



ANDREW YULE & COMPANY LIMITED

[A Government of India Enterprise]

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Transcript of Proceedings of 72nd Annual General Meeting of Andrew Yule & Co. Ltd. held through video conferencing on 25th November, 2020 at 3.30 p.m.

Beginning of the meeting

Company Secretary, AYCL:

- ❖ A very good afternoon to all our respected Shareholders. Hope, I am audible and visible to all.
- ❖ I, Sucharita Das, Company Secretary of the Company, welcome you all to the 72nd Annual General Meeting of the Shareholders of Andrew Yule & Co. Ltd. Before I hand over to the Chairman to start the proceedings of this AGM, I would like to highlight certain points here:
 - Due to COVID-19 pandemic the Ministry of Corporate Affairs and the Securities and Exchange Board of India vide their respective circulars, have allowed Companies to hold the AGM through Video Conferencing or Other Audio Visual Means during the calendar year 2020. This AGM is accordingly being held through video conference in compliance with the circulars issued by the Ministry of Corporate Affairs and SEBI.
 - Further as per the said circulars, the requirement of sending the physical copies of Annual Report for the financial year 2019-20 to the shareholders has been dispensed with. Accordingly, the Annual Reports for the financial year 2019-20 alongwith the Notice of 72nd AGM have been sent through electronic means only, to all the shareholders whose email id's were registered with the Company's Registrar and Share Transfer Agent and Depositories.
 - Since this AGM is being held through VC pursuant to the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM.
 - All the shareholders who have joined this meeting are by default being placed, by the host, on mute for conducting this meeting smoothly & seamlessly.
- ❖ Now, I would request Shri Sanjoy Bhattacharya, Chairman & Managing Director of the Company, to Chair the meeting and start the proceeding of this AGM

CMD, AYCL:

- ❖ Good afternoon, ladies and gentlemen. Hope, I am audible and visible to all. I, Sanjoy Bhattacharya, Chairman & Managing Director of Andrew Yule & Co. Ltd.,

welcome you all to the 72nd Annual General Meeting of the shareholders of the Company. It is my privilege to address all of you as the Chairman of the Company. I hope you and your family members are remaining healthy and staying safe.

- ❖ I greatly appreciate your taking the time to attend the 72nd AGM of the Company inspite of the challenging time.
- ❖ Before we start the main proceedings of the AGM, let me introduce my colleagues on the Board, who have joined the AGM through video conferencing from their respective locations and the Company Secretary:
 - (1) Shri K. Mohan – Director (Personnel) and in additional charge of the post of Director (Finance),
 - (2) Shri Vishwanath Giriraj - Independent Director and Chairman of the Audit Committee
 - (3) Shri Anil Kumar Goyal - Independent Director and Chairman of the Nomination and Remuneration Committee,
 - (4) Rear Admiral Anil Kumar Verma - Independent Director and also the Chairman of the Stakeholders Relationship Committee,
 - (5) Smt. Sucharita Das – Company Secretary.
- ❖ I wish to inform the Shareholders that Shri Rama Kant Singh, the other Govt. Nominee Director is attending this AGM as the representative of the President of India in the capacity of a Shareholder.
- ❖ Apart from them, I also acknowledge the attendance of Shri Rudraneil Mallick, authorised representative of the Statutory Auditors, M/s S. K. Basu & Co., Chartered Accountants and Shri Atul Kumar Labh, Practicing Company Secretary as the Secretarial Auditor attending from their respective locations.
- ❖ Participation of shareholders through video conference is being reckoned for the purpose of quorum as per the circulars issued by MCA and Section 103 of the Companies Act, 2013.
- ❖ As the requisite quorum is present through Video Conferencing for AGM, I call the meeting to order.
- ❖ I now request Smt. Sucharita Das, Company Secretary to take us through the regulatory matters and general instructions pertaining to the Annual General Meeting.

Company Secretary, AYCL

- ❖ Thank you, Sir.
- ❖ The facility for joining this AGM through video conference or other audio-visual means is made available for the shareholders on a first-come-first-served basis.
- ❖ The Register of Directors and Key Managerial Personnel and the Register of Contracts or Arrangements have been made available electronically for inspection by the shareholders during the AGM.

- ❖ Some of the shareholders have registered themselves as Speaker Shareholder for the AGM. Accordingly, the floor will be open for those shareholders to ask questions or express their views once announced by the Hon'ble Chairman.
- ❖ The moderator will facilitate this session once the Chairman opens the floor for Question and Answers.
- ❖ Once the Question & Answers floor opens, the moderator will unmute the particular shareholder. Before speaking, shareholders are requested to make sure that their video is on.
- ❖ We would further like to request the shareholders to limit their questions / views to 3 minutes.
- ❖ In case members face any difficulty, they may reach out on the helpline numbers provided in the Notice.
- ❖ Now I would like to request our Chairman to continue with the proceedings of the AGM

CMD, AYCL:

Chairman Speech

I would now like to share with you the performance highlights

Dear Shareholders,

Welcome to the 72nd Annual General Meeting of Andrew Yule & Co. Ltd. (AYCL). It is a great pleasure to connect with you all again, although this time we meet virtually. On behalf of the AYCL Board of Directors, I want to thank you once again for taking the time out to join us today. Your support and confidence in us, even in uncertain times like these, drive us to look for many ways to do more and create greater value. I hope you and your family members are remaining healthy and staying safe.

The COVID-19 pandemic is extraordinary and unprecedented. It has impacted the entire economy of the world. Nevertheless encouraging sign is that we are learning to live and work in the changed circumstances. I must salute the spirit of the Government authorities, healthcare workers, police and the public, in fighting the pandemic.

As you know, I took charge as Chairman cum Managing Director of the Company in September, 2020. Shri Debasis Jana ceased to be the Chairman & Managing Director of the Company with effect from the close of the business on 31st August, 2020 on reaching his superannuation.

Shri Partha Dasgupta, erstwhile Director (Finance); Shri Amit Varadan and Shri Arvind Kumar, erstwhile GOI Nominee Directors ceased to be Directors of the Company during the financial year 2020-21 whereas Shri Pravin L. Agrawal, erstwhile GOI Nominee Director; Dr. Dhanpat Ram Agarwal, Shri Sudhir Jhunjhunwala and Smt. Sipra Goon, erstwhile Independent Director of the Company ceased to be Directors during the financial year 2019-20.

On behalf of the Board of Directors, I place on record its deep appreciation of the valuable services and guidance rendered by all of them during their association with the Company.

As you know due to lockdown, your company had to temporarily suspend operations at its units and gardens as per the directives of the Government and keeping in mind the paramount need of safety of the employees. Hence, production and dispatches partially for March, 2020 and for in April-June, 2020 suffered severally. The operations, though in a scaled down manner, have since commenced after obtaining permissions from the State authorities concerned and putting in place all safety measures including social distancing, sanitization, health check-up etc. As a result of partial lifting of restrictions, operative levels have increased but it will take more time to reach at normal capacity.

During the year ended 31st March, 2020, your Company earned total revenue of Rs.329.96 crores as against Rs.352.60 crores in 2018-19, registering a decrease of 6.42 % from the previous year. Profit before Tax (PBT) during the financial year 2019-20 stood negative at Rs.(21.25) crores (Rs.10.51 crores positive in 2018-19) and Total Comprehensive Income (TCI) stood at Rs.(15.68) crores (Rs.1.37 crores in 2018-19) after making necessary Income Tax provisions and other adjustment of losses under the category of other comprehensive income for example, adjustment of actuarial gains/losses relating to employee benefits, loss on re-measurement of investments, etc.

Your company always strives to attain highest level of Corporate Governance practices. Implementation of Integrity Pact, adoption of code of conduct and a well- defined Internal Control Framework add to the transparency of the Company's business practices. AYCL is complying with the Government Guidelines and listing regulations on Corporate Governance. However, filing up of vacant posts of Director which is one of the requirements of Corporate Governance, is under process at Government level. A report on Corporate Governance compliance has been made part of the Board's Report. Your Company has been getting "Excellent" rating from Department of Public Enterprises (DPE) for complying with various norms of Corporate Governance. I am sure that the trend will continue.

Being a good corporate citizen, AYCL has always been on the forefront in extending its assistance for upliftment of the less privileged class of the society through development and improvement of the quality of life with our limited resources. AYCL has undertaken a number of CSR initiatives in the area of health, sanitation, water supply facilities, providing vocational training etc.

I am pleased to inform you that various initiatives were taken for improvement of prospects of tea operation of the Company. The Company has initiated a process for appointing dealers for packet tea to create a strong PAN India Dealer Network for Yule Tea brand. The packet tea sales counter at "Yule House" has been renovated and made more attractive. All gardens of the group are now having FSSAI License to operate and manufacture tea. With better field practices and major emphasis on increase in younger age profile of the tea bushes through vigorous uprooting & replanting programme resulting in higher crop prospects for the future years.

“Yule Tea” will focus on taking the right strategic actions and building a strong set of future-focused capabilities and platforms, to attain these opportunities. We have a strong brand, which will help us to achieve our aspirations for the future. The opportunities ahead of the Company are inspiring and motivating for all of us.

Initiatives under “Atmanirbhar Bharat Abhiyaan”

AYCL being a CPSE, is fully devoted to make “Atmanirbhar Bharat Abhiyaan” a profound success. Towards this goal it has taken several initiatives as below:

Import Substitution: Imported critical Sinter Waste Gas Fan Rotor assembly for integrated Steel Plants viz. RINL, SAIL-Bhilai, Bokaro and Durgapur, substituted with AYCL make rotors.

Make in India:

- Many EPC contractors like Thyssen Krupp, Thermax, IJT etc. have so far exported AYCL Engg Divn's Industrial Fans to 14 foreign countries.
- Produced high quality Tea for International buyers like Twinings who bought 1.34 lakh kg so far in 2020-21.

Product Development Initiatives:

- Engineering Division has developed high efficiency and economic heavy & medium duty Industrial Fans through in-house R&D which now compete with International players in India. Also Retrofitted imported ones, saving foreign exchange.
- Electrical Division manufacturers best Auto Voltage regulator upto 3 MVA with indigenous technology and now a favourite for Indian buyers. Distribution Transformer is certified for high efficiency BIS level 2 for wider market acceptance.
- Tea Division continues developing special quality tea like white tea, moon drop tea and many others, through inhouse expertise and using inputs from Tea Research Association (TRA).

I would like to take this opportunity to gratefully acknowledge the valuable guidance, support and cooperation received from the Department of Heavy Industry, Ministry of Heavy Industries & Public Enterprises, Government of India, as well as from other Ministries of the Central and State Governments, our valued customers, company's bankers, suppliers, staff- workers etc. At the same time, I wish to acknowledge the valuable guidance given by the Board of Directors of the company without which it would have not been possible to lead the Company in definite direction. I look forward to continued support and commitment from all stakeholders of the Company to reach new heights and enhancing stakeholders' value.

- ❖ Now, in regard to the other proceedings of the AGM, kindly note that the Notice of the 72nd AGM along with the Annual Report for the financial year 2019-20 was sent to the shareholders electronically. With your kind permission, I shall take them as read.
- ❖ The observations made by the Statutory Auditors in their Report on the financials of the Company for the financial year 2019-20 and by the Secretarial Auditor in their Report for the financial year 2019-20 along with the management's response

on the observations have been included in detail in the Board's Report in page nos. starting from 32 to 35. Therefore, with your kind permission, I take the Statutory Auditor's Report and the Secretarial Auditor's Report as read.

BUSINESS OF THE MEETING

- ❖ I now take up the resolutions as set forth in the Notice of the 72nd AGM:

Resolution No. 1

Adoption of the Audited Financial Statements of the Company for the financial year ended 31st March, 2020 including the Audited Consolidated Financial Statements for the year ended on that date together with the Reports of the Board of Directors, Auditors and Comments of the Comptroller & Auditor General of India (CAG) thereon.

Resolution No. 2

Appointment of a Director in place of Shri Rama Kant Singh (DIN: 08360278), who retires by rotation and being eligible, offers himself for re-appointment.

Resolution No. 3

Fixation of remuneration payable to the Statutory Auditors of the Company for the financial year 2020-21.

Resolution No. 4

Ratification of the remuneration payable to the Cost Auditors of the Company for the financial year 2020-21.

Resolution No. 5

According consent for continuation of appointment of Shri Vishwanath Giriraj (DIN: 01182899) as an Independent Director of the Company.

Resolution No. 6

According consent for continuation of appointment of Shri Anil Kumar Goyal (DIN: 07791721) as an Independent Director of the Company.

Resolution No. 7

According consent for continuation of appointment of Rear Admiral Anil Kumar Verma (DIN: 05177972) as an Independent Director of the Company.

- ❖ The details of the resolutions along with explanatory statement is provided in the notice circulated to the shareholders.
- ❖ I now request the Company Secretary to brief the shareholders regarding e-voting process.

Company Secretary, AYCL:

- ❖ Thank you, Sir.
- ❖ In compliance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations, the Company had provided to all the shareholders holding shares as

on the cut-off date of 18th November, 2020, either in physical form or in dematerialised form, the facility to exercise their right to vote on resolutions, as set out from item no. 1 to item no. 7 in the notice of the 72nd AGM through remote e-voting platform provided by NSDL. The remote e-voting facility was available to shareholders from 22nd November, 2020 (9:00 a.m.) to 24th November, 2020 (5:00 p.m.).

- ❖ Electronic voting facility at the AGM is also being made available to enable members, who have not cast their votes through remote e-voting to exercise their voting rights. The e-voting window shall be activated upon instructions by the Chairman during the AGM proceedings. The members attending the meeting who have not cast their vote by remote e-voting can exercise their right at the Annual General Meeting through electronic voting facility. Shareholders can click on “Vote” tab on the video conference screen to avail this feature.
- ❖ Shareholders may please note that there will be no voting by show of hands.
- ❖ Further, since the meeting is being held through electronic mode, no proposing and seconding of resolutions will be there.
- ❖ The Company has appointed Shri Atul Kumar Labh, Practicing Company Secretary, to act as the Scrutinizer for scrutinizing the remote e-voting and the e-voting process at the AGM in a fair and transparent manner. The results will be declared based on scrutinizer’s report after considering the e-voting done today by the members participating in this AGM and also the remote e-voting already done by the shareholders. The results would be published on the Company’s website, on the website of NSDL and will also be uploaded on the website of the Stock Exchange i.e. BSE.
- ❖ May I now request our Chairman to continue with the proceedings of the AGM.

CMD, AYCL:

- ❖ The e-voting window shall now be activated for allowing the shareholders to vote during the AGM. Shareholders are requested to vote by clicking on the insta poll button visible on your screen.
- ❖ Now, I will invite the shareholders who have registered themselves as speakers to express their views, ask questions and give suggestions.
- ❖ So, I will read out the names of the registered shareholders one by one to give their opinions and would request the Moderator to unmute the Speaker Shareholders one by one.
- ❖ Speaker Shareholders raised their queries one by one.
- ❖ Thank you all for providing your valuable feedback. Now, I would like to answer the questions.
- ❖ CMD answered all the queries raised by the shareholders.

- ❖ I think all the questions are addressed now.
- ❖ I would now conclude the meeting. The e-voting process will continue for next 15 mins and will be disabled thereafter.
- ❖ Shareholders who have not cast their vote yet are requested to do so.
- ❖ Further, I authorize the Company Secretary of the Company to declare the voting results latest by 5.00 p.m. on Thursday, 26th November, 2020 after receiving the Consolidated Scrutinizers' Report. The Results declared along with the Scrutinizer's Report will be intimated to the BSE Limited (BSE), where the shares of the Company are listed and also uploaded on the Company's Website www.andrewyule.com as well as on the Website of NSDL, the authorised agency for providing the remote e-voting facility in connection with the 72nd Annual General Meeting.
- ❖ The resolutions, as set forth in the Notice, shall be deemed to have been passed today subject to receipt of requisite number of votes.
- ❖ I thank all the Shareholders for participation in this AGM. I also thank all the Board Members and Auditors for their participation.
- ❖ I now hereby declare the proceedings of this AGM as closed. Thank you.

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