemption Reserve :</b>                                     |                        |                        |                 |
| Balance as per Last Financial Statement                              | 666.67                 | 500.00                 |                 |
| Add: During the year   | ...                    | 166.67                 |                 |
|  | 666.67                 |                        | 666.67          |
| <b>Revaluation Reserve :</b>   |                        |                        |                 |
| Balance as per Last Financial Statement                              | 10332.52               |                        | 10332.52        |
| <b>Other Reserves :</b>  |                        |                        |                 |
| <b>Special :</b>   |                        |                        |                 |
| <b>Central/State Subsidy for Capital Assets :</b>                    |                        |                        |                 |
| Balance as per Last Financial Statement                              | 2.74                   | 11.74                  |                 |
| Less: Adjusted during the year                                       | ...                    | 9.00                   | 2.74            |
| <b>Tea Board Subsidy for Capital Assets :</b>                        |                        |                        |                 |
| Balance as per Last Financial Statement                              | 122.62                 | 118.57                 |                 |
| Add: During the year   | ...                    | 22.79                  |                 |
|  | 122.62                 | 141.36                 |                 |
| Less: Transfer to Statement of Profit and Loss                       | 12.42                  | 18.74                  |                 |
|  | 110.20                 |                        | 122.62          |
| <b>Surplus</b>   |                        |                        |                 |
| Balance as per last Financial Statement                              | 13384.90               | 9524.43                |                 |
| Add: Profit for the current year as per Statement of Profit and Loss | 2115.15                | 4613.68                |                 |
|  | 15500.05               | 14138.11               |                 |
| Less: Transfer to Bond Redemption Reserve                            | ...                    | 166.67                 |                 |
|  | 15500.05               | 13971.44               |                 |
| Less: Depreciation Adjustment  | ...                    | 186.19                 |                 |
|  | 15500.05               | 13785.25               |                 |
| Less: Proposed Dividend  | ...                    | 333.64                 |                 |
| Less: Dividend Distribution Tax                                      | ...                    | 66.71                  |                 |
|  | 15500.05               |                        | 13384.90        |
|  | <u>27018.94</u>        |                        | <u>24916.21</u> |

### Note 3 - Share application money pending allotment

#### Government of India

Conversion of GOI Loan into Equity

Total Pending Shares

Please see Note 10.05(a) of Other Notes to Financial Statement

| No. of Shares<br>@ ₹2/-<br>per share | As at 31st<br>March, 2016 | No. of Shares<br>@ ₹2/-<br>per share | As at 31st<br>March, 2015 |
|--------------------------------------|---------------------------|--------------------------------------|---------------------------|
| 142850000                            | 2857.00                   | 142850000                            | 2857.00                   |
| 142850000                            | 2857.00                   | 142850000                            | 2857.00                   |





**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016**

[₹ in lakh]

**Note 5.1 - Short Term Borrowings**

**Secured**

**From Scheduled Banks**

Union Bank

United Bank of India

Allahabad Bank

(The above loan is secured by whole of the Company's present and future stock of raw materials, work-in-progress, finished goods and manufactured goods and articles, stores, components and spares, other movable properties wherever situated, book debts and all other current assets, claims, rights to movable properties by way of first charge ranking pari-passu inter-se without any preference to one over the other and loans from Allahabad Bank, United Bank of India and Union Bank of India are secured by hypothecation of the whole of crops, book debts and all other movable assets both present and future and by equitable mortgage of all immovable properties of the designated Tea Estates).

Bank of Baroda

(Secured by Equitable mortgage of properties situated at 8, Dr. Rajendra Prasad Sarani, Kolkata-700001 and properties at P.S. Behala, Dist. 24 Parganas (South) has been extended by way of pari-passu 1st charge in favour of Allahabad Bank for its limit of ₹30.00 crore and in favour of Bank of Baroda for its limit of ₹52.41 crore granted to Electrical Division, Transformer & Switchgear Unit of the Company).

|  | As at 31st March, 2016 | As at 31st March, 2015 |
|--|------------------------|------------------------|
|  | 146.36                 | 386.20                 |
|  | 800.74                 | 643.52                 |
|  | 2620.85                | 2927.16                |
|  | 868.33                 | 739.22                 |
|  | <u>4436.28</u>         | <u>4696.10</u>         |

**Note 5.2 - Trade Payable**

**For Goods and Services [Refer Note No.10.08]**

To Related Parties (Refer Note No.10.18)

To Others

|  |                 |                 |
|--|-----------------|-----------------|
|  | 0.90            | 3.94            |
|  | 10042.15        | 10333.41        |
|  | <u>10043.05</u> | <u>10337.35</u> |





NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016

[₹ in lakh]

|  | As at 31st March, 2016 | As at 31st March, 2015 |
|--|------------------------|------------------------|
| <b>Note 5.3 - Other Current Liabilities</b>  |                        |                        |
| <b>Current Maturity on Long Term Debt</b>  |                        |                        |
| 9.1% Secured Non-convertible 10 Years Bond   | 666.67                 | 666.67                 |
| The above Bond is secured by way of charge on Banarhat & Karballa Tea Estate of the Company together with all buildings factories structures, erections, plant and machinery, boilers, fixtures and fittings on the said Tea Estate or which might erected, built, constructed, put up, set up or installed on the same.   |                        |                        |
| <b>Secured Term Loan</b>   |                        |                        |
| From Bank of Baroda  | 1709.12                | 1281.84                |
| Secured by Equitable mortgage of properties situated at 8, Dr. Rajendra Prasad Sarani, Kolkata-700001 and properties at P.S.Behala, Dist.24 Parganas (South) has been extended by way of pari-passu 1st charge in favour of Allahabad Bank for its limit of ₹30.00 crore and in favour of Bank of Baroda for its limit of ₹52.41 crore granted to Electrical Division, Transformer & Switchgear Unit of the Company. |                        |                        |
| From United Bank of India  | 29.85                  | 29.85                  |
| Car Loan from Allahabad Bank   | 1.19                   | ...                    |
|  | <b>2406.83</b>         | 1978.36                |
| <b>Interest accrued but not due on borrowings</b>  |                        |                        |
| From Scheduled Banks   | 238.02                 | 249.55                 |
| Others   | 6.48                   | 12.63                  |
| Advance received from Customers  | 772.86                 | 675.89                 |
| Earnest Money/Security Deposit   | 63.30                  | 201.96                 |
| Payable to Statutory Authorities   | 840.26                 | 837.83                 |
| Others [includes Related Party ₹72.53 lakh](₹78.17 lakh)<br>[Refer Note 10.18]   | 3803.33                | 2741.76                |
|  | <b>8131.08</b>         | <b>6697.98</b>         |
| <b>Note 5.4 - Short Term Provisions</b>  |                        |                        |
| <b>Others :</b>  |                        |                        |
| For Stock Obsolescence, Contingencies and Food Stuff   | 451.78                 | 570.06                 |
| For Wealth Tax [Net of Advance Tax ₹1226670/- (₹1226670/-)]  | 6.30                   | 6.30                   |
| For Proposed Dividend  | ...                    | 333.64                 |
| For Dividend Distribution Tax  | ...                    | 66.71                  |
| For Gratuity   | 264.17                 | 232.70                 |
| For Leave Encashment   | 145.23                 | 214.84                 |
| For Warranty   | 75.78                  | 137.41                 |
|  | <b>943.26</b>          | <b>1561.66</b>         |



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016

[₹ in lakh]

Note 6 - Fixed Assets

| Description of Assets  | GROSS BLOCK                           |  |  |  | DEPRECIATION          |               |   |                       | IMPAIRMENT OF ASSETS  |                 | NET BLOCK              |                        |
|--|---------------------------------------|--|--|--|-----------------------|---------------|---|-----------------------|-----------------------|-----------------|------------------------|------------------------|
|  | Cost/Book Value as at 1st April, 2015 | Additions/ Adjustments during the year | Less: Sales/ Adjustments during the year | Cost/Book Value as at 31st March, 2016 | Upto 31st March, 2015 | For the year  | Less: On Sales/ Adjustments during the year | Upto 31st March, 2016 | Upto 31st March, 2015 | During the year | As at 31st March, 2016 | As at 31st March, 2015 |
| <b>Tangible Assets</b>   |                                       |  |  |  |                       |               |   |                       |                       |                 |                        |                        |
| Land (including cost of development and leasehold land ₹15.10 lakh; 2014-15 ₹15.10 lakh) | 323.38                                | ...                                    | ...                                      | 323.38                                 | 6.72                  | 1.50          | ...   | 8.22                  | ...                   | ...             | 315.16                 | 316.66                 |
| Estates (Leasehold (including garden development expenses)                               | 12472.88                              | 10.17                                  | 2.56                                     | 12480.49                               | 261.71                | 1.78          | ...   | 263.49                | ...                   | ...             | 12217.00               | 12211.17               |
| Buildings  | 3828.36                               | 522.21                                 | 12.71                                    | 4337.86                                | 1718.76               | 190.82        | 0.36  | 1909.22               | 5.78                  | ...             | 2422.86                | 2103.82                |
| Roads and Culverts   | 74.66                                 | 11.21                                  | ...                                      | 85.87                                  | 58.20                 | 7.87          | ...   | 66.07                 | ...                   | ...             | 19.80                  | 16.46                  |
| Plant and Equipments   | 6419.61                               | 287.03                                 | 31.19                                    | 6675.45                                | 4030.47               | 275.56        | 26.29                                       | 4279.74               | 62.97                 | ...             | 2332.74                | 2326.17                |
| Drawings, Designs and Tracings etc.  | 74.99                                 | ...                                    | ...                                      | 74.99                                  | 40.90                 | ...           | ...   | 40.90                 | 34.09                 | ...             | ...                    | ...                    |
| Electrical Installations   | 1124.96                               | 20.64                                  | 0.48                                     | 1145.12                                | 696.09                | 58.98         | 0.03  | 755.04                | ...                   | ...             | 390.08                 | 428.87                 |
| Water Installations  | 850.72                                | 55.04                                  | 0.10                                     | 905.66                                 | 405.03                | 47.00         | ...   | 452.03                | ...                   | ...             | 453.63                 | 445.69                 |
| Furniture and Fixtures   | 347.04                                | 6.43                                   | 2.06                                     | 351.41                                 | 280.18                | 13.36         | 1.79  | 291.75                | 0.01                  | ...             | 59.65                  | 66.86                  |
| Office Equipments  | 27.84                                 | 0.40                                   | 0.20                                     | 28.04                                  | 25.06                 | 0.82          | 0.19  | 25.69                 | ...                   | ...             | 2.35                   | 2.78                   |
| Vehicles   | 920.70                                | 68.53                                  | 8.75                                     | 980.48                                 | 563.17                | 83.42         | 7.16  | 639.43                | ...                   | ...             | 341.05                 | 357.53                 |
| <b>TOTAL</b>   | <b>26465.14</b>                       | <b>981.66</b>                          | <b>58.05</b>                             | <b>27388.75</b>                        | <b>8086.29</b>        | <b>681.11</b> | <b>35.82</b>                                | <b>8731.58</b>        | <b>102.85</b>         | <b>...</b>      | <b>18554.32</b>        | <b>18276.01</b>        |
| <b>Intangible Assets</b>   |                                       |  |  |  |                       |               |   |                       |                       |                 |                        |                        |
| Computer Software  | 93.05                                 | 9.02                                   | ...                                      | 102.07                                 | 62.27                 | 12.45         | ...   | 74.72                 | ...                   | ...             | 27.35                  | 30.78                  |
| <b>TOTAL</b>   | <b>26558.19</b>                       | <b>990.68</b>                          | <b>58.05</b>                             | <b>27490.82</b>                        | <b>8148.56</b>        | <b>693.56</b> | <b>35.82</b>                                | <b>8806.30</b>        | <b>102.85</b>         | <b>...</b>      | <b>18581.67</b>        | <b>18306.79</b>        |
| <b>Tabgible Assets</b>   |                                       |  |  |  |                       |               |   |                       |                       |                 |                        |                        |
| Capital Work-in-Progress   | 471.40                                | 594.20                                 | 973.46                                   | 92.14                                  | ...                   | ...           | ...   | ...                   | ...                   | ...             | 92.14                  | 471.40                 |
| <b>TOTAL</b>   | <b>27029.59</b>                       | <b>1584.88</b>                         | <b>1031.51</b>                           | <b>27582.96</b>                        | <b>8148.56</b>        | <b>693.56</b> | <b>35.82</b>                                | <b>8806.30</b>        | <b>102.85</b>         | <b>...</b>      | <b>18673.81</b>        | <b>18778.19</b>        |
| PREVIOUS YEAR'S TOTAL  | 26089.29                              | 2222.32                                | 1282.02                                  | 27029.59                               | 7622.97               | 659.67        | 134.09                                      | 8148.55               | 102.85                | ...             | 18778.19               |                        |


**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016**

[₹ in lakh]

**Note 6.1 Non-Current Investments (Other than Trade Investments - at Cost)**
**1. Equity Share in Associate Company**
**Quoted :**

 Tide Water Oil Co. (India) Ltd.  
 (2,28,490 shares of ₹ 10/- each split into 4,56,980 shares of ₹5/- each during the year) (Bonus Shares Received during the year 4,56,980)  
 Add/Less: Group Share of Profit as on 31st March 2016

 WEBFIL Ltd.  
 Yule Financing & Leasing Co. Ltd.  
 [Net of Provision other than temporary diminution in carrying amount of investments ₹27.88 lakh (Previous Year ₹27.88 lakh)]

**Unquoted :**

 The Bengal Coal Co. Ltd.  
 [Net of Provision other than temporary diminution in carrying amount of investments ₹0.51 lakh (Previous Year ₹0.51 lakh)]

 Katras Jheriah Coal Co. Ltd.  
 Add/Less: Group Share of Profit as on 31st March, 2016

 The New Beerbhoom Coal Co. Ltd.  
 Add/Less: Group Share of Profit as on 31st March, 2016

**Preference Shares (Fully Paid):**
**Unquoted :**

6% Cumulative Redeemable Preference Shares-WEBFIL

**Bonds (Fully Paid) :**
**Unquoted :**

\*\*WEBFIL Ltd. Zero Rate Unsecured Redeemable Bond

**2. In Other Companies - Non-Trade Investments :**
**Equity Shares (Fully Paid) :**
**Quoted :**

 India Power Corporation Ltd. (erstwhile DPSC Ltd.)  
 Fort Gloster Industries Ltd.  
 Gloster Ltd.  
 Exide Industries Ltd.  
 The Gillapukri Tea and Industries Ltd.

**Unquoted :**

 The Statesman Ltd.  
 [Net of Provision other than temporary diminution in carrying amount of investments ₹4.70 lakh (Previous Year ₹4.70 lakh)]

 ABC Tea Workers Welfare Services  
 Woodlands Multispeciality Hospital Ltd.  
 Jalpaiguri Club Co. Ltd.

**3. Units (Fully Paid) :**
**Quoted :**

 Unit Trust of India  
 Balanced Fund

| As at 31st March, 2016        |  |          | As at 31st March, 2015        |  |          |
|-------------------------------|--|----------|-------------------------------|--|----------|
| No. of Shares/<br>Bonds/Units | Face Value<br>per Shares/<br>Bonds/Units | Amount   | No. of Shares/<br>Bonds/Units | Face Value<br>per Shares/<br>Bonds/Units | Amount   |
| 9,13,960                      | 5  | 158.56   | 2,28,390                      | 10                                       | 141.07   |
|                               |  | 13607.15 |                               |  | 12337.85 |
|                               |  | 13765.71 |                               |  | 12478.92 |
| 1,45,000                      | 10                                       | 14.50    | 1,45,000                      | 10                                       | 14.50    |
| 3,00,000                      | 10                                       | ...      | 3,00,000                      | 10                                       | ...      |
| 10,305                        | 100                                      | ...      | 10,305                        | 100                                      | ...      |
| 60,260                        | 10                                       | 6.95     | 60,260                        | 10                                       | 6.95     |
|                               |  | (-) 9.08 |                               |  | (-) 8.07 |
|                               |  | (-) 2.13 |                               |  | (-) 1.12 |
| 1,05,355                      | 10                                       | 12.27    | 1,05,355                      | 10                                       | 12.27    |
|                               |  | (-) 5.14 |                               |  | (-) 4.25 |
|                               |  | 7.13     |                               |  | 8.02     |
| 20,44,000                     | 10                                       | 204.40   | 20,44,000                     | 10                                       | 204.40   |
| 305                           | 1,00,000                                 | 305.00   | 305                           | 1,00,000                                 | 305.00   |
| 34,500                        | 1  | 0.01     | 34,500                        | 1  | 0.01     |
| 1,040                         | 10                                       | 0.12     | 1,040                         | 10                                       | 0.12     |
| 832                           | 10                                       | 0.01     | 832                           | 10                                       | 0.01     |
| 2,12,714                      | 1  | 4.22     | 2,12,714                      | 1  | 4.22     |
| 26                            | 10                                       | ...      | 26                            | 10                                       | ...      |
| 9,966                         | 100                                      | ...      | 9,966                         | 100                                      | ...      |
| 750                           | 10                                       | 0.08     | 750                           | 10                                       | 0.08     |
| 23,450                        | 10                                       | 0.69     | 23,450                        | 10                                       | 0.69     |
|                               |  | ...      |                               |  | ...      |
| 2,03,706                      | 10                                       | 45.29    | 1,70,781                      | 10                                       | 36.13    |
|                               |  | 14345.03 |                               |  | 13050.98 |

**SUMMARY**
**1. Associate Company**

 Preference Shares  
 Equity Shares  
 Bonds

**2. Other Companies (Non-Trade Investments) :**

Equity Shares

**3. Unit Trust of India**

Balanced Fund

**Book Value**

|          |          |
|----------|----------|
| 204.40   | 204.40   |
| 13785.21 | 12500.32 |
| 305.00   | 305.00   |
| 5.13     | 5.13     |
| 45.29    | 36.13    |
| 14345.03 | 13050.98 |

**Aggregate Value of Investments :**

 Quoted  
 Unquoted

| As at 31st March, 2016 |              | As at 31st March, 2015 |              |
|------------------------|--------------|------------------------|--------------|
| Book Value             | Market Value | Book Value             | Market Value |
| 13829.86               | 54178.47     | 12533.91               | 31266.34     |
| 515.17                 |              | 517.07                 |              |
| 14345.03               |              | 13050.98               |              |



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016**

[₹ in lakh]

|   | As at 31st March, 2016 | As at 31st March, 2015 |
|---|------------------------|------------------------|
| <b>Note 6.2 - Long Term Loans and Advances</b>  |                        |                        |
| Capital Advances - Unsecured Considered good  | 22.28                  | 22.28                  |
| Advance Tax (FBT)   | 2.11                   | 2.11                   |
| Advance Income Tax [Net of Provision ₹1013.93 lakh (₹912.13 lakh)]                                  | 932.28                 | 1071.92                |
| <b>Loans and Advance to related parties (Refer Note 10.18)</b>                                      |                        |                        |
| Unsecured – Considered good   | 2.49                   | 2.41                   |
| Doubtful  | 567.40                 | 567.40                 |
|   | <u>569.89</u>          | <u>569.81</u>          |
| Less: Provision for Doubtful Advance  | <u>567.40</u>          | <u>567.40</u>          |
|   | 2.49                   | 2.41                   |
| <b>Other Loans and Advances – Unsecured – Considered good</b>                                       | 314.59                 | 395.10                 |
| Considered doubtful   | 5.83                   | 0.72                   |
|   | <u>320.42</u>          | <u>395.82</u>          |
| Less: Provision for Doubtful Loans and Advance  | <u>5.83</u>            | <u>0.72</u>            |
|   | <u>314.59</u>          | <u>395.10</u>          |
|   | <u>1273.75</u>         | <u>1493.82</u>         |
| <b>Note 6.3 - Other Non-Current Assets</b>  |                        |                        |
| Long Term Trade Receivables   | 235.95                 | 440.11                 |
| Security Deposits   | 131.31                 | 131.68                 |
| Interest Accrued on Fixed Deposits maturing after 12 months   | 8.91                   | ...                    |
| Others (Plan Assets for Superannuation Fund)  | <u>534.99</u>          | <u>1198.83</u>         |
|   | <u>911.16</u>          | <u>1770.62</u>         |
| <b>Note 7.1 - Current Investment (Investments in Mutual Fund)</b>                                   |                        |                        |
| <b>Quoted :</b>   |                        |                        |
| In Mutual Fund  | ...                    | 5.27                   |
| (18718.15 Units of ₹10/- each, of Unit Trust of India Balanced Fund) [NAV ₹Nil (₹5,53,383/-)]       |                        |                        |
| In National Savings Certificate   | <u>0.35</u>            | <u>0.35</u>            |
|   | <u>0.35</u>            | <u>5.62</u>            |
| <b>Note 7.2 - Inventories (At lower of cost and net realisable value)</b>                           |                        |                        |
| Raw Materials, Components & Packing Material  | 1131.99                | 974.59                 |
| Work in Progress  | 1107.39                | 897.51                 |
| Finished Goods/Semi-finished Goos   | 1049.53                | 831.84                 |
| Stores and Spare Parts  | 1386.62                | 1540.34                |
| Loose Tools   | 9.89                   | 9.05                   |
| Food Stuff  | 14.55                  | 14.93                  |
| Scrap   | <u>8.47</u>            | <u>14.52</u>           |
|   | <u>4708.44</u>         | <u>4282.78</u>         |
| <b>Note 7.3 - Trade Receivables</b>   |                        |                        |
| <b>Unsecured :</b>  |                        |                        |
| Debts outstanding over six months from due date :   |                        |                        |
| Considered Good   | 2891.19                | 2480.76                |
| Considered Doubtful   | <u>4465.90</u>         | <u>4300.48</u>         |
|   | 7357.09                | 6781.24                |
| Less: Provision for Doubtful Debts  | <u>4465.90</u>         | <u>4300.48</u>         |
|   | 2891.19                | 2480.76                |
| <b>Other Debts :</b>  |                        |                        |
| Outstanding less than six months from due date :  |                        |                        |
| Considered Good [includes ₹46.53 lakh (₹15.47 lakh) due from related parties (Refer Note No.10.18)] | 8006.87                | 8385.21                |
|   | <u>10898.06</u>        | <u>10865.97</u>        |


**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016**

[₹ in lakh]

|   | As at 31st March, 2016 | As at 31st March, 2015 |
|---|------------------------|------------------------|
| <b>Note 7.4 - Cash and Bank Balances</b>  |                        |                        |
| <b>Cash and Cash Equivalents :</b>  |                        |                        |
| Balance with Bank   | 1283.38                | 1007.93                |
| Cheques in Hand   | ...                    | 1.58                   |
| Cash in Hand  | 47.17                  | 27.63                  |
| Postage and Stamps in hand  | 0.02                   | 0.02                   |
| Remittance in Transit   | 0.90                   | ...                    |
| Deposit with Bank maturing within 3 months  | 1655.40                | 2332.25                |
|   | <b>2986.87</b>         | <b>3369.41</b>         |
| <b>Other Bank Balances :</b>  |                        |                        |
| Deposit with Bank maturing after 3 months   | 82.85                  | 3340.41                |
| Deposit with Bank maturing after 12 months  | 193.92                 | ...                    |
| Margin Money with Bank maturing after 3 months                                    | 4791.81                | 2154.37                |
| Margin Money with Bank maturing within 3 months                                   | 166.17                 | 66.97                  |
|   | <b>5234.75</b>         | <b>5561.75</b>         |
|   | <b>8221.62</b>         | <b>8931.16</b>         |
| <b>Note 7.5 - Short Term Loans and Advances</b>                                   |                        |                        |
| <b>Loans and Advances :</b>   |                        |                        |
| Secured Considered good   | 1.73                   | 7.56                   |
| Related Parties - Unsecured Considered good [Refer Note 10.18]                    | 140.32                 | 146.68                 |
| Others - Unsecured Considered good  | 3.28                   | ...                    |
|   | <b>145.33</b>          | <b>154.24</b>          |
| Balance with Government Authorities   | <b>820.39</b>          | <b>325.28</b>          |
| <b>Deposits - Unsecured</b>   |                        |                        |
| Considered Good   | 393.57                 | 287.87                 |
| Considered Doubtful   | 10.31                  | 10.31                  |
|   | <b>403.88</b>          | <b>298.18</b>          |
| Less: Provision for doubtful deposits   | 10.31                  | 10.31                  |
|   | <b>393.57</b>          | <b>287.87</b>          |
| <b>Other Advance recoverable in cash or in kind or for value to be received :</b> |                        |                        |
| Considered Good   | 3015.53                | 3025.72                |
| Considered Doubtful   | 1428.87                | 1386.52                |
|   | <b>4444.04</b>         | <b>4412.24</b>         |
| Less: Provision for doubtful advances   | 1428.87                | 1386.52                |
|   | <b>3015.53</b>         | <b>3025.72</b>         |
|   | <b>4374.82</b>         | <b>3793.11</b>         |
| <b>Note 7.6 - Other Current Assets</b>  |                        |                        |
| Deposit with National Bank for Agriculture and Rural Development                  | 332.51                 | 67.90                  |
| <b>Interest Accrued :</b>   |                        |                        |
| On Fixed Deposits   | 63.14                  | ...                    |
| <b>On Loans and Advances :</b>  |                        |                        |
| From Related Parties (Considered Doubtful) [Refer Note 10.18]                     | 56.00                  | 56.00                  |
| Less: Provision   | 56.00                  | 56.00                  |
|   | ...                    | ...                    |
| Other Receivables   | 298.96                 | 88.22                  |
|   | <b>694.61</b>          | <b>156.12</b>          |



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

[₹ in lakh]

|   | For the year ended 31st<br>March, 2016 | For the year ended 31st<br>March, 2015 |
|---|--|--|
| <b>REVENUE</b>  |  |  |
| <b>Note 8.1 - Revenue from Operations</b>                                 |  |  |
| Sale of Products  | 38730.55                               | 38482.37                               |
| Related Parties ₹91.77 lakh (₹82.81 lakh) [Refer Note 10.18]              |  |  |
| Less: Trade and Other Discount  | 132.21                                 | 135.77                                 |
| Less: Excise Duty   | 1597.26                                | 1662.44                                |
|   | <b>37001.08</b>                        | 36684.16                               |
| Sale of Services  | 420.53                                 | 375.53                                 |
| Related Parties ₹420.54 lakh (₹375.52 lakh) [Refer Note 10.18]            |  |  |
| <b>Revenue from Operations [A]</b>  | <b>37421.61</b>                        | 37059.69                               |
| <b>Other Operational Income :</b>   |  |  |
| Tea Board Subsidy   | 175.03                                 | 95.06                                  |
| Other Export Incentives and sale thereof                                  | 7.26                                   | 2.59                                   |
| Tea Waste Sale  | 12.88                                  | 18.03                                  |
| <b>Other Operational Income [B]</b>                                       | <b>195.17</b>                          | 115.68                                 |
| <b>Total [A+B]</b>  | <b>37616.78</b>                        | 37175.37                               |
| <b>Note 8.2 - Other Income</b>  |  |  |
| Royalty [Refer Note 10.18]  | 221.21                                 | 219.06                                 |
| Interest Income (Gross)   | 569.82                                 | 656.90                                 |
| Dividend Income   | 922.41                                 | 695.16                                 |
| Profit on Sale of Investments   | 5.86                                   | 0.00                                   |
| Provision no longer required written back                                 | 188.33                                 | 53.00                                  |
| Liabilities no longer required written back                               | 397.75                                 | 1307.01                                |
| Net Gain on Foreign Currency Transaction                                  | 4.32                                   | 3.34                                   |
| Gain on Acquisition of Land by Government                                 | 76.93                                  | 0.00                                   |
| Excess provision for YASF written back                                    | 94.87                                  | 0.00                                   |
| Others (Related Parties ₹254.30 lakh (₹191.31 lakh) [Refer Note 10.18])   | 594.73                                 | 1676.61                                |
|   | <b>3076.23</b>                         | 4611.08                                |
| <b>Note 9.1 - Cost of Material Consumed</b>                               |  |  |
| Raw Materials, Components, Packing Materials and Loose Tools              | 14042.65                               | 15995.72                               |
| Less: Raw Materials and Stores used on various jobs [Refer Note 10.23(b)] | 576.13                                 | 554.00                                 |
|   | <b>13466.52</b>                        | 15441.72                               |



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

[₹ in lakh]

|   | For the year ended 31st<br>March, 2016 | For the year ended 31st<br>March, 2015 |
|---|--|--|
| <b>Note 9.2 - Changes in Inventories of Finished Goods, Work-in-Progress and Stock in Trade</b> |  |  |
| <b>Inventories (at close) :</b>   |  |  |
| Finished Goods  | 1049.53                                | 831.84                                 |
| Work in Progress  | 1107.39                                | 897.51                                 |
|   | 2156.92                                | 1729.35                                |
| <b>Inventories (at commencement) :</b>  |  |  |
| Finished Goods  | 831.84                                 | 393.75                                 |
| Work in Progress  | 897.51                                 | 975.26                                 |
|   | 1729.35                                | 1369.01                                |
|   | (-) 427.57                             | (-) 360.34                             |
| <br><b>Note 9.3 - Employee Benefits Expense</b>   |  |  |
| Salaries and Wages  | 13115.06                               | 11607.06                               |
| Contribution to Provident and Other Funds   | 1699.66                                | 1464.62                                |
| Staff Welfare Expenses  | 1348.15                                | 1391.99                                |
|   | 16162.87                               | 14463.67                               |
| Less: Incurred on Capital Jobs, Repair Jobs etc.  | 341.97                                 | 313.34                                 |
|   | 15820.90                               | 14150.33                               |
| <br><b>Note 9.4 - Finance Costs</b>   |  |  |
| <b>Interest Expenses :</b>  |  |  |
| To Banks  | 568.18                                 | 585.62                                 |
| To Government Departments   | 33.70                                  | 33.49                                  |
| To Others   | 182.31                                 | 313.74                                 |
|   | 784.19                                 | 932.85                                 |
| Other Borrowing costs   | 207.74                                 | 183.07                                 |
|   | 991.93                                 | 1115.92                                |
| <br><b>Note 9.5 - Depreciation and Amortisation Expenses</b>                                    |  |  |
| Depreciation on Tangible Assets   | 681.11                                 | 644.73                                 |
| Amortisation of Intangible Assets   | 12.45                                  | 14.94                                  |
|   | 693.56                                 | 659.67                                 |
|   | 693.56                                 | 659.67                                 |



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

[₹ in lakh]

|  | <b>For the year ended 31st<br/>March, 2016</b> | <b>For the year ended 31st<br/>March, 2015</b> |
|--|--|--|
| <b>Note 9.6 - Other Expenses</b>                               |  |  |
| Consumption of Stores and Spare parts [Refer Note No.10.23(a)] | 358.86   | 336.83   |
| Power and Fuel   | 2713.02  | 2524.96  |
| Outsourced Proves  | 369.49   | 243.07   |
| Tea Cultivation and Manufacturing Expenses                     | 799.35   | 602.18   |
| Rent (Net)   | 85.05  | 87.82  |
| <b>Repairs and Maintenance :</b>                               |  |  |
| Buildings  | 374.95   | 377.25   |
| Plant and Machinery  | 385.46   | 373.69   |
| Others   | 80.79  | 66.61  |
|  | <b>841.20</b>                                  | <b>817.55</b>                                  |
| Travelling Expenses and Upkeep of Vehicles                     | 766.65   | 719.76   |
| Research and Development Expenses                              | 48.71  | 24.05  |
| Insurance  | 67.72  | 70.96  |
| Rates and Taxes  | 34.52  | 35.81  |
| Excise Duty  | (-) 3.75                                       | 8.67   |
| Broker's Commission  | 264.85   | 227.96   |
| <b>Selling Expenses :</b>                                      |  |  |
| Selling Agent's Commission                                     | 52.76  | 124.56   |
| Others   | 858.51   | 870.09   |
|  | <b>911.27</b>                                  | <b>994.65</b>                                  |
| Delivery and Forwarding Charges                                | 81.84  | 99.88  |
| Liquidated Damages and Penalty etc.                            | 81.98  | 189.64   |
| Rectification/Replacement                                      | 58.53  | 20.84  |
| Bad Debt written off   | ...  | 587.35   |
| Fixed Assets written off                                       | 0.40   | ...  |
| Advances irrecoverable written off                             | ...  | 411.38   |
| <b>Provision for :</b>   |  |  |
| Doubtful Debts   | 204.77   | 58.59  |
| Doubtful Loans, Advances and Deposits                          | 68.49  | 20.37  |
| Provision for ST ("C" Form)                                    | ...  | 5.25   |
| Stock/Stores Obsolescence                                      | 12.19  | 8.85   |
|  | <b>285.45</b>                                  | <b>93.06</b>                                   |
| <b>Auditor's Remuneration :</b>                                |  |  |
| As Auditor   | 2.76   | 2.25   |
| For Taxation matter  | 0.48   | 0.79   |
| For Other Services   | 0.56   | 1.14   |
| For Reimbursement Expenses                                     | ...  | 0.66   |
|  | <b>3.80</b>                                    | <b>4.84</b>                                    |
| Cess on Tea  | 57.58  | 53.29  |
| Green Leaf Cess  | 100.15   | 94.2   |
| Corporate Social Responsibility Expenses                       | 19.02  | 32.42  |
| Miscellaneous Expenses   | 1176.71  | 1098.84  |
|  | <b>9122.40</b>                                 | <b>9380.01</b>                                 |




**OTHER NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST MARCH, 2016**

[₹ in lakh]

**Note 10**
**10.01 Principles of Consolidation :**

The Consolidated Financial Statements (CFS) relate to Andrew Yule & Co. Ltd. (the Company), its Subsidiary Companies and its Associates. The Consolidated Financial Statements have been prepared on the following basis :

- [i] The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses in accordance with Accounting Standard (AS-21) – “Consolidated Financial Statements” issued by the Institute of Chartered Accountants of India.
- [ii] In case of Associates where the Company holds 20% or more of equity, investments in Associates are accounted for using equity method in accordance with Accounting Standard (AS-23) – “Accounting for Investments in Associates in Consolidated Financial Statements” issued by the Institute of Chartered Accountants of India.

**10.02 Ownership Interest in Subsidiaries and Associates :**

- [i] The Subsidiaries [which alongwith “Andrew Yule & Co. Ltd., (AY) the parent, constitute the Group] considered in the preparation of these Consolidated Financial Statements are :

| Name                      | Country of Incorporation | Percent of voting power as at 31st March, 2016 |
|---------------------------|--------------------------|--|
| Hooghly Printing Co. Ltd. | India                    | 100  |
| Yule Engineering Co. Ltd. | India                    | 100  |
| Yule Electrical Co. Ltd.  | India                    | 100  |

The financial statements of the Subsidiaries are drawn upto 31st March every year.

- [ii] Ownership interest of the Group in the Associates considered in the CFS are as follows :-

| Name of the Company             | Country of Incorporation | Ownership Interest as At 31st March, 2016 | Ownership interest as at 31st March, 2015 |
|---------------------------------|--------------------------|---|---|
| Tide Water Oil Co. (India) Ltd. | India                    | 26.23%                                    | 26.22%                                    |
| The New Beerbhoom Coal Co. Ltd. | India                    | 32.95%                                    | 32.95%                                    |
| KatrasJherriah Coal Co. Ltd.    | India                    | 31.88%                                    | 31.88%                                    |

These investments have been accounted for using the equity method whereby the investments are initially recorded at cost and adjusted thereafter for the post acquisition change in the Group’s share of net assets. During the year, the Group has received dividend aggregating ₹913.55 lakh (₹685.17 lakh) in respect of the investments in Associates.

Financial Statements of all the Associates are drawn upto 31st March. The Group’s investment in Associates were reported as long term investments as on 31st March, 2016 (Note No.6.1) as per AS-23.

**10.03 Estimated amount of contract remaining to be executed on Capital Account ₹9.78 lakh (net of advance)(₹13.24 lakh).**

In case of Tide Water Oil Co. (I) Ltd. estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advance) amounting to ₹440.00 lakh (₹131.00 lakh) where Group Companies Share is ₹449.78 lakh (₹34.35 lakh).

**10.04 Contingent liabilities not provided for in respect of :**

- [a] Claims against the Group not acknowledged as debts ₹203.18 lakh (₹146.96 lakh).
  - [b] Guarantees and Indemnities given by banks to various customers and Authorities in connection with Company’s operations amounting to ₹3299.00 lakh (₹2452.37 lakh).
  - [c] Guarantees given to Banks on behalf of other Group and/or Associate Companies :
    - [i] \*India Paper Pulp Co. Ltd. – ₹265.00 lakh (₹265.00 lakh).
    - [ii] Other Companies – ₹334.70 lakh (₹334.70 lakh) on behalf of Hooghly Printing Co. Ltd., a Subsidiary of the Company.
- \*In respect of item Nos.(i) above, although the notice of invocation of guarantees has been received neither any payment nor any provision has been made as the matter is sub-judice.



**OTHER NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST MARCH, 2016 – [Contd.]**

[₹ in lakh]

**Note 10 – [Contd.]**

- [d] Disputed Sales Tax aggregating to ₹2252.12 lakh (₹2861.94 lakh). The demand under the WBST, CST, AGST and OST Acts are according to the opinion of the Group, erroneously raised for which appeals have been preferred at higher Forums of Sales Tax Authority.
- [e] Aggregate Income Tax demands including penalty amounting to ₹485.04 lakh (₹485.04 lakh) excluding interest not admitted, against which appeals have been preferred by the Company.
- [f] Disputed Excise/Customs Duty/Service Tax claims ₹429.27 lakh (₹447.33 lakh) excluding interest against which appeal have been preferred by the Company.
- [g] Unexpired Letter of Credit opened by the Company's Bankers – ₹2307.40 lakh (₹2301.11 lakh).
- [h] In case of Tide Water Oil Co. (I) Ltd. contingent liability towards Bill Discounting, Income Tax and Sales Tax, Excise demand, other disputed claim and Bank Guarantees amounting to ₹3404.00 lakh (₹2408.00 lakh) Group Company's share of liability ₹892.80 lakh (₹631.62 lakh).
- [i] In Katras]herriah Coal Co. Ltd. claims against the Company by Income Tax Authorities not acknowledged as debts and contested in appeals ₹1.78 lakh (₹1.78 lakh). The group interest in the said amount is ₹0.56 lakh (₹0.56 lakh).
- [j] In The New Beerbhoom Coal Company Ltd., claims against the Company by Income Tax Authorities not acknowledged as debts and contested in appeals ₹0.73 lakh (₹0.73 lakh). The Group interest in the said amount is ₹0.24 lakh (₹0.24 lakh).

10.05 Sanctioned Rehabilitation Scheme approved by Board for Industrial and Financial Reconstruction (BIFR) vide Order dated 30th October, 2007 with the cut-off date of 31st March, 2006 was completed and the Company has come out from BIFR as per Order of BIFR dated 8th July, 2015.

Pursuant to Sanctioned Rehabilitation Scheme (hereinafter SRS) of BIFR stated above, the necessary effects have been given in the Accounts as under :-

- [a] [i] Shares pending allotment appearing in Note No.3 for ₹2857.00 lakh representing 14,28,50,000 number of shares at a face value of ₹2/- each to be issued to Government of India (GOI) arising out of conversion of non-plan GOI loan of ₹4152.00 lakh after writing off ₹1295.00 lakh against accumulated loss as a part of financial restructuring package approved by GOI and BIFR.
- [ii] The above pending shares will be allotted upon Board Approval and obtaining trading approval from BSE Ltd.
- [b] West Bengal Sales Tax Loan amounting to ₹250.00 lakh was granted by Government of India in 1999 repayment of which was to commence from 1st April, 2001 and was payable in 5 equal annual installments. BIFR vide its Order dated 30th October, 2007 recorded the issue of the said outstanding loan and prescribed that the accrued interest as on cut-off date amounting to ₹131.42 lakh, on the above principal amount of ₹250.00 lakh will be added to the latter and will be converted into an additional soft loan and prescribed a fresh repayment schedule, wherein the said Sales Tax Loan aggregating to ₹381.42 lakh was to be repaid over 8 years in 16 semi-annual installments with a moratorium of threeyears, subject to rephasing by the Government of West Bengal. However, no rephasing of loan has been done by the Government of West Bengal as yet.

10.06 [a] Employee Benefits

The Group's contribution to Defined Contribution Plans aggregated to ₹1281.03 lakh (₹1154.88 lakh) for the year ended 31st March, 2016 has been recognised under the line item Contribution to Provident and Other Funds included in Note No.9.3 above.

| Particulars                                    | 2015-16 | 2014-15 |
|--|---------|---------|
| Contribution to Provident Fund                 | 1279.08 | 1153.52 |
| Contribution to Employees State Insurance Fund | 1.95    | 1.36    |


**OTHER NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST MARCH, 2016 – [Contd.]**

[₹ in lakh]

**Note 10 – [Contd.]**

- [b] The Group has adopted Accounting Standard-15 (AS-15) (Revised 2005) on “Employee Benefits”. These Consolidated Financial Statements include the obligations as per requirement of this Standard.

| Particulars  | 2015-16                                     |                   |         |                |         | 2014-15                                      |                   |         |                |         |
|--|---|-------------------|---------|----------------|---------|--|-------------------|---------|----------------|---------|
|  | Gratuity                                    | Leave en-cashment | Pension | Superannuation | Medical | Gratuity                                     | Leave en-cashment | Pension | Superannuation | Medical |
| Defined benefit plans/Long term compensated absences. As per actuarial valuation as on 31st March, 2016.                 |   |                   |         |                |         |  |                   |         |                |         |
| <b>[I] Change in present value of Defined Benefit Obligations during the year ended 31st March, 2016.</b>                |   |                   |         |                |         |  |                   |         |                |         |
| [1] Present value of DBO at the beginning of the period.   | 5013.83                                     | 1231.81           | ...     | 293.64         | 7.92    | 4634.26                                      | 1047.79           | ...     | 406.69         | 8.10    |
| [2] Current Service cost.  | 267.64                                      | 181.59            | ...     | ...            | ...     | 236.18                                       | 53.62             | ...     | 38.89          | ...     |
| [3] Interest cost.   | 379.01                                      | 86.75             | ...     | 23.00          | ...     | 423.81                                       | 95.84             | ...     | 37.29          | 0.63    |
| [4] Curtailment cost/(credit).   | ...   | ...               | ...     | ...            | ...     | ...  | ...               | ...     | ...            | ...     |
| [5] Settlement cost/(credit).  | ...   | ...               | ...     | ...            | ...     | ...  | ...               | ...     | ...            | ...     |
| [6] Plan amendments.   | ...   | ...               | ...     | ...            | ...     | ...  | ...               | ...     | ...            | ...     |
| [7] Acquisitions.  | ...   | ...               | ...     | ...            | ...     | ...  | ...               | ...     | ...            | ...     |
| [8] Actuarial (Gains)/Losses.  | 366.41                                      | (84.14)           | ...     | 18.35          | ...     | 93.96  | 206.69            | ...     | (68.73)        | (0.47)  |
| [9] Benefits paid.   | 531.91                                      | 292.20            | ...     | 11.50          | ...     | (374.38)                                     | (172.13)          | ...     | (120.50)       | (0.34)  |
| [10] Present Value of DBO at the end of the period.  | 5477.34                                     | 1123.34           | ...     | 323.49         | 7.92    | 5013.83                                      | 1231.81           | ...     | 293.64         | 7.92    |
| <b>[II] Change in Fair value of Assets during the year ended 31st March, 2016.</b>                                       |   |                   |         |                |         |  |                   |         |                |         |
| [1] Plan Assets at the beginning of the period.  | 4488.30                                     | 16.46             | ...     | 726.28         | ...     | 4368.54                                      | 19.55             | ...     | 772.25         | ...     |
| [2] Actuarial Gain/(Loss)  | 45.04                                       | ...               | ...     | 78.65          | ...     | (35.60)                                      | ...               | ...     | 3.71           | ...     |
| [3] Actual return on plan assets.  | 349.92                                      | 1.65              | ...     | 57.57          | ...     | 400.22                                       | 1.73              | ...     | 70.82          | ...     |
| [4] Actual Company contribution.   | 327.69                                      | 296.49            | ...     | ...            | ...     | 129.52                                       | 167.31            | ...     | ...            | 0.34    |
| [5] Benefits paid.   | 531.91                                      | (292.66)          | ...     | 11.50          | ...     | (374.38)                                     | (172.13)          | ...     | (120.50)       | (0.34)  |
| [6] Plan Assets at the end of the period.  | 4661.40                                     | 21.94             | ...     | 851.00         | ...     | 4488.30                                      | 16.46             | ...     | 726.28         | ...     |
| <b>[III] Net Assets/(Liability) recognised in Balance Sheet as at 31st March, 2016.</b>                                  |   |                   |         |                |         |  |                   |         |                |         |
| [1] Present value of Defined Benefit Obligation  | 5477.34                                     | 1123.34           | ...     | (323.49)       | 7.92    | 5013.83                                      | 1231.81           | ...     | (293.64)       | 7.92    |
| [2] Fair value of Plan Assets.   | 4661.39                                     | 21.94             | ...     | 851.00         | ...     | 4488.30                                      | 16.46             | ...     | 726.28         | ...     |
| [3] Funded status [Surplus/(Deficit)]  | (815.95)                                    | (1101.40)         | ...     | 527.51         | (7.92)  | (525.53)                                     | (1215.35)         | ...     | 432.64         | (7.92)  |
| [4] Unrecognised past service cost.  | ...   | ...               | ...     | ...            | ...     | ...  | ...               | ...     | ...            | ...     |
| [5] Net Assets/(Liability) recognised in Balance Sheet.  | (815.95)                                    | (1101.40)         | ...     | 527.51         | (7.92)  | (525.53)                                     | (1215.35)         | ...     | 432.64         | (7.92)  |
| <b>[IV] Components of employer expenses recognised in Profit &amp; Loss Account for the year ended 31st March, 2016.</b> |   |                   |         |                |         |  |                   |         |                |         |
| [1] Current Service Cost.  | 267.64                                      | 181.59            | ...     | ...            | ...     | 236.18                                       | 53.62             | ...     | 38.89          | ...     |
| [2] Interest Cost.   | 379.01                                      | 86.75             | ...     | 23.00          | ...     | 31.88  | 95.84             | ...     | (33.52)        | 0.63    |
| [3] Expected return on plan assets   | (336.02)                                    | (1.65)            | ...     | 57.57          | ...     | (8.30)                                       | (1.73)            | ...     | ...            | ...     |
| [4] Curtailment cost/(credit).   | ...   | ...               | ...     | ...            | ...     | ...  | ...               | ...     | ...            | ...     |
| [5] Settlement cost/(credit).  | ...   | ...               | ...     | ...            | ...     | ...  | ...               | ...     | ...            | ...     |
| [6] Past Service Cost.   | ...   | ...               | ...     | ...            | ...     | ...  | ...               | ...     | ...            | ...     |
| [7] Actuarial Losses/(Gains).  | 321.37                                      | (84.14)           | ...     | (60.30)        | ...     | 129.56                                       | 206.69            | ...     | (72.45)        | (0.47)  |
| [8] Total expenses recognised in the statement of Profit & Loss Account under the head Salaries & Wages.                 | 618.10                                      | 182.55            | ...     | (94.87)        | ...     | 389.32                                       | 354.42            | ...     | (67.08)        | (0.16)  |
| <b>[V] Actuarial Assumptions.</b>  |   |                   |         |                |         |  |                   |         |                |         |
| [1] Discount Rate  | 7.83%                                       | 7.83%             | ...     | 7.83%          | 7.83%   | 8.00%  | 8.00%             | NA      | 7.99%          | 8.00%   |
| [2] Expected return on plan assets   | 7.99%                                       | NA                | ...     | 7.99%          | NA      | 8.30%  | NA                | NA      | 7.99%          | NA      |
| [3] Salary escalation  | 4.00%                                       | 4.00%             | ...     | 4.00%          | NA      | 4.00%  | 4.00%             | NA      | 3.00%          | NA      |
| [4] Expected Average remaining working lives of employees (years)  | 18.05                                       | 18.05             | ...     | 1.67           | NA      | 18.27  | 15.00             | NA      | 2.56           | NA      |
| [5] Method of valuation  | Projected Unit Credit(PUC) Actuarial Method |                   |         |                |         | Projected Unit Credit (PUC) Actuarial Method |                   |         |                |         |

- (\*) YASF Surplus Assets of ₹250.00 lakh, which will not be required in future has been transferred to the company as on 31.03.2016. The expenses recognised in the Statement of Profit & Loss on account of Gratuity is the amount indicated



**OTHER NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST MARCH, 2016 – [Contd.]**

[₹ in lakh]

**Note 10 – [Contd.]**

by the Actuary i.e. ₹608.72 lakh reduced by the amount transferred from YASF i.e. ₹250.00 lakh. Thus the liability recognised during the year is ₹358.72 lakh.

(\*\*) Reconciliation of difference in Plan Assets for Gratuity, Leave Encashment, Pension, Medical and Superannuation Fund as per actuarial Valuation and as shown under Note No. 4.3, 5.4 and 6.3 is under process.

[c] YASF Surplus Assets of ₹250.00 lakh, which will not be required in future has been transferred in the books of the Company as on 31st March, 2016. The expenses recognised in the Statement of Profit & Loss on account of Gratuity is the amount indicated by the Actuary i.e. ₹608.72 lakh reduced by the amount transferred from YASF i.e. ₹250.00 lakh. Thus the liability recognised during the year is ₹358.72 lakh.

[d] In respect of Hooghly Printing Co. Ltd., independent Actuarial Valuation of Medical Benefit has been made as on 31st March, 2016. In respect of Gratuity and Leave Encashment, actuarial valuation was made by Life Insurance Corporation of India (LIC).

10.07 The medical benefits for the employees for domiciliary treatment is for a block of three years and shall lapse yearly thereafter if the concerned employee does not avail it. The liability towards such unavailed quantum of medical benefits has been determined on actual basis instead of actuarial valuation method since the eligible amount will remain fixed during the next block. The total amount of liability as on 31st March, 2016 is ₹380.23 lakh (₹550.09 lakh) has been taken into account.

10.08 Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006.

| Sl.No. | Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006   | 2015-16 | 2014-15 |
|--------|---|---------|---------|
| [I]    | The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the year  |         |         |
|        | [i] Principal Amount unpaid   | 42.27   | ...     |
|        | [ii] Interest Due   | ...     | ...     |
| [II]   | The amount of interest paid by the buyer in terms of Section 16, of the Micro Small and Medium Enterprise Development Act, 2006 alongwith the amounts of the payment made to the supplier beyond the appointed day during the year  |         |         |
|        | [i] Payment made beyond the Appointed Date  | ...     | ...     |
|        | [ii] Interest paid beyond the Appointed Date  | ...     | ...     |
| [III]  | The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006  | ...     | ...     |
| [IV]   | The amount of interest accrued and remaining unpaid at the end of the year  | ...     | ...     |
| [V]    | The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprise Development Act, 2006 | ...     | ...     |

The above disclosures are furnished by the Company based on information available with the Company in respect of the Registration status of its vendors/suppliers.

10.09 Provision for Liquidated damages amounting to ₹2521.71 lakh (₹2217.02 lakh) has been set off against Trade Receivables.

10.10 The Company has made investments of ₹543.24 Lakh in the following companies which have diminution in its value which is not of permanent nature and against which no provision has been made and the same has been considered recoverable in future by management.

**In Equity Shares**

|   |   |              |
|---|---|--------------|
| WEBFIL Limited  | ➤ | ₹14.50 lakh  |
| Fort Gloster Industries Limited                                 | ➤ | ₹0.12 lakh   |
| Katras Jherriah Coal Company Limited                            | ➤ | ₹6.95 lakh   |
| The New Beerbhoom Coal Company Limited                          | ➤ | ₹12.27 lakh  |
| In 6% Cumulative Redeemable Preference Shares of WEBFIL Limited | ➤ | ₹204.40 lakh |
| In Zero Rate Unsecured Redeemable Bond of WEBFIL Limited        | ➤ | ₹305.00 lakh |

10.11 [i] In Tide Water Oil Co. (India) Ltd. diminution in value of long term investments amounting to ₹41.00 lakh (₹41.00 lakh) is in the opinion of the management not of a permanent nature and accordingly no provision has been made. The Group interest in the same amount is ₹10.75 lakh (₹10.75 lakh).

[ii] In The New Beerbhoom Coal Co. Ltd. diminution in value of long term investment amounting to ₹8.67 lakh (₹8.67 lakh) is in the opinion of the management not of a permanent nature and accordingly no provision has been made. The Group interest in the same amount is ₹2.86 lakhs (₹2.86 lakhs).



**OTHER NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST MARCH, 2016 – [Contd.]**

[₹ in lakh]

**Note 10 – [Contd.]**

- [iii] In Katras Jherriah Coal Co. Ltd. diminution in value of long term investment amounting to ₹4.73 lakh (₹4.73 lakh) is in the opinion of the management not of a permanent nature and accordingly no provision has been made. The group interest in the same amount is ₹1.50 lakh (₹1.50 lakh).
- [iv] The New Beerbhoom Coal Co. Ltd. an Associate of the Group, the extent of realisability of a loan given to a body corporate amounting to ₹4.50 lakh (₹4.50 lakh) is not ascertainable. Group interest in the said amount is ₹1.48 lakh (₹1.48 lakh).
- [v] In Katras Jherriah Coal Co. Ltd., the extent to which amount receivable ₹1.79 lakh (₹1.79 lakh) from Central Government is not ascertainable. Group interest in the said amount is ₹0.57 lakh (₹0.57 lakh).
- [vi] In Katras Jherriah Coal Co. Ltd., an Associate of the Group, the extent of realisability of a loan given to a Body Corporate amounting to ₹2.00 lakh (₹2.00 lakh) is not ascertainable. Group interest in the said amount is ₹0.63 lakh (₹0.63 lakh).

10.12 Balances of Trade Receivables, Deposits and Advances to the parties, Trade Payables, dues to and from Govt. Undertakings and stock with third parties are subject to confirmation.

10.13 The major component of the respective balances of Deferred Tax Assets and Liabilities are disclosed in the Accounts. Details of Deferred Tax Liability as on 31st March, 2016 are given below :-

[a] Timing difference :

| Particulars |   | 31st March, 2016 | 31st March, 2015  |
|-------------|---|------------------|-------------------|
| [i]         | Depreciation as per Tax Laws                    | 616.06           | 610.96            |
| [ii]        | Depreciation as per Books                       | 693.56           | 942.72            |
| [iii]       | Difference                                      | (-) 77.50        | (-) 331.76        |
|             | Deffered Tax Liability including Education Cess | (-) 27.56        | (-) 114.16        |
|             | Adjustment/Credit related to previous years     | ...              | 7.46              |
|             | <b>Total</b>                                    | <b>27.56</b>     | <b>(-) 106.70</b> |

[b] Major components of Deferred Tax Liabilities and Deferred Tax Assets pursuant to Accounting Standard (AS-22) "Accounting for Taxes on Income".

| Particulars                                  | Deferred Tax Liabilities/<br>(Assets) as at 31st March, 2015 | Charge/(Credit) to<br>Statement of Profit and Loss | Charge/(Credit) to<br>Retained Earnings | Deferred Tax Liability/(Assets)<br>as at 31st March, 2016 |
|--|--|--|---|---|
| <b>Deferred Tax Liability</b>                |  |  |   |   |
| Difference between book and tax depreciation | 313.60   | (-) 27.56  | ...                                     | <b>286.04</b>   |
| <b>Total</b>                                 | <b>313.60</b>  | <b>(-) 27.56</b>                                   | ...                                     | <b>286.04</b>   |
| Previous year                                | 420.30   | (-) 8.35   | (-) 98.35                               | ...   |

[c] In computing deferred tax liability of the Group for the financial year 2015-16, unabsorbed depreciation, business loss, as well as disallowances u/s.43B as per Income Tax Act, 1961 has not been recognised as deferred tax assets.

10.14 In terms of the sanction letter/debt covenants received by the Group from the lending Banks and Financial Institutions, repayment schedule of term loan and applicable rate of interest are as set out below.

|   |   |                               |
|---|---|-------------------------------|
| From Bank of Baroda   | ₹2991.00 lakh to be repaid in 28 equal quarterly installments of ₹106.82 lakh each commencing from 25th March, 2013. Company's proposal for conversion of said term loan into equity is agreed to, by concerned Bank and approved by Govt. of India on 6th April, 2016. | 9.25% p.a. with monthly rest. |
| Term Loan from United Bank of India for Hooghly Printing Co. Ltd. | Repayment of thirty quarterly instalments of ₹5.97 lakh each and one instalment of ₹6.03 lakh commencing from 2009-10   | Base rate Plus 5.5%           |

10.15 [a] In case of Katras Jherriah Coal Co. Ltd., only those claims in relation to coking/non-coking coal mines which have been admitted by the respective Commissioner of Payments or are subject to appeal filed by the claimants and still pending with the Appellate Courts have been included in "Other Long Term Liabilities". Accordingly, the extent of adjustments as may be required in respect of claims under appeals still pending with the Appellate Courts is not ascertainable at this stage.

[b] Amounts receivable from Central Government aggregating ₹1.79 lakh (₹1.79 lakh) as shown in the Balance Sheet are after adjustments of ₹62.99 lakh (₹62.99 lakh) being payments made by the Commissioners of Payments, Dhanbad and Calcutta upto 31st March, 2016 against admitted claims of the Company's bankers and other creditors, and ₹42.96 lakh (₹42.96 lakh) received by the Company in November, 1992 and April, 1998 and December, 2002 from the Office of the Commissioner of Payments, Calcutta. Necessary communication/confirmation from appropriate authorities substantiating recoverability of otherwise of the aforesaid year end balance is awaited.


**OTHER NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST MARCH, 2016 – [Contd.]**

[₹ in lakh]

**Note 10 – [Contd.]**
**10.16 Consolidated Segment Reporting :**

The Group's segment information as at and for the year ended 31st March, 2016 are as below :-

| Particulars   | External Sales |          | Inter Segment Sales |         | Total      |            |
|---|----------------|----------|---------------------|---------|------------|------------|
|   | 2015-16        | 2014-15  | 2015-16             | 2014-15 | 2015-16    | 2014-15    |
| [1] Segment Revenue   |                |          |                     |         |            |            |
| Electrical  | 11666.71       | 13725.32 | 2.63                | 2.86    | 11669.34   | 13728.18   |
| Tea   | 21226.21       | 18838.48 | 2.69                | 2.89    | 21228.90   | 18841.37   |
| Engineering   | 2416.40        | 2539.50  | 19.57               | 28.02   | 2435.97    | 2567.52    |
| Printing  | 1691.75        | 1580.86  | 13.61               | 18.19   | 1705.36    | 1599.05    |
| Segment Total   | 37001.07       | 36684.16 | 38.50               | 51.96   | 37039.57   | 36736.12   |
| Eliminations  |                |          |                     |         | 38.50      | 51.96      |
| Consolidated Total  |                |          |                     |         | 37001.07   | 36684.16   |
| [2] Segment Results   |                |          |                     |         |            |            |
| Electrical  |                |          |                     |         | (-) 257.49 | 438.79     |
| Tea   |                |          |                     |         | 1297.93    | 606.42     |
| Engineering   |                |          |                     |         | (-) 303.92 | 597.50     |
| Printing  |                |          |                     |         | 80.14      | 78.78      |
| Yule Engineering  |                |          |                     |         | 0.13       | (-) 0.31   |
| Yule Electrical   |                |          |                     |         | 0.08       | (-) 0.22   |
| Segment Total   |                |          |                     |         | 970.72     | 1720.96    |
| Unallocated Corporate Expenses (Net of Unallocated Income)      |                |          |                     |         | 85.38      | (-) 109.08 |
| Profit before Interest and Taxation                             |                |          |                     |         | 885.34     | 1611.88    |
| Interest etc. paid  |                |          |                     |         | 991.93     | 1115.92    |
| Interest/Dividend Income  |                |          |                     |         | 1063.93    | 902.59     |
| Profit from ordinary activity                                   |                |          |                     |         | 1005.74    | 1398.55    |
| Extraordinary and exceptional items                             |                |          |                     |         | 49.24      | ...        |
| Net Profit after exceptional items                              |                |          |                     |         | 956.50     | 1398.55    |
| Provision for Taxation (Net of written back)                    |                |          |                     |         | 108.75     | 96.30      |
| [3] Profit after taxation before share of results of Associates |                |          |                     |         | 847.75     | 1302.25    |
| Share of Profit of Associates                                   |                |          |                     |         | 1267.40    | 3311.43    |
| [4] Profit after Taxation                                       |                |          |                     |         | 2115.15    | 4613.68    |

| Other Information                        | Segment Assets |          | Segment Liabilities |          |
|--|----------------|----------|---------------------|----------|
|  | 2015-16        | 2014-15  | 2015-16             | 2014-15  |
| Electrical                               | 14526.56       | 15578.11 | 15422.95            | 16669.79 |
| Tea                                      | 24481.62       | 24551.59 | 5656.33             | 6212.66  |
| Engineering                              | 5053.10        | 4474.32  | 3683.28             | 3061.55  |
| Printing                                 | 2005.87        | 1805.10  | 1534.01             | 1283.93  |
| Yule Engineering                         | 13.78          | 11.46    | 0.56                | 0.26     |
| Yule Electrical                          | ...            | ...      | 0.07                | 0.19     |
| Segment Total                            | 46080.93       | 46420.58 | 26297.20            | 27228.08 |
| Unallocated Corporate Assets/Liabilities | 18081.22       | 17899.60 | 1256.23             | 2280.26  |
| Total                                    | 64102.15       | 64320.18 | 27553.43            | 29508.34 |

| Particulars   | Capital Expenditure |         | Depreciation including Impairment |         | Non-Cash Expenditure other than Depreciation |         |
|---------------|---------------------|---------|-----------------------------------|---------|--|---------|
|               | 2015-16             | 2014-15 | 2015-16                           | 2014-15 | 2015-16                                      | 2014-15 |
| Electrical    | 376.36              | 32.37   | 108.65                            | 64.67   | 251.54                                       | 141.03  |
| Tea           | 571.74              | 1050.26 | 516.72                            | 519.32  | 5.91   | 0.50    |
| Engineering   | 27.43               | 47.83   | 32.58                             | 31.10   | 11.79  | 950.27  |
| Printing      | 0.33                | ...     | 26.38                             | 33.33   | ...  | ...     |
| Segment Total | 975.86              | 1130.46 | 684.33                            | 648.42  | 269.24                                       | 1091.80 |



**OTHER NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST MARCH, 2016 – [Contd.]**

[₹ in lakh]

**Note 10 – [Contd.]**

Notes: [1] The business segments comprise of the following major product groups :-

|             |  |
|-------------|--|
| Engineering | <ul style="list-style-type: none"> <li>➤ Industrial Fans.</li> <li>➤ Air Pollution and Water Pollution Control equipments.</li> <li>➤ Turn-key projects involving the above products.</li> </ul> |
| Electrical  | <ul style="list-style-type: none"> <li>➤ HT and LT Switchgear</li> <li>➤ Transformers</li> <li>➤ Relay and Contactors</li> <li>➤ Turn-key projects on power distribution.</li> </ul>             |
| Tea         | <ul style="list-style-type: none"> <li>➤ Tea growing and manufacturing.</li> </ul>   |
| Printing    | <ul style="list-style-type: none"> <li>➤ Printing of books, periodicals &amp; publicity materials.</li> </ul>  |

- [2] The information relating to erstwhile Belting Division has been considered as part of the corporate information for the purpose of the above reporting as the related business has been discontinued earlier.
- [3] Information relating to "Project" has been reported after being clubbed with Engineering Division.
- [4] Figures in bracket pertaining to previous year.

**10.17 Particulars relating to discontinued operations :**

[a] Description of discontinued operations.

| Business Segments        | Discontinued Operations   |
|--------------------------|---|
| [i] Engineering Division | <ul style="list-style-type: none"> <li>➤ Air Handling Unit (AHU)</li> <li>➤ Core Lamination Project (CLP)</li> <li>➤ Project</li> </ul> |
| [ii] Electrical Division | <ul style="list-style-type: none"> <li>➤ Port Engineering Works (PEW)</li> <li>➤ Turnkey</li> <li>➤ Agency</li> </ul>                   |

[b] Carrying amount of Fixed Assets, Current Assets and Current Liabilities in respect of discontinued operations included in the total Assets and liabilities as shown in the Balance Sheet as on 31st March, 2016 :

| Sl. No.      | Discontinued Operations | Fixed Assets | Current Assets | Current Liabilities and Provisions |
|--------------|-------------------------|--------------|----------------|------------------------------------|
| 01           | PEW                     | ...          | ...            | 170.70                             |
| 02           | Agency                  | ...          | ...            | 1.28                               |
| 03           | Project                 | 0.09         | 40.00          | 35.32                              |
| <b>Total</b> |                         | <b>0.09</b>  | <b>40.00</b>   | <b>207.30</b>                      |

[c] Revenue, Expenses and Pre-Tax, Profit/Loss and Cash Flow in respect of discontinued operations : Nil

**10.18 Related party disclosure :**

[i] Names of Related Parties with whom Group (Andrew Yule and its Subsidiaries) had transactions during the year :

|                      |  |
|----------------------|--|
| Subsidiary Companies | <ul style="list-style-type: none"> <li>➤ Hooghly Printing Co. Ltd.</li> <li>➤ Yule Electrical Co. Ltd.</li> <li>➤ Yule Engineering Co. Ltd.</li> </ul>   |
| Associate Companies  | <ul style="list-style-type: none"> <li>➤ Tide Water Oil Co. (I) Ltd.</li> <li>➤ The Bengal Coal Co. Ltd.</li> <li>➤ The New Beerbhoom Coal Co. Ltd.</li> <li>➤ Katras Jherriah Coal Co. Ltd.</li> <li>➤ Yule Agro Industries Ltd.</li> <li>➤ WEBFIL Ltd.</li> <li>➤ Yule Financing and Leasing Co. Ltd.</li> </ul> |



OTHER NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST MARCH, 2016 – [Contd.]

[₹ in lakh]

Note 10 – [Contd.]

[ii] Key Management Personnel :

|     |                           |  |
|-----|---------------------------|--|
| [a] | Mr Kallol Datta           | ➤ Chairman & Managing Director [till 31st March, 2016] |
| [b] | Mr Sunil Munshi           | ➤ Wholetime Director                                   |
| [c] | Mr R. C. Sen              | ➤ Wholetime Director                                   |
| [d] | Mr Debasis Jana           | ➤ Wholetime Director [w.e.f 1st August, 2015]          |
| [e] | Ms Sanyukta Samaddar      | ➤ Nominee Director [w.e.f. 27th May, 2015]             |
| [f] | Mr Bhaskar Jyoti Mahanta  | ➤ Nominee Director [w.e.f. 21st March, 2016]           |
| [g] | Mr Rajesh Kumar Singh     | ➤ Nominee Director [till 21st March, 2016]             |
| [h] | Mr A. M. Manichan         | ➤ Nominee Director [till 27th May, 2015]               |
| [i] | Mr S. Swaminathan         | ➤ Whole Time Director [till 31st July, 2015]           |
| [j] | Mr Debabrata Bandopadhyay | ➤ Company Secretary [till 30th September, 2015]        |
| [k] | Mr Ayan Dutta             | ➤ Company Secretary [w.e.f. 1st October, 2015]         |

[iii] Disclosure of transactions between the Company and Associates and Subsidiaries and the status of outstanding balance as on 31st March, 2016.

| Particulars                           | Associates    |               |
|---------------------------------------|---------------|---------------|
|                                       | 2015-16       | 2014-15       |
| <b>Purchase of Goods</b>              | <b>18.76</b>  | <b>22.19</b>  |
| Tide Water Oil Co. (I) Ltd.           | 18.76         | 20.98         |
| WEBFIL Ltd.                           | ...           | 1.21          |
| Hooghly Printing Co. Ltd.             | ...           | ...           |
| <b>Purchase of Fixed Assets</b>       | <b>...</b>    | <b>56.75</b>  |
| Yule Financing & Leasing Co. Ltd.     | ...           | 53.00         |
| WEBFIL Ltd.                           | ...           | 3.75          |
| <b>Purchase of Services</b>           | <b>2.50</b>   | <b>11.66</b>  |
| Yule Financing & Leasing Co. Ltd.     | 2.50          | 11.66         |
| <b>Sale of Goods</b>                  | <b>91.77</b>  | <b>82.81</b>  |
| Yule Financing & Leasing Co. Ltd.     | 2.29          | 0.78          |
| Tide Water Oil Co. (I) Ltd.           | 87.06         | 79.13         |
| WEBFIL Ltd.                           | 0.76          | 0.58          |
| The Bengal Coal Co. Ltd.              | 0.95          | 1.17          |
| The New Beerbhoom Coal Co. Ltd.       | 0.42          | 0.60          |
| Katras Jherriah Coal Co. Ltd.         | 0.29          | 0.55          |
| <b>Sale of Services</b>               | <b>420.54</b> | <b>375.52</b> |
| Tide Water Oil Co. (I) Ltd.           | 378.00        | 345.00        |
| WEBFIL Ltd.                           | 20.43         | 14.43         |
| The Bengal Coal Co. Ltd.              | 12.81         | 10.30         |
| The New Beerbhoom Coal Co. Ltd.       | 3.61          | 1.85          |
| Katras Jherriah Coal Co. Ltd.         | 5.69          | 3.94          |
| <b>Dividend Income</b>                | <b>913.55</b> | <b>685.17</b> |
| Tide Water Oil Co. (I) Ltd.           | 913.55        | 685.17        |
| <b>Interest Expenses</b>              | <b>3.45</b>   | <b>3.45</b>   |
| The Bengal Coal Co. Ltd.              | 3.45          | 3.45          |
| <b>Rent and Hire Charges Received</b> | <b>254.30</b> | <b>191.31</b> |
| Tide Water Oil Co. (I) Ltd.           | 237.84        | 174.85        |
| WEBFIL Ltd.                           | 15.57         | 15.57         |
| The Bengal Coal Co. Ltd.              | 0.69          | 0.69          |
| The New Beerbhoom Coal Co. Ltd.       | 0.06          | 0.06          |
| Katras Jherriah Coal Co. Ltd.         | 0.14          | 0.14          |
| <b>Royalty Received</b>               | <b>221.21</b> | <b>219.06</b> |
| Tide Water Oil Co. (I) Ltd.           | 221.21        | 219.06        |




**OTHER NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST MARCH, 2016 – [Contd.]**

[₹ in lakh]

**Note 10 – [Contd.]**

| Particulars   | Associates    |               |
|---|---------------|---------------|
|   | 2015-16       | 2014-15       |
| <b>Balances As on 31st March, 2016 :</b>              |               |               |
| <b>Trade Receivable</b>                               | <b>46.53</b>  | <b>15.47</b>  |
| Tide Water Oil Co. (I) Ltd.                           | 45.76         | 9.97          |
| Yule Financing & Leasing Co. Ltd.                     | 0.03          | 0.76          |
| WEBFIL Ltd.   | 0.74          | 5.04          |
| <b>Trade Payable</b>                                  | <b>0.90</b>   | <b>3.94</b>   |
| Tide Water Oil Co. (I) Ltd.                           | 0.90          | ...           |
| WEBFIL Ltd.   | ...           | 3.94          |
| <b>Long Term Loans and Advances</b>                   | <b>569.89</b> | <b>569.81</b> |
| Tide Water Oil Co. (I) Ltd.                           | 2.49          | 2.41          |
| Yule Financing & Leasing Co. Ltd.                     | 447.00        | 447.00        |
| Yule Agro Ltd.  | 120.40        | 120.40        |
| <b>Short Term Loans and Advances</b>                  | <b>140.32</b> | <b>146.68</b> |
| Yule Financing & Leasing Co. Ltd.                     | 18.17         | 18.05         |
| Tide Water Oil Co. (I) Ltd.                           | 44.35         | 48.62         |
| WEBFIL Ltd.   | 42.04         | 27.98         |
| Coal Companies  | 35.76         | 52.03         |
| <b>Other Current Assets</b>                           | <b>56.00</b>  | <b>56.00</b>  |
| Yule Financing & Leasing Co. Ltd.                     | 56.00         | 56.00         |
| <b>Other Current Liabilities</b>                      | <b>72.53</b>  | <b>78.17</b>  |
| Tide Water Oil Co. (I) Ltd.                           | 72.53         | 78.17         |
| <b>Other Long Term Liabilities (Security Deposit)</b> | <b>28.80</b>  | <b>28.80</b>  |
| The Bengal Coal Co. Ltd.                              | 28.80         | 28.80         |

**10.19 Disclosure of transactions between the Company and Key Management Personnel.**

|  | 2015-16       | 2014-15      |
|--|---------------|--------------|
| [a] Key Management Personnel                 |               |              |
| Remuneration to Directors                    |               |              |
| Mr Kallol Datta                              | 55.88         | 25.88        |
| Mr S. Swaminathan                            | 23.26         | 23.20        |
| Mr Sunil Munshi                              | 22.49         | 20.28        |
| Mr R. C. Sen                                 | 20.66         | 0.68         |
| Mr Debasis Jana                              | 13.94         | ...          |
| Late Amitava Dhar                            | ...           | 6.87         |
| <b>Total</b>                                 | <b>136.23</b> | <b>76.91</b> |
| [b] Remuneration to Key Management Personnel |               |              |
| Mr. Debabrata Bandyopadhyay                  | 15.48         | 20.32        |
| Mr. Ayan Dutta                               | 3.40          | ...          |
| <b>Total</b>                                 | <b>18.88</b>  | <b>20.32</b> |

**10.20 Earning per share :**

|  | For the year ended 31st March 2016 | For the year ended 31st March 2015 |
|--|------------------------------------|------------------------------------|
| [a] <b>Number of Equity Share :-</b>   |                                    |                                    |
| At the beginning of the year   | 33,36,38,478                       | 32,61,38,478                       |
| At the end of the year   | 33,36,38,478                       | 33,36,38,478                       |
| Weighted average number of Equity Shares outstanding during the year for basic     | 33,36,38,478                       | 32,83,16,560                       |
| Weighted average number of Equity Shares outstanding during the year for diluted   | 47,64,88,478                       | 47,11,66,560                       |
| Face value of each Equity Share  | ₹2.00                              | ₹2.00                              |
| [b] Profit after Tax after extra ordinary income available for Equity Shareholders | 2115.15                            | 4613.68                            |
| [c] Basic earnings per Share after extra ordinary income                           | 0.63                               | 1.41                               |
| [d] Diluted earnings per Share after extra ordinary income                         | 0.44                               | 0.98                               |


**OTHER NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST MARCH, 2016 – [Contd.]**

[₹ in lakh]

**Note 10 – [Contd.]**

10.21 Revenue expenditure on Research and Development represent ₹18,75,152/- for subscription to Tea Research Association and ₹19,60,698/- for development of a new type of industrial fan. Moreover ₹18,75,152 has been incurred for development of electrical transformer.

10.22 **Details of Expenses under Item relating to previous year are as under :**

| Particulars                             | 2015-16 | 2014-15 |
|---|---------|---------|
| Electricity Duty                        | ...     | 0.59    |
| Repairs to Plant and Machinery          | 7.87    | ...     |
| Miscellaneous Expenses                  | 11.66   | ...     |
| Arrear Salary of Executive/Asstt./Staff | ...     | ...     |
| Warehouse Charges                       | ...     | ...     |
| Total                                   | 19.53   | 0.59    |

10.23 [a] **Value of Imported and Indigenous Raw Materials, Components, Stores and Spare parts consumed (excluding items consumed for Capital and Repair jobs etc.)**

|            | Raw Material and Components |        |          |        | Stores and Spares Parts |        |         |        |
|------------|-----------------------------|--------|----------|--------|-------------------------|--------|---------|--------|
|            | 2015-16                     | %      | 2014-15  | %      | 2015-16                 | %      | 2014-15 | %      |
| Imported   | 10.16                       | 0.08   | 9.65     | 0.06   | ...                     | ...    | ...     | ...    |
| Indigenous | 13456.36                    | 99.92  | 15432.07 | 99.94  | 358.86                  | 100.00 | 336.83  | 100.00 |
| Total      | 13466.52                    | 100.00 | 15441.72 | 100.00 | 358.86                  | 100.00 | 336.83  | 100.00 |

[b] **Value of Imports on C.I.F. basis (excluding canalised imports) :**

|                              | 2015-16 | 2014-15 |
|------------------------------|---------|---------|
| Raw materials and Components | 10.16   | 9.65    |
| Total                        | 10.16   | 9.65    |

[c] **Earnings in Foreign Exchange :**

|                        |        |        |
|------------------------|--------|--------|
| Export on F.O.B. basis | 449.42 | 219.55 |
|------------------------|--------|--------|

[d] **Expenditure in Foreign Currencies (on Accrual basis) :**

|                                |      |      |
|--------------------------------|------|------|
| Others (Foreign Tour Expenses) | 9.35 | 3.60 |
|--------------------------------|------|------|

10.24 **Proposed Dividend :**

| Particulars  | 2015-16 | 2014-15 |
|--|---------|---------|
| The Dividend proposed for the year is as follows : |         |         |
| On Equity Share of ₹2/- each                       |         |         |
| Amount of Dividend Proposed                        | ...     | 333.64  |
| Dividend per Equity Share                          | ...     | ₹0.10   |

10.25 Other receivables includes ₹23,95,676/- paid as Electricity Duty which is considered receivable vide Circular Number 233-IR/O/IM-4/2003 dated 25th February, 2014 issued by Government of West Bengal under "West Bengal Industrial Renewal Scheme, 2001" stating that the amount paid as Electricity Duty under the provisions of the Bengal Electricity Rules, 1935 shall be waived for a period of 5 (five) years with effect from 31st March, 2006.

10.26 The Employees Provident Fund Organisation has raised a demand vide Order Number RRC-II/21(88)05/WB amounting to ₹5,66,36,915/- against which an amount of ₹1,00,42,291/- has been paid under protest. The Hon'ble BIFR vide MA No.126 of 2014 has passed an Order dated 23rd June, 2015 to waive off the said demand.

10.27 In the Consolidated Financial Statements, Depreciation on Assets other than Computer Software belonging to Group has been provided under "Straight Line Method" except "Hooghly Printing Co. Ltd." one of the Subsidiary where depreciation has been provided under "Written Down Value Method". The total cost of the Assets of Hooghly Printing Co. Ltd. is ₹638.18 lakh (₹638.18 lakh) (Gross Block) wherein depreciation has been provided on "Written Down Value Method".

10.28 The New Beerbhoom Coal Co. Ltd., an Associate of the Group, has some property (let out to third parties on rental basis) which not being related to any coal mines have not vested in the Central Government as a result of nationalisation of its coal mines. In the absence of any information as regards the original cost and depreciation, if any, provided thereon, the book value of the said properties are considered to be "Nil" for the purpose of these Accounts.



**OTHER NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST MARCH, 2016 – [Contd.]**

[₹ in lakh]

**Note 10 – [Contd.]**

- 10.29 There is no Investor Education and Protection Fund transferable by the Group as on 31st March, 2016.
- 10.30 Pending transfer of Assets and Liabilities of Engineering and Electrical Divisions to two 100% subsidiaries incorporated in the name of Yule Engineering Ltd. and Yule Electrical Ltd. as per Sanctioned Rehabilitation Scheme (SRS) all transactions for the year ended 31st March, 2016 relating to aforesaid Divisions entered into by the Group in the name of Andrew Yule & Co. Ltd. (AYCL) have been accounted for in the Books of Accounts of AYCL.
- 10.31 The Company has decided to increase the moratorium period in respect of 6% Cumulative Redeemable Preference Shares of WEBFIL amounting to ₹204.40 lakh and Zero Rate Unsecured Redeemable Bond of ₹305.00 lakh for a period of 7 (Seven) years commenced from 1st April, 2014 and 20th December, 2014 respectively.
- 10.32 The figures in these accounts have been rounded off to nearest lakh of rupees and, as such, the balances in certain heads of account amounting to ₹500 or less, although maintained in the books of accounts of the Group Company, do not appear in these accounts.
- 10.33 [a] Previous year's figures have been re-arranged and/or re-grouped wherever necessary.  
[b] The figures in these accounts have been rounded off to nearest lakh of rupees and, as such, the balances in certain heads of account amounting to ₹500 or less, although maintained in the Books of Accounts of the Company, do not appear in these Accounts.
- 10.34 Additional information, as required under Schedule-III of the Companies Act, 2013 of Enterprises Consolidated as Subsidiaries/ Associates/Joint Ventures.

| Name of the Enterprise          | Net Assets i.e. Total Assets Minus Total Liabilities |                    | Share in Profit or Loss             |                    |
|---------------------------------|--|--------------------|-------------------------------------|--------------------|
|                                 | As % of Consolidated Net Assets                      | Amount [₹ in lakh] | As % of Consolidated Profit or Loss | Amount [₹ in lakh] |
| <b>Parent</b>                   |  |                    |                                     |                    |
| Andrew Yule & Co. Ltd.          | 61.72  | 22556.94           | 39.49                               | 835.29             |
| <b>Subsidiaries</b>             |  |                    |                                     |                    |
| <b>Indian</b>                   |  |                    |                                     |                    |
| Hooghly Printing Co. Ltd.       | 1.10   | 400.27             | 0.60                                | 12.66              |
| Yule Engineering Ltd.           | 0.01   | 3.24               | (-) 0.006                           | (-) 0.12           |
| Yule Electrical Ltd.            | (-) 0.02   | (-) 5.15           | (-) 0.004                           | (-) 0.08           |
| <b>Associates</b>               |  |                    |                                     |                    |
| <b>Indian</b>                   |  |                    |                                     |                    |
| Tide Water Oil Co. (I) Ltd.     | 37.23  | 13607.15           | 60.01                               | 1269.30            |
| Katras/herriah Coal Co. Ltd.    | (-) 0.03   | (-) 9.08           | (-) 0.04                            | (-) 0.89           |
| The New Beerbhoom Coal Co. Ltd. | (-) 0.01   | (-) 5.14           | (-) 0.05                            | (-) 1.01           |

**For Andrew Yule & Company Limited**

**AYAN DUTTA**  
Company Secretary.

**SANDIP ROY**  
Financial Controller.

**R. C. SEN**  
Director (Finance).

**SUNIL MUNSHI**  
Chairman & Managing Director.

As per our Report of even date.

For **V. SINGHI & ASSOCIATES**

Chartered Accountants

Firm Registration No.311017E

(**V. K. SINGHI**)

Partner.

Membership No.050051

Date : 30th May, 2016.

Place : Kolkata.



**FORM AOC - 1**

**[Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014]**

**Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures**

**Part - A : Subsidiaries**

[₹ in lakh]

| 1.  | Sl. No.  | 1                                | 2                            | 3                           |
|-----|--|----------------------------------|------------------------------|-----------------------------|
| 2.  | Name of the Subsidiary   | <b>Hooghly Printing Co. Ltd.</b> | <b>Yule Engineering Ltd.</b> | <b>Yule Electrical Ltd.</b> |
| 3.  | Reporting period for the subsidiary concerned, if different from the holding Company's reporting period                  | N.A.                             | N.A.                         | N.A.                        |
| 4.  | Reporting currency and Exchange rate as on the last date of the relevant Financial year, in case of foreign subsidiaries | INR                              | INR                          | INR                         |
| 5.  | Share Capital  | 102.71                           | 5.00                         | 5.00                        |
| 6.  | Reserves and surplus   | 297.56                           | (1.76)                       | (10.15)                     |
| 7.  | Total Assets   | 2005.87                          | 16.15                        | ...                         |
| 8.  | Total Liabilities  | 2005.87                          | 16.15                        | ...                         |
| 9.  | Investments  | 0.03                             | ...                          | ...                         |
| 10. | Turnover   | 1705.36                          | ...                          | ...                         |
| 11. | Profit before Taxation   | 29.34                            | (0.13)                       | (0.08)                      |
| 12. | Provision for Taxation   | 16.68                            | ...                          | ...                         |
| 13. | Profit after Taxation  | 12.66                            | (0.13)                       | (0.08)                      |
| 14. | Proposed Dividend  | ...                              | ...                          | ...                         |
| 15. | Percentage (%) of Shareholding   | 100%                             | 100%                         | 100%                        |

- Notes:**
- Names of subsidiaries which are yet to commence operations : N.A.
  - Names of subsidiaries which have been liquidated or sold during the year : N.A.

**Part - B : Associates**

| Sl. No. | Name of Associates  | Tide Water Oil Co. (I) Ltd. | The New Beerbhoom Coal Co. Ltd. | Katras Jherriah Coal Co. Ltd. |
|---------|---|-----------------------------|---------------------------------|-------------------------------|
| [01]    | Latest Audited Balance Sheet Date   | 31st March, 2016            | 31st March, 2016                | 31st March, 2016              |
| [02]    | Shares of Associate held by the Company on the year end                               |                             |                                 |                               |
|         | i. Number   | 913960                      | 105355                          | 59860                         |
|         | ii. Amount of Investment in Associate [₹ in lakh]                                     | 158.56                      | 12.27                           | 6.95                          |
|         | iii. Extent of Holding in %   | 26.23                       | 32.95                           | 31.67                         |
| [03]    | Description of how there is significant influence                                     | Note 3                      | Note 3                          | Note 3                        |
| [04]    | Reason why the Associate is not consolidated  | N.A.                        | N.A.                            | N.A.                          |
| [05]    | Networth attributable to shareholding as per latest audited Balance Sheet (₹ in lakh) | 14025                       | 9.09                            | 4.36                          |
| [06]    | Profit or Loss for the year   |                             |                                 |                               |
|         | i. Considered in Consolidation (₹ in lakh)  | 1269.30                     | (1.01)                          | (0.89)                        |
|         | ii. Not Considered in Consolidation   | N.A.                        | N.A.                            | N.A.                          |

- Notes:**
- Names of associates which are yet to commence operations : N.A.
  - Names of associates which have been liquidated or sold during the year : N.A.
  - There is significant influence due to percentage (%) of Shareholding.
  - The Company has no Joint Ventures, therefore Part - B relating to Joint Ventures is not applicable.

**For Andrew Yule & Company Limited**

Kolkata                      Ayan Dutta                      Sandip Roy                      R. C. Sen                      Sunil Munshi  
 30th May, 2016.              Company Secretary.              Financial Controller.              Director (Finance).              Chairman & Managing Director.