

**ANDREW YULE & COMPANY LIMITED**

[A Government of India Enterprise]

CIN:L63090WB1919GOI003229

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

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

**STATEMENT OF AUDITED STANDALONE AND UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH 2017**

**Statement of Standalone and Consolidated Financial Result**

[₹ in lacs]							
Particulars	Standalone					CONSOLIDATED	
	For The Quarter And Twelve Months Ended 31st March,2017					For The Twelve Months Ended 31st March,2017	
	3 months ended 31.03.2017	Corresponding 3 months ended 31.03.2016	Preceding 3 months ended 31.12.2016	Twelve Months ended 31.03.2017	Twelve Months ended 31.03.2016	Twelve Months ended 31.03.2017	Twelve Months ended 31.03.2016
	[Audited]*	[Audited]*	[Audited]*	[Audited]*	[Audited]*	[UnAudited]*	[Audited]*
[1] Income from Operations							
[a] Net Sales/Income from Operations (Net of excise duty)	9,738.31	9,155.53	11,018.39	39,854.12	35,759.86	41,415.16	37,421.61
[b] Other Operating Income	597.68	94.83	58.50	907.36	1,040.30	914.54	1,002.45
Revenue From Operations	10,335.99	9,250.36	11,076.89	40,761.48	36,800.16	42,329.70	38,424.06
[c] Other Income	432.41	1,467.70	1,487.20	4,173.60	2,197.57	4,277.92	2,268.94
Total Income from Operations (Net)	10,768.40	10,718.06	12,564.09	44,935.09	38,997.73	46,607.62	40,693.00
[2] Expenses							
[a] Cost of Materials Consumed	4,165.97	3,539.72	3,639.87	15,550.95	12,826.67	16,327.51	13,466.52
[b] Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-trade	2,542.16	1,378.53	707.92	128.47	(441.32)	146.24	(427.58)
[c] Employee Benefits Expense	3,448.92	3,422.38	3,988.88	16,248.08	15,529.51	16,565.70	15,820.91
[d] Depreciation and Amortisation Expense	269.52	90.54	145.81	680.68	667.18	708.01	693.56
[e] Other Expenses	905.58	2,461.73	2,018.20	7,784.27	8,513.11	8,508.77	9,141.93
[f] Finance Cost	154.32	175.33	175.13	862.04	955.83	942.11	991.93
Total Expenses	11,486.48	11,068.23	10,675.80	41,254.49	38,050.98	43,198.34	39,687.27
[3] Profit/(Loss) from operations before exceptional items [1-2]	(718.08)	(350.17)	1,888.29	3,680.60	946.75	3,409.28	1,005.73
Exceptional Items	288.92	-	-	288.92	19.39	-	-
[4] Profit/(Loss) from ordinary activities before tax	(1,007.00)	(350.17)	1,888.29	3,391.68	927.36	3,409.28	-
[5] Tax Expense							
[a] Current Tax	(19.53)	22.07	20.97	43.38	114.87	126.88	136.31
[b] Earlier Years Tax	125.28	-	-	125.28	-	-	-
[c] Mat Credit Entitlement	(43.38)	-	-	(43.38)	-	-	-
[d] Wealth Tax for earlier years	(6.30)	-	-	(6.30)	-	-	-
[e] Deferred Tax	534.13	-	-	534.13	(22.80)	552.54	(27.56)
[6] Net Profit/(Loss) for the period	(1,597.20)	(372.24)	1,867.32	2,738.57	835.29	2,729.86	847.74
						1,228.74	1,267.40
[7] Profit After Taxes, Share of Profit of Associates						3,958.60	2,115.14
[8] Paid-up Equity Share Capital (Face Value of Rs.2/- per share)	9,779.02	9,779.02	9,779.02	9,779.02	6,672.77	9,779.02	6,672.77
[9] Reserves excluding Revaluation Reserve as per Balance Sheet of previous accounting year							
[10] (i) Earnings per share (not annualised)	-	-	-	8,279.13	2,805.11	23,387.79	16,686.42
(a) Basic	(0.26)	(0.11)	0.38	0.63	0.25	0.91	0.63
(b) Diluted	(0.26)	(0.08)	0.38	0.63	0.18	0.91	0.44

**Notes:**

- [1] The statement of Audited Financial results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meeting held on 30th May, 2017.
- [2] Figures of the previous year have been re arranged and regrouped wherever found necessary
- [3] The Board has recommended a dividend at the rate of five percent on issued equity share amounting to Rs 488.95 lakhs and Dividend Distribution Tax of Rs 95.10 lakhs

**(Sunil Munshi)**  
Chairman & Managing Director  
**ANDREW YULE & COMPANY LIMITED**  
(A Govt. of India Enterprise)  
8, Dr. Rajendra Prasad Sarani  
Kolkata - 700 001

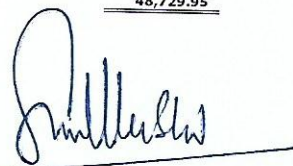


ANDREW YULE & COMPANY LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2017

[₹ in lakhs]

		Note No.	STANDALONE		CONSOLIDATED			
			As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2017	As at 31st March, 2016		
<b>I. EQUITY AND LIABILITIES</b>								
[1]	Shareholders' Funds	2						
	[a] Share Capital	2.1	9,779.02	6,672.77	9779.02	6,672.77		
	[b] Reserves and Surplus	2.2	<u>8,279.14</u>	<u>13,140.37</u>	<u>23387.79</u>	<u>27,018.94</u>	33,691.71	
			18,058.16		19,813.14	33,166.81		
[2]	Share Application Money Pending Allotment	3			2,857.00		2,857.00	
[3]	Non-Current Liabilities	4						
	[a] Long Term Borrowings	4.1	751.84	2,001.26	754.21	2,007.29		
	[b] Deferred Tax Liabilities [Refer Note No.10.10(b)]		820.17	286.04	838.58	286.04		
	[c] Other Long Term Liabilities	4.2	101.32	98.05	101.32	98.38		
	[d] Long Term Provisions	4.3	<u>2,632.02</u>	<u>1,963.69</u>	<u>2856.53</u>	<u>1,988.28</u>	4,379.99	
			4,305.34	4,349.04	4,550.64	1,988.28		
[4]	Current Liabilities	5						
	[a] Short Term Borrowings	5.1	2,729.65	3,976.42	3267.52	4,436.28		
	[b] Trade Payables	5.2	9,477.83	9,514.34	10096.96	10,043.05		
	[c] Other Current Liabilities	5.3	5,539.95	7,276.75	5813.96	7,750.85		
	[d] Short Term Provisions	5.4	<u>677.27</u>	<u>943.26</u>	<u>688.73</u>	<u>943.26</u>	23,173.44	
			18,424.70	21,710.77	19,867.17	943.26		
Total :			<u><u>40,788.20</u></u>	<u><u>48,729.95</u></u>	<u><u>57,584.62</u></u>	<u><u>64,102.14</u></u>		
<b>II. ASSETS</b>								
[1]	Non-Current Assets							
	[a] Goodwill						0.49	
	[b] Property, Plant & Equipment and Intangibles	6						
	[i] Tangible Assets	6	7,800.82	18,313.61	8116.66	18,554.32		
	[ii] Intangible Assets	6	19.68	27.15	20.87	27.35		
	[iii] Capital Work-in-Progress	6	<u>1,809.44</u>	<u>87.79</u>	<u>1,814.25</u>	<u>92.14</u>	18,673.81	
			9,629.94	18,428.55	9,951.79	92.14		
	[c] Non-Current Investments	6.1	860.42	865.27	15,579.38	14,345.03		
	[d] Long Term Loans and Advances	6.2	1,017.54	946.64	1,333.29	1,273.75		
	[e] Other Non-Current Assets	6.3	<u>1,068.44</u>	<u>900.88</u>	<u>1,084.04</u>	<u>911.16</u>	16,529.94	
			2,946.40	2,712.79	17,996.74	911.16		
[2]	Current Assets	7						
	[a] Current Investments	7.1	0.35	0.35	0.35	0.35		
	[b] Inventories	7.2	4,669.84	4,577.23	4792.19	4,708.44		
	[c] Trade Receivables	7.3	9,848.73	9,696.02	11262.91	10,898.06		
	[d] Cash and Cash Equivalents	7.4	8,076.44	8,184.61	8121.74	8,221.62		
	[e] Short Term Loans and Advances	7.5	4,862.78	4,461.18	4705.11	4,374.82		
	[f] Other Current Assets	7.6	<u>753.71</u>	<u>669.22</u>	<u>753.75</u>	<u>694.61</u>	28,897.94	
			28,211.86	27,588.61	29,636.09	694.61		
Total :			<u><u>40,788.20</u></u>	<u><u>48,729.95</u></u>	<u><u>57,584.62</u></u>	<u><u>64,102.18</u></u>		

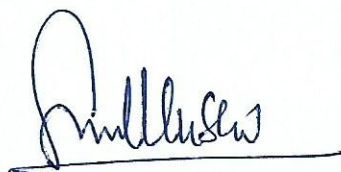


(Sunil Munshi)  
Chairman & Managing Director  
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**SEGMENT-WISE REVENUE, RESULTS, ASSETS & LIABILITIES FOR THE YEAR ENDED 31st MARCH, 2017**  
**STANDALONE**

Particulars	3 months ended 31.03.2017	Corresponding 3 months ended in the previous year 31.03.2016	Preceding 3 months ended 31.12.2016	Year to date figures for current period ended 31.03.2017	Year to date figures for the previous period ended 31.03.2016
[1] Segment Revenue [net sales/income from each segment]					
[a] Tea	3,366.25	2,375.26	7,029.67	21,017.62	21,482.37
[b] Electrical	5,189.38	5,447.39	3,301.79	15,784.72	12,027.94
[c] Engineering	1,615.68	1,272.74	581.17	3,300.19	2,640.79
[d] Unallocated	175.89	176.34	168.17	680.33	673.91
<b>[e] Total</b>	<b>10,347.20</b>	<b>9,271.73</b>	<b>11,080.80</b>	<b>40,782.86</b>	<b>36,825.01</b>
Less: Inter-Segment Revenue	11.21	21.37	3.91	21.86	24.89
<b>Net Sales/Income from Operations</b>	<b>10,335.99</b>	<b>9,250.36</b>	<b>11,076.89</b>	<b>40,761.00</b>	<b>36,800.12</b>
[2] Segment Results [Profit(+)/Loss(-) before Tax and Interest from each Segment]					
[a] Tea	(1,275.54)	(1,866.02)	1,015.37	3,134.09	1,297.93
[b] Electrical	26.68	777.89	(61.87)	179.36	(257.49)
[c] Engineering	9.53	104.35	(108.30)	(382.65)	(303.92)
<b>[d] Total</b>	<b>(1,239.33)</b>	<b>(983.78)</b>	<b>845.20</b>	<b>2,930.80</b>	<b>736.52</b>
Less:					
[i] Interest	154.34	175.33	175.14	862.06	955.83
[ii] Other Unallocable Expenditure net off Unallocable Income	(386.66)	(808.94)	(1,218.25)	(1322.94)	(1,146.67)
<b>Total Profit before/(loss) Tax</b>	<b>(1,007.01)</b>	<b>(350.17)</b>	<b>1,888.31</b>	<b>3,391.68</b>	<b>927.36</b>
<b>Segment Assets</b>					
Tea	15,270.44	24,481.62	26,624.85	15,270.44	24,481.62
Electrical	15,335.52	14,526.56	16,591.63	15,335.52	14,526.56
Engineering	5,829.32	5,053.10	5,226.38	5,829.32	5,053.10
Unallocated Corporate	4,352.92	4,668.66	5,414.11	4,352.92	4,668.66
<b>Total</b>	<b>40,788.20</b>	<b>48,729.94</b>	<b>53,856.97</b>	<b>40,788.20</b>	<b>48,729.94</b>
<b>Segment Liabilities</b>					
Tea	5,479.79	5,656.33	4,698.12	5,479.79	5,656.33
Electrical	11,593.14	15,422.95	13,361.51	11,593.14	15,422.95
Engineering	4,259.78	3,683.28	3,984.99	4,259.78	3,683.28
Unallocated Corporate	19,455.49	23,967.38	31,812.35	19,455.49	23,967.38
<b>Total</b>	<b>40,788.20</b>	<b>48,729.94</b>	<b>53,856.97</b>	<b>40,788.20</b>	<b>48,729.94</b>
<b>Segment Capital Employed</b>					
(Segment Assets-Segment Liabilities)					
Tea	9,790.65	18,825.29	21,926.73	9,790.65	18,825.29
Electrical	3,742.38	(896.39)	3,230.12	3,742.38	(896.39)
Engineering	1,569.54	1,369.82	1,241.39	1,569.54	1,369.82
Unallocated Corporate	(15,102.57)	(19,298.72)	(26,398.24)	(15,102.57)	(19,298.72)
Share Holder Fund					



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**V.SINGHI & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

**INDEPENDENT AUDITOR'S REPORT**

**To the Members of Andrew Yule & Company Limited**

**Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of Andrew Yule & Company Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.





# **V.SINGHI & ASSOCIATES**

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### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the Audit Report.

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

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

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

### **Basis for Qualified Opinion**

No provision has been made in the financial statements for diminution in the value of non current investments amounting to Rs.543.24 lakhs (Refer Note 10.08)

Had the observation been considered, Profit for the year before provision of taxes would have been Rs. 2,848.44 lakhs as against the reported profit of Rs.3,391.68 lakhs, Reserves and Surplus would have been Rs. 7,735.90 lakhs as against the reported Reserves and Surplus of



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## **CHARTERED ACCOUNTANTS**

Rs. 8,279.14 lakhs and value of Non - Current Investments would have been Rs. 317.18 lakhs as against the reported figure of Rs. 860.42 lakhs.

### **Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the matter described in the Basis for Qualified Opinion paragraph, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2017, and its profit and its cash flows for the year then ended.

### **Other Matters**

1. Note no. 10.03 regarding sanctioned rehabilitation scheme vide Board for Industrial and Financial Reconstruction (BIFR) Order dated October 30, 2007. The rehabilitation schedule of the Company, with cutoff date 31st March, 2006 is in process of implementation.
2. Note No. 10.09 regarding Balances of Trade Receivables, Deposits and Advances to the parties and Non-Current Assets, Trade Payables and other liabilities which are subject to confirmation. In absence of confirmations from the parties we are unable to verify adequacy of the provision made for Bad & Doubtful Debts. Necessary adjustment if required will be made in the standalone Financial Statements on receipts of confirmation of the parties
3. Note No. 10.27 regarding Balances of Security Deposits and Earnest Money deposits which are under reconciliation.
4. Note No. 10.28 regarding Balances of Related Parties which are subject to reconciliation.

Our opinion is not modified in respect of these matters.

### **Report on Other legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act and on the basis of such checks of the books and records of the Company as





**V.SINGHI & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

considered appropriate and as per information and explanations given to us, we give in the Annexure - A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

- a) we have sought and obtained, except for the matters described in the Basis for Qualified Opinion paragraph above, the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
- b) except for the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
- e) the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, has an adverse effect on the profit of the Company.
- f) on the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
- g) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure - C; and
- h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our



**V.SINGHI & ASSOCIATES**  
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opinion and to the best of our information and according to the explanations given to us:

- i. the Company has disclosed its pending litigations on its financial position in its standalone financial statements. Refer Note 10.02 to the standalone financial statements.
  - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses,
  - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and
  - iv. the Company has provided requisite disclosure in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. However, in the absence of denomination wise records of specified bank notes, we are unable to comment whether these are in accordance with the books of account maintained by the Company.
3. As required by section 143(5) of the Act the directions and sub-directions issued by the Comptroller & Auditor General of India, we give our comments, action taken and in respect on the standalone financial statements in Annexure - B annexed herewith.



Four Mangoe Lane,  
Surendra Mohan Ghosh Sarani  
Date: 30<sup>th</sup> May, 2017

**For V. SINGHI & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No. 31/1017E**

  
**(V.K. SINGHI)**  
**Partner**

Membership No. 050051



# **V.SINGHI & ASSOCIATES**

## **CHARTERED ACCOUNTANTS**

### **Annexure - A to the Independent Auditor's Report**

(Referred to in paragraph-1 on Other Legal and Regulatory Requirements of our Report of even date to the members of Andrew Yule & Company Limited on the standalone Financial Statements of the Company for the year ended 31st March, 2017)

- i. [a] The Company is maintaining proper records showing full particulars including quantitative details and situation of its Fixed Assets.  
  
[b] As explained to us, Fixed Assets have been physically verified by the management at regular intervals and as informed to us no material discrepancy were noticed on such verification.  
  
[c] As per records of the Company and according to the information and explanations given to us, the Title Deeds of immovable properties are held in the name of the Company except two properties situated at Kolkata, the title deeds of which have been lost and a General Diary has been lodged by the Company with Burrabazar Police Station on 25<sup>th</sup> May, 2017.
- ii. According to the information and explanations given to us, the inventories have been physically verified during the year at reasonable intervals by the management. The discrepancies noticed on verification between the physical inventories and book records were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.
- iii. a. According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured, during the year [excluding outstanding unsecured loans to its Wholly owned subsidiary Companies viz, Yule Electrical Limited (Rs.2.71 Lakhs), Hoogly Printing Company Limited (Rs. 82 Lakhs) and Yule Engineering Limited (Rs.12.34 lakhs) as on 31.03.2017] to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Act.  
  
b. No interest is being charged on the above loan except on loan given to Hoogly Printing Company Limited. Yule Electrical Limited and Yule Engineering Limited do



# **V.SINGHI & ASSOCIATES**

## **CHARTERED ACCOUNTANTS**

not have any transactions with respect to the above mentioned loans and these Companies were formed as per BIFR Order. There are no schedules as regards to repayments of Principal amount and interest thereon and therefore we are not in a position to make any comments as to whether or not the Company was regular in receipt of principal amount and interest

- c. In view of our comments in Para (a) and (b) above, we are not in a position to make any comment as to whether or not there were any overdue amounts and whether any reasonable steps have been taken by the Company for recovery of the principal amount.
- iv. According to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act, in respect of loans and investments made and guarantees given by it.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public during the year within the meaning of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under to the extent notified.
- vi. We have broadly reviewed the cost records maintained by the Company relating to all products of the Company. However we have not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. a. As per records of the Company and according to the information and explanations given to us, the Company is generally regular in depositing undisputed applicable statutory dues including Provident Fund, Employees' State Insurance, Excise Duty Income Tax, Sales Tax, Service Tax, Custom Duty, Value Added Tax, Cess and any other statutory dues to the appropriate authorities and there are no undisputed amount payable in respect of the same which were in arrears as on 31st March, 2017 for a period of more than six months from the date the same became payable.  
  
b. According to the information and explanations given to us the Company has not deposited the following dues on account of disputes with the appropriate authority:





# V.SINGHI & ASSOCIATES

## CHARTERED ACCOUNTANTS

Name of Statute	Nature of Dues	Amount [₹ lakhs]	Period to which amount Relates	Forum where the dispute is pending
Income Tax Act.	Income Tax (Penalty)	8.20	1988-89	C.I.T. (Appeal)(20)
		4.65	2004-05	C.I.T. (Appeal)(20)
	Income Tax	2006.35	2010-11	ITAT- Cal
		84.23	2012-13	C.I.T. (Appeal)(2)
W.B.Sales Tax and VAT	W.B.Sales Tax & VAT	585.97	1979-80 1986-87 1988-89 2001-02 2004-05 2005-06 2006-07 2007-08 2009-10 2011-12	West Bengal Commercial Tax Appellate & Revisional Board.
			1973-74 1987-88 1994-95 1997-98 1999-00 2000-01 2003-04	West Bengal Taxation Tribunal.
			1985-86 1987-88 1992-93 1996-97 1997-98 1999-00 2000-01 2003-04	Appellate Authority, Calcutta High Court
			2012-13	Special Commissioner
			1980-81 1982-83 1983-84 1984-85	Appellate Authority, SoD



**V.SINGHI & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

Name of Statute	Nature of Dues	Amount [₹ lac]	Period to which amount Relates	Forum where the dispute is pending
Assam Sales Tax and VAT	Sales Tax and Vat	152.93	1996-97 to 1998-99	Appellate Authority Revenue Board.
Orissa Sales Tax and VAT	Sales Tax	106.24	1999-2000	Appellate Auth- ority Tribunal at High Court Cuttack.
		5.64	2001-02	2nd Appellate Authority Berhampore
Central Excise	Central Excise	331.98	1996-97 1998-99 1992-93 1993-94 1990-91 2001 to 2003 2009-10	Appeal at CESTAT.
		52.58	1991-92 1992-93	Appeal at Calcutta High Court
		25.81	1995 to 1997 2012-13 2013-14	Commissioner of Central Excise
Service Tax	Service Tax	13.91	2006-07 2007-08 2009-10 2010-11 2006-07 2007-08	Appeal at CESTAT.





**V.SINGHI & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

- viii. According to the information and explanations given to us and based on our examination of the books and records of the Company, we report that the Company has not defaulted in repayment of dues to financial institutions and banks. However we cannot comment on the repayment of Sales Tax Loan from Government of West Bengal of Rs. 748.58 lakhs (inclusive of interest Rs 367.16 lakhs) as the repayment schedule of the same has not been provided for our verification.
- ix. According to the information and explanations given to us and based on our examination of the books and records of the Company, we report that the term loan has been applied for the purpose for which the same was obtained.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us and based on our examination of the books and records of the Company, we report that the Company has paid or provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company Accordingly, clause 3 (xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the books and records of the Company, we report that transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the books and records of the Company, we report that the Company has not made any preferential allotment/ private placement of shares or fully or partly convertible debentures during the year except shares allotted to the Government of India and Bank of Baroda on Conversion of their loans in the Equity Shares .Accordingly, Clause 3 (xiv) of the Order is not applicable.



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

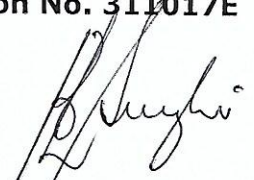
xvi. The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934.

**For V. SINGHI & ASSOCIATES**

**Chartered Accountants**

**Firm Registration No. 311017E**



  
**(V.K.SINGHI)**

**Partner**

Membership No. 050051

Four Mangoe Lane,  
Surendra Mohan Ghosh Sarani  
Date: 30<sup>th</sup> May, 2017



# **V.SINGHI & ASSOCIATES**

## **CHARTERED ACCOUNTANTS**

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

(Referred to in paragraph-2(g) on Other Legal and Regulatory Requirements of our Report of even date to the members of Andrew Yule and Co. Ltd. on the Standalone Financial Statements of the Company for the year ended 31st March, 2017)

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

We have audited the internal financial controls over financial reporting of Andrew Yule and Company Ltd ("the Company") as of 31<sup>st</sup> March, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of





# **V.SINGHI & ASSOCIATES**

## **CHARTERED ACCOUNTANTS**

Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

### **Meaning of Internal Financial Controls Over Financial Reporting**

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





# **V.SINGHI & ASSOCIATES**

## **CHARTERED ACCOUNTANTS**

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

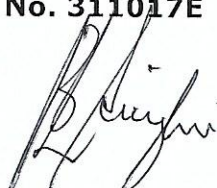
In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For V. SINGHI & ASSOCIATES**

**Chartered Accountants**

**Firm Registration No. 311017E**



  
**(V.K.SINGHI)**

**Partner**

**Membership No. 050051**

Four Mangoe Lane,  
Surendra Mohan Ghosh Sarani  
Date: 30<sup>th</sup> May, 2017

**V.SINGHI & ASSOCIATES**  
CHARTERED ACCOUNTANTS

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

**Directions under section 143(5) of the Companies Act, 2013 on the basis of our audit of the Standalone financial statements of Andrew Yule & Company Limited for the financial year 2016-17, we give below our answer to the questions and information asked for in the above mentioned Directions.**

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





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**CHARTERED ACCOUNTANTS**


authorities.	According to the information and explanations given to us, no assets have been received as gift from Government or other authorities.
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**For V. SINGHI & ASSOCIATES**

**Chartered Accountants**

**Firm Registration No. 311017E**



  
**(V.K.SINGHI)**

**Partner**

**Membership No. 050051**

Four Mangoe Lane,

Surendra Mohan Ghosh Sarani

Date: 30<sup>th</sup> May, 2017

# ANDREW YULE & COMPANY LIMITED

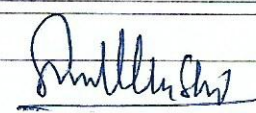
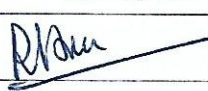

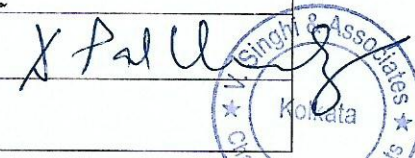
## ANNEXURE-I

### Statement on Impact of Standalone Audit Qualifications for the Financial Year ended 31st March, 2017

[Rs. in lakh]

Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
<b>[I]</b>			
1.	Turnover/Total Income	44935.09	44935.09
2.	Total Expenditure	42196.52	42739.76
3.	Net Profit/(Loss)	2738.57	2195.33
4.	Earnings Per Share (Basic)	0.63	0.51
5.	Total Assets	40788.20	40244.96
6.	Total Liabilities	40788.20	40244.96
7.	Net Worth	17547.87	17004.63
8.	Any other financial item(s) (as felt appropriate by the Management)	...	...

<b>[II]</b>	<b>Audit Qualification :</b>	
[a]	Details of Audit Qualification	⇒ Details of qualified opinion as contained in the Report of the Statutory Auditor for the year ended 31st March, 2017.
[b]	Type of Audit Qualification	⇒ [1] No provision has been made in respect of diminution in the value of investments in WEBFIL Limited, Fort Gloster Industries Ltd., Katras Jherriah Coal Co. Ltd., The New Beerbhoom Coal Co. Ltd. amounting to ₹33.84 lakh. [2] No provision for diminution in the value of investments in 6% Cumulative Redeemable Preference Shares amounting to ₹204.40 lakh and Zero Rate Unsecured Redeemable Bond amounting to ₹305.00 lakh of WEBFIL Ltd.
[c]	Frequency of Qualification	⇒ Qualification stated in point b[1] relating to WEBFIL Ltd. from financial year 2011-12 and Others in 2016-17.
[d]	For Audit Qualifications where the impact is quantified by the auditor, Management's views	⇒ Response of Management : [a] Diminution in the value of long term equity investment as stated in above b[1], is in the opinion of the management not of a permanent nature and accordingly no provision has been made in the Accounts. A suitable disclosure in this regard has been made in the Note No.10.08. [b] The Company has decided to increase the moratorium period in respect of 6% Cumulative Redeemable Preference Shares-WEBFIL of ₹204.40 lakh and WEBFIL Ltd. Zero Rate Unsecured Redeemable Bond of ₹305.00 lakh for a period of 7 (seven) years commencing from 1st April, 2014 and 20th December, 2014 respectively. Hence Management feel no provision is required and suitable disclosure in this regard has been made in the Note No.10.22.
[e]	For Audit Qualifications where the impact is not quantified by the Auditor	⇒ Not Applicable
[i]	Management's estimation on the impact of Audit Qualification	⇒
[ii]	If Management is unable to estimate the impact, reasons for the same	⇒
[iii]	Auditor's Comments on (i)&(ii) above	⇒

<b>[III]</b>	<b>Signatories :</b>	
➤	CEO/Managing Director	⇒ 
➤	CFO	⇒ 
➤	Audit Committee Chairman	⇒ 
➤	Statutory Auditor	⇒ 
Place : Kolkata.		
Date : 30.03.2017		

