



### 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.

## Table of Contents

	<b>Page</b>
Board of Directors .....	2
Notice to Members .....	3
Report of the Directors & Management Discussion and Analysis .....	5
Report on Corporate Governance .....	11
Shareholders' Information .....	13
Auditors' Report .....	18
Comments of the Comptroller & Auditor General of India .....	21
Balance Sheet .....	22
Statement of Profit and Loss .....	23
Statement of Cash Flow .....	24
Statement of Significant Accounting Policies .....	26
Notes to Financial Statements to the Balance Sheet .....	29
Notes to Financial Statement to the Profit and Loss .....	37
Other Notes to Financial Statement .....	40
Statement U/s. 212 of the Companies Act, 1956. ....	48
Consolidated Auditors' Report .....	50
Consolidated Balance Sheet .....	51
Consolidated Statement of Profit and Loss .....	52
Consolidated Statement of Cash Flow .....	53
Consolidated Statement of Significant Accounting Policies .....	55
Notes to Consolidated Financial Statement to the Balance Sheet .....	58
Notes to Consolidated Financial Statement to the Profit and Loss .....	66
Other Notes to Consolidated Financial Statements .....	69



**BOARD OF DIRECTORS**

---

**Kallol Datta – (Chairman and Managing Director)**

**S. Swaminathan – Director (Planning)**

**Amitava Dhar – Director (Finance)**

**Sunil Munshi – Director (Personnel)**

**Harbhajan Singh – Non-Executive Director**

**S. K. Goyal – Non-Executive Director**

**FINANCIAL CONTROLLER & COMPANY  
SECRETARY**

---

**Debabrata Bandyopadhyay**

**REGISTERED OFFICE**

---

**'Yule House',  
8, Dr. Rajendra Prasad Sarani,  
Kolkata – 700 001.**

**Office at :**

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

***Auditor***

**GUPTA & CO.,**

Chartered Accountants,

3C Arihant,

53A, Mirza Ghalib Street,

Kolkata – 700 009.

***Principal Bankers***

Allahabad Bank

Bank of Baroda

State Bank of India

Union Bank of India

United Bank of India



## NOTICE TO MEMBERS

NOTICE is hereby given that the 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-700 001 on Friday, the 20th September, 2013 at 11-00 a.m. to transact the following business :-

- [1] To consider and adopt the Profit & Loss Account for the year ended 31st March, 2013, Balance Sheet as at that date and the Reports of the Board of Directors and the Auditors thereon.
- [2] To fix the remuneration payable to the statutory Auditors of the Company for the financial year ending 31st March, 2014.
- [3] To appoint a Director in place of Shri S.K. Goyal who retires by rotation and being eligible offers himself for re-appointment.

### **SPECIAL BUSINESS :**

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

#### **As an Ordinary Resolution :**

- [4] "RESOLVED that pursuant to Section 16 and other applicable provisions, if any, of the Companies Act, 1956, the existing Clause 5 of the Memorandum of Association of the Company be and is hereby altered and substituted by the following new Clause :-

**" 5. The Authorised Share Capital of the Company is ` 110,00,00,000 (Rupees One hundred Ten crores only) divided into 55,00,00,000 (Fiftyfive crores) Equity Shares of ` 2/- (Rupees Two only) each."**

#### **As a Special Resolution :**

- [5] "RESOLVED that pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the existing Clause 5 of the Articles of Association of the Company be and are hereby be altered and substituted by the following new Clause :-

**"5. The Authorised Share Capital of the Company is ` 110,00,00,000 (Rupees One hundred Ten crores only) divided into 55,00,00,000 (Fiftyfive crores) Equity Shares of ` 2/- (Rupees Two only) each."**

The Registers of Members and Share Transfer Registers of the Company will remain closed from 14th September, 2013 to 20th September, 2013, both days inclusive.

### **Registered Office :**

"Yule House",  
8, Dr. Rajendra Prasad Sarani,  
Kolkata – 700001.  
8th August, 2013.

By Order of the Board,  
D. Bandyopadhyay,  
Financial Controller & Company Secretary.

- Notes :
- [1] A member who is entitled to attend and vote at this Meeting may appoint a proxy to attend and vote in his/her stead. Proxies, in order to be effective, must be received at the Company's Registered Office not less than forty-eight hours before the commencement of the Meeting (i.e. upto 11-00 a.m. 18th September, 2013).
  - [2] An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the items of Special Business is annexed.
  - [3] In terms of Clause (aa) to Sub-Section 8 of Section 224 of the Companies Act, 1956 (Act) the remuneration payable to the auditor(s) appointed under Section 619 of the Act by the Comptroller & Auditor General of India shall be fixed by the Company in General Meeting or in such manner as the Company in General Meeting may determine.
  - [4] The Register of Members and Share Transfer Registers of the Company will remain closed from 14th September, 2013 to 20th September, 2013, both days inclusive.
  - [5] Members holding shares in more than one account are requested to intimate the Share Department of the Company, the Ledger Folios to enable the Company to consolidate the same into one account.
  - [6] Members are requested to produce the enclosed attendance slip duly signed as per the specimen signature recorded with the Company for admission to the meeting hall.
  - [7] Members, who hold shares in de-materialised form are requested to bring their client ID and DP ID Nos. for easier identification of attendance at the meeting.
  - [8] Members holding shares in physical form are requested to notify immediately any changes in their address to the Company or its Registrar & Share Transfer Agent. In case their shares are held in dematerialized form, this information should be passed on directly to their respective Depository Participants without any delay.
  - [9] KINDLY BRING YOUR COPY OF THE ANNUAL REPORT TO THE MEETING.



**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.**

**Item No. 4 & 5:**

The Board for Industrial & Financial Reconstruction (BIFR) vide its Order dated 15th July, 2013, had approved the increase in Authorised Share Capital to ₹ 110 crores from ₹ 75 crores to give effect to the conversion of the Govt. of India Non-Plan loan amounting to ₹ 41.52 crores into Equity Shares at a face value of ₹ 2/- per share. Accordingly, alteration in the Capital Clause of the Memorandum of Association and also alteration in the relevant Clause of the Articles of Association are being placed before the meeting for approval.

A copy of the Memorandum & Articles of Association of the Company, showing the changes proposed are available for inspection by members during the business hours at the Registered Office of the Company.

The Board recommending adoption of above Ordinary Resolutions for Item No.4 and the Special Resolution for Item No.5, by the members of the Company, so that all formalities in connection with the modification of the "Capital Clause" of both Memorandum of Association and Articles of Association are carried out by the Company pursuant to the further Order issued by BIFR.

None of the Directors of the Company is in any way concerned or interested in the resolution.

**Details of Director seeking appointment in forthcoming Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement)**

Name of Director	Date of Birth	Date of Appointment	Expertise in specific areas.	Qualification	Other Companies in which Directorship held
Shri S. K. Goyal.	18th July, 1960.	18th April, 2012.	Director (Finance) to the Government of India, Department of Heavy Industry.	An Associate Member of the Institute of Chartered Accountants of India and Institute of Company Secretaries of India.	Scooters India Limited Cement Corporation of India Ltd. NEPA Limited Bharat Bhari Udyog Nigam Ltd.

**REPORT OF THE DIRECTORS & MANAGEMENT DISCUSSION AND ANALYSIS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2013.**

Your Directors have pleasure in presenting the Annual Report and Accounts of the Company for the financial year ended 31st March, 2013.

**[01.0] FINANCIAL RESULTS** [· in lakh]

Profit before Taxation	1400.20
Less: Tax Expenses :	
[a] Provision for Current Tax	254.44
[b] Deferred Tax	10.76
	<u>265.20</u>
Profit for the year (PAT)	1135.00
Add: Balance brought forward from last Account	(-) 3917.87
Balance carried over to Balance Sheet	<u>(-) 2782.87</u>

**[02.0] DIVIDEND**

In view of the accumulated loss which is yet to be absorbed, your Directors regret their inability to recommend payment of any dividend for the year ended 31st March, 2013.

**[03.0] CONTRIBUTION TO NATIONAL EXCHEQUER**

Your Company contributed · 1,379.43 lakhs during the year to national exchequer by way of taxes, duties, levies, cess, etc.

**[04.0] OPERATIONS****[04.1] Tea**

The Tea Division achieved a sales of · 178.35 crores, earned a profit of · 21.53 crores as compared to a profit of · 11.89 crores in previous year.

**[04.2] Electrical**

During the year the Division achieved a sales of · 84.00 crores and recorded a loss · 13.20 crores as compared to loss of · 7.20 crores in previous year.

**[04.3] Engineering**

During the period under review the Division achieved a sales of · 40.83 crores, and recorded a profit of · 2.16 crores as compared to a profit of · 0.63 crores in previous year.

**[04.4] General**

During the period under review the Division recorded a profit of · 3.51 crores as compared to a profit of · 6.68 crores in previous year.

**[05.0] BIFR STATUS**

The Board for Industrial and Financial Reconstruction (BIFR) vide their letter dated 26th November, 2007, forwarded the sanctioned scheme as approved at the hearing held on 30th October, 2007, in terms of Section 19(3) read with Section 18(4) of SICA with the 'Cut-of-Date' of 31st March, 2006.

The impact of most of the reliefs and concessions given by Secured Creditors and other stakeholders viz. Government of India & Government of West Bengal, Government of Assam, WBIDC, P.F. Authorities, Nationalised Banks and others as per

the approved Rehabilitation Scheme has been considered in the books of accounts during the year 2007-08 to 2012-13. Balance will be considered in the Books of Accounts for the year 2013-14.

**[06.0] FIXED DEPOSIT**

Deposits from the public and others amounted to · NIL as on 31st March, 2013.

**[07.0] EXPORT**

The Company's exports during the year were · 210.61 lakhs on F.O.B. basis.

**[08.0] PROSPECTS**

Your Company is in existence for long 150 years and the year 2012-13 be the sixth consecutive year of making profit by your Company since its turnaround in 2007-08. Your Company has drawn up its Road Map to reach a turnover of · 1000 crores by 2020, for which expansion and diversification programme are being taken up.

Your Company's financial results in current fiscal year have been encouraging and it is expected that your Company will be able to set a new land mark in turnover and growth by the end of current financial year.

**[09.0] SUBSIDIARY**

The performance of Hooghly Printing Co. Ltd. the wholly owned subsidiary continued to be profitable. The sales achieved was · 949.76 lakhs compared to · 1,579.20 lakhs in the previous year. The profit before tax recorded was · 10.59 lakhs as against · 53.48 lakhs in the year 2011-2012.

**[10.0] CONSERVATION OF ENERGY, TECHNOLOGY ADOPTION AND FOREIGN EXCHANGE EARNINGS**

As required under Section 217(1)(e) of the Companies Act, 1956 (Act) read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rule 1988, the information is annexed.

**[11.0] AUDITORS' REPORT**

In respect of the comments made by the Statutory Auditors in their report, your Directors have to state as under :

[a] Diminution in the value of long term equity investment amounting to · 27.88 lakhs in Yule Financing & Leasing Co., Ltd. (YFLC), a Company managed by AYCL, 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 (i).

[b] Diminution in the value of long term equity investment amounting to · 14.50 lakhs in WEBFIL Ltd., 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.10.08 (ii).



**[12.0] COMPTROLLER & AUDITOR GENERAL OF INDIA'S REVIEW AND COMMENTS**

The Comptroller and Auditor General of India has no comments upon or supplement to the Auditors' Report under Section 619(4) of the Companies Act, 1956, on the Accounts of the Company for the year ended 31st March, 2013. Comments of the Comptroller & Auditor General of India is annexed to this report.

**[13.0] HUMAN RESOURCES DEVELOPMENT**

The Company considers its human resources as valuable assets and endeavours to provide an environment where each employee is motivated to contribute his best to achieve the Company's objective. Training and development of its personnel is a priority and is ensured through succession planning, job rotation, on the job training & training programme workshops. Total number of training mandays during 2012-13 were 446 (2011-12 : 270) imparted in house, at some professional institutes in India and at Chambers of Commerce & Industry.

The total number of employees of the Company and its subsidiaries as on 31st March, 2013 stood at 15043.

**[14.0] MAJOR ACCOUNTING POLICIES**

The major accounting policies of the Company are annexed to the Accounts.

**[15.0] CORPORATE GOVERNANCE REPORT**

As per Clause 49 of the Listing Agreement with the Stock Exchanges a Report on Corporate Governance together with a certificate from the Auditors regarding compliance of conditions of Corporate Governance is annexed and forms part of this Annual Report.

In respect of the comments made by the Statutory Auditors in their Report, your directors have to state that appointment of requisite number of Non-Executive Independent Director on Board by Competent Authority is still under process.

**[16.0] CORPORATE SOCIAL RESPONSIBILITY**

Your Company, under its CSR (Corporate Social Responsibility) Project Scheme, have taken up different projects viz. "Yule Centre for Learning" Vocational Training Centers, Medical Camps, Village Development Programme, Creation of Drinking Water Facilities, Awareness Programmes during 2012-13 on different types of social issue and incurred - 30.91 lakhs.

List of major CSR initiative had been taken by your Company during 2012-13 are:

- [i] Vocational Training Centre at Binnaguri near Banarhat Tea Estate in the District of Jalpaiguri in West Bengal in collaboration with Siliguri Based NGO "Niswarth".
- [ii] Infrastructural facilities in a remote village called Kalagaiti, near Oodlabari, P.S. Malbazar, District Jalpaiguri (WB) in collaboration with NGO "Niswarth".
- [iii] Women Empowerment Project for Vocational Training on Tailoring with Sewing Machines and accessories in a village Dihingica near Hoolungooree Tea Estate, District

- [iv] Supply of Free Sanitary Napkin (1000 girl students) to the Schools near Khowang, Bhamun and Hingrigan Tea Estates in the District of Dibrugarh in Assam, in collaboration with NGO "Bhavishya Nirman".
- [v] Installation of 6 Nos. of electric Water Pump with overhead tank in collaboration with the NGO "District Multipurpose Development and Information Centre", Naharkatia.
- [vi] Vocational training for youngmen in Electrical Trade, in Thakurpukur Training Centre, Rasapunja, 24 Parganas (South) in association with NGO "Lily Foundation", Tollygunge, Kolkata.
- [vii] Vocational training for Mobile Repairing and Servicing Course in Thakurpukur Training Centre, Rasapunja, 24 Parganas (South) in association with NGO "Lily Foundation", Tollygunge, Kolkata.
- [viii] Vocational training for Jute Jewellery Project in collaboration with NGO "Sutanutir Sakhya", Kolkata at Madhyamgram Municipality Area.
- [ix] Vocational training for Jute Bag Making in collaboration with NGO "Sutanutir Sakhya", Kolkata at Rajarhat Bishnupur, 1&2, Panchyat, North 24 Parganas.
- [x] Vocational training in Livelihood training for the women on Jute Office items (File, Folder and others) in collaboration with NGO "Sutanutir Sakhya", Kolkata at Rajarhat, Bishnupur, 1&2, Panchayat, North 24 Parganas.
- [xi] Drinking water facilities to the Corporation School run by Perungudi Panchayat in the nearby area of our unit at Chennai of Electrical Division.
- [xii] Night School for Street Children at "Yule House", to uplift the Poor Street Children and 50 children had enrolled their names who are attending their class regularly.
- [xiii] Sponsored for the Blood Donation Camp Organised by Vinay Nagar Bengali Senior Secondary School at Sarojini Nagar, New Delhi.

**[17.0] CONSOLIDATED FINANCIAL STATEMENTS**

In accordance with Accounting Standard 21 Consolidated Financial Statements form part of this Annual Report & Accounts.

**[18.0] DIRECTORS' RESPONSIBILITY STATEMENT**

In terms of Section 217(2AA) of the Companies Act, 1956, your Directors confirm that:

- [i] In the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures wherever applicable.
- [ii] The Directors have selected such accounting policies and applied them consistently and made judgement and estimates that are reasonable and prudent so as to give a



true and fair view of the state of affairs of the Company as at the end of the Accounting year and of the profit/loss of the Company for that period.

- [iii] The Directors have 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 have prepared annual accounts on a going concern basis.

**[19.0] AUDITORS**

The Comptroller and Auditor General of India had appointed M/s. Gupta & Co., Chartered Accountants as Auditor for the year ended 31st March, 2013.

M/s. Subhadra Dutta & Associates, Cost Accountants had appointed as Cost Auditors for Tea & Electrical Divisions and M/s. DGM & Associates, Cost Accountants had appointed as Cost Auditors for Engineering Division for the year ended 31st March, 2013. The due date for filing Cost Audit Report for the financial year 2012-13 is 30th September, 2013.

**[20.0] DIRECTORS'**

The Central Government had extended the tenure of Shri Kallol Datta, Chairman & Managing Director of the Company beyond 31st March, 2013, for a period of three years or until further order whichever would be the earlier, under the existing terms and conditions.

The term of Shri A.R. Nagappan, Special Director nominated by BIFR had expired on 6th November, 2012.

Shri S.K. Goyal, Director of the Company, retires from the Board by rotation and being eligible offers himself for re-appointment.

**[21.0] ROLE OF VIGILANCE**

The Vigilance Department of your Company contributed to various spheres of the Company's functions in a meaningful manner. Though the main stream activities are on prevention

of corruption for which the orthodox methods of carrying out periodic and surprise inspection are in place, the Vigilance Department focused on revision of extant rules, procedures and systems to bring adequate transparency and reduce human interface in various operation of the Company.

CVC guidelines which was received by the Company from time to time were followed as preventive measures.

On the Punitive side, confidential enquiries and investigations were initiated on verifiable complaints brought to the notice of Vigilance Department and appropriate disciplinary action set-in motion as and when mis-conduct were prima facie established.

**[22.0] RAJBHASA**

Your Company is committed to the implementation of the Official Language Policy of Government of India and has complied with the requirements under the Official Language Act, 1963, and the rules thereunder.

**[23.0] PARTICULARS OF EMPLOYEES**

No employee of the Company received remuneration in excess of the limit prescribed in Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended.

**[24.0] 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, bondholders and suppliers in India and abroad.

Kolkata,  
8th August, 2013.

On behalf of the Board,  
KALLOLDATTA  
Chairman & Managing Director.



## **ANNEXURE TO DIRECTORS' REPORT**

### **Management Discussion & Analysis.**

#### **Business Scenario**

The overall outlook for the year 2013-14 seems to be positive, considering the fact that, various strategic measures undertaken by the Company have produced the desired results, specially the improvement in operational efficiency.

With continued emphasis on improvement of yield and quality of tea along with the current favourable trend in both the domestic and international tea markets, your Tea Division is expected to yield better results in the year 2013-14.

Your Engineering Division has shown signs of improvements in spite of adverse market conditions and delay in execution of the projects by the customers. The Electrical Division is experiencing un-remunerative prices due to reduced off-take by the customers. Therefore, the order intake was regulated to achieve a reasonable value addition in order to contain the losses. The market conditions are expected to recover as at present, the scenario in the areas, in which these Divisions operate, is undergoing a slower growth. The Company has drawn up a roadmap to augment the turnover in the coming years for which expansion and diversification programmes are being taken up.

#### **Opportunities & Threats**

Your Tea Gardens have the potential to achieve higher yield, produce best quality of tea and to reach within the top 10 position in the Batting Order for each of the Tea Gardens. But, tea is a cyclic nature of business. It is price sensitive to domestic and global demand and limits scope of growth due to limitation of land. In addition, intensified Plantation programme is being carried out at the Tea Garden to sustain improvement in quality and yield.

The Engineering and Electrical Divisions' performances are linked to power generation, transmission and distribution sectors growth. The electrical industry is undergoing a sluggish

demand phase due to the various reasons attributable to fuel-linkage infrastructure and financial restructuring of utilities. It is expected that measures taken by the Government will result in boosting up the growth in this sector. The present situation has put pressure on value addition. In order to improve the performance, plans have been made to increase the turnover by broadening the production bandwidth which is expected to result in increased turnover and reduction of losses to substantial extent.

#### **Segment-wise Performance**

The Company is a multi-segment Company as reported in Note No.10.13 in the Accounts.

#### **Outlook**

The overall outlook for the year 2013-14 is expected to be positive in spite of adverse climatic conditions for Tea Division. For Engineering and Electrical Divisions the year 2013-14 will be a challenging one owing to lesser price realization consequent to idle capacities of the industries.

#### **Risk & Concerns**

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

#### **Financial Performance**

The detail financial performance of the Company are appearing in the Balance Sheet and Profit & Loss Account for the year. Results indicates an upward trend in Company's overall performance. It has ensured around 16% growth in turnover during the year 2012-13 as compared to the preceding year and recorded a profit of Rs.14.00 crores before tax.

#### **Human Resource**

During the year, employer and employee relationship remained cordial.



**INFORMATION PURSUANT TO SECTION 217(1)(E) OF THE COMPANIES ACT, 1956.**

**[1] CONSERVATION OF ENERGY**

**[A] Energy Conservation Measures taken :**

- [i] The Company has formulated Energy Management Policy to be implemented across all the Divisions of the Company.
- [ii] Based on the energy audits conducted, the following measures have been taken :
  - ⇒ In the Tea Division, the outdated gas based electricity generations are being replaced by new energy efficient generators.
  - ⇒ Engineering Division have initiated measures in modification of Heat Treatment Furnace to improve the efficiency and reduce fuel consumption. Further, for the higher fuel consumption, diesel generators are being replaced.
  - ⇒ With energy efficient Diesel Generator which will result in reduction of fuel consumption.
  - ⇒ Chennai Unit of Electrical Division has embarked in installation of Small Wind Electric Generators which will meet part of energy requirement of administrative building.

**Impact of the measures of the above :**

After successful commissioning of the above equipments, the fuel cost of the respective Divisions will reduce thereby cost savings.

**FORM – A  
ANDREW YULE & COMPANY LIMITED : TEA DIVISION**

		2012-13	2011-12	
<b>A.</b>	<b>CROP</b>	KGS	11134024.00	10817271.00
<b>1.</b>	<b>ELECTRICITY</b>			
	[a] PURCHASED			
	UNIT	KWH	9977858.00	9900718.00
	TOTAL AMOUNT	~	79690576.00	66010015.00
	RATE/UNIT	~	7.99	6.67
	[b] [i] OWN GENERATION : THROUGH GENERATOR (DIESEL)			
	UNIT	KWH	1620992.00	1249381.00
	TOTAL FUEL COST	~	28347632.00	18983390.00
	TOTAL FUEL	LTRS.	635748.00	483693.00
	UNIT/LITRE OF DIESEL	KWH	2.55	2.58
	RATE/UNIT	~	17.49	15.19
	[ii] THROUGH GENERATOR (NATURAL GAS)			
	UNIT	KWH	337906.00	303772.00
	UNIT/SCM OF GAS	KWH	1.60	1.43
	RATE/UNIT	~	8.25	7.28
<b>2.</b>	<b>COAL</b>			
	QUANTITY	MT	5757.00	5142.00
	TOTAL COST	~	46858975.00	31969657.00
	RATE	~ / MT	8139.00	6217.00
<b>3.</b>	<b>FURNACE OIL</b>			
	QUANTITY	LTRS.	29300.00	36650.00
	TOTAL COST	~	1764868.00	1603696.00
	RATE	~ / LTR	60.23	43.76
<b>4.</b>	<b>USE OF GAS FOR PROCESSING</b>			
	QUANTITY	SCM	2999080.00	3058623.00
	TOTAL COST	~	29008526.00	28203345.00
	RATE/UNIT	~	9.67	9.22
<b>B.</b>	<b>CONSUMPTION PER UNIT OF PRODUCTION</b>			
	<b>PRODUCTS BLACK TEA</b>			
	ELECTRICITY	KWH/KG	1.07	1.06
	FURNACE OIL	LTR/KG	0.02	0.02
	COAL	KG/KG	1.17	1.10
	NATURAL GAS	SCM/KG	0.48	0.50



**FORM – B**

**[A] PARTICULARS FOR TECHNOLOGY ABSORPTION, RESEARCH & DEVELOPMENT (R&D) :**

**[i] Specific areas in which R&D was carried out by the Company :**

- [a] Engineering Division has finalized the design parameters of the new series fan in between 42 and 65/2 to improve the energy efficiency of the fan which requires a software support.
- Action has been taken and sourcing of the required software procurement has been done.
  - Engineering Division has successfully completed optimization of design of fan component through FEA. This will be an on-going process for critical fan from now onwards.
- [b] The Chennai Unit of Electrical Division has completed the assembly of the impulse Generator and will be commissioned in July, 2013.

**[ii] Benefit derived as well as results of the above R&D Works.**

The benefits of implementation of the above projects will accrue in the current financial years.

**[iii] Future Plan of Action :**

- Engineering Division propose to taken up standardization of components for various sizes of fans.
- Development of new design of silencers for reduction of noise level of high speed fan to less than 85 db.

**[B] TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION :**

**[i] Efforts Made :**

In order to broaden the product band-width, the Kolkata Unit of Electrical Division has taken up the development of Energy Efficient Transformers for Rural Electrification Programme. The manufacturing process was finalized and the Unit has geared up for manufacturing this range of transformers.

**[ii] Benefits derived :**

The orders have been received for the above transformers during the year 2012-13 and also repeat orders are expected to flow out in the year 2013-14. The R&D effort help to cater the need of changing requirements of the industry for achieving extra edge on this competitive market.

[iii] Particulars of Imported Technology in the last 5 years : Nil.

**[C] FOREIGN EXCHANGE EARNING AND OUTGO :**

Foreign Exchange earnings were : ₹ 210.61 lakhs  
Foreign Exchange outflow were : ₹ 2.04 lakhs.

Kolkata,  
8th August, 2013.

On behalf of the Board,  
KALLOL DATTA  
Chairman & Managing Director.



## REPORT ON CORPORATE GOVERNANCE

In accordance with Clause 49 of the Listing Agreement with the Stock Exchange in India (Clause 49) and some of the best practices followed internationally on Corporate Governance, the report containing the details of governance systems and processes at Andrew Yule & Company Limited is as under :

### [01] Company's Philosophy :

The Company is committed to attain the highest standard of Corporate Governance by placing emphasis on transparency, professionalism, accountability, integrity and to promote ethical conduct throughout the organization with the main object to enhance the value of all stakeholders namely shareholders, customers, creditors, employees and bankers.

### [02] Board of Directors :

In terms of the Company's Corporate Governance Policy, all statutory and other significant and material information are placed before the Board of Directors to enable it to discharge its responsibilities of strategic supervision of the Company as trustees of the Shareholders.

#### [02.1] Composition :

The Board of Directors of the Company comprises of eminently qualified Executive and Non-Executive Directors. The total number of Directors of the Company as on 31st March, 2013 was six (6) 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 DHI Nominee Directors.

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, 2013 are given below:-

Name of Directors	Category of Directorship	No. of other Directorship held as on 31.03.2013	Committee Membership held in other Companies. (xx)	
			As Member	As Chairman
[1] Shri Kallol Datta	Chairman & Managing Director.	12	2	Nil
[2] Shri S. Swaminathan	Director (Planning)	4	1	Nil
[3] Shri Amitava Dhar	Director (Finance)	9	1	Nil
[4] Shri Sunil Munshi	Director (Personnel)	9	Nil	Nil
[5] Shri Harbhajan Singh	Govt. Nominee – Non-Executive Director	6	Nil	Nil
[6] Shri S. K. Goyal	Govt. Nominee – Non-Executive Director	4	Nil	Nil

Exclude Directorship in Private Limited companies, foreign companies and companies under Section 25 of the Companies Act, 1956 and memberships of managing Committee of various, Chambers/bodies.

**xx** Represents Membership/Chairmanship of Audit Committee, Investors Grievance Committee and Remuneration Committee.

Notes: [a] Shri Sunil Munshi was appointed as Director (Personnel) w.e.f. 1st July, 2012.

[b] Shri S. K. Goyal was appointed as a Director w.e.f. 18th April, 2012.

#### [02.2] Board Meetings :

Dates of Board Meetings are fixed in advance and agenda papers are circulated to Directors at least Seven days before the meeting.

#### Meetings and Attendance :

During the financial year ended 31st March, 2013, Four Meetings of the Board of Directors were held on 29th June, 2012, 21st September, 2012, 5th December, 2012 and 1st February, 2013.

Attendance of Directors at the Board Meetings and at the Annual General Meeting (AGM) :-

Name of Directors	No. of Board Meetings Attended	Attendance of the Last AGM held on 21st September, 2012	Remarks
<b>Executive Directors :</b>			
[1] Shri Kallol Datta	4	Yes	Appointed on 01.07.2012 Superannuation on 30.06.2012
[2] Shri S. Swaminathan	4	Yes	
[3] Shri Amitava Dhar	4	Yes	
[4] Shri Sunil Munshi	3	Yes	
[5] Shri Indrajit Sengupta	1	No	
<b>Non-Executive Directors :</b>			
[1] Shri Harbhajan Singh	2	No	
[2] Shri S. K. Goyal	2	No	
<b>Special Director :</b>			
[1] Shri A. R. Nagappan	2	Yes	The term as Special Director had expired on 06.11.2012

### [03] Committee of the Board of Directors :

The Company is having a Committee of the Board of Directors, duly constituted by the Board of Directors, for last several years to supervise smooth functioning of the day to day operations of the Company and some of the major powers/ authorities delegated to the said Committee are as under:

- (i) General powers of Management.
- (ii) To borrow monies upto the specified limit from Banks, Financial Institution and others for working capital purposes.
- (iii) To authorise 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) To issue Indemnity Bonds and Powers of Attorney.



- (v) Opening of Accounts with Banks.
- (vi) To approve overseas tour for official purpose.
- (vii) Sale of Fixed Assets.
- (viii) To invest funds of the Company in Government Securities, long term deposit with Banks/Financial Institutions etc.
- (ix) To approve appointment of Consultants/Architects.
- (x) Approve transfer/transmission of shares.
- (xi) Carry out the function of shareholders/Investors Grievance Redressal Committee.

As on 31st March, 2013 the Committee of the Board of Directors were comprised of the following :-

Directors	Designation	Status in the Committee	Number of Meetings held 2012-13	Number of Meetings Attended	Remarks
Shri Kallol Datta	Chairman & Managing Director	Chairman	17	16	...
Shri S. Swaminathan	Director (Planning)	Member	17	17	...
Shri Amitava Dhar	Director (Finance)	Member	17	17	...
Shri Sunil Munshi	Director (Personnel)	Member	17	9	...
Shri Indrajit Sengupta	Director (Personnel)	Member	17	4	Ceased to be a member w.e.f. 01.07.2012.

The Minutes of the Committee of the Board of Directors are circulated as separate agenda item in the next meeting of the Board of Directors of the Company for noting and approval.

**[04] Audit Committee :**

- [a] Terms of reference :  
The role and terms of reference of the Audit Committee cover the matters specified under Clause 49 of the Listing Agreements with the Stock Exchanges and Section 292A of the Companies Act, 1956 besides other terms as may be referred to it by the Board of Directors.
- [b] Composition of the Audit Committee :  
As there was no Independent Director on the Board of Directors of the Company during the financial year 2012-13, no Audit Committee was formed during the financial year 2012-13. Hence no meeting of the Audit Committee was held during the year.

**[05] Remuneration Committee :**

- [a] The need for constitution of a Remuneration Committee is not felt by the Company in view of the fact that the Company is a Government Company in terms of Section 617 of the Companies Act, 1956. The remuneration of the whole-time functional Directors and other terms and conditions are fixed by the Government of India.
- [b] The remuneration of the whole-time functional Directors include basic salary, allowances and perquisites as determined by the Government of India and also as per rules of the Company. The details of remuneration paid to all the whole-time functional Directors during the year ended 31st March, 2013 are given below :

Name of Directors	Salary [₹]	Perquisite [₹]	Total [₹]
Shri Kallol Datta	20,55,129.00	77,864.00	21,32,993.00
Shri S. Swaminathan	16,38,768.00	25,616.00	16,64,384.00
Shri Amitava Dhar	17,40,941.00	78,766.00	18,19,707.00
Shri Sunil Munshi	12,30,550.00	62,884.00	12,93,434.00
Shri Indrajit Sengupta	4,62,384.00	11,158.00	4,73,542.00

The whole-time functional Directors are appointed for a period of five years or upto the date of Superannuation, whichever event occurs earlier. The appointment may, however, be terminated during the period by either side on three months' notice or on payment of three months' salary in lieu thereof.

No stock option Scheme is prevalent in the Company.

Non-Executive Directors are appointed by Government of India only and communicated through Department of Heavy Industries (DHI). None of the Non-executive Directors is holding any Equity Share of the Company.

**[06] Shareholders Grievance Redressal Committee :**

The matters relating to redressal of 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 paragraph 3 of this Report. 6 (Six) complaints were received from the shareholders during the year 2012-2013 and all of them have been attended to.

There is no complaint lying pending.

Number of shares pending transfer as on 31st March, 2013 was : Nil

Shri Debabrata Bandyopadhyay, Financial Controller and Company Secretary is the Compliance Officer of the Company.

**[07] Code of Conduct :**

The Code of Conduct for the Directors and the Employees of the Company has been laid down by the Board and the same is posted on the website of the Company.

**[08] Risk Management :**

The Company has an integrated approach to managing risk inherent in various aspects of the business.

**[09] Disclosure :**

The details of the related party relationships and transactions, as required under Accounting Standard (AS) 18 "Related Party Disclosures" issued by ICAI are given under Note Nos. 10.15 and 10.16 of the Annual Audited Accounts as at 31st March, 2013.

There were no transactions of material nature with the Directors or their relatives etc. that may have potential conflict with the interests of the Company at large.

There were no instance of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matter related to Capital markets, during the last three years.

**[10] GENERAL INFORMATION FOR SHAREHOLDERS :****CIN of the Company – L63090WB1919GOI003229****Registration No.021-003229**

Corporate and Registered Office	: 'YuleHouse', 8, Dr. Rajendra Prasad Sarani, Kolkata – 700 001. Tel : 2242-8210, 2242-8550 E-mail: ay_secl@rediffmail.com/com.sec@andrewyule.com Telegram : "YULETIDE", Fax: 91-33-2242-9770/2243-4741
Date of Annual General Meeting, Time and Venue	: 20th September, 2013 at 11-00 am. Williamson Magor Hall of The Bengal Chamber of Commerce & Industry, Royal Exchange, 6, Netaji Subhas Road, Kolkata-700 001.
Financial Calendar	: April to March.
Date of Book Closure	: From 14th September 2013 to 20th September, 2013 (both days inclusive)
Listing on Stock Exchange	: The Stock Exchange, Mumbai. The Listing Fees for the Financial Year 2012-13 has been paid to the Stock Exchange, Mumbai on 20th April, 2012.
Shares in Suspense Account	: Pursuant to Clause 5A(g) of the Listing Agreement it is hereby confirmed that the Company has no Share remaining unclaimed and lying in the Suspense Account at the beginning of the financial year, nor was the Company approached by any such Shareholder for transfer of such Shares from such Suspense Account.
Market price Data, High, Low during the month in the last financial year (2012-13) traded at BSE	: Please see Annexure - "A".
Registrar and Transfer Agents	: MCS SHARE TRANSFER AGENT LIMITED, 12/1/5, Manohar Pukur Road, Ground Floor, Kolkata-700 026, Phone : (033) 4072-4051/4052/4053.
Share Transfer System	: Transfer of shares in physical form are registered and despatched within 30 days from the date of their receipt, if documents are complete in all respects. The Committee of the Board of Directors is empowered to approve transfers.
Share Transferred during the year	: Total number of Shares transferred in physical form during the year was 4706 Shares (previous year – 4951 Shares).
Dematerialisation of Shares	: 99.80 Equity Shares have been dematerialised upto 31st March, 2013 and held with National Securities Depositories Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL).
ISIN Code of the Company	: INE 449C01025.
Scrip Code of the Company	: 526173.
Scrip ID of the Company	: ANDREWYU
Distribution of Shareholding and Shareholding pattern as on 31st March, 2013.	: Please see Annexure - "B".
Address for Correspondence	: Shareholder's Correspondence should be addressed to : Andrew Yule & Company Ltd., Share Department, 8, Dr. Rajendra Prasad Sarani, Kolkata- 700 001. Telephone : 033 2242-8210/2242-8550 E-mail: ay_secl@rediffmail.com/com.sec@andrewyule.com Telegram : "YULETIDE", Fax: 91-33-2242-9770/2243-4741

**MEANS OF COMMUNICATION :**

Quarterly Results published in Financial Express and Ekdin. As required by SEBI, information/documents are filed in EDIFAR System from time to time. But no separate Half yearly Report has been sent individually to the Shareholders.

**General Body Meetings :**

Details of the General Meetings held in the last three years :-

[i] Annual General Meeting –

Financial Year	Date	Time	Location
2011-2012	21.09.2012	11.00 a.m.	Williamson Magor Hall, of The Bengal Chamber of Commerce & Industry, Royal Exchange, 6, Netaji Subhas Road, Kolkata- 700 001.
2010-2011	21.09.2011	11.00 a.m.	Williamson Magor Hall, of The Bengal Chamber of Commerce & Industry, Royal Exchange, 6, Netaji Subhas Road, Kolkata- 700 001.
2009-2010	27.09.2010	11.00 a.m.	Williamson Magor Hall, of The Bengal Chamber of Commerce & Industry, Royal Exchange, 6, Netaji Subhas Road, Kolkata- 700 001.

**Special Resolutions :**

The details of the Special Resolution passed by the Company at the last three Annual General Meetings (AGM) is given herein below :-

Date of AGM	Subject matter of the resolution	Triggering Section of the Companies Act, 1956.
21.09.2012		NIL ....
21.09.2011		NIL ....
27.09.2010		NIL ....

**Postal Ballot :**

No Special Resolution requiring Postal Ballot was placed before the last Annual General Meeting. No Special Resolution requiring Postal Ballot is being proposed at the ensuing Annual General Meeting.

**Plant Locations :**

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.

**[11] CEO/CFO Certification :**

The necessary certificates under Clause 49 (v) of the Listing Agreement has been placed before the Board of Directors.

**[12] Non-mandatory Requirements :**

The Company has not adopted the Non-Mandatory requirements given under Clause 49 of the Listing Agreement.

Kolkata,  
5th August, 2013

On behalf of the Board,  
KALLOL DATTA  
Chairman & Managing Director.

**ANNEXURE - "A"**
**MARKET PRICE DATA : HIGH/LOW DURING EACH MONTH IN THE LAST FINANCIAL YEAR (2012-13)**

Month	The Stock Exchange, Mumbai		B.S.E. Sensex	
	High (`)	Low (`)	High (`)	Low (`)
April, 2012	27.50	21.00	17,664.10	17,010.16
May, 2012	23.50	18.45	17,432.33	15,809.71
June, 2012	23.45	18.00	17,448.48	15,748.98
July, 2012	24.10	20.15	17,631.19	16,598.48
August, 2012	23.75	19.00	17,972.54	17,026.97
September, 2012	21.60	19.30	18,869.94	17,250.80
October, 2012	21.60	19.25	19,137.29	18,393.42
November, 2012	21.90	19.25	19,372.70	18,255.69
December, 2012	21.50	18.40	19,612.18	19,149.03
January, 2013	22.70	18.45	20,203.66	19,508.93
February, 2013	19.75	15.50	19,966.69	18,793.97
March, 2013	16.80	11.35	19,754.66	18,568.43

**ANNEXURE - "B"**
**[i] DISTRIBUTION OF SHAREHOLDINGS AS ON 31ST MARCH, 2013.**

Shareholding (Range)		No. of Shares	% of Total Shares	No. of Shareholders	% of Total Shareholders
From	To				
0	500	28,95,634	0.89	18,671	79.27
501	1000	20,87,583	0.64	2,419	10.27
1001	2000	18,26,881	0.56	1,149	4.88
2001	5000	29,20,170	0.89	866	3.68
5001	10000	19,16,276	0.59	247	1.05
10001	Above	31,44,91,934	96.43	201	0.85
<b>Total</b>		<b>326138478</b>	<b>100.00</b>	<b>23,553</b>	<b>100.00</b>

**[ii] SHAREHOLDING PATTERN OF THE COMPANY AS ON 31ST MARCH, 2013**

Category	No. of Shares	% of total Shares
Central Government	30,42,89,706	93.30
Financial Institutions	400	0.00
Nationalised Banks	55,51,723	1.70
Mutual Funds	950	0.00
Domestic Companies	21,36,604	0.66
Non-domestic Companies	52,593	0.02
Resident Individual	1,37,78,835	4.22
Non-Resident Individuals (Foreign National)	22,471	0.01
Non-Resident Individuals (Indian)	3,05,196	0.09
Director and their Relatives	...	0.00
<b>Total :</b>	<b>32,61,38,478</b>	<b>100.00</b>



## **CEO CERTIFICATION under Clause 49(1)(D) of the Listing Agreement**

### **DECLARATION**

I confirm that all members of the Board of Directors and Senior Management personnel have affirmed compliance with the Code of Conduct for the year 2012-13.

Kolkata,  
30th May, 2013.

KALLOL DATTA  
Chairman & Managing Director.

### **CEO AND CFO CERTIFICATION**

We, Kallol Datta, Chairman & Managing Director and Shri Amitava Dhar, Director (Finance) of Andrew Yule & Co., Ltd. in terms of Clause 49(v) of the Listing Agreement certify that :

- [a] We have reviewed the financial statement and the cash flow statement for the year ended 31st March, 2013 and to the best of our knowledge and belief :
  - [i] these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - [ii] 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] to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2013, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- [c] we accept the 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. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors only, pending reconstitution of audit committee upon appointment of independent directors by the competent authority and steps have been taken to rectify this deficiencies.
- [d] we have indicated to the auditors :
  - [i] there has not been any significant change in internal control over financial reporting during the year under reference;
  - [ii] there has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
  - [iii] we are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Kolkata,  
30th May, 2013

Amitava Dhar  
Director (Finance)

Kallol Datta  
Chairman & Managing Director.



**CERTIFICATE ON COMPLIANCE FROM AUDITOR AS STIPULATED IN CLAUSE 49  
OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES.**

**To the Members of Andrew Yule & Co. Ltd.**

We have examined the compliance of conditions of Corporate Governance by Andrew Yule & Company Limited for the year ended 31st March 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

- [i] The number of Non Executive Directors was less than fifty percent of the strength of Board of Directors during the financial year 2012-2013.
- [ii] The Board of Directors did not have any independent directors during the financial year 2012-2013. Consequently no audit committee was formed during the financial year 2012-2013.

Except as stated above, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

Place : Kolkata.  
Date : 5th August, 2013.

For GUPTA & CO.,  
Chartered Accountants  
Firm's Registration No.301028E  
(CA Arnab Deb)  
Partner.  
Membership No.062018



## INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF ANDREW YULE & COMPANY LIMITED

### [1] Report on the Financial Statements

We have audited the accompanying financial statements of Andrew Yule & Company Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of Significant Accounting Policies and other explanatory information.

### [2] Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material mis-statement, whether due to fraud or error.

### [3] Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material mis-statement.

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

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

### [4] Basis for Qualified Opinion

*Note No. 10.08(i) and (ii) regarding non-provision of diminution in the value of investments in Yule Financing and Leasing Company Limited (YFLC) and WEBFIL Limited amounting to ₹ 27.88 lakh and ₹ 14.50 lakh respectively. Had the observation made been considered the effect in the Profit of the year after provision for taxation would have been ₹ 1092.62 lakh as against reported profit of ₹ 1135.00 lakh, Reserves and Surplus would have been ₹ 8055.58 lakh as against reported Reserves and Surplus of ₹ 8097.96 lakh and value of Non-current Investments would have been ₹ 822.49 lakh instead of ₹ 864.87 lakh.*

### [5] Opinion

In our opinion and to the best of our information and according to the explanations given to us, except to the effects of the matter described in the Basis of Qualified Opinion paragraph, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- [a] In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- [b] In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- [c] In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### [6] Without qualifying our report, attention is invited to

- [a] We draw attention to Note No.10.03 regarding Sanctioned Rehabilitation Scheme vide Board for Industrial and Financial Reconstruction (BIFR) Order dated 30th October, 2007. The Rehabilitation Schedule of the Company with cut-off-date 31st March, 2006 is under process of implementation. The Accounts for the year have been prepared on the principle applicable to a going concern after giving due consideration to the Rehabilitation Package.
- [b] We also draw attention to Note No.10.11 for non-provision of interest on non-plan loan received from Government of India during the year for the reason stated therein.

### [7] Report on Other Legal and Regulatory Requirements

- [i] As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- [ii] As required by Section 227(3) of the Act, subject as aforesaid, we report that:
  - [a] we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - [b] in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - [c] the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statements dealt with by this Report are in agreement with the Books of Account;
  - [d] in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) of the Act.;
  - [e] In terms of Notification No. G.S.R 829(E) dated 21st October, 2003, issued by the Central Government, the requirement of Clause (g) of Sub-section (1) of Section 274 of the Act is not applicable to a Government Company.

Place : Kolkata.  
Date : 30th May, 2013.

For GUPTA & CO.,  
Chartered Accountants  
Firm's Registration No.301028E  
(CA Arnab Deb)  
Partner.  
Membership No.062018

## ANNEXURE TO AUDITORS' REPORT REFERRED TO IN PARAGRAPH 7(i) OF OUR REPORT OF EVEN DATE

- |  |   |
|--|---|
| <p>[1] [a] The Company has maintained proper records, showing full particulars including quantitative details and situation of its fixed assets.</p> <p>[b] The fixed assets of the Company are physically verified by the management according to a phased programme designed to cover all the items over a period of three years, which is considered to be reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a physical verification of fixed assets was carried out by the Company during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.</p> <p>[c] During the year, in our opinion, any substantial part of fixed assets has not been disposed off by the Company.</p> <p>[2] [a] The inventory of the Company has been verified by the Management during the year. In our opinion, the frequency of verification is reasonable.</p> <p>[b] In our opinion, the procedures of physical verification of inventory followed by the Management were found reasonable and adequate in relation to the size of the Company and the nature of its business.</p> <p>[c] On the basis of our examination of records of inventory, in our opinion, the Company has maintained proper records of inventory and the discrepancies noticed on physical verification between the physical stocks and book records have been properly dealt with in the books of account.</p> <p>[3] [a] According to the information and explanations given to us, the Company has not granted any secured or unsecured loans to any companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956 during the year.</p> <p>[b] In view of the above, clauses 4(iii) (b) to (d) of the Order are not applicable to the Company.</p> <p>[c] The Company has not taken any secured or unsecured loans from any company, firm or other party covered in the register maintained under section 301 of the Companies Act, 1956 during the year.</p> <p>[d] Accordingly, clauses 4(iii)(f) and (g) of the Order are not applicable to the Company.</p> <p>[4] In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and sale of goods and services. On the basis of our examination of the books and records, we have neither come across nor have we been informed of any continuing failure to correct major weakness in such internal control system.</p> <p>[5] In respect of contracts or arrangements referred to in Section</p> | <p>301 of the Companies Act, 1956 –</p> <p>[a] In our opinion and according to the information and explanations given to us, the transaction made pursuant to contracts or arrangements that need to be entered in the Register maintained under Section 301 of the Companies Act, 1956 have been so entered.</p> <p>[b] In our opinion and according to the information and explanations given to us, the transaction made in pursuant to contracts/arrangements entered in the Register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of ₹500000/- in respect of each party during the year have been made at prices, which appear reasonable as per information available with the Company.</p> <p>[6] According to the information and explanations given to us, the Company has not accepted any deposits from the public during the year. Therefore, the provisions of Clause (IV) of Paragraph 4 of the Order are not applicable to the Company.</p> <p>[7] The Company has its own Internal Audit Department. The Company has also appointed outside agencies in respect of Internal Audit of operating Divisions. In our opinion, the present internal audit system is generally commensurate with the size of the Company and nature of its business. However, it is felt that such audit should be more in-depth.</p> <p>[8] We have broadly reviewed the books of account maintained by the Company relating to the manufacture of industrial fans, tea and power transformers pursuant to the rules made by the Central Government for maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 and we are of the opinion that prima facie the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete. To the best of our knowledge and according to the information given to us Central Government has issued order u/s 233B of the Companies Act, 1956 for all the products of the Company for the year.</p> <p>[9] [i] According to the latest information given and explanations offered and according to the books and records of the Company as produced, there is no undisputed statutory dues and the Company is generally regular in depositing undisputed dues including Provident Fund, Investors Education Fund, Employees State Insurance Scheme, Tax deducted at source, Custom Duty, Excise Duty, Cess etc. and there is no undisputed statutory dues as at 31st March, 2013 for a period of more than six months from the date they became payable.</p> <p>[ii] As at 31st March, 2013 according to the records of the company and the information and explanations given to us, the particulars of dues on account of sale tax, vat, income tax, service tax and excise duty that have not been deposited on account of any dispute are furnished below :–</p> |
|--|---|



Name of Statute	Nature of dues	Amount (- lacs)	Period to which amount relates	Forum where the dispute is pending
Income Tax Act.	Income Tax (Penalty)	50.53	1988-89 & 2004-05	C.I.T.(Appeal)
	Income Tax	482.58	2009-10 & 2010-11	C.I.T.(Appeal)
W.B.Sales Tax and VAT	W.B.Sales Tax & VAT	27.53	Pre-Amalgamation	Appellate Authority
		2899.65	1979-80, 1986-87 to 1988-89, 1996-97, 1998-99, 2000-01, 2001-02, 2004-05, 2005-06, 2006-07, 2008-09	West Bengal Commercial Tax Appellate & Revisional Board.
		345.04	1973-74, 1994-95, 1997-98, 1999-2000, & 2003-04	Appellate Authority West Bengal Taxation Tribunal.
		538.44	1985-86, 1992-93, 1997-98, 1999-2000, 2003-04	Appellate Authority Kolkata High Court
		41.78	2007-08, 2009-10	Appellate Authority before Sr.J.C.C.T.
		49.34	1980-81, 1982-83 to 1984-85	Appellate Authority, SoD
Assam Sales Tax VAT	Assam Gardens	152.93	1996-97 to 1998-99	Appellate Authority Revenue Board.
Orissa Sales Tax and VAT	Orissa Sales Tax	118.25	1999-2000 & 2000-2001	Appellate Authority Tribunal at High Court Cuttack.
		5.64	2001-02	2nd Appellate Authority Berhampore
Central Excise	Central Excise	378.20	1996-97, 1998-99, 1992-93, 1993-94, 1994-95, 1995-96, 1990-91, 2001 to 2003 & 2007-08, 2009-10	Appeal at CESTAT.
		52.58	1991-92, 1992-93	Appeal at Kolkata High Court
		4.34	1998-99, 1993	Appeal at High Court. Kolkata.
		12.16	2006-07, 2007-08	Appeal at CESTAT.

[10] The net worth of the Company became positive (- 42.96 crore) without considering Share application money pending allotment of - 1.50 crore and Revaluation Reserve of - 103.32 crore at the end of the financial year. However, the accumulated loss of the Company is more than fifty percent of its net worth. The company has not incurred Cash

Loss in the financial year and the immediately preceding financial year.

- [11] As appearing in the record and according to the information and explanations given to us, taking into account the reliefs, concessions and restructuring of dues payable to Financial Institutions and Banks as per sanctions scheme and order of BIFR dated 30th October, 2007. Further, fresh arrangement with Banks/financial institutions, the Company has not defaulted in repayment of dues to them.
- [12] In our opinion and according to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- [13] The provisions of any special statute as specified under Clause 4(xiii) of the Order are not applicable to the Company.
- [14] In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in shares, securities, debentures and other investments.
- [15] According to the information and explanations given to us, the terms and conditions of the guarantee given by the Company amounting to - 593.00 lakhs and outstanding as at 31st March, 2013, for loans taken from bank by the other Companies, in our opinion, are not prima facie prejudicial to the interest of the Company.
- [16] In our opinion and according to the information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained.
- [17] Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, in our opinion, there are no funds raised on a short term basis which have been used for long term investment, and vice versa.
- [18] It appears from the records that the Company has not made any preferential allotment of shares to any Party or Company covered in the register maintained under section 301 of the Companies Act, 1956 during the year.
- [19] As explained to us, wherever applicable, securities have been created in respect of Bond issued by the Company.
- [20] The Company has not raised any money by public issues during the year.
- [21] During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the management.

For GUPTA & CO.  
Chartered Accountants  
Firm's Registration No.301028E  
(CA Arnab Deb)  
Partner  
Membership No.062018

Kolkata – 30th May, 2013.



**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF ANDREW YULE & COMPANY LIMITED, KOLKATA, FOR THE YEAR ENDED 31ST MARCH, 2013.**

The preparation of Financial Statements of Andrew Yule & Company Limited, Kolkata, for the year ended 31st March, 2013, in accordance with the Financial Reporting Framework prescribed under the Companies Act, 1956 is the responsibility of the Management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these Financial Statements under Section 227 of the Companies Act, 1956 based on independent audit in accordance with the Auditing and Assurance Standards prescribed by their professional body, the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 30.05.2013.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 619(3)(b) of the Companies Act, 1956 of the Financial Statements of Andrew Yule & Company Limited, Kolkata, for the year ended 31st March, 2013. This supplementary audit has been carried out independently and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records. On the basis of my audit, nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditor's Report under Section 619(4) of the Companies Act, 1956.

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

Place : Kolkata  
Date : 25th June, 2013.

**BALANCE SHEET AS AT 31ST MARCH, 2013**

[· in lakh]

<u>Particulars</u>	<u>Note No.</u>	<u>As at 31st March, 2013</u>	<u>As at 31st March, 2012</u>
<b>I. EQUITY AND LIABILITIES</b>			
[1] <b>Shareholders' Funds</b>	<b>2</b>		
[a] Share Capital	2.1	6522.77	6522.77
[b] Reserves and Surplus	2.2	8097.96	6944.76
[2] <b>Share application money pending allotment</b>	<b>3</b>	150.00	150.00
[3] <b>Non-Current Liabilities</b>	<b>4</b>		
[a] Long Term Borrowings	4.1	6089.18	6851.28
[b] Deferred Tax Liabilities [Refer Note No.10.10(b)]		372.37	361.61
[c] Other Long Term Liabilities	4.2	118.25	94.82
[d] Long Term Provisions	4.3	972.80	910.27
[4] <b>Current Liabilities</b>	<b>5</b>		
[a] Short Term Borrowings	5.1	2661.05	2605.89
[b] Trade Payables	5.2	6541.56	6069.52
[c] Other Current Liabilities	5.3	13247.39	13099.91
[d] Short Term Provisions	5.4	1134.90	862.66
<b>TOTAL :</b>		<b><u>45908.23</u></b>	<b><u>44473.49</u></b>
<b>II. ASSETS</b>			
[1] <b>Non-Current Assets</b>			
[a] <b>Fixed Assets</b>	<b>6</b>		
[i] Tangible Assets	6	17341.10	17409.38
[ii] Intangible Assets	6	29.39	13.62
[iii] Capital Work-in-Progress	6	520.61	331.27
[b] Non-Current Investments	6.1	864.87	863.31
[d] Long Term Loans and Advances	6.2	755.76	802.75
[e] Other Non-Current Assets	6.3	590.43	528.70
[2] <b>Current Assets</b>	<b>7</b>		
[a] Current Investments	7.1	1.63	1.55
[b] Inventories	7.2	3422.94	3395.89
[c] Trade Receivables	7.3	9604.34	7580.65
[d] Cash and Bank Balances	7.4	9037.53	10172.50
[e] Short Term Loans and Advances	7.5	3535.24	2959.16
[f] Other Current Assets	7.6	204.39	414.71
<b>III. THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.</b>			
<b>TOTAL :</b>		<b><u>45908.23</u></b>	<b><u>44473.49</u></b>

D. BANDYOPADHYAY,  
Financial Controller & Company Secretary.  
KOLKATA – 30th May, 2013.

On behalf of the Board,  
K. DATTA, *Chairman and Managing Director.*  
S. SWAMINATHAN  
AMITAVA DHAR  
SUNIL MUNSHI } *Directors.*

In terms of our Report of even date.

For GUPTA & CO.,  
Chartered Accountants,  
Firm Registration No.301028E  
(CA ARNAB DEB)  
Partner,  
Membership No.62018

Kolkata – 30th May, 2013.

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013**

[· in lakh]

Particulars	Note No.	For the year ended 31st March, 2013	For the year ended 31st March, 2012
<b>I. REVENUE</b>	<b>8</b>		
Revenue from Operations	8.1	32317.76	30195.42
Less: Excise Duty		1202.54	1126.23
		<u>31115.22</u>	<u>29069.19</u>
Other Income	8.2	1058.85	1172.77
<b>Total Revenue [A]</b>		<b><u>32174.07</u></b>	<b><u>30241.96</u></b>
<b>II. EXPENSES</b>	<b>9</b>		
Cost of Materials Consumed	9.1	10442.39	10948.78
Changes in Inventories of Finished Goods	9.2	211.92	512.34
Employee Benefits Expenses	9.3	11973.34	10037.98
Finance Costs	9.4	1134.36	1649.51
Depreciation and Amortisation Expenses	9.5	449.41	426.31
Other Expenses	9.6	6562.45	5728.22
<b>Total Expenses [B]</b>		<b><u>30773.87</u></b>	<b><u>29303.14</u></b>
<b>Profit from Operation before Exceptional and Extraordinary items and Tax [A-B]</b>		<b>1400.20</b>	<b>938.82</b>
<i>Exceptional Item</i>		...	260.87
<i>Extraordinary Item</i>		...	...
<b>Profit from Operation before Tax</b>		<b>1400.20</b>	<b>1199.69</b>
Tax Expenses			
Provision for Current Tax		254.44	...
<i>Fringe Benefit Tax</i>		...	-4.18
Deferred Tax [Refer Note No.10.10(a)]		<u>10.76</u>	<u>19.24</u>
Total Tax Expenses		265.20	15.06
<b>Profit for the year</b>		<b><u>1135.00</u></b>	<b><u>1184.63</u></b>
Basic & Diluted earnings per share before extraordinary income (Note No.10.17)		· 0.35	· 0.37
Basic & Diluted earnings per share after extraordinary income (Note No.10.17)		· 0.35	· 0.37

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

D. BANDYOPADHYAY,  
*Financial Controller & Company Secretary.*  
KOLKATA – 30th May, 2013.

On behalf of the Board,  
K. DATTA, *Chairman and Managing Director.*  
S. SWAMINATHAN  
AMITAVA DHAR  
SUNIL MUNSHI } *Directors.*

In terms of our Report of even date.

For GUPTA & CO.,  
*Chartered Accountants,*  
*Firm Registration No.301028E*  
(CA ARNAB DEB)  
*Partner,*  
Membership No.62018

Kolkata – 30th May, 2013.

**STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2013**

[· in lakh]

	As at 31st March, 2013	As at 31st March, 2012
<b>[A] CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit before Tax and extraordinary items	1400.20	1199.69
Adjustments for :		
Depreciation/Impairment of Assets	449.41	426.31
Interest charged	1015.77	1591.14
Investment Income	(850.57)	(990.56)
Subsidy Credited to Profit and Loss Account	(20.26)	(12.51)
<b>Operating profit before changes in amount of Current Liabilities and Current Assets</b>	<b>1994.55</b>	<b>2214.07</b>
Adjustment for :		
Trade Receivables	(2223.32)	(1867.62)
Inventories	(27.05)	315.66
Trade payable	1146.56	2288.78
<b>Cash Generated from Operations</b>	<b>890.74</b>	<b>2950.89</b>
Wealth Tax paid	(5.59)	(3.85)
Income Tax paid	(181.70)	...
<b>Cash-flow before Extraordinary Items</b>	<b>703.45</b>	<b>2947.04</b>
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>703.45</b>	<b>2947.04</b>
<b>[B] CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets (including Capital WIP and Pre-operative Expenditure)	(586.24)	(854.39)
Loans	65.56	183.81
Subsidy received/credited	38.46	12.51
Decrease in Current Investments	(1.64)	0.64
Income from other Investments	1060.89	736.21
<b>NET CASH FROM INVESTING ACTIVITIES (B)</b>	<b>577.03</b>	<b>78.78</b>

**STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2013 – (Contd.)**

[· in lakh]

	As at 31st March, 2013	As at 31st March, 2012
<b>[C] CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Net Proceeds from borrowings	(762.10)	(2155.86)
Interest paid	(931.40)	(921.04)
<b>NET CASH USED IN FINANCING ACTIVITIES [C]</b>	<b>(1693.50)</b>	<b>(3076.90)</b>
<b>NET CHANGES IN CASH AND CASH EQUIVALENT [A+B+C]</b>	<b>(413.02)</b>	<b>(51.08)</b>
CASH AND CASH EQUIVALENT Opening Balance as at 1st April, 2012	3857.14	3908.22
CASH AND CASH EQUIVALENT Closing Balance as at 31st March, 2013	3444.12	3857.14

[1] Cash Flow Statement has been prepared by following Indirect Method mentioned in AS-3

[2] Break-up of Cash and Cash equivalent

Cash in hand	19.19	19.83
Postage and Stamps in hand	0.02	...
Cheques in hand	29.17	11.89
Remittance in transit	66.29	2.52
Employees Security Deposit	0.06	...
Balance with scheduled Banks :		
On Current Account	458.24	583.31
Fixed Deposit with Banks maturing within 3 months	2871.15	3239.59
	<u>3444.12</u>	<u>3857.14</u>

[3] Suitable modifications have been made in the prescribed form to provide for adequate information.

[4] Figures of the previous year have been re-grouped/re-arranged wherever necessary.

D. BANDYOPADHYAY,  
*Financial Controller & Company Secretary.*  
KOLKATA – 30th May, 2013.

On behalf of the Board,  
K. DATTA, *Chairman and Managing Director.*  
S. SWAMINATHAN  
AMITAVA DHAR  
SUNIL MUNSHI } *Directors.*

In terms of our Report of even date.

For GUPTA & CO.,  
*Chartered Accountants,*  
*Firm Registration No.301028E*  
(CA ARNAB DEB)  
*Partner,*  
Membership No.62018

Kolkata – 30th May, 2013.



## Note 1 – Significant Accounting Policies

The Financial Statements have been prepared under the historical cost convention on accrual basis adjusted by revaluation of Fixed Assets in compliance with all materials aspect 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, 1956.

### 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 Profit and Loss Account 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 Profit and Loss Account. 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 in accordance with the provisions of Section 205(2)(b) read with Schedule XIV to the Companies Act, 1956 from the date the assets are put to use.
- [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] Liquidated damages recovered by the Company for delayed construction and delayed supply of equipment are treated as Other Income.
- [g] 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.
- [h] Expenditure incurred/capitalised in respect of projects abandoned/to be abandoned are accounted for in compliance of relevant Accounting Standard.
- [i] 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 Account 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.

### 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 investment 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 and fair value.

### 1.6 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.

### 1.7 Dividend Receipts :

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

### 1.8 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 execution and delayed supply of equipment/spares are treated as Other Income.

### 1.9 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 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.

### 1.10 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] Liability in respect of rectification work/replacement involving estimated value above ₹ 0.25 lakh per case is booked on the basis of claims from the customers admitted by the Company wherever it is possible to estimate.
- [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.

**1.11 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.

**1.12 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.

**1.13 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.
- [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 accounts.

**1.14 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.

**1.15 Research and Development Costs :**

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

**1.16 Employee Benefits :**

- [a] Defined Contribution Schemes (DCS) : 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] 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 Benefit".

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 Accounts 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 and Pension fund 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, 2013**

[- in lakh]

	As at 31st March, 2013	As at 31st March, 2012
<b>Note 2.1 – SHARE CAPITAL</b>		
<b>Authorised:</b>		
Equity Shares 37,50,00,000 (Previous year 37,50,00,000) of ₹ 2/- each	7500.00	7500.00
<b>Issued, Subscribed and Fully Paid-up :</b>		
Equity Shares 32,61,38,478 (Previous year 32,61,38,478) 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 & Switchgear Ltd. and Brentford Electric India Ltd. against compensation money paid by them]	6522.77	6522.77
	<u>6522.77</u>	<u>6522.77</u>

Particulars	As at 31st March, 2013	As at 31st March, 2012
<b>Authorised:</b> 37,50,00,000 (Previous year 37,50,00,000) Equity Shares of ₹ 2/- each	7500.00	7500.00
<b>Issued, Subscribed and Paid-up :</b> 32,61,38,478 (Previous year 32,61,38,478) Equity Shares of ₹ 2/- each	6522.77	6522.77

**The details of Shareholder holding more than 5% shares as at 31st March set out below :**

Nature of the Shareholders	31st March, 2013		31st March, 2012	
	No. of shares	%age	No. of shares	%age
President of India	30,42,89,706	93.30	30,42,89,706	93.30

**The reconciliation of the number of shares outstanding as at 31st March :**

Particulars	31st March, 2013		31st March, 2012	
	No. of Shares	Value	No. of Shares	Value
Equity shares at the beginning of the year	32,61,38,478	6522.77	31,86,38,478	6372.77
Issued during the year	...	...	75,00,000	150.00
Equity shares at the end of the year	32,61,38,478	6522.77	32,61,38,478	6522.77

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.


**NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2013**

[- in lakh]

	As at 31st March, 2013	As at 31st March, 2012
<b>Note 2.2 – RESERVES AND SURPLUS</b>		
<b>Capital Reserve :</b>		
General		
Balance as per Last Account	402.64	402.64
Add: During the year	3.72	...
	<u>406.36</u>	<u>402.64</u>
<b>Preference Share Capital Redemption Reserve :</b>		
General		
Balance as per Last Account	...	84.69
Less: Transfer to Statement of Profit & Loss	...	84.69
	<u>...</u>	<u>...</u>
<b>Revaluation Reserve :</b>		
General		
Balance as per Last Account	10332.52	10332.52
<b>Other Reserves :</b>		
<b>Special :</b>		
Central/State Subsidy for Capital Assets		
Balance as per Last Account	11.40	11.40
Add: During the year	0.34	...
	<u>11.74</u>	<u>11.40</u>
Tea Board Subsidy for Capital Assets :		
Balance as per Last Account	112.01	101.43
Add: During the year	38.46	23.09
	<u>150.47</u>	<u>124.52</u>
Less: Transfer to Statement of Profit and Loss	20.26	12.51
	<u>130.21</u>	<u>112.01</u>
State Housing Subsidy	...	4.06
<b>Balance of Statement of Profit &amp; Loss as per last Account</b>	(-) 3917.87	(-) 5187.19
Add: Transfer from Preference Share Capital Redemption Reserve	...	84.69
Add: Profit during the year	1135.00	1184.63
	<u>(-) 2782.87</u>	<u>(-) 3917.87</u>
	<u>8097.96</u>	<u>6944.76</u>
<b>Note 3 – SHARE APPLICATION MONEY PENDING ALLOTMENT</b>		
[Refer Note 10.03(a) of Other Notes to Financial Statement]		
State Bank of India		
	150.00	150.00
	<u>150.00</u>	<u>150.00</u>


**NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2013**

[· in lakh]

	As at 31st March, 2013	As at 31st March, 2012
<b>Note 4.1 – LONG TERM BORROWINGS</b>		
<b>Secured Loans :</b>		
Bonds :		
9.1% Secured Redeemable Non-Convertible 10 Years Bond (To be redeemed on 22nd August in the years 2014, 2015 and 2016 in three equal instalment) [Refer Note No.10.03(c)]	2000.00	2000.00
Term Loans from Scheduled Banks [Refer Note No.10.12] [The above loans comprising State Bank of India (SBI) · 716.00 lakh, Bank of Baroda (BOB) · 2502.29 lakh, Allahabad Bank · 139.91 lakh, United Bank of India (UBI) · 76.48 lakh, out of the above loans from SBI and BOB are 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 All Bank, UBI 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].	3434.68	4072.56
Other Loans [Secured by a charge on certain movable and immovable Assets of Banarhat, Hoolungooree and Khowang Tea Estate ranking subsequent to the charge in favour of Bank on these assets for · 39.10 lakh for Tea Board Special purpose Tea Fund Loan and · 615.08 lakh from West Bengal Govt. Sales Tax loan to be secured by residuary charge of certain immovable properties ranking next only to charges in favour of the Bank, West Bengal Housing Subsidised Loan of · 0.32 lakh]	654.50	621.10
	6089.18	6693.66
<b>Unsecured Loans :</b>		
West Bengal Industrial Development Corpn. Ltd.	89.62	89.62
Government of India	68.00	68.00
	157.62	157.62
Less: Transferred to Other Current Liabilities [Note No.5.3]	157.62	...
	...	157.62
	6089.18	6851.28


**NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2013**

[· in lakh]

	As at 31st March, 2013	As at 31st March, 2012
<b>Note 4.2 – OTHER LONG TERM LIABILITIES</b>		
Security Deposits from Related Parties	28.80	28.80
Others (Security Deposit, Earnest Money Deposit)	89.45	66.02
	<u>118.25</u>	<u>94.82</u>
<b>Note 4.3 – LONG TERM PROVISIONS</b>		
Provision for Employee Benefits (Gratuity)	609.12	485.91
Provision for Fringe Benefit Tax	17.91	17.91
Provision for Contingencies	105.74	105.74
Others (Provision for Employees' Benefit)	240.03	300.71
	<u>972.80</u>	<u>910.27</u>
<b>Note 5.1 – SHORT TERM BORROWINGS</b>		
<b>Secured</b>		
From Banks	2661.05	2605.89
(Comprising of Union Bank of India · 63.49 lakh, Allahabad Bank · 1530.54 lakh, SBI · 241.00 lakh, BOB · 826.02 lakh secured by hypothecation of inventories, book debts and certain movable and immovable properties)		
	<u>2661.05</u>	<u>2605.89</u>
<b>Note 5.2 – TRADE PAYABLE</b>		
For Goods and Services [Refer Note No.10.06]	6541.56	6069.52
	<u>6541.56</u>	<u>6069.52</u>
<b>Note 5.3 – OTHER CURRENT LIABILITIES</b>		
<b>Current Maturity on Long Term Debt</b>		
Government of India	4220.00	4250.00
Others	875.72	537.49
(Comprising of BOB · 534.10 lakh, Allahabad Bank · 135.57 lakh, UBI · 75.00 lakh, Union Bank of India · 41.43 lakh and WBIDC · 89.62 lakh)		
	5095.72	4787.49
<b>Interest accrued but not due on borrowings</b>		
Govt. of India	...	258.18
Others	18.90	19.40
	18.90	277.58
<b>Interest accrued and due on borrowings</b>		
Govt. of India	2622.87	2364.69
Others	879.39	794.52
(Comprising of WB Housing Board Loan · 0.66 lakh, SBI · 867.06 lakh, and BOB · 5.41 lakh, Allahabad Bank · 2.28 lakh and UBI · 3.98 lakh)		
	3502.26	3159.21
Advance and Deposits received from Customers	712.70	656.78
<i>Related Parties</i>	...	120.00
Others Payable (Employees' dues, Other Contractual obligation and Statutory Dues)	3917.81	4098.85
	<u>13247.39</u>	<u>13099.91</u>
<b>Note 5.4 – SHORT TERM PROVISIONS</b>		
<b>Others :</b>		
Other Provisions (Stock Obsolescence, Contingencies and Food Stuff)	618.86	605.66
Provision for Income Tax and Wealth Tax	516.04	257.00
	<u>1134.90</u>	<u>862.66</u>

**NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2013**
**Note 6 – FIXED ASSETS**

[ in lakh]

Description of Assets	GROSS BLOCK			DEPRECIATION			IMPAIRMENT OF ASSETS		NET BLOCK		
	Cost/Book Value as at 1st April, 2012	Additions/ Adjustments during the year	Less: Sales/ Adjustments during the year	Cost/Book Value as at 31st March, 2013	Upto 31st March, 2012	For the year	Less: On Sales/ Adjustments during the year	Upto 31st March, 2012	During the year	As at 31st March, 2013	As at 31st March, 2012
<b>Tangible Assets</b>											
Land (including cost of development and leasehold land - 15.10 lakh; 2011-12 - 15.10 lakh)	175.39	0.04	...	175.39	261.24	0.47	...	...	...	175.39	175.39
Estates (Leasehold (including garden development expenses)	12454.11		...	12454.15			...	...	...	12192.44	12192.87
Buildings	3219.62	67.89	35.93	3251.58	1318.17	59.91	...	5.78	...	1867.72	1895.67
Roads and Culverts	64.96	...	...	64.96	17.81	1.17	...	...	...	45.98	47.15
Plant and Equipments	5232.65	213.00	125.35	5320.30	3246.95	239.15	120.02	96.41	(-) 33.46	1891.27	1889.29
Drawings, Designs and Tracings etc.	74.99	...	...	74.99	40.90	...	...	34.09	...	...	...
Electrical Installations	962.16	13.79	(-) 2.56	978.51	494.04	39.42	(-) 1.80	535.26	...	443.25	468.12
Water Installations	545.99	20.21	...	566.20	273.93	25.31	...	299.24	...	266.96	272.06
Furniture and Fixtures	310.71	4.99	5.58	310.12	252.64	11.09	5.64	258.09	0.01	52.02	58.06
Office Equipments	17.94	0.21	...	18.15	12.66	0.70	...	13.36	...	4.79	5.28
Vehicles	822.75	60.86	35.27	848.34	417.26	62.59	32.79	447.06	...	401.28	405.49
<b>TOTAL</b>	23881.27	380.99	199.57	24062.69	6335.60	439.81	156.65	6618.76	136.29	17341.10	17409.38
<b>Intangible Assets</b>											
Computer Software	40.68	23.39	(-) 3.14	67.21	27.06	9.60	(-) 1.16	37.82	...	29.39	13.62
<b>TOTAL</b>	23921.95	404.38	196.43	24129.90	6362.66	449.41	155.49	6656.58	136.29	17370.49	17423.00
Capital Work-in-Progress (Tangible)	383.80	317.96	128.62	573.14	...	...	...	...	52.53	520.61	331.27
<b>TOTAL</b>	<b>24305.75</b>	<b>722.34</b>	<b>325.05</b>	<b>24703.04</b>	<b>6362.66</b>	<b>449.41</b>	<b>155.49</b>	<b>6656.58</b>	<b>188.82</b>	<b>17891.10</b>	<b>17754.27</b>
PREVIOUS YEAR'S TOTAL	23502.24	1661.58	358.07	24305.75	5987.23	426.31	50.88	6362.66	188.82	17754.27	...



**NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2013**

[ - in lakh]

	No. of Shares/ Units	Face Value per Share/ Unit	Book Value	
			As at 31.03.2013	As at 31.03.2012
<b>Note 6.1 – NON-CURRENT INVESTMENTS</b>				
<b>1. Equity Shares in Subsidiary Company – Non-Trade Investments :</b>				
<b>Unquoted :</b>				
Hooghly Printing Co. Ltd.	10,27,128	10	103.20	103.20
Yule Engineering Ltd. – Ordinary Shares	50,000	10	5.00	5.00
Yule Electrical Ltd. – Ordinary Shares	50,000	10	5.00	5.00
<b>2. In Other Companies – Non-Trade Investments :</b>				
<b>Equity Shares (Fully Paid) :</b>				
<b>Quoted :</b>				
Yule Financing & Leasing Co. Ltd.	3,00,000	10	27.88	27.88
DPSC Ltd.	34,500	1	0.01	0.01
Tide Water Oil Co. (India) Ltd.	2,28,390	10	141.07	141.07
WEBFIL Ltd.	1,45,000	10	14.50	14.50
Fort Gloster Industries Ltd.	1,040	10	0.13	0.13
<i>Gloster Jute Mills Ltd.</i>	416	10	...	...
Exide Industries Ltd.	2,12,714	1	4.22	4.22
<i>The Gillapukri Tea and Industries Ltd.</i>	26	10	...	...
<b>Unquoted :</b>				
The Bengal Coal Co. Ltd.	10,305	100	0.51	0.51
Katras Jherriah Coal Co. Ltd.	60,260	10	6.95	6.95
The New Beerbhoom Coal Co. Ltd.	1,05,355	10	12.27	12.27
The Statesman Ltd.	9,966	100	4.70	4.70
ABC Tea Workers Welfare Services	750	10	0.08	0.08
6% Cumulative Redeemable Preference Shares-WEBFIL Ltd.	20,44,000	10	204.40	204.40
Woodlands Multispeciality Hospital Ltd.	23,200	10	0.66	0.66
<b>Bonds (Fully Paid) :</b>				
<b>Unquoted</b>				
WEBFIL Ltd. Zero Rate Unsecured Redeemable Bond	305	1,00,000	305.00	305.00
<b>3. Units (Fully Paid) :</b>				
<b>Quoted :</b>				
Unit Trust of India Balanced Fund	1,63,261 (1,55,400)	10	34.50 870.08	32.94 868.52
Less: Provision for diminution in value for long term investments			5.21	5.21
			<u>864.87</u>	<u>863.31</u>
[Investments are valued at cost]				
			Book Value	
			As at 31.3.2013	As at 31.3.2012
<b>SUMMARY</b>				
1. Subsidiary Company – Equity Shares			113.20	113.20
2. Other Companies (Non-Trade Investments) :				
Preference Shares			204.40	204.40
Equity Shares			207.77	207.77
Bonds			305.00	305.00
			<u>717.17</u>	<u>717.17</u>
3. Unit Trust of India				
Balanced Fund			34.50	32.94
			<u>864.87</u>	<u>863.31</u>
<b>Aggregate Value of Investments :</b>			As at 31.03.2013	
			Book Value	Market Value
Quoted			222.31	16344.84
Unquoted			642.56	642.56
			<u>864.87</u>	<u>863.31</u>
			As at 31.03.2012	
			Book Value	Market Value
			220.75	17379.04
			642.56	642.56
			<u>863.31</u>	<u>863.31</u>


**NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2013**

[- in lakh]

	As at 31st March, 2013	As at 31st March, 2012
<b>Note 6.2 – LONG TERM LOANS AND ADVANCES</b>		
Capital Advances - Unsecured Considered good	21.78	22.38
Security Deposit - Unsecured Considered good	125.97	126.31
Advance Tax (FBT)	19.44	...
Loans and Advance to related parties		
Unsecured Considered good	502.12	502.05
Doubtful	122.62	122.40
	<u>624.74</u>	<u>624.45</u>
Less: Provision for Doubtful Advance	<u>122.62</u>	<u>122.40</u>
	502.12	502.05
Other Loans and Advances (House Building Loan) - Unsecured Considered good	86.45	152.01
	<u>755.76</u>	<u>802.75</u>
<b>Note 6.3 – OTHER NON-CURRENT ASSETS</b>		
Others (Plan Assets for Superannuation Fund and Retention Money)	590.43	528.70
	<u>590.43</u>	<u>528.70</u>
<b>Note 7.1 – CURRENT INVESTMENT (Investments in Mutual Fund)</b>		
<b>Quoted :</b>		
<b>Unit Trust of India</b>		
Balance Fund	1.63	1.55
7520.085 No. of Units of face value of ₹ 10/- each, Market value of ₹ 21.71 each. Total value ₹ 1.63 lakh at cost.		
	<u>1.63</u>	<u>1.55</u>
<b>Note 7.2 – INVENTORIES (At lower of cost and net realisable value)</b>		
Raw Materials, Components & Packing Material	962.75	1119.78
Work in Progress	649.34	853.53
Finished Goods	340.36	364.38
Stores and Spare Parts	1413.95	1023.91
Loose Tools	9.27	9.26
Food Stuff	17.33	11.38
Scrap	29.94	13.65
	<u>3422.94</u>	<u>3395.89</u>
<b>Note 7.3 – TRADE RECEIVABLES</b>		
<b>Trade Receivable :</b>		
<b>Unsecured</b>		
<b>Debts outstanding over six months from due date :</b>		
Considered Good	2041.38	1092.81
Considered Doubtful	4409.28	4273.24
	<u>6450.66</u>	<u>5366.05</u>
Less: Provision for Doubtful Debts	<u>4409.28</u>	<u>4273.24</u>
	2041.38	1092.81
<b>Other Debts :</b>		
Considered Good	7562.96	6487.84
	<u>9604.34</u>	<u>7580.65</u>


**NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2013**

[- in lakh]

	As at 31st March, 2013	As at 31st March, 2012
<b>Note 7.4 – CASH AND BANK BALANCES</b>		
<b>Cash and Cash Equivalents :</b>		
Balance with Bank	458.24	583.31
Cheques in Hand	29.17	11.89
Cash in Hand	19.19	19.83
Postage and Stamps in hand	0.02	...
Employee Security Deposit	0.06	...
Remittance in Transit	66.29	2.52
Deposit with Bank maturing within 3 months	2643.43	3239.59
	<u>3216.40</u>	<u>3857.14</u>
<b>Other Bank Balances :</b>		
* Deposit with Bank maturing after 3 months	2905.73	4220.11
Margin Money with Bank maturing after 3 months	2687.68	2095.25
Margin Money with Bank maturing within 3 months	227.72	0.00
	<u>5821.13</u>	<u>6315.36</u>
	<u>9037.53</u>	<u>10172.50</u>
* All deposits are below 12 months.		
<b>Note 7.5 – SHORT TERM LOANS AND ADVANCES</b>		
<b>Loans and Advances :</b>		
Secured Considered good	10.07	13.73
Related Parties - Unsecured Considered good	219.40	278.60
Others – Unsecured Considered good	2.38	...
	<u>231.85</u>	<u>292.33</u>
Balance with Customs & Central Excise – Unsecured Considered good	96.53	86.03
Deposits - Unsecured Considered good	316.39	29.01
Advance payment of Income Tax and Wealth Tax	1151.67	850.10
Advance recoverable in cash or in kind or for value to be received :		
Considered good	1738.80	1701.69
Considered doubtful	1691.12	1686.29
	<u>3429.92</u>	<u>3387.98</u>
Less: Provision for doubtful advances	1691.12	1686.29
	<u>1738.80</u>	<u>1701.69</u>
	<u>3535.24</u>	<u>2959.16</u>
<b>Note 7.6 – OTHER CURRENT ASSETS</b>		
Others (Interest accrued on deposits)	204.39	414.71
[including Related Parties - 60.00 lakh (Previous year - 30.00 lakh)]		
	<u>204.39</u>	<u>414.71</u>


**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013**

[- in lakh]

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
<b>REVENUE</b>		
<b>Note 8.1 – REVENUE FROM OPERATIONS</b>		
Sale of Products	30469.66	27980.46
Sale of Services	461.22	427.22
Other Operational Income	<u>1539.37</u>	<u>2000.20</u>
	32470.25	30407.88
Less: Trade and Other Discount	<u>152.49</u>	<u>212.46</u>
	32317.76	30195.42
Less: Excise Duty	<u>1202.54</u>	<u>1126.23</u>
[Refer Note No.10.20(a)(i)]	<u>31115.22</u>	<u>29069.19</u>
<b>Note 8.2 – OTHER INCOME</b>		
Interest Income	533.24	842.34
Dividend Income	317.33	148.39
Other non-operating income (Tea Board Subsidy, Adjustment of Tea Board Subsidy, Items relating to previous year, Provision no longer required written back)	<u>208.28</u>	<u>182.04</u>
	<u>1058.85</u>	<u>1172.77</u>
<b>Note 9.1 – COST OF MATERIAL CONSUMED</b>		
<b>Opening Stock as at 1st April, 2012 :</b>		
Raw Materials, Components and Packing Materials	1119.78	1110.45
Stores and Spare Parts	1023.91	822.36
Loose Tools	<u>9.26</u>	<u>9.13</u>
	2152.95	1941.94
<b>Purchase during the year :</b>		
Raw Materials, Components and Packing Materials	8774.13	9619.64
Stores and Spare Parts	2403.82	1911.20
Loose Tools	<u>6.90</u>	<u>6.97</u>
	11184.85	11537.81
	<u>13337.80</u>	<u>13479.75</u>
<b>Less: Closing Stock as at 31st March, 2013 :</b>		
Raw Materials, Components and Packing Materials	962.76	1119.78
Stores and Spare Parts	1413.95	1023.91
Loose Tools	<u>9.27</u>	<u>9.26</u>
	2385.98	2152.95
	<u>10951.82</u>	<u>11326.80</u>
<b>Less: Raw Materials and Stores used on various jobs</b>	509.43	378.02
[Refer Note No.10.20(a)(ii)]	<u>10442.39</u>	<u>10948.78</u>



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013**

[ - in lakh]

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
<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	340.36	364.38
Work in Progress	649.34	853.53
Scrap	29.94	13.65
	<u>1019.64</u>	<u>1231.56</u>
<b>Inventories (at commencement) :</b>		
Finished Goods	364.38	710.38
Work in Progress	853.53	1008.47
Scrap	13.65	25.05
	<u>1231.56</u>	<u>1743.90</u>
	<u>211.92</u>	<u>512.34</u>
<b>Note 9.3 – EMPLOYEE BENEFITS EXPENSES</b>		
Salaries and Wage	9654.76	8176.26
Contribution to Provident and Other Funds	1448.93	1100.30
Staff Welfare Expenses	1139.35	984.11
	<u>12243.04</u>	<u>10260.67</u>
Less: Incurred on Capital Jobs, Repair Jobs etc.	269.70	222.69
	<u>11973.34</u>	<u>10037.98</u>
<b>Note 9.4 – FINANCE COSTS</b>		
Interest Expenses	1015.77	1591.14
Other Borrowing costs	118.59	58.37
	<u>1134.36</u>	<u>1649.51</u>
<b>Note 9.5 – DEPRECIATION AND AMORTISATION EXPENSES</b>		
Depreciation on Tangible Assets	439.81	419.46
Amortisation of Intangible Assets	9.60	6.85
	<u>449.41</u>	<u>426.31</u>


**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013**

[- in lakh]

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
<b>Note 9.6 – OTHER EXPENSES</b>		
Power and Fuel	2216.26	1666.93
Tea Cultivation and Manufacturing Expenses	319.31	409.56
Research and Development Expenses	10.11	6.57
Director's Fees	0.10	0.20
Rent (Net)	74.23	36.15
Rates and Taxes	25.69	31.12
<b>Repairs and Maintenance :</b>		
Buildings	328.71	247.02
Plant and Machinery	313.79	301.62
Others	140.19	68.64
	782.69	617.28
Travelling Expenses and Upkeep of Vehicles	599.20	552.04
Insurance	32.01	35.21
Broker's Commission	218.60	173.07
<b>Selling Expenses :</b>		
Selling Agent's Commission	11.90	59.06
Others	689.65	563.12
	701.55	622.18
Miscellaneous Expenses	979.90	879.47
Bank charges	14.80	8.58
Excise Duty	2.90	16.06
Assam Entry Tax	4.41	3.30
Assam Cess on Green Leaf	99.46	97.91
West Bengal Primary and Rural Education Cess	0.55	17.84
Tea Cess	54.93	49.99
Education Cess	1.08	1.01
Net loss on Foreign Currency	2.48	0.86
<b>Auditor's Remuneration :</b>		
As Auditor *	2.50	2.00
For Taxation matter	0.75	0.75
For Other Services	1.00	0.88
For Reimbursement Expenses	0.06	0.16
	4.31	3.79
Cost Audit Fees	1.45	...
Item relating to previous years [Refer Note No.10.18 of Other Notes to Financial Statements]	12.01	139.33
Loss on sale/write off of Fixed Assets	4.13	...
Liquidated Damages and Penalty etc.	205.68	208.17
Rectification/Replacement	32.01	57.32
<b>Provision for :</b>		
Doubtful Debts	146.83	46.22
Doubtful Loans, Advances and Deposits	4.83	24.57
Capital WIP	1.73	0.00
Stock/Stores Obsolescence	9.21	26.51
	162.60	97.30
	6562.45	5731.24
Less: Amount transferred to Capital Jobs etc.	...	3.02
	6562.45	5728.22

\* including 0.25 lakh for previous year.

**OTHER NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2013**

[· in lakh]

**Note 10**

10.01 Estimated amount of contracts remaining to be executed on Capital Account · 191.05 lakh (net of advances) (· 70.64 lakh) and Other Commitments · Nil (· Nil) not provided for.

10.02 Contingent liabilities not provided for in respect of :

[a] Claims against the Company not acknowledged as debts :

[i] Accrued interest of · 555.96 lakh upto 31st March,2007 being the difference between · 2728.96 lakh, the interest including penal interest due upto 31st March,2007 as per books of DHI and the interest waived amounting to · 2173.00 lakh. The proposal for waiver of · 555.96 lakh based on the principle of sanction by BIFR has been approved by GOI subject to approval of BIFR and also other contingent liability as described in Note No.10.11.

[ii] Others · 68.77 lakhs (· 68.77 lakh)

[b] Guarantees and Indemnities given to various Institutions and Authorities in connection with Company's operations amounting to · 1469.65 lakh (· 1932.23 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 lakhs).

[ii] Other Companies – · 328.00 lakh (· 328.00 lakhs) 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.

[d] Disputed Sales Tax aggregating to · 4178.60 lakh (· 4212.78 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 · 533.11 lakh (· 183.27 lakh) excluding interest not admitted, against which appeals have been preferred by the Company.

[f] Disputed Excise/Customs Duty/Service Tax claims · 447.28 lakh (· 551.81 lakh) excluding interest against which appeal have been preferred by the Company.

[g] Unexpired Letter of Credit opened by the Company's Bankers – · 1372.47 lakh (· 1392.80 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 which is under implementation and Accounts for the year have been prepared on going concern basis.

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

[a] · 150.00 lakh appearing in the Accounts as Share Pending Allotment represents 20% of funded interest upto cut off date i.e. 31st March, 2006 amounting to · 748.00 lakh which was sanctioned by State Bank of India (SBI) as per terms of Sanctioned Rehabilitation Scheme dated 30th October, 2007 for conversion into Equity. Allotment of 7500000 Shares at Face Value of · 2/- each aggregating to · 150.00 lakh will be made on receipt of Sanction Letter from SBI and approval of the same by Company's Competent Authority.

[b] In terms of the aforesaid order 46% of unsecured creditors amounting to · 29.36 lakh (· 113.93 lakh) except sub-judice matters has been written back during the year.

[c] 9.1% Secured Non-convertible 10 Years Bond is secured by specified indenture.

10.04 [a] Employee Benefits

The Company's contribution to Defined Contribution Plans aggregated to · 840.19 lakhs (· 824.36 lakhs) for the year ended 31st March, 2013 has been recognised under the line item Contribution to Provident and Other Funds included in Note No.9.3 above.

	2012-13	2011-12
Contribution to Provident Fund	831.09	815.41
Contribution to Employees State Insurance Fund	9.10	8.95

**OTHER NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2013 – (Contd.)**

[- in lakh]

**Note 10 – (Contd.)**

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

Employee Benefits	2012-13				2011-12				2010-11			
	Gratuity	Leave en-cashment	Pension	Super-annuation	Gratuity	Leave en-cashment	Pension	Super-annuation	Gratuity	Leave en-cashment	Pension	Super-annuation
Defined benefit plans/Long term compensated absences. As per actuarial valuation as on 31st March, 2013												
<b>(I) Change in present value of Defined Benefit Obligations during the year ended 31st March, 2013</b>												
[1] Present value of DBO at beginning of period	3902.66	791.24	1.50	388.44	3517.50	587.92	1.87	234.95	3517.70	648.75	2.58	230.28
[2] Current Service cost	198.70	47.05	...	42.71	178.57	35.12	...	16.40	176.99	33.83	...	8.71
[3] Interest cost	320.12	65.32	0.12	30.82	279.85	45.39	0.14	18.36	270.83	49.53	0.20	18.34
[4] Curtailment cost/(credit)	...	...	...	...	...	...	...	...	...	...	...	...
[5] Settlement cost/(credit)	...	...	...	...	...	...	...	...	...	...	...	...
[6] Plan amendments	...	...	...	...	...	...	...	...	...	...	...	...
[7] Acquisitions	...	...	...	...	...	...	...	...	...	...	...	...
[8] Actuarial (Gains)/Losses	389.63	104.46	0.09	(3.92)	258.68	211.39	(0.20)	148.89	21.92	(47.40)	(0.53)	(6.46)
[9] Benefits paid	(488.25)	(89.55)	(0.30)	(72.32)	(331.94)	(88.58)	(0.31)	(30.16)	(469.94)	(96.19)	(0.38)	(15.92)
[10] Present Value of DBO at the end of period	4322.86	918.52	1.41	385.73	3902.66	791.24	1.50	388.44	3517.50	587.92	1.87	234.95
<b>(II) Change in Fair value of Assets during the year ended 31st March, 2013</b>												
[1] Plan assets at beginning of period	3416.77	...	...	761.47	3140.99	...	...	546.85	3153.72	...	...	548.68
[2] Actuarial Gain/(Loss)	0.86	...	...	(0.79)	93.16	...	...	182.07	(162.60)	...	...	(43.84)
[3] Actual return on plan assets	298.55	...	...	63.46	259.08	...	...	62.71	255.81	...	...	57.93
[4] Actual company contribution	485.53	89.55	0.30	...	255.48	88.58	0.31	...	364.00	96.79	0.38	...
[5] Benefits paid	(488.25)	(89.55)	(0.30)	(72.32)	(331.94)	(88.58)	(0.31)	(30.16)	(469.94)	(96.79)	(0.38)	(15.92)
[6] Plan assets at the end of the period	3713.76	...	...	751.82	3416.77	...	...	761.47	3140.99	...	...	546.85
<b>(III) Net assets/(liability) recognised in Balance Sheet as at 31st March, 2013</b>												
[1] Present value of Defined Benefit Obligation	4322.86	918.52	1.41	385.73	3902.66	791.24	1.50	388.44	3517.50	587.92	1.87	234.95
[2] Fair value of plan assets	3713.76	...	...	751.82	3416.77	...	...	761.47	3140.99	...	...	546.85
[3] Funded status/(Surplus)/(Deficit)	(609.10)	(918.52)	(1.41)	366.09	(485.89)	(791.24)	(1.50)	373.03	(376.51)	(587.92)	(1.87)	311.90
[4] Unrecognised past service cost	...	...	...	...	...	...	...	...	...	...	...	...
[5] Net assets/(liability) recognised in Balance Sheet	(609.10)	(918.52)	(1.41)	366.09	(485.89)	(791.24)	(1.50)	373.03	(376.51)	(587.92)	(1.87)	311.90
<b>(IV) Components of employer Expenses recognised in Profit &amp; Loss Account for the year ended 31st March, 2013</b>												
[1] Current Service Cost	198.70	47.05	...	42.71	178.57	35.12	...	16.40	176.99	33.83	...	8.71
[2] Interest Cost	320.12	65.32	0.12	30.82	279.85	45.39	0.14	18.36	270.83	49.53	0.20	18.34
[3] Expected return on plan assets	(298.85)	...	...	(63.46)	(259.08)	...	...	(62.71)	(255.81)	...	...	(57.93)
[4] Curtailment cost/(credit)	...	...	...	...	...	...	...	...	...	...	...	...
[5] Settlement cost/(credit)	...	...	...	...	...	...	...	...	...	...	...	...
[6] Past Service Cost	...	...	...	...	...	...	...	...	...	...	...	...
[7] Actuarial Losses/(Gains)	388.77	104.46	0.09	(3.13)	165.52	211.39	0.20	(33.18)	184.52	(47.40)	(0.53)	(5.33)
[8] Total expenses recognized in the statement of Profit & Loss Account under the head Salaries & Wages	608.74	216.83	0.21	6.94	364.86	291.90	(0.06)	(61.13)	376.53	35.96	(0.33)	6.50
<b>(V) Actuarial Assumptions</b>												
[1] Discount Rate	8.30%	8.30%	8.30%	8.30%	8.75%	8.75%	8.75%	8.75%	8.35%	8.35%	8.35%	8.35%
[2] Expected return on plan assets	8.75%	NA	NA	NA	8.35%	NA	NA	NA	8.35%	NA	NA	NA
[3] Salary escalation	5.00%	5.00%	NA	5.00%	5.00%	5.00%	NA	5.00%	5.00%	5.00%	NA	5.00%
[4] Expected Average remaining working lives of employees (years)	18.53	12.67	NA	3.80	18.45	11.38	NA	4.26	18.44	10.22	NA	2.85
[5] Method of valuation	Projected Unit Credit (PUC) Actuarial Method				Projected Unit Credit (PUC) Actuarial Method				Projected Unit Credit (PUC) Actuarial Method			



**OTHER NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2013 – (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, 2013 is ₹ 170.66 lakh (₹ 178.38 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	2012-13	2011-12
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	...	...
	(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 along with 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; and	...	...
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 ₹ 2093.82 lakh (₹ 1888.14 lakh) has been set off against Trade Receivables.

10.08 [i] Diminution in the value of long term investment amounting to ₹ 27.88 lakh in Yule Financing & Leasing Co. Ltd. (YFLC) is in the opinion of the Management not of a permanent nature and accordingly no provision has been made in the Accounts.

[ii] Diminution in the value of Long Term Investments in Equity Shares of WEBFIL Ltd. amounting to ₹ 14.50 lakh is in the opinion of the management not of a permanent nature accordingly no provision has been made in the Accounts.

10.09 Confirmation for balances of Trade Receivables, Deposits and Advances to the parties, Trade Payables, dues to and from Govt. Undertakings and stock with third parties have been sought from the concerned parties, with stipulation that in case of non receipt of confirmation within 20 days of despatch, the book balance is to be considered as confirmed. The financial statements have been drawn up accordingly.

10.10 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, 2013 are given below :-

[a] Timing difference :	31st March, 2013	31st March, 2012
(i) Depreciation as per Tax Laws	438.96	488.57
(ii) Depreciation as per Books	449.41	426.31
(iii) Difference	(-) 10.45	62.26
Deferred Tax liability including Education Cess	(-) 3.39	19.24
Adjustment/Credit related to previous years	14.15	...
<b>Total</b>	<b>10.76</b>	<b>19.24</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/(assets) As at 31.03.2012	Charge/(credit) to Statement of Profit and Loss	Deferred Tax liabilities/(assets) As at 31.03.2013
<b>Deferred Tax Liability</b>			
Difference between book and tax depreciation	361.61	10.76	372.37
<b>Total</b>	<b>361.61</b>	<b>10.76</b>	<b>372.37</b>
<i>Previous year</i>	<i>342.37</i>	<i>19.24</i>	<i>361.61</i>

[c] In computing deferred tax liability of the Company for the financial year 2012-13, 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.

10.11 Interest on Non-plan Loan of Govt. of India (GOI) have not been considered during the year since the entire loan as on 31st March, 2012 would be converted into Equity and ₹ 7.20 crore being the difference between ₹ 33.43 crore, the interest including penal interest due upto 31st March, 2012 as per Books of Department of Heavy Industries and the interest of ₹ 26.23 crore as per Books of Accounts of the Company, have not been considered to facilitate implementation of Financial Restructuring Package approved by the Cabinet Committee of Economic Affairs (CCEA), Government of India, on 02.05.2013, subject to approval of BIFR, which inter-alia, includes conversion of Non-plan loan of ₹ 41.52 crore into Equity at face value of ₹ 2/- per share and write off accumulated loss of ₹ 12.95 crore against Equity Share Capital of GOI. The above write off amount was arrived at after considering interest on Non-plan loan of ₹ 26.23 crore as per Company's Books of Account as on 31st March, 2012.

**OTHER NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2013 – (Contd.)**

[ in lakh]

**Note 10 – (Contd.)**

10.12 In terms of the sanction letter/debt covenants received by the Company from the lending Banks and Financial Institutions, repayment schedule of term loan and applicable rate of interest are as set out below (other than what is stated in Note No.10.12).

From Consortium Bank	~ 2990.96 Lacs to be repaid in 28 equal quarterly installments of ~ 106.82 lakh each commencing from 25th March, 2013.	9.25% p.a. with monthly rest.
From Bankers of Tea Division	Repayment of ~ 472.38 lakh to be repaid in 2013-14 (~ 251.43 lakh), in 2014-15 (~ 210.00 lakh) & in 2015-16 (~ 10.95 lakh). 9.75% p.a. with monthly rest for Allahabad Bank.	10.75% p.a. for other Banks.
From Central Financial Institution	~ 29.44 lakh to be repaid in 16 equal half-yearly installments of ~ 1.84 lakh each starting from 2014-15 for 8 years upto 2022-23.	9.50% p.a.
	~ 9.60 lakh to be repaid in 16 equal half-yearly installments of ~ 0.60 lakh each starting from 2013-14 for 8 years upto 2021-22.	

## 10.13 Segment Reporting

The Company's segment information as at and for the year ended 31st March, 2013 are as below :-

Business Segment	Electrical	Tea	Engineering	Segment Total	Elimination	Total
*1. Segment Revenue						
– External sales	7556.71 [8591.43]	17835.16 [15005.24]	3722.76 [3041.33]	29114.63 [26638.10]		
– Inter Segment sales	0.09 [5.79]	6.26 [1.97]	29.01 [28.71]	35.36 [36.47]		
– Inter Segment Sale of Capital Goods	... [3.57]	... [...]	... [...]	... [3.57]		
– Total Revenue	7556.80 [8600.89]	17841.42 [15007.21]	3751.77 [3070.04]	29149.99 [26678.14]	35.36 [36.47]	29114.63 [26641.67]
*2. Segment Results	(-755.43 [(-)303.68]	1960.46 [1608.70]	370.39 [259.51]	1575.42 [1564.53]	...	1575.42 [1564.53]
– Unallocated Corporate expenses net of unallocated income	...	...	...	...	...	(-108.57 [(-)235.58]
– Operating Profit	...	...	...	...	...	1683.99
– Interest expenses	...	...	...	...	...	1134.36
– Interest/dividend income	...	...	...	...	...	[1591.14]
– Profit on sale of current investments	...	...	...	...	...	850.57
– Profit from ordinary activities	...	...	...	...	...	[983.62]
– Extra Ordinary Items	...	...	...	...	...	...
– Net Profit	...	...	...	...	...	[7.10]
3. Segment Assets	11214.89 [10377.60]	23369.41 [21776.06]	4091.17 [3509.88]	38675.47 [35663.54]	...	1400.20 [1199.69]
– Unallocated corporate Assets	...	...	...	...	...	38675.47 [35663.54]
– Total Assets	...	...	...	...	...	7232.75 [8809.89]
4. Segment Liabilities	14277.17 [13730.73]	9659.38 [9859.57]	4435.50 [4377.40]	28372.05 [27967.70]	...	45908.22 [44473.43]
– Unallocated corporate Liabilities	...	...	...	...	...	28372.05 [27967.70]
	...	...	...	...	...	2765.43 [2888.24]



**OTHER NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2013 – (Contd.)**

[· in lakh]

**Note 10 – (Contd.)**

Business Segment	Electrical	Tea	Engineering	Segment Total	Elimination	Total
– Total Liabilities	...	...	...	...	...	31137.48 [30855.94]
5. Others						
– Capital Expenditure	66.99 [104.83]	393.99 [702.87]	(-)68.06 [63.65]	392.92 [871.35]		
– Depreciation including Impairment	61.08 [63.94]	364.21 [340.04]	17.30 [15.34]	442.59 [419.32]		
– Non-Cash expenses other than depreciation	123.02 [71.54]	4.87 [24.12]	20.96 [...]	148.85 [95.66]		

[\*] From Sale of Products.

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.

**10.14 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, 2013:

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
	Total	0.09	40.00	207.30

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

**10.15 Related party disclosure :**

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

- Associate Companies
  - Tide Water Oil Co. (I) Ltd.
  - Bengal Coal Co. Ltd.
  - New Beerbhoom Coal Co. Ltd.
  - Katras Jherriah Coal Co. Ltd.
  - Yule Agro Industries Ltd.
  - WEBFIL Ltd.
  - Yule Financing and Leasing Co. Ltd.

**OTHER NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2013 – (Contd.)**

[- in lakh]

**Note 10 – (Contd.)**

[ii] Key Management Personnel :

[a]	Kallol Datta	–	Chairman and Managing Director
[b]	I. Sengupta	–	Director (Personnel) (upto 30.06.2012)
[b]	S. Swaminathan	–	Director (Planning)
[c]	Amitava Dhar	–	Director (Finance)
[d]	Sunil Munshi	–	Director, (Personnel) (w.e.f.01.07.2012)

[iii] Disclosure of transactions between the Company and related parties and the status of outstanding balance as on 31st March, 2013.

Particulars	Associates		Key Management Personnel and Relatives	
	2012-13	2011-12	2012-13	2011-12
Purchase of goods	36.36	3.78	...	...
Purchase of services	5.31	19.14	...	...
Purchase of Fixed Assets	0.93	...	...	...
Sale of goods	77.32	185.02	...	...
Sale of services	440.21	400.22	...	...
Interest income	30.00	30.00	...	...
Dividend income	274.07	137.03	...	...
Interest expense	3.45	...	...	...
Rent / Hire charges received	140.63	140.00	...	...
Reimbursement of Contractual employment	...	4.32	...	...
Miscellaneous Receipt	1.84	2.64	0.02	0.02
Remuneration to Directors	...	...	73.84	43.82
Remuneration to Others	...	...	...	10.12
Royalty receipt	295.00	252.87	...	...
Advance Adjusted	...	57.79	...	...
<b>Balances as on 31st March,2013</b>				
Trade Receivable	76.77	149.72	...	...
Trade Payable	8.51	11.81	...	...
Long Term Loans and Advances (Net)	502.12	502.05	...	...
Short Term Loans and Advances	279.38	278.60	...	...
Other Long Term Liability	28.80	28.80	...	...
Other Current Liability	...	120.00	...	...

10.16 Disclosure of Material transaction with related parties.

	2012-13	2011-12
<b>Purchase of Goods</b>		
Tide Water Oil Co. (I) Ltd.	36.36	2.28
WEBFIL Ltd.	...	1.50
<b>Purchase of Service</b>		
Yule Financing & Leasing Co. Ltd.	...	2.00
WEBFIL Ltd.	5.31	17.14
<b>Purchase of Fixed Assets</b>		
Tide Water Oil Co. (I) Ltd.	0.93	...
<b>Sale of goods</b>		
Tide Water Oil Co. (I) Ltd.	76.64	183.22
Yule Financing & Leasing Co. Ltd.	...	0.06
WEBFIL Ltd.	0.68	1.74
<b>Sale of service</b>		
Tide Water Oil Co. (I) Ltd.	402.00	346.00
WEBFIL Ltd.	14.42	33.43
Coal Companies	23.79	20.79
<b>Interest income</b>		
Yule Financing & Leasing Co. Ltd.	30.00	30.00
<b>Dividend income</b>		
Tide Water Oil Co. (I) Ltd.	274.07	137.03
<b>Rent and Hire charge received</b>		
Tide Water Oil Co. (I) Ltd.	123.85	123.21
WEBFIL Ltd.	15.57	15.58
Coal Companies	1.21	1.21
<b>Miscellaneous Receipts</b>		
WEBFIL Ltd.	0.20	0.28
Tide Water Oil Co. (I) Ltd.	1.64	2.36



**OTHER NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2013 – (Contd.)**

[· in lakh]

**Note 10 – (Contd.)**

	2012-13	2011-12
<b>Royalty Receipts</b>		
Tide Water Oil Co. (I) Ltd.	295.00	252.87
<b>Key Management Personnel</b>		
<b>[a] Remuneration to Directors</b>		
Kallol Datta	21.33	14.53
I. Sengupta	4.74	12.40
S. P. Kar	...	0.56
S. Swaminathan	16.64	11.27
Amitava Dhar	18.20	5.06
S. Munshi	12.93	...
<b>[b] Remuneration to others</b>		
S. Munshi	...	10.12
<b>[c] Miscellaneous Receipts</b>		
Kallol Datta	0.02	0.02

10.17 Earning per share

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
<b>[a] Number of Equity Share :-</b>		
At the beginning of the year	32,61,38,478	31,86,38,478
At the end of the year	32,61,38,478	32,61,38,478
Weighted average number of Equity Shares outstanding during the year	32,61,38,478	32,34,13,068
Face value of each Equity Share	·2.00	·2.00
<b>[b] Profit after Tax before extra ordinary income available for Equity Shareholders</b>	1135.00	1184.63
<b>[c] Profit after Tax after extra ordinary income available for Equity Shareholders</b>	1135.00	1184.63
<b>[d] Basic earnings per Share before extra ordinary income</b>	·0.35	·0.37
<b>[e] Basic earnings per Share after extra ordinary income</b>	·0.35	·0.37

Note: There was no change in basic structure of Paid-up Share Capital during the year. Hence diluted earning per share is not applicable also refer Note No.10.03(a)

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

Particulars	2012-13	2011-12
Interest on Green Leaf Cess	...	3.25
Interest (Others)	0.87	36.56
Insurance	...	0.31
Travelling expenses	...	2.49
Legal expenses	0.20	0.03
Bonus	...	7.19
Land Rent	...	0.36
Central sales tax/West Bengal sales tax	0.02	...
Provident Fund/E.P.F./Inspection Charge	...	4.80
Works Contract Tax	...	1.16
Miscellaneous expenses	4.08	11.04
Arrear salary of Executive/Asstt./Staff	1.35	3.99
Stores	...	9.27
Food Stuff	1.38	2.66
Warehouse	...	2.06
Repair	0.14	4.89
Gas	0.70	11.03
CENVAT/Service tax/Commercial Tax	0.01	0.01
Air and Water Pollution Charges	...	14.44
Power and Fuel	1.38	...
One Time Settlement	1.88	14.28
Packing material	...	3.33
Freight	...	0.17
Settlement Money	...	5.29
Cultivation expenses	...	0.72
<b>Total</b>	<b>12.01</b>	<b>139.33</b>

10.19 [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.


**OTHER NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2013 – (Contd.)**

[- in lakh]

**Note 10 – (Contd.)**

## 10.20 [a] Particulars of Sales and Raw Materials consumed

## [i] Sales

Class of Goods	2012-13	2011-12
Black and Packet Tea	17835.16	15005.34
Transformers	3948.33	5194.96
Industrial Fans	2042.43	2069.66
LT and HT Switchgears	2445.68	2223.84
Spares	2109.44	1395.53
Others	733.59	752.44
<b>Total</b>	<b>29114.63</b>	<b>26641.77</b>

## [ii] Raw Materials consumed

Steel	720.95	1115.72
Copper	1143.66	1461.21
Green Leaf	1543.86	1449.44
Oil, Chemical etc.	1443.17	1382.43
Others	5590.75	5539.98
<b>Total</b>	<b>10442.39</b>	<b>10948.78</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			
	2012-13	%	2011-12	%	2012-13	%	2011-12	%
Imported	16.76	0.20	27.77	0.30	...	...	...	...
Indigenous	8411.87	99.80	9325.88	99.70	2013.77	100.00	1595.13	100.00
<b>Total</b>	<b>8428.63</b>	<b>100.00</b>	<b>9353.65</b>	<b>100.00</b>	<b>2013.77</b>	<b>100.00</b>	<b>1595.13</b>	<b>100.00</b>

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

	2012-13	2011-12
Raw Materials and Components	38.91	34.11
Total	38.91	34.11
[d] Earnings in Foreign Exchange : Export on F.O.B. basis	210.61	119.10
[e] Expenditure in Foreign Currencies (on Accrual basis) : Others (Foreign Tour Expenses)	2.04	6.97

10.21 The Annual Accounts for the year ended 31st March, 2013 have been approved by the Board of Directors in the meeting held on .30th May, 2013.

10.22 The Ministry of Corporate Affairs, Government of India, vide General Circular No.2 and 3 dated 8th February, 2011 and 21st February, 2011 respectively has granted a general exemption from compliance with Section 212 of the Companies Act, 1956, subject to fulfilment of conditions stipulated in the Circular. The Company has satisfied the conditions stipulated in the Circular and hence is entitled to the exemption. Necessary information relating to the subsidiaries has been included in the Consolidated Financial Statements.

10.23 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, 2013 relating to aforesaid Divisions entered into by the Company in the name of Andrew Yule &amp; Co. Ltd. (AYCL) have been accounted for in the Books of Accounts of AYCL.



**STATEMENT UNDER SECTION 212(3) OF THE COMPANIES ACT, 1956**

[1] Name of the Subsidiary Company **HOOGHLY PRINTING COMPANY LIMITED  
YULE ENGINEERING LIMITED  
YULE ELECTRICAL LIMITED**

[2] Holding Company's Interest :

[A] **Hooghly Printing Co. Ltd.**

Entire issued Share Capital of 10,27,128 Ordinary Shares of ₹ 10 each, fully paid.

[B] **Yule Engineering Ltd.**

Entire issued Share Capital of 50,000 Ordinary Shares of ₹ 10 each, fully paid.

[C] **Yule Electrical Ltd.**

Entire issued Share Capital of 50,000 Ordinary Shares of ₹ 10 each, fully paid.

[3] Net aggregate amount of Subsidiary's profit not dealt with the Holding Company's accounts :

(₹ in lakhs)

Name of the Subsidiary	Profit for the Financial year ended 31st March, 2013	Profit for the previous year ended 31st March, 2012
Hooghly Printing Co. Ltd.	7.51	46.62
Yule Engineering Ltd.	(-) 0.25	(-) 0.36
Yule Electrical Ltd.	(-) 8.87	(-) 0.20

(4) Net aggregate amount of Subsidiarys' profit dealt within the Holding Company's accounts :

Name of the Subsidiary	Profit for the Financial year ended 31st March, 2013	Profit for the previous year ended 31st March, 2012
Hooghly Printing Co. Ltd.	Nil	Nil
Yule Engineering Ltd.	Nil	Nil
Yule Electrical Ltd.	Nil	Nil

D. BANDYOPADHYAY,  
*Financial Controller & Company Secretary.*  
KOLKATA – 8th August, 2013.

On behalf of the Board,  
K. DATTA, *Chairman and Managing Director.*  
S. SWAMINATHAN  
AMITAVA DHAR  
SUNIL MUNSHI } *Directors.*

# **CONSOLIDATED ACCOUNTS**



## INDEPENDENT AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF ANDREW YULE & COMPANY LIMITED

### [1] Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Andrew Yule & Company Limited (the 'Company'), its subsidiaries and associates hereinafter referred to as the 'Group', which comprise the Consolidated Balance Sheet as at 31st March, 2013, Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### [2] Management's Responsibility for the Consolidated Financial Statements

The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### [3] Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal controls relevant to the Company's preparation and presentation 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 Management, as well as evaluating the overall presentation of the consolidated financial statements.

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

### [4] Basis for Qualified Opinion

[i] *No provision has been made in the accounts for diminution in the value of investments of Yule Financing and Leasing Company Limited (YFLC) and WEBFIL Limited amounting to ₹ 27.88 lakh and ₹ 14.50 lakh respectively. Refer Note 10.09 (i) & (ii).*

[ii] In the accounts of Tide Water Oil (India) Company Limited

[a] *No provision has been made in the accounts in respect of advance given to a company towards purchase of shares for ₹ 348 lakh which is doubtful in nature with consequential impact on Profit & Net Assets at the end of the year. Group share in consolidated accounts is ₹ 91.25 lakh. Refer note 10.15.*

[b] *Investments in quoted equity shares made by the company have suffered diminution in value (amount not ascertained) for which no provision has been made in the accounts with consequential impact on Profit & Net assets position at the end of the year. Refer note 10.09(iii).*

[iii] In the accounts of The New Beerbhoom Coal Company Limited

[a] *No provision has been made for diminution in value of investments in Yule Financing & Leasing Company Ltd. & Webfil Limited amounting to ₹ 8.63 lakh. Group share in consolidated accounts is ₹ 2.84 lakh. Refer note 10.21(a).*

[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 accounts is ₹ 1.48 lakh. Refer note 10.21(c).*

[iv] In the accounts of Katras Jharia Coal Company Limited

[a] *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 appeals filed by the claimants &*

*still pending with the appellate courts have been included in Other Long Term Liabilities and therefore adjustments may be required in these accounts in respect of the appeals. Further as the orders of the Commissioner of Payments admitting / rejecting the claims of the creditors against the company were not available in all cases, representations made by the company in this regard has been relied upon. Group share in consolidated accounts cannot be ascertained. Refer note 10.14(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 realised. Group share in consolidated accounts is ₹ 0.57 lakh. Refer note 10.21(d).*

[c] *Non provision 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 accounts is ₹ 1.51 lakh. Refer note 10.21(b).*

[d] *No provision has been made against non realisability of the principal on maturity amounting to ₹ 2 lakh due from a body corporate. Group share in the consolidated accounts is ₹ 0.63 lakh. Refer note 10.21(e).*

### [5] Opinion

In our opinion the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of the Accounting Standard (AS) 21 'Consolidated Financial Statements' and (AS) 23 'Accounting for Investments in Associates in Consolidated Financial Statements' notified under Section 211 (3C) of the Companies Act, 1956.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements as noted below, except for the effects of the matter described in the Basis for Qualified opinion paragraph, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

[a] in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2013;

[b] in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and

[c] in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

### [6] Other Matters

Without qualifying our opinion we draw attention to:

[i] Note 10.05 regarding Sanctioned Rehabilitation Scheme vide Board for Industrial and Financial Reconstruction (BIFR) Order dated 30th October, 2007. The Rehabilitation Schedule of the company with cut off date as 31st March, 2006 is under process of implementation. The accounts for the year have been prepared on the principle applicable to a going concern after giving due consideration to the rehabilitation package.

[ii] We also draw attention to Note no 10.12 for non provision of interest during the year on non plan loan received from Government of India for the reasons stated there in.

[iii] We did not audit the financial statements of the three (3) subsidiaries whose financial statements reflect total assets (net) of ₹ 372.34 lakhs as at 31st March, 2013, the total revenue of ₹ 952.88 lakhs for the year ended on that date, and net cash outflows amounting to ₹ 48.19 lakhs for the year ended on that date and three (3) associates whose financial statements reflect the group's share of profit up to 31st March, 2013 of ₹ 7737.40 lakh and the group's share of profit of ₹ 1315.04 lakh for the year ended on that date. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of these subsidiaries and associates, is based solely on the reports of other auditor.

For Gupta & Co.  
Chartered Accountants  
Firm's Registration No. 301028E  
(CA ARNAB DEB)  
Partner  
Membership No.062018

Place: Kolkata  
Date: 8th August, 2013

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2013**

[· in lakh]

Particulars	Note No.	As at 31st March, 2013	As at 31st March, 2012
<b>I. EQUITY AND LIABILITIES</b>			
[1] <b>Shareholders' Funds</b>	<b>2</b>		
[a] Share Capital	2.1	6522.77	6522.77
[b] Reserves and Surplus	2.2	16094.49	13633.83
[2] <b>Share application money pending allotment</b>	<b>3</b>	150.00	150.00
[3] <b>Non-Current Liabilities</b>	<b>4</b>		
[a] Long Term Borrowings	4.1	6166.85	6952.83
[b] Deferred Tax Liabilities [Refer Note No.10.11(b)]		384.46	376.46
[c] Other Long Term Liabilities	4.2	118.58	94.82
[d] Long Term Provisions	4.3	1036.34	991.07
[4] <b>Current Liabilities</b>	<b>5</b>		
[a] Short Term Borrowings	5.1	2661.05	2605.89
[b] Trade Payables	5.2	6700.04	6172.69
[c] Other Current Liabilities	5.3	13417.59	13256.15
[d] Short Term Provisions	5.4	1135.32	863.08
<b>TOTAL :</b>		<b>54387.49</b>	<b>51619.59</b>
<b>II. ASSETS</b>			
[1] <b>Non-Current Assets</b>			
[a] <b>Fixed Assets</b>	<b>6</b>		
[i] Tangible Assets	6	17671.38	17772.24
[ii] Intangible Assets	6	29.58	13.94
[iii] Capital Work-in-Progress	6	524.96	332.67
[b] Non-Current Investments	6.1	8489.10	7172.50
[d] Long Term Loans and Advances	6.2	949.28	1003.89
[e] Other Non-Current Assets	6.3	590.43	528.70
[2] <b>Current Assets</b>	<b>7</b>		
[a] Current Investments	7.1	1.63	1.55
[b] Inventories	7.2	3427.42	3404.33
[c] Trade Receivables	7.3	9948.99	7809.78
[d] Cash and Bank Balances	7.4	9078.61	10261.78
[e] Short Term Loans and Advances	7.5	3471.72	2894.80
[f] Other Current Assets	7.6	204.39	423.41
<b>TOTAL :</b>		<b>54387.49</b>	<b>51619.59</b>

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

D. BANDYOPADHYAY,  
*Financial Controller & Company Secretary.*  
KOLKATA – 8th August, 2013.

On behalf of the Board,  
K. DATTA, *Chairman and Managing Director.*  
S. SWAMINATHAN  
AMITAVA DHAR  
SUNIL MUNSHI } *Directors.*

In terms of our Report of even date.

For GUPTA & CO.,  
*Chartered Accountants,*  
*Firm Registration No.301028E*  
(CA ARNAB DEB)  
*Partner,*  
Membership No.62018

Kolkata – 8th August, 2013.

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013**

[· in lakh]

Particulars	Note No.	For the year ended 31st March, 2013	For the year ended 31st March, 2012
<b>I. REVENUE</b>	<b>8</b>		
Revenue from Operations	8.1	33235.06	31734.06
Less: Excise Duty		<u>1202.54</u>	<u>1126.23</u>
		32032.52	30607.83
Other Income	8.2	1056.65	1174.89
<b>Total Revenue [A]</b>		<b><u>33089.17</u></b>	<b><u>31782.72</u></b>
<b>II. EXPENSES</b>	<b>9</b>		
Cost of Materials Consumed	9.1	10763.59	11741.57
Changes in Inventories of Finished Goods	9.2	211.92	516.37
Employee Benefits Expenses	9.3	12206.84	10305.83
Finance Costs	9.4	1158.23	1682.55
Depreciation and Amortisation Expenses	9.5	482.17	464.34
Other Expenses	9.6	6869.89	6080.32
<b>Total Expenses [B]</b>		<b><u>31692.64</u></b>	<b><u>30790.98</u></b>
<b>Profit from Operation before Exceptional and Extraordinary items and Tax [A-B]</b>		<b>1396.53</b>	<b>991.74</b>
Exceptional Item		0.00	260.87
Extraordinary Item		0.00	0.00
<b>Profit from Operation before Tax</b>		<b><u>1396.53</u></b>	<b><u>1252.61</u></b>
Tax Expenses			
Provision for Current Tax		260.28	9.89
Fringe Benefit Tax		0.00	(-) 4.18
Deferred Tax [Refer Note No.10.11(a)]		8.00	16.21
Total Tax Expenses		<u>268.28</u>	<u>21.92</u>
<b>Profit for the year</b>		<b><u>1128.25</u></b>	<b><u>1230.69</u></b>
<b>Add: Group Share of Profit from Associates</b>		<b><u>1315.04</u></b>	<b><u>1334.92</u></b>
		<b><u>2443.29</u></b>	<b><u>2565.61</u></b>
Basic & Diluted earnings per share before extraordinary income (Note No.10.19)		· 0.75	· 0.79
Basic & Diluted earnings per share after extraordinary income (Note No.10.19)		· 0.75	· 0.79

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

D. BANDYOPADHYAY,  
*Financial Controller & Company Secretary.*  
KOLKATA – 8th August, 2013.

On behalf of the Board,  
K. DATTA, *Chairman and Managing Director.*  
S. SWAMINATHAN  
AMITAVA DHAR  
SUNIL MUNSHI } *Directors.*

In terms of our Report of even date.

For GUPTA & CO.,  
*Chartered Accountants,*  
*Firm Registration No.301028E*  
(CA ARNAB DEB)  
*Partner,*  
Membership No.62018

Kolkata – 8th August, 2013.


**STATEMENT OF CONSOLIDATED CASH FLOW AS AT 31ST MARCH, 2013**

[- in lakh]

	As at 31st March, 2013	As at 31st March, 2012
<b>[A] CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit before Tax and extraordinary items	2711.57	2587.53
Adjustment for :		
Deprecitaion/Impairment of Assets	482.17	464.34
Preliminary Expenses charged off	8.70	...
Interest Charged	1039.64	1624.18
Investment Income	(846.05)	(990.56)
Provision for Staff Benefit	(22.92)	14.15
Subsidy Credited to Profit and Loss Account	(20.26)	(12.51)
Liability no longer required written back	(0.18)	...
<b>Operating profit before changes in amount of current Liabilities and Current Assets</b>	<b>3352.67</b>	<b>3687.13</b>
Adjustment for :		
Trade Receivables	(2335.47)	(1766.17)
Other Current Liabilities	0.04	...
Inventories	(23.09)	326.48
Trade Payble	1219.24	2241.22
<b>Cash generated from operations</b>	<b>2213.39</b>	<b>4488.66</b>
Wealth tax paid	(5.59)	(3.85)
Income Tax (Paid) / Refund	(181.70)	(1.12)
<b>NET CASH FROM OPERATING ACTIVITIES [A]</b>	<b>2026.10</b>	<b>4483.69</b>
<b>[B] CASH FLOW FROM INVESTMENT ACTIVITIES :</b>		
Purchase of Fixed Assets(Including Capital WIP and Pre-operative Expenditure	(589.24)	(856.62)
Loans	65.56	183.81
Subsidy credited to Profit and Loss Account	38.46	12.89
Income from Investments	1056.37	736.85
Decrease in Current Investments	(1.74)	...
Increase in Long Term Investments	(1315.04)	(1334.92)
<b>NET CASH FROM INVESTMENT ACTIVITIES [B]</b>	<b>(745.63)</b>	<b>(1257.99)</b>

**STATEMENT OF CONSOLIDATED CASH FLOW AS AT 31ST MARCH, 2013 – (Contd.)**

	As at 31st March, 2013	As at 31st March, 2012
<b>[C] CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Net Proceeds from borrowings	(785.69)	(2252.50)
Dividend Distribution Tax paid	(0.83)	...
Interest paid	(955.27)	(954.08)
<b>NET CASH USED IN FINANCING ACTIVITIES [C]</b>	<b>(1741.79)</b>	<b>(3206.58)</b>
<b>NET CHANGES IN CASH AND CASH EQUIVALENT [A+B+C]</b>	<b>(461.32)</b>	<b>19.12</b>
<b>CASH AND CASH EQUIVALENT Opening Balance as on 1st April,2012</b>	3945.98	3926.86
<b>CASH AND CASH EQUIVALENT Closing Balance as on 1st April,2013</b>	3484.66	3945.98

[1] Cash Flow Statement has been prepared by following indirect method mentioned in AS-3

[2] Break-up of cash and Cash Equivalent :

Cash in hand	19.65	19.84
Postage and stamps in hand	0.02	...
Cheques in hand	29.17	11.89
Employees Security Deposit	0.06	...
Remittance in transit	66.29	2.52
Balance with scheduled banks :		
On current account	498.32	622.14
Fixed Deposit with Banks maturing within 3 months	2871.15	3289.59
	<u>3484.66</u>	<u>3945.98</u>

D. BANDYOPADHYAY,  
*Financial Controller & Company Secretary.*  
KOLKATA – 8th August, 2013.

On behalf of the Board,  
K. DATTA, *Chairman and Managing Director.*  
S. SWAMINATHAN  
AMITAVA DHAR } *Directors.*  
SUNIL MUNSHI }

In terms of our Report of even date.

For GUPTA & CO.,  
*Chartered Accountants,*  
*Firm Registration No.301028E*  
(CA ARNAB DEB)  
*Partner,*

Kolkata – 8th August, 2013.

Membership No.62018

## Note – 1 Statement of Significant Accounting Policies forming part of the Consolidated Financial Statements for the year ended 31st March, 2013.

The financial statements have been prepared under the historic cost convention on accrual basis adjusted by revaluation of certain fixed assets in compliance with all material aspect of applicable Accounting Standards in India and the relevant provisions of The Companies Act, 1956 and on the Accounting Principles of going concern.

### [1] Reserves :

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

### [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 of another Unit/Division are accounted for at Works/Factory cost of the Transferor Unit.
- [c] The gross fixed assets are valued at acquisition 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 straightline method except for Hooghly Printing Company Limited, which is on written down value method, in accordance with the provisions of Section 205(2)(b) read with Schedule-XIV of the Companies Act, 1956 from the date assets are put to use.
- [e] No amortisation of cost of long term leasehold land is done, except for Hooghly Printing Company Limited, where cost is amortised over the period of lease. 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] Liquidated damages received by the Company for delayed construction and delayed supply of equipment are set-off against the capital expenditure to which it relates.
- [g] 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 thereagainst.
- [h] Expenditure incurred/capitalised in respect of projects abandoned/to be abandoned are accounted for in compliance of relevant Accounting Standard.

- [i] 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 profit and loss account 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.

### [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.

### [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 at weighted average cost method.
- [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 (excluding systems and turnkey jobs) 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 garden cost/estimated total cost or net realisable value, whichever is lower. Estimated total cost covers all cost excluding interest, general administration



overheads and selling & distribution expenses. 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 as per stock records, is valued on the basis of estimated realisable value. 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.

**[5] Investments :**

Investments are stated at cost. Provision for diminution in the value of long term investment is made only if such a decline is other than temporary nature in the opinion of the Management. Current investments are carried at lower of cost and fair value. Investments in Associate Companies are accounted for "Equity Method" as stated in 10.02 (ii) of Other Notes to Financial Statements.

**[6] 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.
- [f] Except in disputed cases, escalation/de-escalation claim bills are accounted for on the basis of the terms of the relevant contracts.
- [g] Export sales are accounted for with reference to the date of Bill of Lading.
- [h] Freight and other charges recoverable under the terms of the sales contract are included in sales.

**[7] Dividend Receipts :**

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

**[8] 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 of such interest is ascertainable with respect to the payment so far received.
- [c] Liquidated Damages received by the Group for delayed execution and delayed supply of equipment/spares are treated as other operating income.
- [d] Export/Deemed Export benefits are accounted for on completion of despatches in terms of the contract.

**[9] 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 Profit and Loss Account.
- [b] In case of goods purchased from overseas, the shipment is treated as goods-in-transit (import) :
  - [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.

**[10] 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] Liability in respect of rectification work/replacement involving estimated value above ₹ 0.25 lakh per case is booked on the basis of claims from the customers admitted by the Company wherever it is possible to estimate.
- [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.
- [g] Payment of Technical Know how Fees is accounted for in compliance with Accounting Standard-26 "Intangible Assets".
- [h] Provision for unrealised profit is made in respect of partially completed composite/turnkey contracts on basis of proportionate direct cost on the revenue recognised.
- [i] Medicine purchased for Tea Estates are all charged out as per consistent practice.

- [j] Guarantee commission is taken in the year of Guarantees issued/renewed.

**[11] Taxation :**

- [a] 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, Bengal Agricultural Income Tax Act, 1944, Assam Agricultural Income Tax Act, 1939 and Wealth Tax Act, 1957 respectively.
- [b] 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 Profit and Loss Account and the cumulative effect thereof is reflected in the Balance Sheet.
- [c] 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.

**[12] Contingent Liabilities/Capital Losses 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.

**[13] Booking/Writing Back of Liabilities :**

- [a] For providing liabilities, cut-off date is 30th April (For Hooghly Printing Co. Ltd. 15th April.) but all known liabilities, if material, are booked as far as practicable.
- [b] Liabilities which are more than 5 (five) years old and are not likely to materialise are written back except for Government Debts. In case of extraordinary item only, separate disclosure is given in the Accounts.

**[14] 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 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 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.

**[15] Research and Development Costs :**

Expenditure in relation to Research and Development activities are treated in accordance with the relevant provision of AS-26.

**[16] Employee Benefits :**

- [a] Defined Contribution Schemes (DCS) : Company's contribution towards Provident Fund paid/payable during the year to the Provident Fund Authority are charged to the Statement of Profit and Loss.
- [b] 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 Benefit".

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 Accounts 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 and Pension fund 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, 2013**

[· in lakh]

	As at 31st March, 2013	As at 31st March, 2012
<b>Note 2.1 – SHARE CAPITAL</b>		
<b>Authorised :</b>		
Equity Shares 37,50,00,000 (Previous year 37,50,00,000) of ` 2/- each	7500.00	7500.00
<b>Issued, Subscribed and Fully Paid-up :</b>		
Equity Shares 32,61,38,478 (Previous year 32,61,38,478) 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 & Switchgear Ltd. and Brentford Electric India Ltd. against compensation money paid by them]	6522.77	6522.77
	<u>6522.77</u>	<u>6522.77</u>

Particulars	As at 31st March, 2013	As at 31st March, 2012
<b>Authorised :</b> 37,50,00,000 (Previous year 37,50,00,000) Equity Shares of ` 2/- each	7500.00	7500.00
<b>Issued, Subscribed and Paid-up :</b> 32,61,38,478 (Previous year 32,61,38,478) Equity Shares of ` 2/- each	6522.77	6522.77

**The details of Shareholder holding more than 5% shares as at 31st March set out below :**

Nature of the Shareholders	31st March, 2013		31st March, 2012	
	No. of shares	%age	No. of shares	%age
President of India	30,42,89,706	93.30	30,42,89,706	93.30

**The reconciliation of the number of shares outstanding as at 31st March :**

Particulars	31st March, 2013		31st March, 2012	
	No. of Shares	Value	No. of Shares	Value
Equity shares at the beginning of the year	32,61,38,478	6522.77	31,86,38,478	6372.77
Issued during the year	...	...	75,00,000	150.00
Equity shares at the end of the year	32,61,38,478	6522.77	32,61,38,478	6522.77

The Company has only one Class of Equity Shares having a par value of ` 2/- per share. Each holder of Equity Share is entitled to one Vote per Share.


**NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST MARCH, 2013**

[- in lakh]

	As at 31st March, 2013	As at 31st March, 2012
<b>Note 2.2 – RESERVES AND SURPLUS</b>		
<b>Capital Reserve :</b>		
General		
Balance as per Last Account	402.55	402.55
Add: During the year	3.72	...
	406.27	402.55
<b>Preference Share Capital Redemption Reserve :</b>		
General		
Balance as per Last Account	...	84.69
Less: Transfer to Statement of Profit & Loss	...	84.69
	...	...
<b>Revaluation Reserve :</b>		
General		
Balance as per Last Account	10332.52	10332.52
<b>Other Reserves :</b>		
<b>Special :</b>		
Central/State Subsidy for Capital Assets :		
Balance as per Last Account	11.40	11.40
Add: During the year	0.34	...
	11.74	11.40
Tea Board Subsidy for Capital Assets :		
Balance as per Last Account	112.01	101.43
Add: During the year	38.46	23.09
	150.47	124.52
Less: Transfer to Statement of Profit and Loss	20.26	12.51
	130.21	112.01
State Housing Subsidy	4.06	4.06
Less: Transferred to Capital Reserve	3.72	...
	0.34	4.06
Less: Transferred to Central/State Subsidy for Capital Assets	0.34	...
	...	4.06
<b>Balance of Statement of Profit &amp; Loss as per last Account</b>	2959.82	309.52
Less: Adjustment for difference in net assets of PYL	188.53	188.53
	2771.29	120.99
Less: Adjustment for Dividend Distribution Tax	0.83	...
	2770.46	120.99
Add: Transfer from Preference Share Capital Redemption Reserve	...	84.69
	2770.46	205.68
Add: Profit during the year	2443.29	2565.61
	5213.75	2771.29
	16094.49	13633.83
<b>Note 3 – SHARE APPLICATION MONEY PENDING ALLOTMENT</b>		
State Bank of India	150.00	150.00
	150.00	150.00

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


**NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST MARCH, 2013**

[· in lakh]

	As at 31st March, 2013	As at 31st March, 2012
<b>Note 4.1 – LONG TERM BORROWINGS</b>		
<b>Secured Loans :</b>		
<b>Bonds :</b>		
9.1% Secured Redeemable Non-Convertible 10 Years Bond (To be redeemed on 22nd August in the years 2014, 2015 and 2016 in three equal instalments [Refer Note No.10.05(c)])	2000.00	2000.00
Term Loans from Scheduled Banks [Refer Note No.10.13] (The above loans comprising State Bank of India (SBI) Rs.716.00 lakh, Bank of Baroda (BOB) Rs.2502.29 lakh, Allahabad Bank Rs.139.91 lakh, United Bank of India (UBI) Rs.76.48 lakh, and UBI (HPCL) Rs.77.67 lakh, out of the above loans from SBI and BOB are 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 All Bank, UBI 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). In case of UBI (HPCL) loan is secured by hypothecation of plant and machinery and other fixed assets both present and future and guaranteed by AYCL.	3512.35	4174.11
Other Loans (Secured by a charge on certain movable and immovable Assets of Banarhat, Hoolungooree and Khowang Tea Estate ranking subsequent to the charge in favour of Bank on these assets for Rs.39.10 lakh for Tea Board Special purpose Tea Fund Loan and Rs.615.08 lakh from West Bengal Govt. Sales Tax loan to be secured by residuary charge of certain immovable properties ranking next only to charges in favour of the Bank, West Bengal Housing Subsidised Loan of Rs.0.32 lakh)	654.50	620.80
	<u>6166.85</u>	<u>6794.91</u>
<b>Unsecured Loans :</b>		
West Bengal Industrial Development Corpn. Ltd.	89.92	89.92
Government of India	68.00	68.00
	<u>157.92</u>	<u>157.92</u>
Less: Transferred to Other Current Liabilities (Note No.5.3)	<u>157.92</u>	...
	...	157.92
	<u>6166.85</u>	<u>6952.83</u>
<b>Note 4.2 – OTHER LONG TERM LIABILITIES</b>		
Security Deposits from Related Parties	28.80	28.80
Others (Security Deposit, Earnest Money Deposit)	89.78	66.02
	<u>118.58</u>	<u>94.82</u>


**NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST MARCH, 2013**

[· in lakh]

	As at 31st March, 2013	As at 31st March, 2012
<b>Note 4.3 – LONG TERM PROVISIONS</b>		
Provision for Employee Benefits (Gratuity)	620.19	512.70
Provision for Fringe Benefit Tax	59.67	53.83
Provision for Contingencies	105.74	105.74
Others (Provision for Employees' Benefit)	250.74	318.80
	<u>1036.34</u>	<u>991.07</u>
<b>Note 5.1 – SHORT TERM BORROWINGS</b>		
<b>Secured :</b>		
From Banks	2661.05	2605.89
(Comprising of Union Bank of India Rs.63.49 lakh, Allahabad Bank Rs.1530.54 lakh, SBI Rs.241.00 lakh, BOB Rs.826.02 lakh secured by hypothecation of inventories, book debts and certain movable and immovable properties)		
	<u>2661.05</u>	<u>2605.89</u>
<b>Note 5.2 – TRADE PAYABLES</b>		
For Goods and Services	6700.04	6172.69
	<u>6700.04</u>	<u>6172.69</u>
<b>Note 5.3 – OTHER CURRENT LIABILITIES</b>		
<b>Current Maturity on Long Term Debt :</b>		
Government of India	4220.00	4250.00
Others	905.57	561.37
(Comprising of BOB Rs.534.10 lakh, Allahabad Bank Rs.135.57 lakh, UBI Rs.75.00 lakh, Union Bank of India Rs.41.43 lakh, WBIDC Rs.89.62 lakh and UBI (HPCL) Rs.29.85 lakh)		
	<u>5125.57</u>	<u>4811.37</u>
<b>Interest accrued but not due on borrowings :</b>		
Govt. of India	0.00	258.18
Others	18.90	19.40
	<u>18.90</u>	<u>277.58</u>
<b>Interest accrued and due on borrowings :</b>		
Govt. of India	2622.87	2364.69
Others	880.92	796.31
(Comprising of WB Housing Board Loan Rs.0.66 lakh, SBI Rs.867.06 lakh, and BOB Rs.5.41 lakh, Allahabad Bank Rs.2.28 lakh, UBI Rs.3.98 lakh and UBI (HPCL) Rs.1.53 lakh)		
	<u>3503.79</u>	<u>3161.00</u>
Advance and Deposits received from Customers	713.20	655.65
Related Parties	83.73	211.39
Others Payable (Employees' dues, Other Contractual obligation & Statutory Dues)	3972.40	4139.16
	<u>13417.59</u>	<u>13256.15</u>
<b>Note 5.4 – SHORT TERM PROVISIONS</b>		
<b>Others :</b>		
Other Provisions (Stock Obsolescence, Contingencies and Food Stuff)	619.28	606.08
Provision for Income Tax and Wealth Tax	516.04	257.00
	<u>1135.32</u>	<u>863.08</u>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2013**
**Note 6 – FIXED ASSETS**

[ in lakh]

Description of Assets	GROSS BLOCK			DEPRECIATION			IMPAIRMENT OF ASSETS		NET BLOCK	
	Cost/Book Value as at 1st April, 2012	Additions/ Adjustments during the year	Less: Sales/ Adjustments during the year	Cost/Book Value as at 31st March, 2013	Upto 31st March, 2012	For the year	Less: On Sales/ Adjustments during the year	Upto 31st March, 2013	Upto 31st March, 2012	During the year
<b>Tangible Assets</b>										
Land (including cost of development and leasehold land - 15.10 lakh)	323.38	...	...	323.38	2.21	1.50	...	3.71	...	...
Estates/Leasehold (including garden development expenses)	12454.11	0.04	...	12454.15	261.24	0.47	...	261.71	...	...
Buildings	3220.41	67.89	35.93	3252.37	1318.96	59.91	...	1378.87	5.78	...
Roads and Culverts	64.96	...	...	64.96	17.81	1.17	...	18.98	...	...
Plant and Equipments	5699.30	213.00	125.35	5786.95	3505.25	268.35	120.02	3653.58	96.41	(-) 33.46
Drawings, Designs and Tracings etc.	74.99	...	...	74.99	40.90	...	...	40.90	34.09	...
Electrical Installations	967.00	13.79	(-) 2.56	983.35	496.78	39.59	(-) 1.80	538.17	...	...
Water Installations	545.99	20.21	...	566.20	273.93	25.31	...	299.24	...	...
Furniture and Fixtures	320.79	5.06	5.58	320.27	260.25	11.78	5.64	266.39	0.01	...
Office Equipments	17.94	0.21	...	18.15	12.66	0.70	...	13.36	...	...
Vehicles	828.94	60.86	35.27	854.53	419.31	63.66	32.79	450.18	...	...
<b>TOTAL</b>	24517.81	381.06	199.57	24699.30	6609.30	472.44	156.65	6925.09	136.29	(-) 33.46
<b>Intangible Assets</b>										
Computer Software	41.38	23.39	-3.14	67.91	27.44	9.73	(-) 1.16	38.33	...	...
<b>TOTAL</b>	24559.19	404.45	196.43	24767.21	6636.74	482.17	155.49	6963.42	136.29	(-) 33.46
Capital Work-in-Progress (Tangible)	385.20	320.91	128.62	577.49	...	...	...	...	52.53	...
<b>TOTAL</b>	<b>24944.39</b>	<b>725.36</b>	<b>325.05</b>	<b>25344.70</b>	<b>6636.74</b>	<b>482.17</b>	<b>155.49</b>	<b>6963.42</b>	<b>188.82</b>	<b>(-) 33.46</b>
PREVIOUS YEAR'S TOTAL	24139.09	1163.80	358.50	24944.39	6223.27	464.34	50.89	6636.72	188.82	...


**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2013**

[· in lakh]

	No. of Shares/ Units	Face Value per Share/ Unit	Book Value	
			As at 31.03.13	As at 31.03.12
<b>Note 6.1 – NON-CURRENT INVESTMENTS</b>				
<b>1. [A] In Associates – Non-Trade Investments:</b>				
<b>Equity Shares (Fully Paid):</b>				
<b>Quoted:</b>				
Tide Water Oil Co. (India) Ltd.	2,28,390	10	141.07	141.07
Add/Less: Group Share of Profit as on 31st March, 2013			7746.55	6429.32
			<u>7887.62</u>	<u>6570.39</u>
<b>Unquoted:</b>				
The New Beerbhoom Coal Co. Ltd.	1,05,355	10	12.27	12.27
Add/Less: Group Share of Profit upto 31st March, 2013			(-) 3.46	(-) 2.98
			<u>8.81</u>	<u>9.29</u>
Katras Jherriah Coal Co. Ltd.	60,260	10	6.95	6.95
Add/Less: Group Share of Profit upto 31st March, 2013			(-) 5.69	(-) 3.98
			<u>1.26</u>	<u>2.97</u>
<b>[B] In Other Companies – Non-Trade Investments:</b>				
<b>Equity Shares (Fully Paid):</b>				
<b>Quoted:</b>				
Yule Financing & Leasing Co. Ltd.	3,00,000	10	27.88	27.88
DPSC Ltd.	34,500	1	0.01	0.01
WEBFIL Ltd.	1,45,000	10	14.50	14.50
Fort Gloster Industries Ltd.	1,040	10	0.13	0.13
<i>Gloster Jute Mills Ltd.</i>	416	10	...	...
Exide Industries Ltd.	2,12,714	1	4.22	4.22
<i>The Gillapukri Tea and Industries Ltd.</i>	26	10	...	...
<b>Unquoted:</b>				
* The Bengal Coal Co. Ltd.	10,305	100	0.51	0.51
The Statesman Ltd.	9,966	100	4.70	4.70
ABC Tea Workers Welfare Services	750	10	0.08	0.08
6% Cumulative Redeemable Preference Shares–WEBFIL Ltd.	20,44,000	10	204.40	204.40
Woodlands Multispeciality Hospital Ltd.	23,450	10	0.69	0.69
<b>Bonds (Fully Paid):</b>				
<b>Unquoted:</b>				
**WEBFIL Ltd. Zero Rate Unsecured Redeemable Bond	305	1,00,000	305.00	305.00
<b>2. Units (Fully Paid):</b>				
<b>Quoted:</b>				
<b>Unit Trust of India</b>				
Balance Fund	1,63,261 (1,55,400)	10	34.50	32.94
			<u>8494.31</u>	<u>7177.71</u>
Less: Provision for diminution in value for long term investments			5.21	5.21
			<u>8489.10</u>	<u>7172.50</u>
Market value of quoted investments			16344.84	17379.04


**NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST MARCH, 2013**

[- in lakh]

	As at 31st March, 2013	As at 31st March, 2012
<b>Note 6.2 – LONG TERM LOANS AND ADVANCES</b>		
Capital Advances - Unsecured Considered good	21.78	22.38
Security Deposit - Unsecured Considered good	140.35	140.61
Advance Tax (FBT)	99.22	78.29
Loans and Advance to related parties		
Unsecured Considered good	502.12	502.05
Doubtful	122.62	122.40
	<u>624.74</u>	<u>624.45</u>
Less: Provision for Doubtful Advance	<u>122.62</u>	<u>122.40</u>
	502.12	502.05
Other Loans and Advances (House Building Loan)		
Unsecured Considered good	185.81	260.56
	<u>949.28</u>	<u>1003.89</u>
<b>Note 6.3 – OTHER NON-CURRENT ASSETS</b>		
Others (Plan Assets for Superannuation Fund and Retention Money)	590.43	528.70
	<u>590.43</u>	<u>528.70</u>
<b>Note 7.1 – CURRENT INVESTMENTS (INVESTMENTS IN MUTUAL FUND)</b>		
<b>Quoted :</b>		
<b>Unit Trust of India</b>		
Balance Fund	1.63	1.55
7520.085 No. of Units of face value of Rs.10/- each, Market value of Rs.21.71 each. Total value Rs.1.63 lakh at cost.		
	<u>1.63</u>	<u>1.55</u>
<b>Note 7.2 – INVENTORIES (At lower of cost and net realisable value)</b>		
Raw Materials, Components & Packing Material	965.89	1127.14
Work in Progress	649.34	853.53
Finished Goods	340.78	364.80
Stores and Spare Parts	1414.87	1024.57
Loose Tools	9.27	9.26
Food Stuff	17.33	11.38
Scrap	29.94	13.65
	<u>3427.42</u>	<u>3404.33</u>
<b>Note 7.3 – TRADE RECEIVABLES</b>		
<b>Trade Receivable :</b>		
<b>Unsecured</b>		
<b>Debts outstanding over six months from due date :</b>		
Considered Good	2059.31	1108.89
Considered Doubtful	4409.28	4273.24
	<u>6468.59</u>	<u>5382.13</u>
Less: Provision for Doubtful Debts	<u>4409.28</u>	<u>4273.24</u>
	2059.31	1108.89
<b>Other Debts :</b>		
Considered Good	7889.68	6700.89
	<u>9948.99</u>	<u>7809.78</u>


**NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST MARCH, 2013**

[- in lakh]

	As at 31st March, 2013	As at 31st March, 2012
<b>Note 7.4 – CASH AND BANK BALANCES</b>		
<b>Cash and Cash Equivalents :</b>		
Balance with Bank	498.32	622.14
Cheques in Hand	29.17	11.89
Cash in Hand	19.65	19.84
Postage and Stamps in hand	0.02	0.00
Employee Security Deposit	0.06	0.00
Remittance in Transit	66.29	2.52
Deposit with Bank maturing within 3 months	2643.43	3289.59
	3256.94	3945.98
<b>Other Bank Balances :</b>		
* Deposit with Bank maturing after 3 months	2906.27	4220.55
Margin Money with Bank maturing after 3 months	2687.68	2095.25
Margin Money with Bank maturing within 3 months	227.72	0.00
	5821.67	6315.80
	9078.61	10261.78
* All deposits are below 12 months.		
<b>Note 7.5 – SHORT TERM LOANS AND ADVANCES</b>		
<b>Loans and Advances :</b>		
Secured Considered good	10.07	13.73
Related Parties - Unsecured Considered good	225.28	278.60
Others - Unsecured Considered good	2.38	0.00
	237.73	292.33
Balance with Customs & Central Excise		
Unsecured Considered good	96.53	86.03
Deposits - Unsecured Considered good	246.87	29.01
Advance payment of Income Tax and Wealth Tax	1151.67	850.10
Advance recoverable in cash or in kind or for value to be received :		
Considered good	1738.92	1637.33
Considered doubtful	1691.12	1686.29
	3430.04	3323.62
Less: Provision for doubtful advances	1691.12	1686.29
	1738.92	1637.33
	3471.72	2894.80
<b>Note 7.6 – OTHER CURRENT ASSETS</b>		
Others (Interest accrued on deposits) [including Related Parties Rs.60.00 lakh (Previous year Rs.30.00 lakh)]	204.39	423.41
	204.39	423.41



**NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013**

[· in lakh]

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
<b>INCOME</b>		
<b>Note 8.1 – REVENUE FROM OPERATIONS</b>		
Sale of Products	31407.78	29548.51
Sale of Services	440.22	427.22
Other Operational Income	1539.55	1970.79
	<u>33387.55</u>	<u>31946.52</u>
Less: Trade and Other Discount	152.49	212.46
	<u>33235.06</u>	<u>31734.06</u>
Less: Excise Duty	1202.54	1126.23
	<u>32032.52</u>	<u>30607.83</u>
<b>Note 8.2 – OTHER INCOME</b>		
Interest Income	533.86	842.72
Dividend Income	312.19	148.39
Other non-operating income (Tea Board Subsidy, Adjustment of Tea Board Subsidy, Items relating to previous year, Provision no longer required written back)	210.60	183.78
	<u>1056.65</u>	<u>1174.89</u>
<b>Note 9.1 – COST OF MATERIAL CONSUMED</b>		
<b>Opening Stock as at 1st April, 2012 :</b>		
Raw Materials, Components and Packing Materials	1127.13	1124.59
Stores and Spare Parts	1024.57	823.02
Loose Tools	9.26	9.13
	<u>2160.96</u>	<u>1956.74</u>
<b>Purchase during the year :</b>		
Raw Materials, Components and Packing Materials	9089.27	10404.62
Stores and Spare Parts	2405.93	1912.22
Loose Tools	6.90	6.97
	<u>11502.10</u>	<u>12323.81</u>
	<u>13663.06</u>	<u>14280.55</u>
<b>Less: Closing Stock as at 31st March, 2013 :</b>		
Raw Materials, Components and Packing Materials	965.90	1127.13
Stores and Spare Parts	1414.87	1024.57
Loose Tools	9.27	9.26
	<u>2390.04</u>	<u>2160.96</u>
	<u>11273.02</u>	<u>12119.59</u>
Less: Raw Materials and Stores used on various jobs	509.43	378.02
	<u>10763.59</u>	<u>11741.57</u>


**NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013**

[· in lakh]

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
<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	340.78	364.80
Work in Progress	649.34	853.53
Scrap	29.94	13.65
	1020.06	1231.98
<b>Inventories (at commencement) :</b>		
Finished Goods	364.80	710.80
Work in Progress	853.53	1012.50
Scrap	13.65	25.05
	1231.98	1748.35
	211.92	516.37
<b>Note 9.3 – EMPLOYEE BENEFITS EXPENSES</b>		
Salaries and Wages	9846.75	8371.05
Contribution to Provident and Other Funds	1480.09	1163.49
Staff Welfare Expenses	1149.70	993.98
	12476.54	10528.52
Less: Incurred on Capital Jobs, Repair Jobs etc.	269.70	222.69
	12206.84	10305.83
<b>Note 9.4 – FINANCE COSTS</b>		
Interest Expenses	1039.64	1619.31
Other Borrowing costs	118.59	63.24
	1158.23	1682.55
<b>Note 9.5 – DEPRECIATION AND AMORTISATION EXPENSES</b>		
Depreciation on Tangible Assets	472.44	455.99
Amortisation of Intangible Assets	9.73	8.35
	482.17	464.34


**NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013**

[· in lakh]

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
<b>Note 9.6 – OTHER EXPENSES</b>		
Power and Fuel	2225.94	1674.70
Tea Cultivation and Manufacturing Expenses	319.31	409.56
Research and Development Expenses	10.11	6.57
Director's Fees	0.10	0.20
Rent (Net)	74.23	36.15
Rates and Taxes	36.63	41.06
<b>Repairs and Maintenance :</b>		
Buildings	328.71	247.02
Plant and Machinery	319.04	303.57
Others	142.10	69.41
	789.85	620.00
Travelling Expenses and Upkeep of Vehicles	609.42	561.50
Insurance	33.77	36.85
Broker's Commission	218.60	173.07
<b>Selling Expenses :</b>		
Selling Agent's Commission	11.90	59.06
Others	689.65	563.12
	701.55	622.18
Miscellaneous Expenses	993.66	897.39
Sub-Contractors charges	199.40	245.10
Delivery/Forwarding charges	44.63	53.91
Bank charges	15.34	9.00
Excise Duty	2.90	16.06
Assam Entry Tax	4.41	3.30
Assam Cess on Green Leaf	99.46	97.91
West Bengal Primary and Rural Education Cess	0.55	17.84
Tea Cess	54.93	49.99
Education Cess	1.08	1.01
Net loss on Foreign Currency	2.48	0.86
<b>Auditor's Remuneration :</b>		
As Auditor *	2.96	2.45
For Taxation matter	0.83	0.83
For Other Services	1.11	0.88
For Reimbursement Expenses	0.06	0.29
	4.96	4.45
Cost Audit Fees	1.45	0.00
Item relating to previous years [Refer Note No.10.20 of Other Notes to Consolidated Financial Statements]	12.01	141.47
Loss on sale/write off of Fixed Assets	4.13	0.00
Preliminary Expenses Written off	8.70	0.00
Liquidated Damages and Penalty etc.	205.68	208.17
Rectification/Replacement	32.01	57.32
<b>Provision for :</b>		
Doubtful Debts	146.83	46.22
Doubtful Loans, Advances and Deposits	4.83	24.57
Capital WIP	1.73	0.00
Stock/Stores Obsolescence	9.21	26.93
	162.60	97.72
	6869.89	6083.34
Less: Amount transferred to Capital Jobs etc.	0.00	3.02
	6869.89	6080.32

\* including Rs.0.25 lakh for previous year.

**OTHER NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST MARCH, 2013**

[· in lakh]

**Note 10 – (Contd.)**
**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	Percentage of voting power as at 31st March, 2013
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, 2013	Ownership interest as at 31st March, 2012
Tide Water Oil Co. (India) Ltd.	India	26.22%	26.22%
The New Beerhoom Coal Co. Ltd.	India	32.95%	32.95%
Katras Jherriah 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 · 274.07 lakh (· 137.03 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, 2013 (Note No.6.1) as per AS-23.

**10.03 Estimated amount of contracts remaining to be executed on Capital Account · 191.05 lakh (net of advances) (· 70.64 lakh) and Other Commitments · Nil (· Nil) not provided for.**

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 · 61.00 lakh (· 243.00 lakh) where Group Companies Share is · 16.00 lakh (· 63.71 lakh).

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

- [a] Claims against the Group Company not acknowledged as debts :
  - [i] Accrued interest of · 555.96 lakh upto 31st March,2007 being the difference between · 2728.96 lakh, the interest including penal interest due upto 31st March,2007 as per books of DHI and the interest waived amounting to · 2173.00 lakh. The proposal for waiver of · 555.96 lakh based on the principle of sanction by BIFR has been approved by GOI subject to approval of BIFR and also other contingent liability as described in Note No.10.12.
  - [ii] Others · 68.77 lakhs (· 68.77 lakh)
- [b] Guarantees and Indemnities given to various Institutions and Authorities in connection with Groups operations amounting to · 1469.65 lakh (· 1932.23 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 lakhs).
  - [ii] Other Companies – · 328.00 lakh (· 328.00 lakhs) 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.
- [d] Disputed Sales Tax aggregating to · 4207.45 lakh (· 4231.24 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 · 533.11 lakh (· 183.27 lakh) excluding interest not admitted, against which appeals have been preferred by the Group.
- [f] Disputed Excise/Customs Duty/Service Tax claims · 447.28 lakh (· 551.81 lakh) excluding interest against which appeal have been preferred by the Group.



**OTHER NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST MARCH, 2013**

[ in lakh]

**Note 10 – (Contd.)**

- [g] Unexpired Letter of Credit opened by the Group Bankers – ₹ 1372.47 lakh (₹ 1392.80 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 ₹ 1813.00 lakh (₹ 5471.00 lakh) Group Company's share of liability ₹ 475.37 lakh (₹ 1433.97 lakh).
- [i] In Katras Jherriah 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 ₹ 0.57 lakh (₹ 0.57 lakh).
- [j] In The New Beerhoom 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 which is under implementation and Accounts for the year have been prepared on going concern basis.
- Pursuant to Sanctioned Rehabilitation Scheme (hereinafter SRS) of BIFR stated above, the necessary effects have been given in the Accounts as under :-
- [a] ₹ 150.00 lakh appearing in the Accounts as Share Pending Allotment represents 20% of funded interest upto cut off date i.e. 31st March, 2006 amounting to ₹ 748.00 lakh which was sanctioned by State Bank of India (SBI) as per terms of Sanctioned Rehabilitation Scheme dated 30th October, 2007 for conversion into Equity. Allotment of 7500000 Shares at Face Value of ₹ 2/- each aggregating to ₹ 150.00 lakh will be made on receipt of Sanction Letter from SBI and approval of the same by Company's Competent Authority.
- [b] In terms of the aforesaid order 46% of unsecured creditors amounting to ₹ 29.36 lakh (₹ 113.93 lakh) except sub-judice matters has been written back during the year.
- [c] 9.1% Secured Non-convertible 10 Years Bond is secured by specified indenture.
- 10.06 [a] Employee Benefits
- The Group's contribution to Defined Contribution Plans aggregated to ₹ 840.19 lakhs (₹ 824.36 lakhs) for the year ended 31st March, 2013, which has been recognised under the line item Contribution to Provident and Other Funds included in Note No.9.3 above.

	2012-13	2011-12
Contribution to Provident Fund	831.09	815.41
Contribution to Employees State Insurance Fund	9.10	8.95

- [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.

	2012-13					2011-12				
	Gratuity	Leave en-cashment	Pension	Super-annuation	Medical	Gratuity	Leave en-cashment	Pension	Super-annuation	Medical
Defined benefit plans/Long term compensated absences. As per actuarial valuation as on 31st March, 2013										
(I) Change in present value of Defined Benefit Obligations during the year ended 31st March, 2013										
[1] Present value of DBO at beginning of period	4014.98	817.50	1.50	388.44	8.45	3607.37	607.42	1.87	234.95	7.68
[2] Current Service cost	202.52	49.88	...	42.71	...	182.22	36.14	...	16.40	0.00
[3] Interest cost	329.10	67.42	0.12	30.82	0.67	287.04	46.95	0.14	18.36	0.61
[4] Curtailment cost/(credit)	...	...	...	...	...	...	...	...	...	...
[5] Settlement cost/(credit)	...	...	...	...	...	...	...	...	...	...
[6] Plan amendments	...	...	...	...	...	...	...	...	...	...
[7] Acquisitions	...	...	...	...	...	...	...	...	...	...
[8] Actuarial (Gains)/Losses	396.59	104.46	0.09	(3.92)	(0.58)	281.15	218.09	(0.20)	148.89	0.38
[9] Benefits paid	(503.17)	(91.05)	(0.30)	(72.32)	(0.27)	(342.80)	(91.10)	(0.31)	(30.16)	(0.22)
[10] Present Value of DBO at the end of period	4440.02	948.21	1.41	385.73	8.27	4014.98	817.50	1.50	388.44	8.45
(II) Change in Fair value of Assets during the year ended 31st March, 2013										
[1] Plan assets at beginning of period	3506.50	19.48	...	761.47	...	3212.58	14.30	...	546.85	...
[2] Actuarial Gain/(Loss)	0.86	...	...	(0.79)	...	93.16	...	...	182.07	...
[3] Actual return on plan assets	307.65	2.31	...	63.46	...	266.16	1.48	...	62.71	...
[4] Actual company contribution	511.93	99.17	0.30	...	0.27	277.40	94.80	0.31	...	0.22
[5] Benefits paid	(503.17)	(91.05)	(0.30)	(72.32)	(0.27)	(342.80)	(91.10)	(0.31)	(30.16)	(0.22)
[6] Plan assets at the end of the period	3824.07	29.91	...	751.82	...	3506.50	19.48	...	761.47	...

**OTHER NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST MARCH, 2013**

[ in lakh]

**Note 10 – (Contd.)**

	2012-13					2011-12				
	Gratuity	Leave encashment	Pension	Super-annuation	Medical	Gratuity	Leave encashment	Pension	Super-annuation	Medical
[III] Net assets/(liability) recognised in Balance Sheet as at 31st March, 2013										
[1] Present value of Defined Benefit Obligation	4440.02	948.22	1.41	385.73	8.27	4014.98	817.50	1.50	388.44	8.45
[2] Fair value of plan assets	3824.07	29.91	...	751.82	...	3506.50	19.48	...	761.47	...
[3] Funded status(Surplus/(Deficit))	(615.95)	(918.31)	(1.41)	366.09	(8.27)	(508.48)	(798.03)	(1.50)	373.03	(8.45)
[4] Unrecognised past service cost	...	...	...	...	...	...	...	...	...	...
[5] Net assets/(liability) recognised in Balance Sheet	(615.95)	(918.31)	(1.41)	366.09	(8.27)	(508.48)	(798.03)	(1.50)	373.03	(8.45)
[IV] Components of employer Expenses recognised in Profit & Loss Account for the year ended 31st March, 2013										
[1] Current Service Cost	202.52	49.88	...	42.71	...	182.22	36.14	...	16.40	...
[2] Interest Cost	329.10	67.42	0.12	30.82	0.67	287.03	46.95	0.14	18.36	0.61
[3] Expected return on plan assets	(307.95)	(2.32)	...	(63.46)	...	(266.15)	(1.48)	...	(62.71)	...
[4] Curtailment cost/(credit)	...	...	...	...	...	...	...	...	...	...
[5] Settlement cost/(credit)	...	...	...	...	...	...	...	...	...	...
[6] Past Service Cost	...	...	...	...	...	...	...	...	...	...
[7] Actuarial Losses/(Gains)	395.73	104.46	0.09	(3.13)	(0.58)	187.99	218.09	(0.20)	(33.18)	0.38
[8] Total expenses recognized in the statement of Profit & Loss Account under the head Salaries & Wages	619.40	219.44	0.21	6.94	0.09	391.09	299.70	(0.06)	(61.13)	0.99
[V] Actuarial Assumptions										
[1] Discount Rate	8.15%	8.15%	8.30%	8.30%	8.00%	8.38%	8.38%	8.75%	8.75%	8.00%
[2] Expected return on plan assets	8.75%	NA	NA	NA	NA	8.35%	NA	NA	NA	NA
[3] Salary escalation	5.00%	5.00%	NA	5.00%	NA	5.00%	4.50%	NA	5.00%	NA
[4] Expected Average remaining working lives of employees (years)	18.53	12.67	NA	3.8	NA	18.45	11.38	NA	4.26	NA
[5] Method of valuation	Projected Unit Credit (PUC)					Actuarial Method				

[c] In respect of Hooghly Printing Co. Ltd., independent Actuarial Valuation of Medical Benefit has been made as on 31st March, 2013. 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, 2013 is - 170.66 lakh (- 178.38 lakh) has been taken into account.

10.08 Provision for Liquidated damages amounting to - 2093.82 lakh (- 1888.14 lakh) has been set off against Trade Receivables.

10.09 [i] Diminution in the value of long term investment amounting to - 27.88 lakh in Yule Financing & Leasing Co. Ltd. (YFLC) is in the opinion of the Management not of a permanent nature and accordingly no provision has been made in the Accounts.

[ii] Diminution in the value of Long Term Investments in Equity Shares of WEBFIL Ltd. amounting to Rs.14.50 lakh is in the opinion of the management not of a permanent nature accordingly no provision has been made in the Accounts.

[iii] In Tide Water Oil Co. (India) Ltd. diminution in value of long term investments amounting to - 60.09 lakh (- 60.09 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 - 15.75 lakh (- 15.75 lakh).

10.10 Confirmation for balances of Trade Receivables, Deposits and Advances to the parties, Trade Paybles, dues to and from Govt. Undertakings and stock with third parties have been sought from the concerned parties, with stipulation that in case of non receipt of confirmation within 20 days of despatch, the book balance is to be considered as confirmed. The financial statements have been drawn up accordingly.

10.11 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, 2013 are given below :-

[a] Timing difference :

	31st March, 2013	31st March, 2012
[i] Depreciation as per Tax Laws	- 462.78 lakh	- 516.80 lakh
[ii] Depreciation as per Books	- 482.17 lakh	- 464.33 lakh
[iii] Difference	(-) - 19.39 lakh	- 52.47 lakh
Deferred Tax liability including Education Cess	(-) - 6.15 lakh	- 16.21 lakh
Adjustment/Credit related to previous years	14.15 lakh	...
Total	8.00 lakh	16.21

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



**OTHER NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST MARCH, 2013**

[ in lakh]

**Note 10 – (Contd.)**

Particulars	Deferred tax liabilities/(assets) As at 31.03.2012	Charge/(credit) to Statement of Profit and Loss	Deferred Tax liabilities/(assets) As at 31.03.2013
<b>Deferred Tax Liability</b>			
Difference between book and tax depreciation	376.46	0.80	384.46
<b>Total</b>	<b>376.46</b>	<b>0.80</b>	<b>384.46</b>
<i>Previous year</i>	<i>360.25</i>	<i>16.21</i>	<i>376.46</i>

[c] In computing deferred tax liability of the Group for the financial year 2012-13, 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.

10.12 Interest on Non-plan Loan of Govt. of India (GOI) have not been considered during the year since the entire loan as on 31st March, 2012 would be converted into Equity and Rs.7.20 crore being the difference between Rs.33.43 crore, the interest including penal interest due upto 31st March, 2012 as per Books of Department of Heavy Industries and the interest of Rs.26.23 crore as per Books of Accounts of the Company, have not been considered to facilitate implementation of Financial Restructuring Package approved by the Cabinet Committee of Economic Affairs (CCEA), Government of India, on 02.05.2013, subject to approval of BIFR, which inter-alia, includes conversion of Non-plan loan of Rs.41.52 crore into Equity at face value of Rs.2/- per share and write off accumulated loss of Rs.12.95 crore against Equity Share Capital of GOI. The above write off amount was arrived at after considering interest on Non-plan loan of Rs.26.23 crore as per Company's Books of Account as on 31st March, 2012.

10.13 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 (other than what is stated in Note No.10.12).

From Consortium Bank	- 2990.96 Lacs to be repaid in 28 equal quarterly installments of - 106.82 lakh each commencing from 25th March, 2013.	9.25% p.a. with monthly rest.
From Bankers of Tea Division	Repayment of - 472.38 lakh to be repaid in 2013-14 (- 251.43 lakh), in 2014-15 (- 210.00 lakh) & in 2015-16 (- 10.95 lakh). 9.75% p.a. with monthly rest for Allahabad Bank.	10.75% p.a. for other Banks.
From Central Financial Institution	- 29.44 lakh to be repaid in 16 equal half-yearly installments of - 1.84 lakh each starting from 2014-15 for 8 years upto 2022-23. - 9.60 lakh to be repaid in 16 equal half-yearly installments of - 0.60 lakh each starting from 2013-14 for 8 years upto 2021-22.	9.50% p.a.
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%

10.14 [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 - 1,78,572 as shown in the Balance Sheet are after adjustments of - 62,98,861 being payments made by the Commissioners of Payments, Dhanbad and Calcutta upto 31st March, 2013 against admitted claims of the Company's bankers and other creditors, and - 42,96,359 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.

10.15 In Tide Water Oil Co. (India) Ltd. - 348.00 lakh has been given as advance towards proposed issue of shares by Yule Agro Industries Limited (YAIL). In view of the present status of activities of YAIL, shares have not been issued. Hence the status of the recoverability of the aforesaid advance of - 348.00 lakh and the corresponding provision as may be required is not ascertainable at this stage. The Group interest in the same amount is - 91.25 lakh (- 91.25 lakh).

10.16 Consolidated Segment Reporting :

The Group's segment information as at and for the year ended 31st March, 2013 are as below :-

	2012-13		
	External Sales	Inter Segment Sales	Total
<b>1. Segment Revenue</b>			
Electrical	7556.71 [8591.43]	0.09 [5.79]	7556.80 [8597.22]
Tea	17835.16 [15005.24]	6.26 [1.97]	17841.42 [15007.21]
Engineering	3722.76 [3041.33]	29.01 [28.71]	3751.77 [3070.04]


**OTHER NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST MARCH, 2013**

[· in lakh]

**Note 10 – (Contd.)**

	2012-13		
	External Sales	Inter Segment Sales	Total
Printing	938.12	11.64	949.76
	[1568.25]	[10.95]	[1579.20]
Segment Total	30052.75	47.00	30099.75
	[28206.25]	[47.42]	[28253.67]
IUT Sale of Capital Goods			[3.57]
Eliminations			47.00
			[47.42]
Consolidated Total			30052.75
			[28209.82]
<b>2. Segment Results</b>			
Electrical			(-)755.43
			[(-)303.68]
Tea			1960.46
			[1608.70]
Engineering			370.39
			[259.51]
Printing			19.95
			[72.11]
Yule Engineering			(-) 0.25
			[(-) 0.36]
Yule Electrical			(-) 8.87
			[(-) 0.20]
Segment Total			1586.25
			[1636.08]
Unallocated Corporate Expenses (Net of Unallocated Income)			(-) 94.07
			[(-) 252.21]
Profit before Interest and Taxation			1680.32
			[1888.29]
Interest etc. paid			1134.36
			[1619.31]
Interest/Dividend Income			850.57
			[983.63]
Profit from ordinary activity			1396.53
			[1252.61]
Net Profit			1396.53
			[1252.61]
Provision for Taxation (Net of written back)			268.28
			[21.92]
3. Profit after taxation before share of results of Associates			1128.25
			[1230.69]
Share of Profit of Associates			1315.04
			[1334.92]
4. Profit after taxation			2443.29
			[2565.61]
<b>Other Information</b>	<b>Segment Assets</b>	<b>Segment Liabilities</b>	
Electrical	11214.89	14277.17	
	[10377.60]	[13730.73]	
Tea	23369.41	9659.38	
	[21776.06]	[9859.57]	
Engineering	4091.17	4435.50	
	[3509.88]	[4377.40]	
Printing	912.73	515.64	
	[880.77]	[516.92]	
Yule Engineering	11.85	0.39	
	[16.63]	[12.52]	
Yule Electrical		0.06	
	[8.70]	[4.36]	
Segment Total	39600.05	28888.14	
	[36569.64]	[28501.50]	
Unallocated Corporate Assets/Liabilities	14818.48	2763.13	
	[15150.02]	[2888.26]	
Total	54418.53	31651.27	
	[51719.66]	[31389.76]	



**OTHER NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST MARCH, 2013**

[ in lakh]

**Note 10 – (Contd.)**

	Capital Expenditure	Depreciation including Impairment	Non-Cash Expenditure Other than Depreciation
Electrical	66.99 [104.83]	61.08 [63.94]	123.02 [71.54]
Tea	393.99 [702.87]	364.21 [340.04]	4.87 [24.12]
Engineering	(-) 68.06 [63.65]	17.30 [15.34]	20.96 [...]
Printing	3.02 [1.79]	32.76 [38.03]	...
Segment Total	395.94 [873.14]	475.35 [457.35]	148.85 [95.66]

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.
Printing	– Printing of books, periodicals & publicity materials.

[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	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, 2013:

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
	Total	0.09	40.00	207.30

[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 :

Associate Companies	– Tide Water Oil Co. (I) Ltd. – Bengal Coal Co. Ltd. – 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] Kallol Datta	– Chairman and Managing Director
[b] I. Sengupta	– Director (Personnel) (upto 30.06.2012)
[b] S. Swaminathan	– Director (Planning)
[c] Amitava Dhar	– Director (Finance)
[d] Sunil Munshi	– Director, (Personnel) (w.e.f.01.07.2012)

**OTHER NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST MARCH, 2013**

[₹ in lakh]

**Note 10 – (Contd.)**

[iii] Disclosure of transactions between the Group and related parties and the status of outstanding balance as on 31st March, 2013.

	Associates	Key Management Personnel and Relatives
Purchase of goods	36.36	[...]
	[3.78]	[...]
Purchase of services	5.31	[...]
	[19.14]	[...]
Purchase of Fixed Assets	0.93	[...]
	[...]	[...]
Sale of goods	100.18	[...]
	[212.02]	[...]
Sale of services	440.21	[...]
	[400.22]	[...]
Interest Income	30.00	[...]
	[30.00]	[...]
Interest Expense	3.45	[...]
	[...]	[...]
Dividend Income	274.07	[...]
	[137.03]	[...]
Rent / Hire charges received	140.63	[...]
	[140.00]	[...]
Reimbursement of contractual employment	[...]	[...]
	[4.32]	[...]
Miscellaneous Receipt	1.84	0.02
	[2.64]	[0.02]
Remuneration to Directors	[...]	73.84
	[...]	[43.82]
Remuneration to Others	[...]	[10.12]
	[...]	[...]
Royalty Receipt	295.00	[...]
	[252.87]	[...]
Sales Promotion Expenses	0.49	[...]
	[10.77]	[...]
Advances adjusted	[...]	[...]
	[57.79]	[...]
<b>Balances as on 31st March, 2013</b>		
Trade Receivable	76.86	[...]
	[150.95]	[...]
Trade Payable	8.51	[...]
	[11.81]	[...]
Long Term Loans and Advances	502.12	[...]
	[502.05]	[...]
Short Term Loans and Advances	279.38	[...]
	[278.60]	[...]
Other Long Term Liability	28.80	[...]
	[28.80]	[...]
Other Current Liability	83.73	[...]
	[213.22]	[...]

## 10.19 Earning per share

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
[a] Number of Equity Share :—		
At the beginning of the year	326138478	31,86,38,478
At the end of the year	326138478	32,61,38,478
Weighted average number of Equity Shares outstanding during the year	326138478	32,34,13,068
Face value of each Equity Share	₹ 2.00	₹ 2.00
[b] Profit after Tax before extra ordinary income available for Equity Shareholders	2443.29	2565.61
[c] Profit after Tax after extra ordinary income available for Equity Shareholders	2443.29	2565.61
[d] Basic earnings per Share before extra ordinary income	₹ 0.75	₹ 0.79
[e] Basic earnings per Share after extra ordinary income	₹ 0.75	₹ 0.79

Note: There was no change in basic structure of Paid-up Share Capital during the year. Hence diluted earning per share is not applicable also refer Note No.10.05(a).


**OTHER NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST MARCH, 2013**

[ ₹ in lakh]

**Note 10 – (Contd.)**

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

Particulars	2012-13	2011-12
Interest on Green Leaf Cess	...	3.25
Interest (Others)	0.87	36.56
Insurance	...	0.31
Travelling expenses	...	2.49
Legal expenses	0.20	0.03
Bonus	...	7.19
Land Rent	...	0.36
Central sales tax/West Bengal sales tax	0.02	...
Provident Fund/E.P.F./Inspection Charge	...	4.80
Works Contract Tax	...	1.16
Miscellaneous expenses	4.08	13.18
Arrear salary of Executive/Asstt./Staff	1.35	3.99
Stores	...	9.27
Food Stuff	1.38	2.66
Warehouse	...	2.06
Repair	0.14	4.89
Gas	0.70	11.03
CENVAT/Service tax	0.01	0.01
Air and Water Pollution Charges	...	14.44
Power and Fuel	1.38	...
One Time Settlement	1.88	14.28
Packing material	...	3.33
Freight	...	0.17
Settlement Money	...	5.29
Cultivation expenses	...	0.72
<b>Total</b>	<b>12.01</b>	<b>141.47</b>

- 10.21 [a] In The New Beerbhoom Coal Co. Ltd. diminution in value of long term investment amounting to ₹ 8.63 lakh (₹ 1.42 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 ₹ 2.84 lakhs (₹ 0.46 lakhs).
- [b] 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 ₹ 1.51 lakh (₹ 1.51 lakh).
- [c] The New Beerbhoom Coal Co. Ltd. an Associate of the Company, 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).
- [d] 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).
- [e] In Katras Jherriah Coal Co. Ltd., an Associate of the Company, 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).
- 10.22 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 ₹ 636.61 lakh (₹ 636.54 lakh) (Gross Block) wherein depreciation has been provided on "Written Down Value Method".
- 10.23 In Tide Water Oil Co. (I) Ltd., an Associate of the Company, where depreciation on fixed assets is calculated on written down value method at the rate prescribed under Schedule-XIV of the Companies Act, 2056 except on Leasehold Land, which is calculated on straight line basis over the period of lease.
- 10.24 In Tide Water Oil Co. (I) Ltd., an Associate of the Company, where intangible assets are amortised over their best estimated useful life ranging upto three years on straight line basis.
- 10.25 The New Beerbhoom Coal Co. Ltd., an Associate of the Company, 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.
- 10.26 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, 2013 relating to aforesaid Divisions entered into by the Company in the name of Andrew Yule & Co. Ltd. (AYCL) have been accounted for in the Books of Accounts of AYCL.
- 10.27 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.