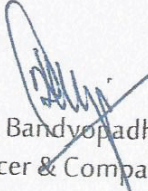
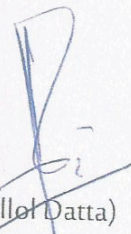



# FORM B

[1]	Name of the Company	ANDREW YULE & CO. LTD.
[2]	Annual financial statements for the year ended	31st March, 2014
[3]	Type of Audit qualification	Details of qualification as contained in the Report of the Statutory Auditor for the year ended 31st March, 2014 are as under :  No provision has been made in respect of diminution in the value of investments in WEBFIL Limited amounting to ₹14.50 lakh.
[4]	Frequency of qualification	Qualification stated in point 3 from financial year 2011-12.
[5]	Draw attention to relevant notes of the annual financial statements and management response to the qualification in the directors report.	No provision has been made in the accounts in respect of diminution in the value of investments in WEBFIL Limited amounting to ₹14.50 lakh under "Basis for Qualified Opinion" of Audit Report for the year 2013-14.
		<b>Response of Management :</b> [a] 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.
[6]	Additional comments from the board/ audit committee chair	None

[7] Signature

  
(Debabrata Bandyopadhyay)  
Chief Financial Officer & Company Secretary.

  
(Kallol Datta)  
Chairman & Managing Director.

  
(CA Arnab Deb)  
Partner  
Gupta & Co.,  
Chartered Accountants.





**Important Communication to Members**

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

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## ANDREW YULE & COMPANY LIMITED

### BOARD OF DIRECTORS

Kallol Datta	– Chairman & Managing Director
S. Swaminathan	– Director (Planning)
Sunil Munshi	– Director (Personnel)
Rajesh Kumar Singh	– Non-Executive Director
Dinesh Kumar	– Non-Executive Director

### CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

Debabrata Bandyopadhyay

### REGISTERED OFFICE

'Yule House',  
8, Dr. Rajendra Prasad Sarani,  
Kolkata – 700 001.  
CIN – L63090WB1919GOI003229  
Telephone Nos.(033) 2242 8210/8550  
Fax No.(033) 2242 9770  
Website : [www.andrewyule.com](http://www.andrewyule.com)  
E-mail ID : [com.sec@andrewyule.com](mailto:com.sec@andrewyule.com)  
[fc@andrewyule.com](mailto:fc@andrewyule.com)

### 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 – 700 016.

### *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 66th 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 Wednesday, 24th September, 2014 at 11-00 a.m. to transact the following business :

### Ordinary Business :

- [1] To consider and adopt the audited financial statement of the Company for the financial year ended 31st March, 2014 alongwith the Consolidated financial statements of the Company as on 31st March, 2014, together with the reports of the 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, 2015.
- [3] To appoint a Director in place of Shri Rajesh Kumar Singh (DIN : 06459343) who retires by rotation and being eligible has offered himself for re-appointment.

### SPECIAL BUSINESS :

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

#### [4] As a Special Resolution :

“RESOLVED that consent of the Company be and is hereby accorded in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, to the Board of Directors of the Company (including a Committee Constituted by the Board for this purpose) to mortgage and/or charge the whole or substantially the whole of one or more of the Undertakings of the Company wheresoever situated, present and future, in favour of Scheduled Banks, Foreign Banks, Financial Institutions, NBFCs, Mutual Funds, Insurance Companies or any other category of lender, in India or abroad to secure loans in Indian Rupees or Foreign Currency guarantees, Working Capital facilities and/or any other financial assistance obtained/to be obtained from one or more of the aforesaid lenders upto an aggregate amount not exceeding ₹300 crores (Rupees Three hundred crores only) together with interest at the respective agreed rates additional interest, compound interest, liquidated damages, commitment charges, premia on pre-payment or on redemption, Trustee's remuneration, cost, charges, expenses and all other monies, including any increase on account of revaluation/devaluation/fluctuation in the rate of foreign currencies involved, payable by the Company to aforesaid lender(s) in terms of their respective Loan Agreements/ Trustee's Agreements/Letter of Sanctions/ Memorandum of terms and conditions, Bonds or any other security document entered into/to be entered into/issued/to be issued by the Company in respect of the said loans/credit facilities/debentures/ financial assistance”.

“RESOLVED further that the Board of Directors be and is hereby authorised to negotiate, finalise and settle with the Banks and Financial Institutions/ Trustees/other lenders concerned, the terms and conditions of such security including ranking thereof and all deeds, documents and writings for creating appropriate mortgage(s) and/or charge(s) on such of the immovable and/or movable properties of the Company as may be agreed by the Board and for reserving the aforesaid right in their favour and to do all such acts, deeds and things, in the manner as may be necessary or proper for giving effect to the aforesaid Resolution.”

#### [5] As a Special Resolution :

“RESOLVED that in supersession of the resolution passed under Section 293(1)(d) of the Companies Act, 1956 at the Annual General Meeting held on 27th August, 1993 and pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and other applicable statute and/or Rules & Regulations framed thereunder and in force during the relevant time, the consent of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing from time to time from such Banks, Financial Institutions, Government, Government Bodies, Companies and/ or other persons, Bodies Corporate whether by way of Term Loans, Cash Credit, Advance, Deposits, Bill Discounting, LC/



## ANDREW YULE & COMPANY LIMITED

BG facilities or otherwise and whether unsecured or secured by way of mortgage, charge, hypothecation or lien or pledge of the Company's assets and properties whether movable or immovable, including stock of raw material, work-in-progress, finished goods and manufactured goods, stores, components and spares or book debts, of such sums of money as they may deem requisite for the purpose of the business of the Company notwithstanding that money to be borrowed together with money already borrowed (apart from temporary loans obtained from the Company's Bankers in Ordinary Course of business) will exceed the aggregate of the Paid-up Capital and its free reserves, that is to say reserves not set apart for any specific purpose, provided that the aggregate of the monies that may be borrowed by the Board of Directors shall not exceed ₹300 crores (Rupees Three hundred crores only), outstanding at any point of time."

The Register of Members and the Share Transfer Register of the Company will remain closed from 18th September, 2014 to 24th September, 2014, both days inclusive.

### Registered Office :

"Yule House",  
8, Dr. Rajendra Prasad Sarani,  
Kolkata-700 001.  
Dated : 11th August, 2014.

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

- Notes :**
- [1] A Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of himself and a proxy need not be a member. A person can act as a Proxy on behalf of maximum fifty (50) Members and holding in the aggregate not more than ten percent of the total Share Capital of the Company carrying voting rights. A Member holding more than ten percent of the total Share Capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other Member. The instrument of Proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
  - [2] A Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business to be transacted at the Meeting, is annexed.
  - [3] The Register of Members and Share Transfer Books shall remain closed from 18th September, 2014 to 24th September, 2014, both days inclusive.
  - [4] E-voting facility is being provided to all members pursuant to Section 108 of the Companies Act, 2013 read with the Companies (Management & Administration) Rules, 2014 and Clause 35B of the Listing Agreement with the Stock Exchanges. The Company has engaged the services of National Securities Depository Limited (NSDL) for providing e-voting facilities. The e-voting rights of the Members/beneficial owners shall be reckoned in proportion to the equity shares held by them in the Company as on 20th August, 2014 (Cut-off date fixed for this purpose). Detailed instructions for availing of the e-voting facility are given separately along with this Notice.
  - [5] The Results of e-voting will be announced by the Company in its website as well as on the website of NSDL within two days from the date of the Meeting or any adjournment thereof and also informed to the Stock Exchange where the Company's shares are listed i.e. BSE.
  - [6] Members holding shares in physical form are requested to notify/send the following particulars to the Company or its Registrars to facilitate better service :—
    - [i] Bank account details, in case the same have not been sent earlier;
    - [ii] Any change in their address/bank details; and
    - [iii] Details of share certificate(s), held in multiple accounts in identical names or joint accounts in the same order of names for consolidation of such shareholdings into one account.



- [7] The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form may submit their PAN to the Company or its Registrars and Share Transfer Agents.
- [8] Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communications including Annual Report, Notices, Circulars etc. from the Company electronically. Further, in case of any change in the e-mail address registered with the Company a fresh e-mail id may kindly be sent to the Company.
- [9] In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 66th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL) :

The instructions for e-voting are as under :

- [A] In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/ Depository Participants(s)] :
  - [i] Open email and open PDF file viz; "Andrew Yule & Company Limited e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
  - [ii] Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
  - [iii] Click on Shareholder - Login
  - [iv] Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
  - [v] Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - [vi] Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
  - [vii] Select "EVEN" of Andrew Yule & Company Limited.
  - [viii] Now you are ready for e-voting as Cast Vote page opens.
  - [ix] Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - [x] Upon confirmation, the message "Vote cast successfully" will be displayed.
  - [xi] Once you have voted on the resolution, you will not be allowed to modify your vote.
  - [xii] Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [shawmanoj2003@gmail.com](mailto:shawmanoj2003@gmail.com) and/or [shawmanoj@yahoo.co.in](mailto:shawmanoj@yahoo.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- [B] In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participant(s) or requesting physical copy] :
  - [i] Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :

EVEN (E-Voting Event Number)	USER ID	PASSWORD/PIN
------------------------------	---------	--------------
  - [ii] Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- [C] Other Instructions :
  - [i] In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com)



## ANDREW YULE & COMPANY LIMITED

- [ii] If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
  - [iii] You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
  - [iv] The e-voting period commences on 18th September, 2014 (9:00 am) and ends on 20th September, 2014 (6:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 20th August, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
  - [v] The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 20th August, 2014.
  - [vi] Mr. Manoj Prasad Shaw, Practicing Company Secretary (Membership No. FCS 5517) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
  - [vii] The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
  - [viii] The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website [www.andrewyule.com](http://www.andrewyule.com) and on the website of NSDL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.
- [10] Pursuant to Clause 49(IV)(G)(i) & (ia) of the Listing Agreement with the Stock Exchange(s), the details of the Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting are provided as under :—

Name of Director	: Shri Rajesh Kumar Singh
Date of Birth	: 1st July, 1967
Date of Appointment	: 28th January, 2014
Expertise in specific functional area	: Public Administration and Governance Issues.
Qualification	: M. Tech, IAS
Shareholding in the Company	: NIL
List of other Public Limited Companies in which directorship held	: [1] Scooters India Limited [2] Tide Water Oil Company (India) Limited – TWOL [3] HMT Limited [4] HMT International Limited [5] Heavy Engineering Corporation Limited [6] Tungabhadra Steel Products Limited [7] Richardson And Cruddas (1972) Limited [8] Engineering Projects (India) Limited
Chairman/Member of the Committees of the Board across all public Companies in which he is a Director	: Member – Audit Committee, TWOL Member – Nomination & Remuneration Committee, TWOL Member – Compensation Committee, TWOL
Chairman/Member of the Committees of the Board of Directors of the Company	: Nil
Disclosure of relationships between Directors inter-se	: No relationship shared between Directors inter-se

- [11] KINDLY BRING YOUR COPY OF THE ANNUAL REPORT TO THE MEETING.



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**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**Item No.4 :**

Section 180(1)(a) of the Companies Act, 2013, provides, inter alia that the Board of Directors of a Public Company shall not, without the consent of the Shareholders in the General Meeting by way of Special Resolution, sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company.

Since the mortgaging/charging of the moveable or immovable properties as aforesaid in favour of the financial institutions/banks can be considered to be disposal of the Company's properties, it is necessary for the members to pass a Special Resolution under Section 180(1)(a) of the Companies Act, 2013 before creation of the said mortgage/charge on the moveable and immovable properties.

Though the Company has already obtained sanction earlier under Section 293(1)(a) of the Companies Act, 1956, however, with the promulgation of the Companies Act, 2013 and issue of General Circular No.04/2014 by the Ministry of Corporate Affairs, the sanction of the Shareholders is sought afresh.

The Board considers the proposed Special Resolution in the interest of the Company and recommends the same for your approval.

No person, as specified under Section 102(1)(a) of the Companies Act, 2013 is in any way concerned or interested in the Resolution proposed to be passed.

**Item No.5 :**

The Company is presently exploring possibilities of new business verticals having synergy with its existing strength which are envisaged to provide profitable returns in future. Since implementation of such probabilities would require increased infusion of funds which may be financed from various financial institutions, banks etc., it is proposed to increase the maximum borrowing limits as permissible under Section 180(1)(c) of the Companies Act, 2013.

Since the maximum borrowing limit permissible under Section 180(1)(c) of the Companies Act, 2013, is restricted to the aggregate of the Paid-up Share Capital of the Company and its free reserve, therefore sanction of the shareholders is sought to permit the Board to borrow money upto ₹300 crores (Rupees Three hundred crores only) which is in excess of the limit as prescribed under this Section.

Such sanction would require approval by the members by passing a special resolution in terms of the provisions of Section 180(1)(c) of the Companies Act, 2013.

Though the Company has already obtained sanction earlier under Section 293(1)(d) of the Companies Act, 1956, however, with the promulgation of the Companies Act, 2013, and issue of General Circular No.04/2014 by the Ministry of Corporate Affairs, the sanction of the Shareholders is sought afresh.

The Board considers the proposed Special Resolution in the interest of the Company and recommends the same for your approval.

No person, as specified under Section 102(1)(a) of the Companies Act, 2013 is in any way concerned or interested in this Resolution proposed to be passed.



**REPORT OF THE DIRECTORS & MANAGEMENT DISCUSSION AND ANALYSIS FOR THE  
FINANCIAL YEAR ENDED 31ST MARCH, 2014.**

Your Directors have pleasure in presenting the Annual Report and Accounts of the Company for the financial year ended 31st March, 2014.

**[01] FINANCIAL RESULTS** [₹ in lakhs]

<b>Profit before Taxation</b>	<b>2542.65</b>
<b>Less: Tax Expenses :</b>	
[a] Provision for Current Tax	275.68
[b] Deferred Tax	37.71
	313.39
<b>Profit for the year (PAT)</b>	<b>2229.26</b>
<b>Add: Balance of statement of</b>	
Profit & Loss as per last	
Account after adjustment	(–)1487.87
	741.39
<b>Less: Transfer to Bond Redemption</b>	
Reserve	500.00
<b>Balance carried over to Balance Sheet</b>	<b>241.39</b>

**[02] DIVIDEND :**

Due to insufficient balance in Profit & Loss Account your Directors regret their inability to recommend payment of any dividend for the year ended 31st March, 2014.

**[03] CONTRIBUTION TO NATIONAL EXCHEQUER :**

Your Company contributed ₹1795.78 lakhs during the year to national exchequer by way of taxes, duties, levies, cess, etc.

**[04] OPERATIONS :****[4.1] Tea :**

The Tea Division has recorded an excellent performance by achieving a highest ever turnover which is attributable to increase in production, price, improved quality and favourable market for tea industry. As reported last, Company's changed agricultural policy pursued over the years has resulted in higher yield and better quality standard.

The Tea Industry as a whole is experiencing difficulties in absorbing the continued increase in the cost of wages food grains for the workers. The situation is further aggravated by severe drought which continued during the earlier part of the current financial year. However, with the improved field practices and adoption of effective cost control measures the division is confident to maintain its profitability.

**[4.2] Electrical :**

The performance of the Division improved considerably compared to that of the previous year.

The Division is gearing-up to meet the increasing challenges through adoption of sophisticated technology and introduction of new products to suit the needs of power utility agencies.

**[4.3] Engineering :**

The order in-take position of Engineering Division continues to be encouraging but despite of all efforts the expected level of activity could not be achieved as execution thereof became difficult owing to paucity of working capital.

However, every endeavour is being made to provide requisite financial support for gradual improvement in the performance of the Division.

Your Directors hope that some positive result may be achieved during the current financial year.

**[05] 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 2013-14. Balance will be considered in the Books of Accounts for the year 2014-15.

**[06] FIXED DEPOSIT :**

Deposits from the public and others amounted to Rs. NIL as on 31st March, 2014.

**[07] EXPORT :**

The Company's exports during the year were ₹185.65 lakhs on F.O.B. basis.

**[08] PROSPECTS :**

Your Company is in existence for long 150 years. 2013-14 is the seventh consecutive profitable year of 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 a strategic planning is being drawn.

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] SUBSIDIARY :**

The performance of Hooghly Printing Co. Ltd., the wholly owned subsidiary continued to be profitable. The sales achieved was ₹1579.90 lakh compared to ₹949.76 lakh in the previous year. The profit before tax recorded was ₹14.83 lakh as against ₹10.59 lakh in the year 2012-2013.

**[10] 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] AUDITORS' REPORT :**

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

"Diminution in the value of long term equity investment amounting to ₹14.50 lakh 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 Statement No.10.08".

**[12] 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, 2014. Comments of the Comptroller & Auditor General of India is annexed to this report.

**[13] 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 2013-14 were 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, 2014 stood at 15027.

**[14] MAJOR ACCOUNTING POLICIES :**

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

**[15] 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] CORPORATE SOCIAL RESPONSIBILITY :**

Your Company's well entrenched CSR philosophy recognizes the following area as the thrust areas for its activities – Skill Development & Women Empowerment, Health & Education and Village Development.

Your Company had taken up different Training Programmes for Skill Development & Women Empowerment in collaboration with various parties :

- [a] Vocational Training Centre at Rasapunja, Bakrahat, Thakurpukur in collaboration with the NGO "The Lily Foundation".

- [b] Vocational Training Centre at Dhulai, Bankura in collaboration with the NGO "The Lily Foundation".
- [c] Vocational Training Centre at Binaguri, Jalpaiguri District in collaboration with the NGO "NISWARTH".
- [d] Vocational Training Centre for women empowerment at Bishnupur, Kolkata in collaboration with the NGO "Sutanutir Sakhya".
- [e] Vocational Training Centre for women empowerment at upper Assam in collaboration with the NGO "Garia Sarda Home for Women & Children Welfare".

Your Company had started a Night School since 2011 at "YULE HOUSE", to uplift the poor street children and more than 50 children are attending their class regularly.

Arrangement of Drinking Water facilities were taken up by your Company at a school run by Perungudi Panchyat at Chennai, and nine schools at Naharkatia District, Dibrugarh, Assam.

Your Company started Health Camps in Assam Gardens in association with "Bhavishya Nirman". General Health check-ups and eye operations were arranged on a regular basis through Camps with the help of Garden Hospital infrastructure. Two Laparoscopic sterilization Camps and five Medical Camps were organized by your Company. In Assam various HIV awareness Camps were also organized by your Company and free condom vending machines were installed.

In West Bengal with the help of the NGO "NISWARTH", Dental Camps, free Eye Testing Camps and Camps for the Disabled were organized by your Company. In the Camps for the Disabled, your Company along with the district administration distributed "Disability Cards" and other aids and appliances such as Wheel Chairs, Crutches etc.

To increase the awareness of sanitation, a programme of free distribution of Sanitary Napkin was taken up by your Company at the schools near Khowang, Bhamun and Hingrijan Tea Estates. More than 1000 girl students were benefited from the scheme.

Your Company in collaboration with "Association of Voluntary Blood Donors, West Bengal" had organized a day long Training Programme at Seva Kendra Calcutta, Two University Level education programmes at Suri Vidya Sugar Collage and Ramkrishna Mission Vidya Mandir, Belur Math and ten education programmes at different schools.

Under village development activities, Totgaon village in Dooars had been enlisted by your Company. Your Company had provided 12 Tube Wells for safe drinking water and 24 Sanitary Toilets as a necessary measure to ensure improvement of general health and hygiene. Your Company had also proposed to provide for further development of this village in terms of availability of drinking water, Sanitary Toilets, Solar Street Lights etc.

For Sustainable Development your Company had made every effort to arrest environmental damage.

For Rain Water Harvesting, your Company had started with recharge of ground water and storage at Banarhat Tea Estate which had yielded encouraging result.



## ANDREW YULE & COMPANY LIMITED

To generate pollution free power, your Company had installed and commissioned 3 KW Wind Turbine at Perungudi Factory in Chennai and 2500 KW electricity had already been generated from the project.

On different CSR activities your Company had incurred ₹19.84 lakh during 2011-12, ₹30.91 lakh during 2012-13 and ₹37.10 lakh during 2013-14.

### [17] CONSOLIDATED FINANCIAL STATEMENTS :

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

### [18] 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] AUDITORS :

The Comptroller and Auditor General of India had appointed M/s. Gupta & Co., Chartered Accountants as Auditor for the year ended 31st March, 2014.

M/s.DGM & Associates, Cost Accountants had been appointed as Cost Auditors for Engineering Division for the year ended 31st March, 2014. The due date for filing Cost Audit Report for the financial year 2013-14 is 30th September, 2014.

### [20] DIRECTORS :

Shri Harbhajan Singh ceased to be Director with effect from 28th January, 2014 and Shri Rajesh Kumar Singh, Joint Secretary to the Government of India, Department of Heavy Industry was appointed a Director in the casual vacancy caused by the vacation of the office by Shri Harbhajan Singh.

Shri S.K. Goyal, Ex-Director (Finance), Department of Heavy Industry ceased to be Director with effect from 19th March, 2014 and Shri Dinesh Kumar, Deputy Secretary, IF Wing, Department of Heavy Industry was appointed a Director in the casual vacancy caused by the vacation of the office by Shri S.K. Goyal.

Shri Rajesh Kumar Singh, Director of the Company retires from the Board, by rotation and being eligible offers himself for re-appointment.

Late Amitava Dhar, Director (Finance) of the Company passed away at the early hours of 29th July, 2014.

The Board places on record its deep appreciation of the valuable services and guidance rendered by Late Amitava Dhar during his association with the Company.

### [21] 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] 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] 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] APPLICABILITY OF THE COMPANIES ACT, 1956 :

As clarified by the Government of India, Ministry of Corporate Affairs, vide its General Circular No.08/2014 dated 4th April, 2014, the information given and contents of this Report are governed by the relevant Provisions/Schedules/Rules of the Companies Act, 1956.

### [25] 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.

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

Kolkata,  
11th August, 2014.



## ANNEXURE TO DIRECTORS' REPORT

### Management Discussion & Analysis

#### Business Scenario :

The overall outlook for the year 2014-15 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 2014-15.

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 Statement No.10.13 in the Accounts.

#### Outlook :

The overall outlook for the year 2014-15 is expected to be positive in spite of adverse climatic conditions for Tea Division. For Engineering and Electrical Divisions the year 2014-15 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 12% growth in turnover during the year 2013-14 as compared to the preceding year and recorded a profit of ₹25.43 crores before tax.

#### Human Resource :

During the year, employer and employee relationship remained cordial.



## ANDREW YULE & COMPANY LIMITED

### 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

		2013-14	2012-13
[A] CROP	KGS	10800888.00	11134024.00
[1] ELECTRICITY :			
[a] PURCHASED			
UNIT	KWH	9937294.00	9977858.00
TOTAL AMOUNT	Rs.	83761024.00	79690576.00
RATE/UNIT	Rs.	8.43	7.99
[b] [i] OWN GENERATION : THROUGH GENERATOR (DIESEL)			
UNIT	KWH	1610439.00	1620992.00
TOTAL FUEL COST	Rs.	33968622.28	28347632.00
TOTAL FUEL	LTRS.	587826.00	635748.00
UNIT/LITRE OF DIESEL	KWH	2.74	2.55
RATE/UNIT	Rs.	21.09	17.49
[ii] THROUGH GENERATOR (NATURAL GAS)			
UNIT	KWH	393027.00	337906.00
UNIT/SCM OF GAS	KWH	1.42	1.60
RATE/UNIT	Rs.	7.38	8.25
[2] COAL			
QUANTITY	MT	5576.267	5757.00
TOTAL COST	Rs.	43230152.97	46858975.00
RATE	Rs/MT		7752.53
[3] FURNACE OIL			
QUANTITY	LTRS.	28470.00	29300.00
TOTAL COST	Rs.	1730136.00	1764868.00
RATE	Rs/LTR		60.77
[4] USE OF GAS FOR PROCESSING			
QUANTITY	SCM	2982611.00	2999080.00
TOTAL COST	Rs.	31969867.07	29008526.00
RATE/UNIT	Rs.	10.72	9.67
[B] CONSUMPTION PER UNIT OF PRODUCTION			
PRODUCTS BLACK TEA			
ELECTRICITY	KWH/KG	1.11	1.07
FURNACE OIL	LTR/KG	0.02	0.02
COAL	KG/KG	1.13	1.17
NATURAL GAS	SCM/KG	0.51	0.48





**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 developed designs of the new series of fans and offers submitted to customers are expected to mature in order in the forthcoming financial years.
  - [b] The new design of Siemens has already been developed, validated and supplies against orders have already commenced.
  - [c] The Chennai Unit of Electrical Division has commissioned the Impulse Generator with which transformers including 220 KV class rating can be tested.
- [ii] Benefit derived as well as results of the above R&D Works:
  - [a] Engineering Division : The benefits of above developmental projects will accrue in the current financial year.
  - [b] Electrical Division : The impulse voltage test has become Routine Test for 132 kV class transformers and above, the Unit has derived substantial savings by way of elimination of usage of external testing agencies for each and every transformer. Further as per the customers' requests, the Unit has also earned revenue of Rs. 7.0 lacs by testing other manufacturers' products.
- [iii] Future Plan of Action :
  - Chennai Unit is proposing to get the accreditation from NABL for its testing laboratory at Chennai. This will enable to extend the marketing reach for the transformers.

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

- [i] Efforts Made : The Kolkata Unit of the Electrical Division has successfully developed Energy Efficiency of transformers for Rural Electrification Programme. The range of this manufacture is being upgraded based on the experience, gained in the development and supply of 25 kVA transformers to 63 kVA transformers. The manufacturing process is finalized and the Unit has successfully developed 63 kVA Star rated transformer and type tested the same at CPRI.
- [ii] Benefits derived : with the successful implementation of 63 kVA transformer production, the range of manufacture is getting enhanced which will enhance the operational revenue.
- [iii] Particulars of Imported Technology in the last 5 years : Nil

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

Foreign Exchange earnings were : ₹185.65 lakh

Foreign Exchange outflow were : ₹9.44 lakh

Kolkata,  
11th August, 2014.

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 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, 2014 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, 2014 are given below :-

Name of Directors	Category of Directorship	No. of other Directorship held as on 31.03.2014	Committee Membership held in other Companies.xx	
			As Member	As Chairman
[1] Shri Kallol Datta	Chairman & Mg. Director	6	1	1
[2] Shri S. Swaminathan	Director (Planning)	5	2	Nil
[3] Shri Amitava Dhar	Director (Finance)	9	2	Nil
[4] Shri Sunil Munshi	Director (Personnel)	9	1	Nil
[5] Shri Rajesh Kr. Singh	Govt. Nominee – Non-Executive Director	8	2	Nil
[6] Shri Dinesh Kumar	Govt. Nominee – Non-Executive Director	5	Nil	Nil

Exclude Directorship in Private Limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 and memberships of managing Committee of various, Chambers/bodies.

xx Represents Membership/Chairmanship of Audit Committee, Investors Grievance Committee, Remuneration Committee and Committee of the Board of Directors.

Notes: [a] Shri Rajesh Kumar Singh was appointed as Director w.e.f. 28th January, 2014.

[b] Shri Dinesh Kumar was appointed as a Director w.e.f. 19th March, 2014.

#### [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, 2014, Five Meetings of the Board of Directors were held on 25th April, 2013, 30th May, 2013, 20th September, 2013, 26th December, 2013 and 19th March, 2014.



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 20th September, 2013.	Remarks
<b>Executive Directors :</b>			
1. Shri Kallol Datta	5	Yes	
2. Shri S. Swaminathan	5	Yes	
3. Shri Amitava Dhar	5	Yes	
4. Shri Sunil Munshi	5	Yes	
<b>Non-Executive Directors :</b>			
1. Shri Harbhajan Singh	2	No	Nomination withdrawn by DHI on 28th January, 2014.
2. Shri S.K. Goyal	3	No	Nomination withdrawn by DHI on 19th March, 2014.
3. Shri R.K. Singh	1	No	Appointed as a Director as on 28th January, 2014.
4. Shri Dinesh Kumar	1	No	Appointed as a Director as on 19th March, 2014.

**[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 authorize creation of securities including Equitable mortgage on the immovable properties of the Company, execution of security documents pertaining to term loan, bridge loan, working capital loan, etc.
- [iv] 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] Carryout the function of shareholders/Investors Grievance Redressal Committee.

As on 31st March, 2014 the Committee of the Board of Directors were comprised of the following :

Directors	Designation	Status in the Committee	Number of Meetings held 2013-14	Number of Meetings Attended	Remarks
Shri Kallol Datta	Chairman & Managing Director	Chairman	19	18	...
Shri S. Swaminathan	Director (Planning)	Member	19	18	...
Shri Amitava Dhar	Director (Finance)	Member	19	19	...
Shri Sunil Munshi	Director (Personnel)	Member	19	18	...

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 177 of the Companies Act, 2013 besides other terms as may be referred to it by the Board of Directors.



## ANDREW YULE & COMPANY LIMITED

[b] Composition of the Audit Committee :

As there was no Independent Director on the Board of Directors of the Company during the financial year 2013-14, no Audit Committee was formed during the financial year 2013-14. 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 2(45) of the Companies Act, 2013. 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, 2014 are given below :

Name of Directors	Salary (₹)	Perquisite (₹)	Total (₹)
Shri Kallol Datta	23,51,327.00	1,05,584.00	24,56,911.00
Shri S. Swaminathan	19,85,070.00	55,546.00	20,40,616.00
Shri Amitava Dhar	20,23,144.00	67,755.00	20,90,899.00
Shri Sunil Munshi	18,54,109.00	54,201.00	19,08,310.00

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. 2 (two) complaints were received from the shareholders during the year 2013-2014 and all of them have been attended to.

There is no complaint lying pending.

Number of shares pending transfer as on 31st March, 2014 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, 2014.

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 : 033 2242-8210, 033 2242-8550 E-mail: com.sec@andrewyule.com / fc@andrewyule.com Telegram : "YULETIDE", Fax : 91-33-2242-9770/2243-4741
Date of Annual General Meeting, Time and Venue	: 24th September, 2014 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 (both days inclusive)	: From 18th September 2014 to 24th September, 2014
Listing on Stock Exchange	: The Stock Exchange, Mumbai. The Listing Fees for the Financial Year 2013-14 has been paid to the BSE Limited on 6th August, 2013.
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 (2013-2014) traded at BSE	: Please see Annexure -"A".
Registrar and Transfer Agents	: MCS SHARE TRANSFER AGENT LTD., 12/1/5, Manoharpukur 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 4009 Shares (previous year – 4706 Shares).
Dematerialisation of Shares	: 99.80% Equity Shares have been dematerialized Upto 31st March, 2014 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, 2014.	: 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: com.sec@andrewyule.com / fc@andrewyule.com Telegram : "YULETIDE", Fax : 91-33-2242-9770/2243-4741





## ANDREW YULE & COMPANY LIMITED

### MEANS OF COMMUNICATION :

Quarterly Results published in Financial Express and Dainik Statesman. As required by SEBI, information/documents are filed in EDI-FAR 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 :—

Annual General Meeting — +

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

### 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.
20.09.2013	NIL	....
21.09.2012	NIL	....
21.09.2011	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,  
Dated, 28th July, 2014.

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 (2013-14)**

Month	BSE Limited		B.S.E. Sensex	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2013	15.00	12.45	19,622.68	18,144.22
May, 2013	15.40	12.75	20,443.62	19,451.26
June, 2013	13.90	8.90	19,860.19	18,467.16
July, 2013	12.00	8.20	20,351.06	19,126.82
August, 2013	10.71	7.60	19,569.20	17,448.71
September, 2013	11.70	8.31	20,739.69	18,166.17
October, 2013	12.00	9.55	21,205.44	19,264.72
November, 2013	13.99	10.75	21,321.53	20,137.67
December, 2013	15.90	11.80	21,483.74	20,568.70
January, 2014	15.00	11.85	21,409.66	20,343.78
February, 2013	13.15	11.80	21,140.51	19,963.12
March, 2014	13.90	11.70	22,467.21	20,920.98

**ANNEXURE – “B”**

**[i] DISTRIBUTION OF SHAREHOLDINGS AS ON 31ST MARCH, 2014.**

Shareholding (Range)		No. of Shares	% of Total Shares	No. of Shareholders	% of Total Shares
From	To				
0	500	2768265	0.85	18065	78.74
501	1000	2048217	0.63	2374	10.35
1001	2000	1809153	0.55	1138	4.96
2001	5000	2929689	0.90	876	3.82
5001	10000	2084791	0.64	273	1.19
10001	Above	314498363	96.43	216	0.94
<b>Total</b>		<b>326138478</b>	<b>100.00</b>	<b>22942</b>	<b>100.00</b>

**[ii] SHAREHOLDING PATTERN OF THE COMPANY AS ON 31ST MARCH, 2014**

Category	No. of Shares	% of total Shares
Central Government	29,35,24,630	90.00
Financial Institutions	1,07,65,476	3.30
Nationalised Banks	53,75,723	1.65
Mutual Funds	950	0.00
Domestic Companies	19,32,323	0.59
Non-domestic Companies	44,077	0.01
Resident Individual	1,41,85,674	4.35
Non Resident Individuals (Foreign National)	22,471	0.01
Non-Resident Individuals (Indian)	2,87,154	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 2013-14.

Kolkata,  
28th July, 2014.

( 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 cash flow statement for the year ended 31st March, 2014 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, 2014, 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 these 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,  
28th July, 2014.

Amitava Dhar  
Director (Finance).

Kallol Datta  
Chairman & Managing Director.



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## AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

### To The Members of Andrew Yule & Company Limited

We have examined the compliance of conditions of Corporate Governance by Andrew Yule & Company Limited for the year ended 31st March 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchange in India.

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 2013-2014.
- [ii] The Board of Directors did not have any independent directors during the financial year 2013-2014. Consequently no audit committee was formed during the financial year 2013-2014.

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 : 28th July, 2014.

For Gupta & Co.  
Chartered Accountants  
Firm Registration No: 301028E  
A. Deb  
Partner  
Membership No:062018



## INDEPENDENT AUDITOR'S REPORT

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

#### 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 2014, 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.

#### Management's Responsibility for the Financial Statements

The Company's management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs, Government of India, in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We 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 financial statements are free from material misstatement.

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 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 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. 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.

#### Basis for Qualified Opinion

*No provision has been made in the accounts for diminution in the value of Investment in equity shares of WEBFIL Limited amounting to ₹14.50 lac. Refer note no 10.08. Had the observation been considered, Profit of the year after provision for taxes would have been ₹2214.76 lac as against the reported profit of ₹2229.26 lac, Reserve & surplus would have been ₹11596.08 lac as against the reported Reserve & surplus of ₹11610.58 lac and value of non current investments would have been ₹824.12 lac as against the reported figure of ₹838.62 lac.*

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, except to the effect of the matters described in

the Basis for 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 2014;
- [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.

#### Without Qualifying our Report Attention is Drawn to :

- [i] 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 cut off date 31st March, 2006 is in process of implementation.
- [ii] Note 10.03a (i) to (iii) regarding further financial restructuring package sanctioned by Government of India and later approved by Board for Industrial and Financial Reconstruction (BIFR) vide order no 501/2003 dated 15.7.2013 for the reasons stated therein.

#### 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 matters specified in paragraphs 4 and 5 of the Order.
- [ii] As required by section 227(3) of the Act, subject to 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 Statement 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 read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs, Government of India, in respect of section 133 of the Companies Act, 2013 and
  - [e] in terms of notification G.S.R. 829(E) dated 21st October, 2003 issued by the Central Government, the requirement of clause g of subsection 1 of Section 274 of the Act is not applicable to a Government Company.

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

Place : Kolkata  
Date : May 27, 2014





ANNEXURE TO AUDITORS' REPORT

**The Annexure referred to in paragraph (i) of our Report on Other Legal and Regulatory Requirements**

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that :

- [1] [a] The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- [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 reasonable having regard to the size of the Company and 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.
- [c] During the year, in our opinion any substantial part of fixed asset has not been disposed off by the Company.
- [2] [a] The inventory of the Company has been physically verified during the year by the management. In our opinion the frequency of verification is reasonable.
- [b] In our opinion the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- [c] On the basis of our examination of the records of the inventory, in our opinion the Company has maintained proper records of its inventories and the discrepancies noticed on physical verification between the physical stocks and the book records have been properly dealt with in the books of accounts.
- [3] [a] According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 ("the Act") during the year.
- [b] In view of above, clauses 4 iii (b) to (d) of the Order are not applicable to the Company.
- [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.
- [d] Accordingly, clauses 4 (iii) (f) and (g) of the order are not applicable to the Company.
- [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 for the purchase of inventories and fixed assets and for 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.
- [5] In respect of contracts or arrangements referred to in section 301 of the Companies Act, 1956 –
- [a] In our opinion and according to the information and explanations given to us, the transactions 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.
- [b] In our opinion and according to the information and explanations given to us, the transactions made in pursuant to contracts/arrangements entered in the Register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of ₹5,00,000/- in respect of each party during the year have been made at prices, which appear reasonable as per information available with the Company.
- [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.
- [7] The Company has its own internal audit department and 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 the nature of its business. However, it is felt that such audits should be more 'in-depth'.
- [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.
- [9] [i] According to the latest information given and explanations offered and according to the books and records of the Company as produced, there are no undisputed statutory dues and the Company is generally regular in depositing undisputed dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance scheme, Income-Tax, Sales-Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess etc and there are no undisputed statutory dues as at 31st March, 2014 for a period of more than six months from the date they became payable.
- [ii] As at 31st March 2014, according to the records of the Company and the information and explanations given to us, the particulars of dues on account of Sales Tax, VAT,

Income Tax, Service Tax and Excise Duty that have not been deposited on account of any dispute are furnished below :—

Name of Statute	Nature of Dues	Amount [₹ lac]	Period to which amount relates	Forum where the dispute is pending
Income Tax Act.	Income Tax (Penalty)	50.53	1988-89 & 2004-05	C.I.T. (Appeal)(IV)
	Income Tax	387.96	2009-10 to 2011-12	C.I.T. (Appeal)(IV)
W.B.Sales Tax and VAT	W.B.Sales Tax & VAT	1513.76	1979-80, 1986-87 to 1988-89, 1996-97, 1998-99, 2000-01, 2004-05, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10	West Bengal Commercial Tax Appellate & Revisional Board.
W.B.Sales Tax and VAT - (Contd.)	W.B.Sales Tax & VAT - (Contd.)	345.04	1973-74, 1994-95, 1997-98, 1999-2000, & 2003-04	West Bengal Taxation Tribunal.
		538.44	1985-86, 1992-93, 1997-98, 1999-2000, 2003-04	Appellate Authority, Kolkata High Court
		140.36	2010-11 & 2011-12	Additional Commissioner
		49.33	1980-81, 1982-83 to 1984-85	Appellate Authority, SoD
Assam Sales Tax and VAT	Assam Gardens	152.93	1996-97 to 1998-99	Appellate Authority Revenue Board.
Orissa Sales Tax and VAT	Orissa Sales Tax	106.24	1999-2000	Appellate Authority Tribunal at High Court Cuttack.
		5.64	2001-02	2nd Appellate Authority Berhampore
Central Excise	Central Excise	378.20	1996-97, 1998-99, 1992-93, 1993-94, 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	Commissioner of Appeals
Service Tax	Service Tax	12.16	2006-07, 2007-08	Appeal at CESTAT.

[10] The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.

[11] As appearing in the records 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 sanctioned scheme and Order of BIFR dated 30th October 2007 and 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 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 ₹676.45 lacs and outstanding as at 31st March 2014 for loans taken from bank by 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 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 – 27th May, 2014.



**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, 2014.**

The preparation of Financial Statements of Andrew Yule & Company Limited for the year ended 31st March, 2014 in accordance with the Financial Reporting Framework prescribed under the Companies Act, 1956 is the responsibility of the Management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 is responsible for expressing opinion on these Financial Statements under Section 227 of the Companies Act, 1956 based on independent audit in accordance with the Standards on Auditing 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 27th May, 2014.

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 on the Financial Statements of Andrew Yule & Company Limited for the year ended 31st March, 2014. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditor and is limited primarily to inquiries of the Statutory Auditor 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  
(Pramod Kumar)  
Principal Director of Commercial Audit  
& Ex-officio Member, Audit Board-I  
Kolkata.

Place : Kolkata  
Date : 25th June, 2014.



# ANDREW YULE & COMPANY LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2014

[₹ in lakh]

Particulars	Note No.	As at 31st March, 2014	As at 31st March, 2013
<b>I. EQUITY AND LIABILITIES</b>			
[1] Shareholders' Funds	2		
[a] Share Capital	2.1	6522.77	6522.77
[b] Reserves and Surplus	2.2	11610.58	8097.96
[2] Share application money pending allotment	3	3007.00	150.00
[3] Non-Current Liabilities	4		
[a] Long Term Borrowings	4.1	5501.22	6089.18
[b] Deferred Tax Liabilities [Refer Note No.10.10(b)]		410.08	372.37
[c] Other Long Term Liabilities	4.2	100.94	118.25
[d] Long Term Provisions	4.3	523.82	982.25
[4] Current Liabilities	5		
[a] Short Term Borrowings	5.1	2556.34	2661.05
[b] Trade Payables	5.2	8872.48	6541.56
[c] Other Current Liabilities	5.3	6996.78	13247.39
[d] Short Term Provisions	5.4	1407.96	1125.45
<b>TOTAL :</b>		<b>47509.97</b>	<b>45908.23</b>
<b>II. ASSETS</b>			
[1] Non-Current Assets			
[a] Fixed Assets	6		
[i] Tangible Assets	6	17728.47	17341.10
[ii] Intangible Assets	6	36.64	29.39
[iii] Capital Work-in-Progress	6	574.87	520.61
[b] Non-Current Investments	6.1	838.62	864.87
[d] Long Term Loans and Advances	6.2	216.28	852.38
[e] Other Non-Current Assets	6.3	691.36	590.43
[2] Current Assets	7		
[a] Current Investments	7.1	...	1.63
[b] Inventories	7.2	3958.52	3422.94
[c] Trade Receivables	7.3	9408.52	9601.92
[d] Cash and Bank Balances	7.4	9487.59	9037.53
[e] Short Term Loans and Advances	7.5	4416.78	3441.04
[f] Other Current Assets	7.6	152.32	204.39
<b>III THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS</b>			
<b>TOTAL :</b>		<b>47509.97</b>	<b>45908.23</b>

D. BANDYOPADHYAY,  
Financial Controller & Company Secretary.  
Kolkata - 27th May, 2014.

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 - 27th May, 2014.



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

[₹ in lakh]

Particulars	Note No.	For the year ended 31st March, 2014	For the year ended 31st March, 2013
<b>I. REVENUE</b>	8		
Revenue from Operations	8.1	38118.47	32317.76
Less: Excise Duty		1437.11	1202.54
		36681.36	31115.22
Other Income	8.2	1057.51	1058.85
<b>Total Revenue [A]</b>		<b>37738.87</b>	<b>32174.07</b>
<b>II. EXPENSES</b>	9		
Cost of Materials Consumed	9.1	13266.10	10442.39
Changes in Inventories of Finished Goods	9.2	(-) 371.17	211.92
Employee Benefits Expense	9.3	12794.63	11973.34
Finance Costs	9.4	1156.11	1134.36
Depreciation and Amortisation Expenses	9.5	449.00	449.41
Other Expenses	9.6	7901.55	6562.45
<b>Total Expenses [B]</b>		<b>35196.22</b>	<b>30773.87</b>
<b>Profit from Operation before Tax [A-B]</b>		<b>2542.65</b>	<b>1400.20</b>
<b>Tax Expenses :</b>			
Provision for Current Tax		275.68	254.44
Deferred Tax [Refer Note No.10.10(a)]		37.71	10.76
<b>Total Tax Expenses</b>		<b>313.39</b>	<b>265.20</b>
<b>Profit for the year</b>		<b>2229.26</b>	<b>1135.00</b>
Basic & Diluted earnings per share before extraordinary income (Note No.10.17)		₹0.68	₹0.35
Basic & Diluted earnings per share after extraordinary income (Note No.10.17)		₹0.68	₹0.35
<b>III THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS</b>			

D. BANDYOPADHYAY,  
Financial Controller & Company Secretary.  
Kolkata - 27th May, 2014.

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 - 27th May, 2014.





# ANDREW YULE & COMPANY LIMITED

## STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2014

[₹ in lakh]

	As at 31st March, 2014	As at 31st March, 2013
<b>[A] CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit before Tax and extraordinary items	2542.65	1400.20
<b>Adjustments for :</b>		
Depreciation/Impairment of Assets	449.00	449.41
Diminution in the value of non trade investments	27.88	...
Interest charged	988.12	1015.77
Investment Income	(764.15)	(850.57)
Subsidy Credited to Profit and Loss Account	(11.64)	(20.26)
<b>Operating profit before changes in amount of Current Liabilities and Current Assets</b>	<b>3231.86</b>	<b>1994.55</b>
<b>Adjustment for :</b>		
Trade Receivables	(929.28)	(2223.32)
Inventories	(535.58)	(27.05)
Trade payable	(1636.00)	1146.56
<b>Cash Generated from Operations</b>	<b>131.00</b>	<b>890.74</b>
Wealth Tax paid	(5.96)	(5.59)
Income Tax paid	(168.14)	(181.70)
<b>Cash-flow before Extraordinary Items</b>	<b>(43.10)</b>	<b>703.45</b>
Capital Reduction	1295.00	...
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>1251.90</b>	<b>703.45</b>
<b>[B] CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets (including Capital WIP and Pre-operative Expenditure)	(897.88)	(586.24)
Loans	(7.01)	65.56
Subsidy received/credited	...	38.46
Decrease in Current Investments	...	(1.64)
Income from other Investments	816.22	1060.89
<b>NET CASH FROM INVESTING ACTIVITIES (B)</b>	<b>(88.67)</b>	<b>577.03</b>
<b>[C] CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Net Proceeds from borrowings	2269.04	(762.10)
Interest paid	(3357.94)	(931.40)
<b>NET CASH USED IN FINANCING ACTIVITIES [C]</b>	<b>(1088.90)</b>	<b>(1693.50)</b>
<b>NET CHANGES IN CASH AND CASH EQUIVALENT [A+B+C]</b>	<b>74.33</b>	<b>(413.02)</b>
CASH AND CASH EQUIVALENT Opening Balance as at 1st April, 2013	3444.12	3857.14
CASH AND CASH EQUIVALENT Closing Balance as at 31st March, 2014	3518.45	3444.12
[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	56.51	19.19
Postage and Stamps in hand	0.02	0.02
Cheques in hand	1.16	29.17
Remittance in transit	48.79	66.29
Employees Security Deposit	0.06	0.06
Balance with scheduled Banks :		
On Current Account	818.40	458.24
Fixed Deposit with Banks maturing within 3 months	2593.51	2871.15
	<b>3518.45</b>	<b>3444.12</b>
[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.		
[5] Deposit with banks maturing after 3 months (including deposit with NABARD) and margin money with banks maturing after 3 months amounting to Rs.5969.14 lakh as on 31st March, 2014 are not available for use and transferred to receivable account in Cash Flow as per AS-3.		

D. BANDYOPADHYAY,  
Financial Controller & Company Secretary.  
Kolkata - 27th May, 2014.

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,  
Membership No.62018

Kolkata - 27th May, 2014.

## 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] Grant/Subsidy in respect of capital expenditure is accounted for as per applicable Accounting Standard and depreciations on the assets acquired out of such subsidy is adjusted there against.
- [g] Expenditure incurred/capitalised in respect of projects abandoned/to be abandoned are accounted for in compliance of relevant Accounting Standard.
- [h] The carrying amount of assets are reviewed at each Balance Sheet date if there is any indication of impairment based

on internal/external factors. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is recognised in the Statement of Profit and Loss 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.

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

### 1.3 Intangible Assets :

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

### 1.4 Inventories :

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

value, whichever is lower. Estimated total cost covers all costs excluding administration overheads, selling and distribution overheads and interest. However, for Finished Goods-in-Transit, the estimated total cost includes expenses on Freight and Insurance incurred for delivery of such Finished goods.

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

#### 1.5 Investments :

Non Current Investments are stated at cost. Provision for diminution in the value of long term 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 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, 2014**

[₹ in lakh]

	As at 31st March, 2014	As at 31st March, 2013
<b>Note 2.1 – SHARE CAPITAL</b>		
Authorised :		
Equity Shares		
37,50,00,000 (Previous year 37,50,00,000) of ₹2/- each	7500.00	7500.00
Issued, Subscribed and Fully Paid-up :		
Equity Shares		
32,61,38,478 (Previous year 32,61,38,478) of ₹2/- each	6522.77	6522.77
[Out of above 6,00,000 shares issued as Bonus Shares by Capitalisation of General Reserve, 21,35,344 shares issued pursuant to a contract without payment being received in cash and 11,57,600 shares issued to Govt. of India in the name of President of India pursuant to Transformer & Switchgear Ltd. and Brentford Electric India Ltd. against compensation money paid by them]		
	6522.77	6522.77
<b>Particulars</b>	<b>As at 31st March, 2014</b>	<b>As at 31st March, 2013</b>
<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
<b>The details of Shareholder holding more than 5% shares as at 31st March set out below :</b>		
	<b>As at 31st March, 2014</b>	<b>As at 31st March, 2013</b>
Nature of the Shareholders	No. of shares      %age	No. of shares      %
President of India	29,35,24,630      90.00	30,42,89,706      93.30
<b>The reconciliation of the number of shares outstanding as at 31st March :</b>		
	<b>As at 31st March, 2014</b>	<b>As at 31st March, 2013</b>
	No. of shares      Value	No. of shares      Value
Equity shares at the beginning of the year	32,61,38,478      6522.77	32,61,38,478      6522.77
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 as per 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, 2014

[₹ in lakh]

	As at 31st March, 2014		As at 31st March, 2013	
<b>Note 2.2 – RESERVES AND SURPLUS</b>				
Capital Reserve :				
General				
Balance as per Last Account	406.36		402.64	
Add: During the year	...	406.36	3.72	406.36
Bond Redemption Reserve :				
General				
Balance as per Last Account	...		...	
Add: During the year	500.00		...	
	500.00		...	
Less: Transfer to Statement of Profit & Loss	...		...	
		500.00		...
Revaluation Reserve :				
General				
Balance as per Last Account		10332.52		10332.52
Other Reserves :				
Special :				
Central/State Subsidy for Capital Assets				
Balance as per Last Account	11.74		11.40	
Add: During the year	...		0.34	
		11.74		11.74
Tea Board Subsidy for Capital Assets :				
Balance as per Last Account	130.21		112.01	
Add: During the year	...		38.46	
	130.21		150.47	
Less: Transfer to Statement of Profit and Loss	11.64		20.26	
		118.57		130.21
Balance of Statement of Profit & Loss as per last Account	(–) 2782.87		(–) 3917.87	
Add: Adjustments [Note No.10.03(a)(i)]	1295.00		...	
	(–) 1487.87		(–) 3917.87	
Add: Profit during the year	2229.26		1135.00	
	741.39		(–) 2782.87	
Less: Transfer to Bond Redemption Reserve	500.00		...	
		241.39		(–) 2782.87
		11610.58		8097.96
	<b>No. of Shares @ Rs.2/- per share</b>	<b>As at 31st March,2014</b>	<b>No. of Shares @ Rs.2/- per share</b>	<b>As at 31st March,2013</b>
<b>Note 3 – SHARE APPLICATION MONEY PENDING ALLOTMENT</b>				
State Bank of India	75,00,000.00	150.00	75,00,000.00	150.00
Government of India :				
Conversion of GOI Loan into Equity	20,76,00,000.00	4152.00	...	...
Less: Written off with Profit and Loss Account	6,47,50,000.00	1295.00	...	...
Nett pending No. of Shares	14,28,50,000.00	2857.00	...	...
Total Pending Shares	15,03,50,000.00	3007.00	75,00,000.00	150.00
Please see Note 10.03(a) of Other Notes to Financial Statement				


**NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2014**

[₹ in lakh]

	As at 31st March, 2014	As at 31st March, 2013
<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 instalment)	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) ₹2136.44 lakh. The above loans 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 Allahabad 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).	2852.44	3434.68
<b>Other Loans</b> (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)	648.78	654.50
	5501.22	6089.18
<b>Unsecured Loans :</b>		
West Bengal Industrial Development Corpn. Ltd.	...	89.62
Government of India	...	68.00
	...	157.62
Less: Transferred to Other Current Liabilities (Note No.5.3)	...	157.62
	...	...
	5501.22	6089.18
<b>Note 4.2 – OTHER LONG TERM LIABILITIES</b>		
Security Deposits from Related Parties [Note No.10.15(iii)]	28.80	28.80
Others (Security Deposit, Earnest Money Deposit)	72.14	89.45
	100.94	118.25
<b>Note 4.3 – LONG TERM PROVISIONS</b>		
Provision for Employee Benefits (Gratuity)	261.70	609.12
Provision for Fringe Benefit Tax	...	27.36
Provision for Contingencies	105.74	105.74
Others (Provision for Employees' Benefit)	156.38	240.03
	523.82	982.25
<b>Note 5.1 – SHORT TERM BORROWINGS</b>		
<b>Secured</b>		
From Scheduled Banks (Secured by hypothecation of inventories, book debts and certain movable and immovable properties)	2556.34	2661.05
	2556.34	2661.05





NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2014

[₹ in lakh]

	As at 31st March, 2014	As at 31st March, 2013
<b>Note 5.2 – TRADE PAYABLE</b>		
For Goods and Services [Refer Note No.10.06]	8872.48	6541.56
	<u>8872.48</u>	<u>6541.56</u>
<b>Note 5.3 – OTHER CURRENT LIABILITIES</b>		
Current Maturity on Long Term Debt		
Government of India	...	4220.00
From Scheduled Banks	<u>1077.12</u>	<u>875.72</u>
	1077.12	5095.72
Interest accrued but not due on borrowings		
- Others	...	18.90
Interest accrued and due on borrowings		
- Govt. of India	...	2622.87
- Scheduled Banks and West Bengal Housing Board	<u>1132.44</u>	<u>879.39</u>
	1132.44	3502.26
Advance and Deposits received from Customers	588.49	544.43
Earnest Money/Security Deposit	190.49	168.27
Others Payable (Employees' dues, Other Contractual obligation and Statutory Dues)	<u>4008.24</u>	<u>3917.81</u>
	<u>6996.78</u>	<u>13247.39</u>
<b>Note 5.4 – SHORT TERM PROVISIONS</b>		
Others :		
Other Provisions (Stock Obsolescence, Contingencies and Food Stuff)	623.42	618.86
Provision for Income Tax and Wealth Tax	<u>784.54</u>	<u>506.59</u>
	<u>1407.96</u>	<u>1125.45</u>

NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2014

[₹ in lakh]

**Note 6 – FIXED ASSETS**

Description of Assets	GROSS BLOCK				DEPRECIATION				IMPAIRMENT OF ASSETS		NET BLOCK	
	Cost/Book Value as at 1st April, 2013	Additions/ Adjust-ments during the year	Less:Sales/ Adjust-ments during the year	Cost/Book Value as at 31st March, 2014	Upto 31st March, 2013	For the year	Less: On Sales/ Adjust-ments during the year	Upto 31st March, 2014	Upto 31st March, 2013	During the year	As at 31st March, 2014	As at 31st March, 2013
<b>Tangible Assets</b>												
Land (including cost of development and leasehold land Rs.15.10 lakh; 2012-13 Rs.15.10 lakh)	175.39	...	...	175.39	...	...	...	...	...	...	175.39	175.39
Estates/Leasehold (including garden development expenses)	12454.15	...	...	12454.15	261.71	...	...	261.71	...	...	12192.44	12192.44
Buildings	3251.58	241.28	6.68	3486.18	1378.08	59.84	...	1437.92	5.78	...	2042.48	1867.72
Roads and Culverts	64.96	5.00	...	69.96	18.98	1.17	...	20.15	...	...	49.81	45.98
Plant and Equipments	5320.30	383.10	89.01	5614.39	3366.08	240.94	74.63	3532.39	62.95	0.03	2019.02	1891.27
Drawings, Designs and Tracing etc.	74.99	...	...	74.99	40.90	...	...	40.90	34.09	...	...	...
Electrical Installations	978.51	61.26	1.30	1038.47	535.26	36.74	1.08	570.92	...	...	467.55	443.25
Water Installations	566.20	114.92	27.04	654.08	299.24	24.41	0.14	323.51	...	...	330.57	266.96
Furniture and Fixtures	310.12	16.06	4.63	321.55	258.09	10.21	4.18	264.12	0.01	...	57.42	52.02
Office Equipments	18.15	0.28	2.21	16.22	13.36	0.46	2.03	11.79	...	...	4.43	4.79
Vehicles	848.34	56.60	24.13	880.81	447.06	64.92	20.53	491.45	...	...	389.36	401.28
<b>TOTAL</b>	<b>24062.69</b>	<b>878.50</b>	<b>155.00</b>	<b>24786.19</b>	<b>6618.76</b>	<b>438.69</b>	<b>102.59</b>	<b>6954.86</b>	<b>102.83</b>	<b>0.03</b>	<b>17728.47</b>	<b>17341.10</b>
<b>Intangible Assets</b>												
Computer Software(intangible assets)	67.21	17.53	...	84.74	37.82	10.28	...	48.10	...	...	36.64	29.39
<b>TOTAL</b>	<b>24129.90</b>	<b>896.03</b>	<b>155.00</b>	<b>24870.93</b>	<b>6656.58</b>	<b>448.97</b>	<b>102.59</b>	<b>7002.96</b>	<b>102.83</b>	<b>0.03</b>	<b>17765.11</b>	<b>17370.49</b>
Capital Work-in-Progress (Tangible)	573.14	938.30	884.04	627.40	...	...	...	...	52.53	...	574.87	520.61
<b>TOTAL</b>	<b>24703.04</b>	<b>1834.33</b>	<b>1039.04</b>	<b>25498.33</b>	<b>6656.58</b>	<b>448.97</b>	<b>102.59</b>	<b>7002.96</b>	<b>155.36</b>	<b>0.03</b>	<b>18339.98</b>	<b>17891.10</b>
PREVIOUS YEAR'S TOTAL	24305.75	722.34	325.05	24703.04	6362.66	449.41	155.49	6656.58	188.82	(-)33.46	17891.10	



NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2014

[₹ in lakh]

	No. of Shares/ Units	Face Value per Share/Unit	Book Value	
			As at 31.03.2014	As at 31.03.2013
<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	0.12	0.12
Gloster Ltd.	832	10	0.01	0.01
Exide Industries Ltd.	2,12,714	1	4.22	4.22
The Gillapukri Tea and Industries Ltd.	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	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	1,70,781	10	36.13	34.50
	(1,63,261)		871.71	870.08
Less: Provision for diminution in value for long term investments			33.09	5.21
			838.62	864.87
[Investments are valued at cost]				
<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			179.89	207.77
Bonds			305.00	305.00
			689.29	717.17
3. Unit Trust of India				
Balanced Fund			36.13	34.50
			838.62	864.87
		As at 31.03.2014	As at 31.03.2013	
		Book Value	Book Value	Market Value
Aggregate Value of Investments :				
Quoted		196.06	222.31	16344.84
Unquoted		642.56	642.56	
		838.62	864.87	



**NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2014**

[₹ in lakh]

	As at 31st March, 2014	As at 31st March, 2013
<b>Note 6.2 – LONG TERM LOANS AND ADVANCES</b>		
Capital Advances - Unsecured Considered good	21.78	21.78
Security Deposit - Unsecured Considered good	...	125.97
Advance Tax (FBT)	2.10	19.44
Loans and Advance to related parties		
Unsecured Considered good	2.32	502.12
Doubtful	620.82	122.62
	623.14	624.74
Less: Provision for Doubtful Advance	620.82	122.62
	2.32	502.12
Other Loans and Advances – Unsecured Considered good	190.08	183.07
	216.28	852.38
<b>Note 6.3 – OTHER NON-CURRENT ASSETS</b>		
Others (Plan Assets for Superannuation Fund and Retention Money)	691.36	590.43
	691.36	590.43
<b>Note 7.1 – CURRENT INVESTMENT (Investments in Mutual Fund)</b>		
<b>Quoted :</b>		
<b>Unit Trust of India</b>		
Balance Fund	...	1.63
(7520.085 No. of Units of face value of ₹10/- each, Market value of ₹21.71 each. Total value ₹1.63 lakh at cost).		
	...	1.63
<b>Note 7.2 – INVENTORIES (At lower of cost and net realisable value)</b>		
Raw Materials, Components & Packing Material	972.68	962.75
Work in Progress	975.26	649.34
Finished Goods	382.32	340.36
Stores and Spare Parts	1569.34	1413.95
Loose Tools	9.69	9.27
Food Stuff	16.00	17.33
Scrap	33.23	29.94
	3958.52	3422.94
<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	1526.80	2038.96
Considered Doubtful	4843.99	4396.66
	6370.79	6435.62
Less: Provision for Doubtful Debts	4843.99	4396.66
	1526.80	2038.96
<b>Other Debts :</b>		
Considered Good	7881.72	7562.96
	9408.52	9601.92



NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2014

[₹ in lakh]

	As at 31st March, 2014	As at 31st March, 2013
<b>Note 7.4 – CASH AND BANK BALANCES</b>		
<b>Cash and Cash Equivalents :</b>		
Balance with Bank	818.40	458.24
Cheques in Hand	1.16	29.17
Cash in Hand	56.51	19.19
Postage and Stamps in hand	0.02	0.02
Employee Security Deposit	0.06	0.06
Remittance in Transit	48.79	66.29
Deposit with Bank maturing within 3 months	2540.21	2643.43
	3465.15	3216.40
<b>Other Bank Balances :</b>		
Deposit with Bank maturing after 3 months (incl. Dep. with NABARD)	4259.95	2905.73
Margin Money with Bank maturing after 3 months	1709.19	2687.68
Margin Money with Bank maturing within 3 months	53.30	227.72
	6022.44	5821.13
	9487.59	9037.53
<b>Note 7.5 – SHORT TERM LOANS AND ADVANCES</b>		
<b>Loans and Advances :</b>		
Secured Considered good	8.14	10.07
Related Parties - Unsecured Considered good	187.10	219.40
Others - Unsecured Considered good	2.58	4.80
	197.82	234.27
Balance with Customs & Central Excise - Unsecured Considered good	262.73	96.53
Deposits - Unsecured Considered good	229.09	316.39
Advance payment of Income Tax and Wealth Tax	1442.02	1151.67
<b>Advance recoverable in cash or in kind or for value to be received –</b>		
Considered good	2285.12	1642.18
Considered doubtful	1770.43	1703.74
	4055.55	3345.92
Less: Provision for doubtful advances	1770.43	1703.74
	2285.12	1642.18
	4416.78	3441.04
<b>Note 7.6 – OTHER CURRENT ASSETS</b>		
Others (Interest accrued on deposits) [including Related Parties Rs. Nil (Previous year ₹60.00 lakh)]	152.32	204.39
	152.32	204.39



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014**

[₹ in lakh]

	For the year ended 31st March, 2014	For the year ended 31st March, 2013
<b>REVENUE</b>		
<b>Note 8.1 – REVENUE FROM OPERATIONS</b>		
Sale of Products	34209.03	30469.66
Sale of Services	477.88	461.22
Other Operational Income	3597.88	1539.37
	38284.79	32470.25
Less: Trade and Other Discount	166.32	152.49
	38118.47	32317.76
Less: Excise Duty	1437.11	1202.54
	36681.36	31115.22
<b>Note 8.2 – OTHER INCOME</b>		
Interest Income	417.89	533.24
Dividend Income	346.26	317.33
Other non-operating income (Tea Board Subsidy, Adjustment of Tea Board Subsidy, Items relating to previous year, Provision no longer required written back)	293.36	208.28
	1057.51	1058.85
<b>Note 9.1 – COST OF MATERIAL CONSUMED</b>		
<b>Opening Stock as at 1st April, 2013 :</b>		
Raw Materials, Components and Packing Materials	962.76	1119.78
Stores and Spare Parts	1413.95	1023.91
Loose Tools	9.27	9.26
	2385.98	2152.95
Less: Book Value of Stock sold/adj./written off	0.10	...
	2385.88	2152.95
<b>Purchase during the year :</b>		
Raw Materials, Components and Packing Materials	11423.63	8774.13
Stores and Spare Parts	2743.01	2403.82
Loose Tools	9.69	6.90
	14176.33	11184.85
	16562.21	13337.80
<b>Less: Closing Stock as at 31st March, 2014 :</b>		
Raw Materials, Components and Packing Materials	972.68	962.76
Stores and Spare Parts	1569.34	1413.95
Loose Tools	9.69	9.27
	2551.71	2385.98
	14010.50	10951.82
Less: Raw Materials and Stores used on various jobs	744.40	509.43
[Refer Note No.10.20(a)(ii)]	13266.10	10442.39



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

[₹ in lakh]

	For the year ended 31st March, 2014	For the year ended 31st March, 2013
<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	382.32	340.36
Work in Progress	975.26	649.34
Scrap	33.23	29.94
	1390.81	1019.64
<b>Inventories (at commencement) :</b>		
Finished Goods	340.36	364.38
Work in Progress	649.34	853.53
Scrap	29.94	13.65
	1019.64	1231.56
	(–) 371.17	211.92
<b>Note 9.3 – EMPLOYEE BENEFITS EXPENSE</b>		
Salaries and Wages	10488.85	9654.76
Contribution to Provident and Other Funds	1347.41	1448.93
Staff Welfare Expenses	1262.38	1139.35
	13098.64	12243.04
Less: Incurred on Capital Jobs, Repair Jobs etc.	304.01	269.70
	12794.63	11973.34
<b>Note 9.4 – FINANCE COSTS</b>		
Interest Expenses	988.12	1015.77
Other Borrowing costs	167.99	118.59
	1156.11	1134.36
<b>Note 9.5 – DEPRECIATION AND AMORTISATION EXPENSES</b>		
Depreciation on Tangible Assets	438.69	439.81
Amortisation of Intangible Assets	10.31	9.60
	449.00	449.41
	449.00	449.41





**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014**

[₹ in lakh]

	For the year ended 31st March, 2014	For the year ended 31st March, 2013
<b>Note 9.6 – OTHER EXPENSES</b>		
Power and Fuel	2369.78	2216.26
Tea Cultivation and Manufacturing Expenses	539.06	319.31
Research and Development Expenses	19.66	10.11
Director's Fees	...	0.10
Rent (Net)	86.17	74.23
Rates and Taxes	21.06	25.69
<b>Repairs and Maintenance :</b>		
Buildings	347.58	328.71
Plant and Machinery	467.60	313.79
Others	77.12	140.19
	892.30	782.69
Travelling Expenses and Upkeep of Vehicles	691.40	599.20
Insurance	67.34	32.01
Broker's Commission	234.53	218.60
<b>Selling Expenses :</b>		
Selling Agent's Commission	20.95	11.90
Others	757.60	689.65
	778.55	701.55
Miscellaneous Expenses	898.75	979.90
Bank charges	23.19	14.80
Excise Duty	24.23	2.90
Assam Entry Tax	6.60	4.41
Assam Cess on Green Leaf	95.01	99.46
West Bengal Primary and Rural Education Cess	0.53	0.55
Tea Cess	53.37	54.93
Education Cess	1.06	1.08
Net loss on Foreign Currency	1.53	2.48
<b>Auditor's Remuneration :</b>		
As Auditor	2.25	*2.50
For Taxation matter	0.75	0.75
For Other Services	1.10	1.00
For Reimbursement Expenses	0.20	0.06
	4.30	4.31
Cost Audit Fees	1.45	1.45
Item relating to previous years [Refer Note No.10.18 of Other Notes to Financial Statements]	3.70	12.01
Loss on sale/write off of Fixed Assets	...	4.13
Liquidated Damages and Penalty etc.	278.28	205.68
Rectification/Replacement	54.88	32.01
<b>Provision for :</b>		
Doubtful Debts	162.28	146.83
Doubtful Loans, Advances and Deposits	550.14	4.83
Capital WIP	...	1.73
Provision for Investments	27.88	...
Stock/Stores Obsolescence	14.52	9.21
	754.82	162.60
	<b>7901.55</b>	<b>6562.45</b>

\* including ₹0.25 lakh for previous year.



**OTHER NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2014**

[₹ in lakh]

**Note 10**

10.01 Estimated amount of contracts remaining to be executed on Capital Account ₹146.53 lakh (net of advances) (₹191.05 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 ₹68.77 lakh (₹68.77 lakh)
- [b] Guarantees and Indemnities given to various Institutions and Authorities in connection with Company's operations amounting to ₹2159.51 lakh (₹1469.65 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 – ₹411.45 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 ₹2851.75 lakh (₹4178.60 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 ₹438.49 lakh (₹533.11 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 (₹447.28 lakh) excluding interest against which appeal have been preferred by the Company.
- [g] Unexpired Letter of Credit opened by the Company's Bankers – ₹1979.41 lakh (₹1372.47 lakh).

10.03 Sanctioned Rehabilitation Scheme approved by Board for Industrial and Financial Reconstruction (BIFR) vide Order dated 30th October, 2007 with the cut-off date of 31st March, 2006 is under implementation.

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

- [a] [i] Shares pending allotment appearing in Note No.3 for ₹3007.00 lakh includes ₹150.00 lakh representing 75,00,000 number of shares at a face value of ₹2/- each arising out of conversion of funded interest to be issued to State Bank of India as a part of SRS and ₹2857.00 lakh representing 14,28,50,000 number of shares at a face value of ₹2/- each to be issued to Government of India (GOI) arising out of conversion of non-plan GOI loan of ₹4152.00 lakh after writing off ₹1295.00 lakh against accumulated loss as a part of financial restructuring package approved by GOI and BIFR.
- [ii] The above pending shares will be allotted upon enhancement of Company's authorised capital from ₹7500.00 lakh to ₹11000.00 lakh after disposal of Company's application for waiver of ROC filing fee for enhancement of authorised capital by BIFR and completion of requisite formalities, though approval for enhancement of authorised capital was already obtained in Annual General Meeting held on 20.09.2013.
- [iii] The other operational income appearing in Note No.8.1 includes ₹2622.87 lakh on account of waiver of interest on Government of India Loan from 01.04.2007 to 31.03.2012 pursuant to BIFR Order No.501/2003 dated 15.07.2013.
- [b] In terms of the aforesaid order 46% of unsecured creditors amounting to ₹58.47 lakh (₹29.36 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 ₹990.96 lakh (₹840.19 lakh) for the year ended 31st March, 2014 has been recognised under the line item Contribution to Provident and Other Funds included in Note No.9.3 above.

	2013-14	2012-13
Contribution to Provident Fund	989.09	831.09
Contribution to Employees State Insurance Fund	1.87	9.10

OTHER NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2014 – [Contd.]

[₹ in lakh]

Note 10 – [Contd.]

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

Employee Benefits	2013-14				2012-13				2011-12			
	Gratuity	Leave en-cashment	Pension	Superannuation	Gratuity	Leave en-cashment	Pension	Superannuation	Gratuity	Leave en-cashment	Pension	Superannuation
Defined benefit plans/Long term compensated absences. As per actuarial valuation as on 31st March, 2014												
[I] Change in present value of Defined Benefit Obligations during the year ended 31st March, 2014.												
[1] Present value of DBO at beginning 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
[2] Current Service cost	221.79	46.14		36.89	198.70	47.05		42.71	178.57	35.12		16.40
[3] Interest cost	348.90	72.94	0.11	31.08	320.12	65.32	0.12	30.82	279.85	45.39	0.14	18.36
[4] Curtailment cost/(Credit)	...	...	...	...	...	...	...	...	...	...	...	...
[5] Settlement cost/(Credit)	...	...	...	...	...	...	...	...	...	...	...	...
[6] Plan amendments	...	...	...	...	...	...	...	...	...	...	...	...
[7] Acquisitions	...	...	...	...	...	...	...	...	...	...	...	...
[8] Actuarial (Gains)/Losses	(119.45)	69.08	(0.26)	(24.50)	389.63	104.46	0.09	(3.92)	258.68	211.39	(0.20)	148.89
[9] Benefits paid	(238.41)	(79.47)	(0.23)	(22.51)	(488.25)	(89.55)	(0.30)	(72.32)	(331.94)	(88.58)	(0.31)	(30.16)
[10] Present Value of DBO at the end of period	4535.69	1027.21	1.03	406.69	4322.86	918.52	1.41	385.73	3902.66	791.24	1.50	388.44
[II] Change in Fair value of Assets during the year ended 31st March, 2014.												
[1] Plan assets at beginning of period	3713.76	...	...	751.82	3416.77	...	...	761.47	3140.99	...	...	546.85
[2] Actuarial Gain/(Loss)	11.38	...	...	(18.53)	0.86	...	...	(0.79)	93.16	...	...	182.07
[3] Actual return on plan assets	317.83	...	...	61.47	298.55	...	...	63.46	259.08	...	...	62.71
[4] Actual Company contribution	469.43	79.47	0.23	...	485.53	89.55	0.30	...	255.48	88.58	0.31	...
[5] Benefits paid	(238.41)	(79.47)	(0.23)	(22.51)	(488.25)	(89.55)	(0.30)	(72.32)	(331.94)	(88.58)	(0.31)	(30.16)
[6] Plan assets at the end of the period	4273.99	...	...	772.25	3713.76	...	...	751.82	3416.77	...	...	761.47
[III] Net Assets/(Liability) recognised in Balance Sheet as at 31st March, 2014.												
[1] Present value of Defined Benefit Obligation	4535.69	1027.21	1.03	406.69	4322.86	918.52	1.41	385.73	3902.66	791.24	1.50	388.44
[2] Fair value of plan assets	4273.99	...	...	772.25	3713.76	...	...	751.82	3416.77	...	...	761.47
[3] Funded status [Surplus/(Deficit)]	(261.70)	(1027.21)	(1.03)	365.56	(609.10)	(918.52)	(1.41)	366.09	(485.89)	(791.24)	(1.50)	373.03
[4] Unrecognised past service cost	...	...	...	...	...	...	...	...	...	...	...	...
[5] Net assets/(liability) recognised in Balance Sheet	(261.70)	(1027.21)	(1.03)	365.56	(609.10)	(918.52)	(1.41)	366.09	(485.89)	(791.24)	(1.50)	373.03
[IV] Components of employer Expenses recognised in Profit & Loss Account for the year ended 31st March, 2014.												
[1] Current Service Cost	221.79	46.14	...	36.89	198.70	47.05	...	42.71	178.57	35.12	...	16.40
[2] Interest Cost	348.90	72.94	0.11	31.08	320.12	65.32	0.12	30.82	279.85	45.39	0.14	18.36
[3] Expected return on plan assets	(317.83)	...	...	(61.47)	(298.85)	...	...	(63.46)	(259.08)	...	...	(62.71)
[4] Curtailment cost/(credit)	...	...	...	...	...	...	...	...	...	...	...	...
[5] Settlement cost/(credit)	...	...	...	...	...	...	...	...	...	...	...	...
[6] Past Service Cost	...	...	...	...	...	...	...	...	...	...	...	...
[7] Actuarial Losses/(Gains)	(130.83)	69.08	(0.26)	(5.97)	388.77	104.46	0.09	(3.13)	165.52	211.39	0.20	(33.18)
[8] Total expenses recognised in the statement of Profit & Loss Account under the head Salaries & Wages	122.03	188.16	(0.15)	0.53	608.74	216.83	0.21	6.94	364.86	291.90	(0.06)	(61.13)
[V] Actuarial Assumptions												
[1] Discount Rate	9.17%	9.17%	9.17%	9.17%	8.30%	8.30%	8.30%	8.30%	8.75%	8.75%	8.75%	8.75%
[2] Expected return on plan assets	8.30%	NA	NA	NA	8.75%	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)	18.27	12.00	NA	3.07	18.53	12.67	NA	3.80	18.45	11.38	NA	4.26
[5] Method of valuation	Projected Unit Credit (PUC) Actuarial Method				Projected Unit Credit (PUC) Actuarial Method				Projected Unit Credit (PUC) Actuarial Method			

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, 2014 is ₹196.06 lakh (₹170.66 lakh) has been taken into account.



OTHER NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2014 – [Contd.]

[₹ in lakh]

Note 10 – [Contd.]

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	2013-14	2012-13
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 alongwith the amounts of the payment made to the supplier beyond the appointed day during the year		
	(i) Payment made beyond the Appointed Date	...	...
	(ii) Interest paid beyond the Appointed Date	...	...
III	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006	...	...
IV	The amount of interest accrued and remaining unpaid at the end of the year	...	...
V	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprise Development Act, 2006	...	...

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

10.07 Provision for Liquidated damages amounting to ₹2075.26 lakh (₹2093.82 lakh) has been set off against Trade Receivables.

10.08 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 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.

10.10 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, 2014 are given below :—

[a] Timing difference :

	31st March, 2014	31st March, 2013
(i) Depreciation as per Tax Laws	507.77	438.96
(ii) Depreciation as per Books	449.00	449.41
(iii) Difference	58.77	(-) 10.45
Deferred Tax liability including Education Cess	19.98	(-) 3.39
Adjustment/Credit related to previous years	17.73	14.15
Total	37.71	10.76

[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 31.03.2013	Charge/(credit) to Statement of Profit & Loss	Deferred Tax liabilities/ (assets) As at 31.03.2014
<b>Deferred Tax Liability :</b>			
Difference between book and tax depreciation	372.37	37.71	410.08
<b>Total</b>	<b>372.37</b>	<b>37.71</b>	<b>410.08</b>
Previous year	361.61	10.76	372.37

[c] In computing deferred tax liability of the Company for the financial year 2013-14, 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 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 lakh to be repaid in 28 equal quarterly installments of ₹106.82 lakh each commencing from 25th March, 2013. Company's proposal for conversion of said term loan into equity is agreed to by concerned Consortium Bank and approval of the same is under consideration of GOI.	9.25% p.a. with monthly rest.
From Bankers of Tea Division	Repayment of ₹220.95 lakh to be repaid in 2014-15 ₹210.00 lakh and ₹10.95 lakh to be repaid in 2015-16. 9.75% p.a. with monthly rest for Allahabad Bank.	10.75% p.a. for other Banks.

OTHER NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2014 – [Contd.]

[₹ in lakh]

Note 10 – [Contd.]

10.13 Segment Reporting

The Company's segment information as at and for the year ended 31st March, 2014 are as below :—

Business Segment	Electrical	Tea	Engineering	Segment Total	Elimination	Total
*1. Segment Revenue						
– External sales	10926.20	18255.25	3424.15	32605.60		
	[7556.71]	[17835.16]	[3722.76]	[29114.63]		
– Inter Segment sales	4.15	3.02	20.55	27.72		
	[0.09]	[6.26]	[29.01]	[35.36]		
– Inter Segment Sale of Capital Goods	...	...	...	...		
	[...]	[...]	[...]	[...]		
– Total Revenue	10930.35	18258.27	3444.70	32633.32	27.72	32605.60
	[7556.80]	[17841.42]	[3751.77]	[29149.99]	[35.36]	[29114.63]
*2. Segment Results	(-)232.88	3706.99	135.28	3609.39	...	3609.39
	[(-)755.43]	[1960.46]	[370.39]	[1575.42]	[...]	[1575.42]
– Unallocated Corporate expenses net of unallocated income	...	...	...	...	...	(-)674.78
	[...]	[...]	[...]	[...]	[...]	[(-)108.57]
– Operating Profit	...	...	...	...	...	2934.61
	[...]	[...]	[...]	[...]	[...]	[1683.99]
– Interest expenses	...	...	...	...	...	1156.11
	[...]	[...]	[...]	[...]	[...]	[1134.36]
– Interest/Dividend Income	...	...	...	...	...	764.15
	[...]	[...]	[...]	[...]	[...]	[850.57]
– Profit on sale of current investments	...	...	...	...	...	...
	[...]	[...]	[...]	[...]	[...]	[...]
– Profit from ordinary activities	...	...	...	...	...	2542.65
	[...]	[...]	[...]	[...]	[...]	[1400.20]
– Extra Ordinary Items	...	...	...	...	...	...
	[...]	[...]	[...]	[...]	[...]	[...]
– Net Profit	...	...	...	...	...	2542.65
	[...]	[...]	[...]	[...]	[...]	[1400.20]
3. Segment Assets	12219.27	24013.11	4928.73	41161.11	...	41161.11
	[11214.89]	[23369.41]	[4091.17]	[38675.47]	[...]	[38675.47]
– Unallocated Corporate Assets	...	...	...	...	...	6152.53
	[...]	[...]	[...]	[...]	[...]	[7232.75]
– Total Assets	...	...	...	...	...	47313.63
	[...]	[...]	[...]	[...]	[...]	[45908.22]
4. Segment Liabilities	13861.82	5085.52	4800.34	23747.68	...	23747.68
	[14277.17]	[9659.38]	[4435.50]	[28372.05]	[...]	[28372.05]
– Unallocated Corporate Liabilities	...	...	...	...	...	2586.62
	[...]	[...]	[...]	[...]	[...]	[2765.43]
– Total Liabilities	...	...	...	...	...	26334.30
	[...]	[...]	[...]	[...]	[...]	[31137.48]
5. Others						
– Capital Expenditure	47.77	659.97	97.91	805.35		
	[66.99]	[393.99]	[(-)68.06]	[392.92]		
– Depreciation including Impairment	60.39	361.55	19.95	441.89		
	[61.08]	[364.21]	[17.30]	[442.59]		
– Non-Cash expenses other than depreciation	89.13	36.34	45.89	171.36		
	[123.02]	[4.87]	[20.96]	[148.85]		
[*] From Sale of Products.						



**OTHER NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2014 – [Contd.]**

[₹ in lakh]

**Note 10 – [Contd.]**

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

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

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

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

[4] Figures in bracket pertaining to previous year.

**10.14 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, 2014 :

Sl.No.	Discontinued operations	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.

[ii] Key Management Personnel :

[a] Kallol Datta	⇒ Chairman and Managing Director
[b] S. Swaminathan	⇒ Director (Planning)
[c] Amitava Dhar	⇒ Director (Finance)
[d] Sunil Munshi	⇒ Director (Personnel)
[e] D. Bandyopadhyay	⇒ Financial Controller & Company Secretary

OTHER NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2014 – [Contd.]

[₹ in lakh]

Note 10 – [Contd.]

[iii] Disclosure of transactions between the Company and related parties and the status of outstanding balance as on 31st March, 2014.

Particulars	Associates		Key Management Personnel and Relatives	
	2013-14	2012-13	2013-14	2012-13
Purchase of goods	24.01	36.36	...	...
Purchase of services	...	5.31	...	...
Purchase of Fixed Assets	...	0.93	...	...
Sale of goods	39.30	77.32	...	...
Sale of services	441.88	440.21	...	...
Interest income	...	30.00	...	...
Dividend income	342.58	274.07	...	...
Interest expense	3.45	3.45	...	...
Rent/Hire charges received	16.85	140.63	...	...
Miscellaneous Receipt	1.01	1.84	0.02	0.02
Remuneration to Directors	...	...	84.97	73.84
Remuneration to Key Managerial Person	...	...	16.39	14.61
Royalty receipt	210.00	295.00	...	...
Balance as on 31st March, 2014 :				
Trade Receivable	48.02	76.77	...	...
Trade Payable	7.87	8.51	...	...
Long Term Loans and Advances (Net)	2.22	502.12	...	...
Short Term Loans and Advances	187.10	279.38	...	...
Other Long Term Liability	28.80	28.80	...	...
Other Current Liabilities	...	...	...	...

10.16 Disclosure of Material transaction with related parties.

	2013-14	2012-13
<b>Purchase of Goods</b>		
Tide Water Oil Co. (I) Ltd.	24.01	36.36
<b>Purchase of Service</b>		
WEBFIL Ltd.	...	5.31
<b>Purchase of Fixed Assets</b>		
Tide Water Oil Co. (I) Ltd.	...	0.93
<b>Sale of Goods</b>		
Yule Financing & Leasing Co. Ltd.	0.06	...
Tide Water Oil Co. (I) Ltd.	38.44	76.64
Coal Companies	0.02	...
WEBFIL Ltd.	0.78	0.68
<b>Sale of Service</b>		
Tide Water Oil Co. (I) Ltd.	402.00	402.00
WEBFIL Ltd.	14.42	14.42
Coal Companies	25.46	23.79
<b>Interest Income</b>		
Yule Financing & Leasing Co. Ltd.	...	30.00
<b>Dividend Income</b>		
Tide Water Oil Co. (I) Ltd.	342.58	274.07
<b>Rent and Hire charges received</b>		
Tide Water Oil Co. (I) Ltd.	...	123.85
WEBFIL Ltd.	15.57	15.57
Coal Companies	1.28	1.21
<b>Miscellaneous Receipts</b>		
WEBFIL Ltd.	...	0.20
Tide Water Oil Co. (I) Ltd.	1.01	1.64
<b>Royalty Receipts</b>		
Tide Water Oil Co. (I) Ltd.	210.00	295.00





OTHER NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2014 – [Contd.]

[₹ in lakh]

Note 10 – [Contd.]

	2013–14	2012–13
<b>Key Management Personnel</b>		
<b>[a] Remuneration to Directors</b>		
Kallol Datta	24.57	21.33
I. Sengupta	...	4.74
S. Swaminathan	20.41	16.64
Amitava Dhar	20.91	18.20
S. Munshi	19.08	12.93
<b>[b] Remuneration to Key Management Personnel</b>		
D. Bandyopadhyay	16.39	14.61
<b>[b] Miscellaneous Receipts</b>		
Kallol Datta	0.02	0.02

10.17 Earning per share

- [a] Number of Equity Share :–  
At the beginning of the year  
At the end of the year

For the year ended 31st March, 2014	For the year ended 31st March, 2013
32,61,38,478	32,61,38,478
32,61,38,478	32,61,38,478

- Weighted average number of Equity Shares outstanding during the year  
Face value of each Equity Share

32,61,38,478	32,61,38,478
2.00	2.00

- [b] Profit after Tax before extra ordinary income available for Equity Shareholders  
[c] Profit after Tax after extra ordinary income available for Equity Shareholders  
[d] Basic earnings per Share before extra ordinary income  
[e] Basic earnings per Share after extra ordinary income

2229.26	1135.00
2229.26	1135.00
₹0.68	₹0.35
₹0.68	₹0.35

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	2013–14	2012–13
Interest (Others)	...	0.87
Legal expenses	...	0.20
Central Sales Tax/West Bengal Sales Tax	...	0.02
Repairs to Plant and Machinery	0.77	...
Miscellaneous Expenses	0.04	4.08
Arrear Salary of Executive/Asstt./Staff	0.79	1.35
Food Stuff	...	1.38
Warehouse Charges	2.10	...
Repair	...	0.14
Gas	...	0.70
CENVAT/Service Tax/Commercial Tax	...	0.01
Power and Fuel	...	1.38
One Time Settlement	...	1.88
Total	3.70	12.01

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, 2014 — [Contd.]**

[₹ in lakh]

**Note 10 — [Contd.]**

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

**[i] Sales :**

<b>Class of Goods</b>	<b>2013-14</b>	<b>2012-13</b>
Black and Packet Tea	18255.89	17835.16
Transformers	8891.75	3948.33
Industrial Fans	1953.48	2042.43
LT and HT Switchgears	657.87	2445.68
Spares	1089.12	2109.44
Others	1757.49	733.59
<b>Total [sale of products net of excise duty]</b>	<b>32605.60</b>	<b>29114.63</b>

**[ii] Raw Materials consumed :**

<b>Class of Goods</b>	<b>2013-14</b>	<b>2012-13</b>
Steel	714.60	720.95
Copper	2529.31	1143.66
Green Leaf	1177.59	1543.86
Parts of Distribution Transformer	3580.20	...
Oil, Chemical etc.	542.37	1443.17
Others	4722.03	5590.75
<b>Total</b>	<b>13266.10</b>	<b>10442.39</b>

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

	<b>Raw Materials and Components</b>				<b>Stores and Spare Parts</b>			
	<b>2013-14</b>	<b>%</b>	<b>2012-13</b>	<b>%</b>	<b>2013-14</b>	<b>%</b>	<b>2012-13</b>	<b>%</b>
Imported	14.52	0.13	16.76	0.20	...	...	...	...
Indigenous	11384.55	99.87	8411.87	99.80	1867.03	100.00	2013.77	100.00
<b>Total</b>	<b>11399.07</b>	<b>100.00</b>	<b>8428.63</b>	<b>100.00</b>	<b>1867.03</b>	<b>100.00</b>	<b>2013.77</b>	<b>100.00</b>

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

	<b>2013-14</b>	<b>2012-13</b>
Raw materials and Components	15.50	38.91
<b>Total</b>	<b>15.50</b>	<b>38.91</b>

**[d] Earnings in Foreign Exchange :**

Export on F.O.B. basis	185.65	210.91
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**[e] Expenditure in Foreign Currencies (on Accrual basis) :**

Others (Foreign Tour Expenses)	9.44	2.04
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10.21 Financial Statements, Auditor's Report and Board of Directors Report in respect of financial year 2013-14 commenced earlier than 1st April, 2014 have been made as per Companies Act, 1956 as per GOI Circular No.1/19/2013-CL-V dated 04.04.2014.

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, 2014 relating to aforesaid Divisions entered into by the Company in the name of Andrew Yule & Company Limited (AYCL) have been accounted for in the Books of Accounts of AYCL.

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

[₹ in lakh]

- [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 :**

Name of the Subsidiary	Profit for the Financial year ended 31st March, 2014	Profit for the previous Financial year ended 31st March, 2013
Hooghly Printing Co. Ltd.	10.24	7.51
Yule Engineering Ltd.	(-) 0.50	(-) 0.25
Yule Electrical Ltd.	(-) 0.32	(-) 8.87

[4] **Net aggregate amount of Subsidiary's profit dealt within the Holding Company's accounts :**

Name of the Subsidiary	Profit for the Financial year ended 31st March, 2014	Profit for the previous Financial year ended 31st March, 2013
Hooghly Printing Co. Ltd.	Nil	Nil
Yule Engineering Ltd.	Nil	Nil
Yule Electrical Ltd.	Nil	Nil

D. BANDYOPADHYAY,  
Chief Financial Officer & Company Secretary.  
Kolkata - 11th August, 2014.

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

# CONSOLIDATED ACCOUNTS

**INDEPENDENT AUDITOR'S 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, 2014, 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 Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs, Government of India, in respect of Section 133 of the Companies Act 2013. 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 Group'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 WEBFIL Limited amounting to ₹14.50 lakh respectively. Refer Note 10.09 [i].
- [ii] In the accounts of Tide Water Oil (India) Company Limited
  - [a] No provision has been made for diminution in value of quoted investments amounting to ₹41.00 lakh. Group interest in the same is ₹10.75 lakh. Refer Note 10.09 [ii].
- [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 and Yule Agro Industries Limited amounting to ₹8.67 lakh. Group share in consolidated accounts is ₹2.86 lakh. Refer Note 10.19 [a].
  - [b] No provision has been made against non realisability of the principal on maturity amounting to ₹4.50 lakhs due from a body corporate. Group share in consolidated accounts is ₹1.48 lacs. Refer Note 10.19 [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 10.13 [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 10.19 [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 10.19 [b].
- [d] No provision has been made against non realisability of the principal on maturity amounting to ₹2.00 lakh due from a body corporate. Group share in the consolidated accounts is ₹0.63 lakh. Refer Note 10.19 [e].

Had the observations made under 4(i), 4(ii), 4(iii)(a)&(b), 4(iv)(b),(c)&(d) were considered, the profit for the year after provision for taxes would have been ₹3483.38 lakh as against the reported figure of ₹3515.68 lakh, Reserves & Surplus would have been ₹20861.31 lakh as against the reported figure of ₹20893.53 lakh and Non Current Investments would have been ₹9707.24 lakh as against the reported figure of ₹9739.54 lakh.

**[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, 2014;
- [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.
- [ii] Note 10.05 [a] [i] to [iii] regarding further financial restructuring package sanctioned by Government of India and later approved by Board for Industrial and Financial Reconstruction (BIFR) vide order no 501/2003 dated 15.07.2013 for reasons stated therein.
- [iii] We did not audit the financial statements of the three (3) subsidiaries whose financial statements reflect total assets (net) of Rs. 382.07 lakhs as at 31st March, 2014, the total revenue of ₹1611.53 lakh for the year ended on that date, and net cash outflows amounting to ₹1.97 lakh 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, 2014 of ₹9014.10 lakh and the group's share of profit of ₹1276.69 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 auditors.

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

Place: Kolkata  
Date: 11th August, 2014



## ANDREW YULE & COMPANY LIMITED

### CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2014

[₹ in lakh]

Particulars	Note No.	As at 31st March, 2014	As at 31st March, 2013
<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	20893.53	16094.49
[2] Share application money pending allotment	3	3007.00	150.00
[3] <b>Non-Current Liabilities</b>	<b>4</b>		
[a] Long Term Borrowings	4.1	5555.01	6166.85
[b] Deferred Tax Liabilities [Refer Note No.10.11(b)]		420.30	384.46
[c] Other Long Term Liabilities	4.2	101.27	118.58
[d] Long Term Provisions	4.3	583.32	1045.79
[4] <b>Current Liabilities</b>	<b>5</b>		
[a] Short Term Borrowings	5.1	2713.09	2661.05
[b] Trade Payables	5.2	9165.21	6700.04
[c] Other Current Liabilities	5.3	7207.00	13417.59
[d] Short Term Provisions	5.4	1408.38	1125.87
<b>TOTAL :</b>		<b>57576.88</b>	<b>54387.49</b>
<b>II. ASSETS</b>			
[1] <b>Non-Current Assets</b>			
[a] <b>Fixed Assets</b>	<b>6</b>		
[i] Tangible Assets	6	18031.79	17671.38
[ii] Intangible Assets	6	36.99	29.58
[iii] Capital Work-in-Progress	6	579.22	524.96
[b] Non-Current Investments	6.1	9739.54	8489.10
[d] Long Term Loans and Advances	6.2	440.15	1045.90
[e] Other Non-Current Assets	6.3	691.36	590.43
[2] <b>Current Assets</b>	<b>7</b>		
[a] Current Investments	7.1	...	1.63
[b] Inventories	7.2	3993.88	3427.42
[c] Trade Receivables	7.3	10054.08	9946.57
[d] Cash and Bank Balances	7.4	9526.53	9078.61
[e] Short Term Loans and Advances	7.5	4331.02	3377.52
[f] Other Current Assets	7.6	152.32	204.39
<b>III THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS</b>			
<b>TOTAL :</b>		<b>57576.88</b>	<b>54387.49</b>

D. BANDYOPADHYAY,  
Chief Financial Officer & Company Secretary.  
Kolkata - 11th August, 2014.

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

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 - 11th August, 2014.



**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014**

[₹ in lakh]

<b>Particulars</b>	<b>Note No.</b>	<b>For the year ended 31st March, 2014</b>	<b>For the year ended 31st March, 2013</b>
<b>I. REVENUE</b>	<b>8</b>		
Revenue from Operations	8.1	39644.96	33235.06
Less: Excise Duty		1437.11	1202.54
		38207.85	32032.52
Other Income	8.2	1082.55	1056.65
<b>Total Revenue [A]</b>		<b>39290.40</b>	<b>33089.17</b>
<b>II. EXPENSES</b>	<b>9</b>		
Cost of Materials Consumed	9.1	14129.21	10763.59
Changes in Inventories of Finished Goods	9.2	(-) 382.17	211.92
Employee Benefits Expense	9.3	13045.50	12206.84
Finance Costs	9.4	1185.93	1158.23
Depreciation and Amortisation Expenses	9.5	477.63	482.17
Other Expenses	9.6	8277.33	6869.89
<b>Total Expenses [B]</b>		<b>36733.43</b>	<b>31692.64</b>
<b>Profit from Operation before Tax</b>		<b>2556.97</b>	<b>1396.53</b>
<b>Tax Expenses</b>			
Provision for Current Tax		282.14	260.28
Deferred Tax [Refer Note No.10.11(a)]		35.84	8.00
<b>Total Tax Expenses</b>		<b>317.98</b>	<b>268.28</b>
<b>Profit for the year</b>		<b>2238.99</b>	<b>1128.25</b>
Add: Group Share of Profit from Associates		1276.69	1315.04
		<b>3515.68</b>	<b>2443.29</b>
Basic & Diluted earnings per share before extraordinary income (Note No.10.17)		₹1.08	₹0.75
Basic & Diluted earnings per share after extraordinary income (Note No.10.17)		₹1.08	₹0.75
<b>III THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS</b>			

D. BANDYOPADHYAY,  
Chief Financial Officer & Company Secretary.  
Kolkata - 11th August, 2014.

On behalf of the Board,  
K. DATTA, Chairman and Managing Director.  
S. SWAMINATHAN }  
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 - 11th August, 2014.





# ANDREW YULE & COMPANY LIMITED

## CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2014

[₹ in lakh]

	As at 31st March, 2014	As at 31st March, 2013
<b>[A] CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit before Tax and extraordinary items	3833.66	2711.57
<b>Adjustments for :</b>		
Depreciation/Impairment of Assets	477.63	482.17
Diminution in the value of Non-Trade Investments	27.88	0.00
Preliminary Expenses charged off	0.00	8.70
Interest charged	1017.94	1039.64
Investment Income	(765.54)	(846.05)
Provision for Staff Benefit	(2.50)	(22.92)
Subsidy Credited to Profit and Loss Account	(11.64)	(20.26)
Liability no longer required written back	(0.18)	(0.18)
<b>Operating profit before changes in amount of Current Liabilities and Current Assets</b>	<b>4577.25</b>	<b>3352.67</b>
<b>Adjustment for :</b>		
Trade Receivables	(1230.19)	(2335.47)
Loans and Advances	(33.26)	0.00
Other Current Liabilities	(535.44)	0.04
Inventories	(1666.88)	(23.09)
Trade payable	190.46	1219.24
<b>Cash Generated from Operations</b>	<b>1301.94</b>	<b>2213.39</b>
Wealth Tax paid	(5.96)	(5.59)
Income Tax paid/Refund	(168.14)	(181.70)
<b>Cash Flow before Extraordinary Items</b>	<b>1127.84</b>	<b>2026.10</b>
Capital Reduction	1295.00	...
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>2422.84</b>	<b>2026.10</b>
<b>[B] CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets (including Capital WIP and Pre-operative Expenditure)	(899.71)	(589.24)
Loans	(7.01)	65.56
Subsidy credited to Profit and Loss Account	0.00	38.46
Income from Investments	817.61	1056.37
Decrease in current investments	(23.04)	(1.74)
Increase in Long Term Investments	(1276.69)	(1315.04)
<b>NET CASH FROM INVESTING ACTIVITIES (B)</b>	<b>(1388.84)</b>	<b>(745.63)</b>
<b>[C] CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Net Proceeds from borrowings	2402.12	(785.69)
Dividend Distribution Tax paid	(3357.94)	(0.83)
Taxes	0.79	0.00
Interest paid	(29.82)	(955.27)
<b>NET CASH USED IN FINANCING ACTIVITIES [C]</b>	<b>(984.85)</b>	<b>(1741.79)</b>
<b>NET CHANGES IN CASH AND CASH EQUIVALENT [A+B+C]</b>	<b>49.15</b>	<b>(461.32)</b>
CASH AND CASH EQUIVALENT Opening Balance as at 1st April, 2013	3484.66	3945.98
CASH AND CASH EQUIVALENT Closing Balance as at 31st March, 2014	3533.81	3484.66
[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	56.77	19.65
Postage and Stamps in hand	0.02	0.02
Cheques in hand	1.16	29.17
Remittance in transit	48.79	66.29
Employees Security Deposit	0.06	0.06
Balance with scheduled Banks :		
On Current Account	833.50	498.32
Fixed Deposit with Banks maturing within 3 months	2593.51	2871.15
	<b>3533.81</b>	<b>3484.66</b>

D. BANDYOPADHYAY,  
Chief Financial Officer & Company Secretary.  
Kolkata - 11th August, 2014.

On behalf of the Board,  
K. DATTA, Chairman and Managing Director.  
S. SWAMINATHAN }  
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 - 11th August, 2014.

## **Note – 1 Statement of Significant Accounting Policies forming part of the Consolidated Financial Statements for the year ended 31st March, 2014.**

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 Statement of Profit and Loss where the carrying amount of an asset exceeds its recoverable amount. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

### **[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 Statement of Profit and Loss 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, 2014**

[₹ in lakh]

	As at 31st March, 2014	As at 31st March, 2013
<b>Note 2.1 – SHARE CAPITAL</b>		
Authorised :		
Equity Shares		
37,50,00,000 (Previous year 37,50,00,000) of ₹2/- each	7500.00	7500.00
Issued, Subscribed and Fully Paid-up :		
Equity Shares		
32,61,38,478 (Previous year 32,61,38,478) of ₹2/- each	6522.77	6522.77
[Out of above 6,00,000 shares issued as Bonus Shares by Capitalisation of General Reserve, 21,35,344 shares issued pursuant to a contract without payment being received in cash and 11,57,600 shares issued to Govt. of India in the name of President of India pursuant to Transformer & Switchgear Ltd. and Brentford Electric India Ltd. against compensation money paid by them]		
	6522.77	6522.77
Particulars	As at 31st March, 2014	As at 31st March, 2013
Authorised :		
37,50,00,000 (Previous year 37,50,00,000) Equity Shares of ₹2/- each	7500.00	7500.00
Issued, Subscribed and Paid-up :		
32,61,38,478 (Previous year 32,61,38,478) Equity Shares of ₹2/- each	6522.77	6522.77
<b>The details of Shareholder holding more than 5% shares as at 31st March set out below :</b>		
	As at 31st March, 2014	As at 31st March, 2013
Nature of the Shareholders	No. of shares      %age	No. of shares      %
President of India	29,35,24,630      90.00	30,42,89,706      93.30
<b>The reconciliation of the number of shares outstanding as at 31st March :</b>		
	As at 31st March, 2014	As at 31st March, 2013
	No. of shares      Value	No. of shares      Value
Equity shares at the beginning of the year	32,61,38,478      6522.77	32,61,38,478      6522.77
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 as per value of ₹2/- per share. Each holder of Equity shares is entitled to one Vote per share.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2014

[₹ in lakh]

	As at 31st March, 2014		As at 31st March, 2013	
<b>Note 2.2 – RESERVES AND SURPLUS</b>				
<b>Capital Reserve :</b>				
General				
Balance as per Last Account	406.27		402.55	
Add: During the year	0.00		3.72	
		406.27		406.27
<b>Bond Redemption Reserve :</b>				
General				
Balance as per Last Account	...		...	
Add: During the year	500.00		...	
		500.00		...
<b>Revaluation Reserve :</b>				
General				
Balance as per Last Account		10332.52		10332.52
<b>Other Reserves :</b>				
Special :				
Central/State Subsidy for Capital Assets :				
Balance as per Last Account	11.74		11.40	
Add: During the year	...		0.34	
		11.74		11.74
Tea Board Subsidy for Capital Assets :				
Balance as per Last Account	130.21		112.01	
Add: During the year	...		38.46	
	130.21		150.47	
Less: Transfer to Statement of Profit and Loss	11.64		20.26	
		118.57		130.21
State Housing Subsidy	...		4.06	
Less: Transferred to Capital Reserve	...		3.72	
Less: Transferred to Central/State Subsidy for Capital Assets	...		0.34	
		...		...
Balance of Statement of Profit & Loss as per last Account	5213.75		2959.82	
Less: Adjustment for difference in net assets of PYL	...		188.53	
Less: Adjustment for Dividend Distribution Tax	...		0.83	
Less: Transfer to Bond Redemption Reserve	500.00		...	
Add: Adjustment	1295.00		...	
Add: Profit during the year	3515.68		2443.29	
		9524.43		5213.75
		20893.53		16094.49
	No. of Shares @ Rs.2/- per share	As at 31st March,2014	No. of Shares @ Rs.2/- per share	As at 31st March,2013
<b>Note 3 – SHARE APPLICATION MONEY PENDING ALLOTMENT</b>				
State Bank of India	75,00,000	150.00	75,00,000	150.00
<b>Government of India :</b>				
Conversion of GOI Loan into Equity	20,76,00,000	4152.00	...	...
Less: Written off with Profit and Loss Account	6,47,50,000	1295.00	...	...
Net pending No. of Shares	14,28,50,000	2857.00	...	...
Total Pending Shares	15,03,50,000	3007.00	75,00,000.00	150.00
Please see Note No.10.05(a) of Other Notes to Financial Statement				



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2014**

[₹ in lakh]

	As at 31st March, 2014	As at 31st March, 2013
<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 instalment)	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) ₹2136.44 lakh and United Bank of India (UBI) (HPCL) Rs.53.79 lakh. The above loans 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 Allahabad 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.	2906.23	3512.35
<b>Other Loans</b> (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)	648.78	654.50
<b>Unsecured Loans :</b>		
West Bengal Industrial Development Corpn. Ltd.	...	89.92
Government of India	...	68.00
	...	157.92
Less: Transferred to Other Current Liabilities (Note No.5.3)	...	157.92
	5555.01	6166.85
<b>Note 4.2 – OTHER LONG TERM LIABILITIES</b>		
Security Deposits from Related Parties	28.80	28.80
Others (Security Deposit, Earnest Money Deposit)	72.47	89.78
	101.27	118.58
<b>Note 4.3 – LONG TERM PROVISIONS</b>		
Provision for Employee Benefits (Gratuity)	269.64	620.19
Provision for Income Tax and FBT	40.39	69.12
Provision for Contingencies	105.74	105.74
Others (Provision for Employees' Benefit)	167.55	250.74
	583.32	1045.79
<b>Note 5.1 – SHORT TERM BORROWINGS</b>		
<b>Secured</b>		
From Scheduled Banks (Secured by hypothecation of inventories, book debts and certain movable and immovable properties)	2713.09	2661.05
	2713.09	2661.05



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2014

[₹ in lakh]

	As at 31st March, 2014	As at 31st March, 2013
<b>Note 5.2 – TRADE PAYABLE</b>		
For Goods and Services	9165.21	6700.04
	<u>9165.21</u>	<u>6700.04</u>
 <b>Note 5.3 – OTHER CURRENT LIABILITIES</b>		
<b>Current Maturity on Long Term Debt :</b>		
Government of India	...	4220.00
From Scheduled Banks	<u>1101.00</u>	<u>905.57</u>
	1101.00	5125.57
<b>Interest accrued but not due on borrowings :</b>		
– Others	...	18.90
<b>Interest accrued and due on borrowings :</b>		
– Govt. of India	...	2622.87
– Scheduled Banks and West Bengal Housing Board	<u>1132.66</u>	<u>880.92</u>
	1132.66	3503.79
Advance and Deposits received from Customers	590.99	544.93
Earnest money/Security deposits	190.49	168.27
Related Parties	78.53	83.73
Others Payable (Employees' dues, Other Contractual obligation & Statutory Dues)	4113.33	3972.40
	<u>7207.00</u>	<u>13417.59</u>
 <b>Note 5.4 – SHORT TERM PROVISIONS</b>		
<b>Others :</b>		
Other Provisions (Stock Obsolescence, Contingencies and Food Stuff)	623.84	619.28
Provision for Income Tax and Wealth Tax	<u>784.54</u>	<u>506.59</u>
	<u>1408.38</u>	<u>1125.87</u>



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2014

[₹ in lakh]

<b>Note 6 – FIXED ASSETS</b>												
Description of Assets	GROSS BLOCK				DEPRECIATION				IMPAIRMENT OF ASSETS		NET BLOCK	
	Cost/Book Value as at 1st April, 2013	Additions/ Adjust-ments during the year	Less:Sales/ Adjust-ments during the year	Cost/Book Value as at 31st March, 2014	Upto 31st March, 2013	For the year	Less: On Sales/ Adjust-ments during the year	Upto 31st March, 2014	Upto 31st March, 2013	During the year	As at 31st March, 2014	As at 31st March, 2013
<b>Tangible Assets</b>												
Land (including cost of development and leasehold land Rs.15.10 lakh; 2012-13 Rs.15.10 lakh)	323.38	...	...	323.38	3.71	1.51	...	5.22	...	...	318.16	319.67
Estates/Leasehold (including garden development expenses)	12454.15	...	...	12454.15	261.71	...	...	261.71	...	...	12192.44	12192.44
Buildings	3252.37	241.28	6.68	3486.97	1378.87	59.84	...	1438.71	5.78	...	2042.48	1867.72
Roads and Culverts	64.96	5.00	...	69.96	18.98	1.17	...	20.15	...	...	49.81	45.98
Plant and Equipments	5786.95	383.20	89.01	6081.14	3653.58	266.17	74.63	3845.12	62.95	0.03	2173.04	2070.42
Drawings, Designs and Tracings etc.	74.99	...	...	74.99	40.90	...	...	40.90	34.09	...	...	...
Electrical Installations	983.35	61.26	1.30	1043.31	538.17	36.88	1.08	573.97	...	...	469.34	445.18
Water Installations	566.20	114.92	27.04	654.08	299.24	24.41	0.14	323.51	...	...	330.57	266.96
Furniture and Fixtures	320.27	17.53	4.63	333.17	266.39	11.07	4.18	273.28	0.01	...	59.88	53.87
Office Equipments	18.15	0.28	2.21	16.22	13.36	0.46	2.03	11.79	...	...	4.43	4.79
Vehicles	854.53	56.60	24.13	887.00	450.18	65.71	20.53	495.36	...	...	391.64	404.35
<b>TOTAL</b>	<b>24699.30</b>	<b>880.07</b>	<b>155.00</b>	<b>25424.37</b>	<b>6925.09</b>	<b>467.22</b>	<b>102.59</b>	<b>7289.72</b>	<b>102.83</b>	<b>0.03</b>	<b>18031.79</b>	<b>17671.38</b>
<b>Intangible Assets</b>												
Computer Software(intangible assets)	67.91	17.79	...	85.70	38.33	10.38	...	48.71	...	...	36.99	29.58
<b>TOTAL</b>	<b>24767.21</b>	<b>897.86</b>	<b>155.00</b>	<b>25510.07</b>	<b>6963.42</b>	<b>477.60</b>	<b>102.59</b>	<b>7338.43</b>	<b>102.83</b>	<b>0.03</b>	<b>18068.78</b>	<b>17700.96</b>
Capital Work-in-Progress (Tangible)	577.49	938.30	884.04	631.75	...	...	...	...	52.53	...	579.22	524.96
<b>TOTAL</b>	<b>25344.70</b>	<b>1836.16</b>	<b>1039.04</b>	<b>26141.82</b>	<b>6963.42</b>	<b>477.60</b>	<b>102.59</b>	<b>7338.43</b>	<b>155.36</b>	<b>0.03</b>	<b>18648.00</b>	<b>18225.92</b>
PREVIOUS YEAR'S TOTAL	24944.39	725.36	325.05	25344.70	6636.74	482.17	155.49	6963.42	188.82	(-)33.46	18225.92	



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2014

[₹ in lakh]

	No. of Shares/ Units	Face Value per Share/Unit	Book Value	
			As at 31.03.2014	As at 31.03.2013
<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, 2014			9025.68	7746.55
			9166.75	7887.62
<b>Unquoted :</b>				
New Beerbhoom Coal Co. Ltd.	1,05,355	10	12.27	12.27
Add/Less: Group Share of Profit as on 31st March, 2014			(–) 4.04	(–) 3.46
			8.23	8.81
Katras Jherriah Coal Co. Ltd.	60,260	10	6.95	6.95
Add/Less: Group Share of Profit as on 31st March, 2014			(–) 7.54	(–) 5.69
			(–) 0.59	1.26
<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	0.12	0.12
Gloster Ltd.	832	10	0.01	0.01
Exide Industries Ltd.	2,12,714	1	4.22	4.22
The Gillapukri Tea and Industries Ltd.	26	10	0.00	0.00
<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	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>				
Unit Trust of India	1,70,481	10	36.13	34.50
Balanced Fund	(1,63,261)			
			9772.63	8494.31
<b>Less: Provision for diminution in value for long term investments</b>			33.09	5.21
			9739.54	8489.10
[Investments are valued at cost]				
Market value of quoted investments			18981.65	16344.84



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2014**

[₹ in lakh]

	As at 31st March, 2014	As at 31st March, 2013
<b>Note 6.2 – LONG TERM LOANS AND ADVANCES</b>		
Capital Advances - Unsecured Considered good	21.78	21.78
Security Deposit - Unsecured Considered good	19.58	140.35
Advance Tax (Income Tax and FBT)	73.26	99.22
Loans and Advance to related parties		
Unsecured	2.32	502.12
Doubtful	620.82	122.62
	623.14	624.74
Less: Provision for Doubtful Advance	620.82	122.62
	2.32	502.12
Other Loans and Advances – Unsecured Considered good	323.21	282.43
	440.15	1045.90
<b>Note 6.3 – OTHER NON-CURRENT ASSETS</b>		
Others (Plan Assets for Superannuation Fund and Retention Money)	691.36	590.43
	691.36	590.43
<b>Note 7.1 – CURRENT INVESTMENT (Investments in Mutual Fund)</b>		
Quoted :		
Unit Trust of India		
Balance Fund	...	1.63
(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).	...	1.63
<b>Note 7.2 – INVENTORIES (At lower of cost and net realisable value)</b>		
Raw Materials, Components & Packing Material	996.03	965.89
Work in Progress	975.26	649.34
Finished Goods	393.75	340.78
Stores and Spare Parts	1569.92	1414.87
Loose Tools	9.69	9.27
Food Stuff	16.00	17.33
Scrap	33.23	29.94
	3993.88	3427.42
<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	1590.42	2056.89
Considered Doubtful	4843.99	4396.66
	6434.41	6453.55
Less: Provision for Doubtful Debts	4843.99	4396.66
	1590.42	2056.89
<b>Other Debts :</b>		
Considered Good	8463.66	7889.68
	10054.08	9946.57



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2014

[₹ in lakh]

	As at 31st March, 2014	As at 31st March, 2013
<b>Note 7.4 – CASH AND BANK BALANCES</b>		
<b>Cash and Cash Equivalents :</b>		
Balance with Bank	833.50	498.32
Cheques in Hand	1.16	29.17
Cash in Hand	56.77	19.65
Postage and Stamps in hand	0.02	0.02
Employee Security Deposit	0.06	0.06
Remittance in Transit	48.79	66.29
Deposit with Bank maturing within 3 months	2540.21	2643.43
	3480.51	3256.94
<b>Other Bank Balances :</b>		
Deposit with Bank maturing after 3 months	4283.53	2906.27
Margin Money with Bank maturing after 3 months (including dep. with NABARD)	1709.19	2687.68
Margin Money with Bank maturing within 3 months	53.30	227.72
	6046.02	5821.67
	9526.53	9078.61
<b>Note 7.5 – SHORT TERM LOANS AND ADVANCES</b>		
<b>Loans and Advances :</b>		
Secured Considered good	8.14	10.07
Related Parties - Unsecured Considered good	187.28	225.28
Others - Unsecured Considered good	2.58	4.80
	198.00	240.15
Balance with Customs & Central Excise - Unsecured Considered good	262.73	96.53
Deposits - Unsecured Considered good	143.04	246.87
Advance payment of Income Tax and Wealth Tax	1442.02	1151.67
<b>Advance recoverable in cash or in kind or for value to be received :</b>		
Considered good	2285.23	1642.30
Considered doubtful	1770.43	1703.74
	4055.66	3346.04
Less: Provision for doubtful advances	1770.43	1703.74
	2285.23	1642.30
	4331.02	3377.52
<b>Note 7.6 – OTHER CURRENT ASSETS</b>		
Others (Interest accrued on deposits)	152.32	204.39
[including Related Parties Rs.Nil (Previous year Rs.60.00 lakh)]	152.32	204.39



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014**

[₹ in lakh]

	For the year ended 31st March, 2014	For the year ended 31st March, 2013
<b>REVENUE</b>		
<b>Note 8.1 – REVENUE FROM OPERATIONS</b>		
Sale of Products	35771.52	31407.78
Sale of Services	441.88	440.22
Other Operational Income	3597.88	1539.55
	39811.28	33387.55
Less: Trade and Other Discount	166.32	152.49
	39644.96	33235.06
Less: Excise Duty	1437.11	1202.54
	38207.85	32032.52
<b>Note 8.2 – OTHER INCOME</b>		
Interest Income	419.28	533.86
Dividend Income	346.26	312.19
Other non-operating income (Tea Board Subsidy, Adjustment of Tea Board Subsidy, Items relating to previous year, Provision no longer required written back)	317.01	210.60
	1082.55	1056.65
<b>Note 9.1 – COST OF MATERIAL CONSUMED</b>		
<b>Opening Stock as at 1st April, 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
	2390.04	2160.96
Less: Book value of stocks sold/adj./written off	0.10	...
	2389.94	2160.96
<b>Purchase during the year :</b>		
Raw Materials, Components and Packing Materials	12283.12	9089.27
Stores and Spare Parts	2766.50	2405.93
Loose Tools	9.69	6.90
	15059.31	11502.10
	17449.25	13663.06
<b>Less: Closing Stock as at 31st March, 2014 :</b>		
Raw Materials, Components and Packing Materials	995.78	965.90
Stores and Spare Parts	1570.17	1414.87
Loose Tools	9.69	9.27
	2575.64	2390.04
	14873.61	11273.02
Less: Raw Materials and Stores used on various jobs	744.40	509.43
	14129.21	10763.59



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

[₹ in lakh]

	For the year ended 31st March, 2014	For the year ended 31st March, 2013
<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	393.32	340.78
Work in Progress	975.26	649.34
Scrap	33.23	29.94
	1401.81	1020.06
<b>Inventories (at commencement) :</b>		
Finished Goods	340.36	364.80
Work in Progress	649.34	853.53
Scrap	29.94	13.65
	1019.64	1231.98
	(–) 382.17	211.92
<b>Note 9.3 – EMPLOYEE BENEFITS EXPENSE</b>		
Salaries and Wages	10697.17	9846.75
Contribution to Provident and Other Funds	1377.12	1480.09
Staff Welfare Expenses	1275.22	1149.70
	13349.51	12476.54
Less: Incurred on Capital Jobs, Repair Jobs etc.	304.01	269.70
	13045.50	12206.84
<b>Note 9.4 – FINANCE COSTS</b>		
Interest Expenses	1017.67	1039.64
Other Borrowing costs	168.26	118.59
	1185.93	1158.23
<b>Note 9.5 – DEPRECIATION AND AMORTISATION EXPENSES</b>		
Depreciation on Tangible Assets	467.22	472.44
Amortisation of Intangible Assets	10.41	9.73
	477.63	482.17



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014**

[₹ in lakh]

	For the year ended 31st March, 2014	For the year ended 31st March, 2013
<b>Note 9.6 – OTHER EXPENSES</b>		
Power and Fuel	2383.20	2225.94
Tea Cultivation and Manufacturing Expenses	539.06	319.31
Research and Development Expenses	19.66	10.11
Director's Fees	...	0.10
Rent (Net)	86.17	74.23
Rates and Taxes	34.17	36.63
<b>Repairs and Maintenance :</b>		
Buildings	347.58	328.71
Plant and Machinery	470.15	319.04
Others	85.18	142.10
	902.91	789.85
Travelling Expenses and Upkeep of Vehicles	704.82	609.42
Insurance	69.19	33.77
Broker's Commission	234.53	218.60
<b>Selling Expenses :</b>		
Selling Agent's Commission	20.95	11.90
Others	757.60	689.65
	778.55	701.55
Miscellaneous Expenses	923.91	993.66
Sub-Contractors charges	225.50	199.40
Delivery/Forwarding charges	66.47	44.63
Bank charges	26.88	15.34
Excise Duty	24.23	2.90
Assam Entry Tax	6.60	4.41
Assam Cess on Green Leaf	95.01	99.46
West Bengal Primary and Rural Education Cess	0.53	0.55
Tea Cess	53.37	54.93
Education Cess	1.06	1.08
Net loss on Foreign Currency	1.53	2.48
<b>Auditor's Remuneration :</b>		
As Auditor	2.71	* 2.96
For Taxation matter	0.85	0.83
For Other Services (including Cost Audit Fees ₹1.45 lakh)	1.26	1.11
For Reimbursement Expenses	0.20	0.06
	5.02	4.96
Cost Audit Fees	1.45	1.45
Item relating to previous years [Refer Note No.10.18 of Other Notes to Financial Statements]	5.53	12.01
Loss on sale/write off of Fixed Assets	...	4.13
Preliminary Expenses Written off	...	8.70
Liquidated Damages and Penalty etc.	278.28	205.68
Rectification/Replacement	54.88	32.01
<b>Provision for :</b>		
Doubtful Debts	162.28	146.83
Doubtful Loans, Advances and Deposits	550.14	4.83
Capital WIP	...	1.73
Investments	27.88	...
Stock/Stores Obsolescence	14.52	9.21
	754.82	162.60
	<b>8277.33</b>	<b>6869.89</b>

\* including ₹0.25 lakh for previous year.



**OTHER NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST MARCH, 2014**

[₹ in lakh]

**Note 10**

**10.01 Principles of Consolidation :**

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

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

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

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

Name	Country of Incorporation	Percentage of voting power as at 31st March, 2014
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, 2014	Ownership interest as at 31st March, 2013
Tide Water Oil Co. (India) Ltd.	India	26.22%	26.22%
The New Beerbhoom 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 ₹342.58 lakh (₹274.07 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, 2014 (Note No.6.1) as per AS-23.

**10.03 Estimated amount of contracts remaining to be executed on Capital Account ₹146.53 lakh (net of advances) (₹191.05 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 ₹101.00 lakh (₹61.00 lakh) where Group Companies Share is ₹26.48 lakh (₹16.00 lakh).

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

- [a] Claims against the Group not acknowledged as debts ₹68.77 lakh (₹68.77 lakh)
- [b] Guarantees and Indemnities given to various Institutions and Authorities in connection with Groups' operations amounting to ₹2182.55 lakh (₹1469.65 lakh).
- [c] Guarantees given to Banks on behalf of other Group and/or Associate Companies :
  - [i] \*India Paper Pulp Co. Ltd. – ₹265.00 lakh (₹265.00 lakh).
  - [ii] Other Companies – ₹411.45 lakh (₹328.00 lakh) on behalf of Hooghly Printing Co. Ltd., a Group Company.

\*In respect of item Nos.(i) above, although the notice of invocation of guarantees has been received neither any payment nor any provision has been made as the matter is sub-judice.





**OTHER NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST MARCH, 2014**

[₹ in lakh]

**Note 10 — [Contd.]**

- [d] Disputed Sales Tax aggregating to ₹2880.60 lakh (₹4207.45 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 ₹438.49 lakh (₹533.11 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 (₹447.28 lakh) excluding interest against which appeal have been preferred by the Group.
- [g] Unexpired Letter of Credit opened by the Group Bankers — ₹1979.41 lakh (₹1372.47 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 ₹3569.40 lakh (₹1813.00 lakh) Group Company's share of liability ₹935.90 lakh (₹475.37 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 Beerbhoom Coal Company Ltd., claims against the Company by Income Tax Authorities not acknowledged as debts and contested in appeals ₹0.73 lakh (₹0.73 lakh). The Group interest in the said amount is ₹0.24 lakh (₹0.24 lakh).

10.05 Sanctioned Rehabilitation Scheme approved by Board for Industrial and Financial Reconstruction (BIFR) vide Order dated 30th October, 2007 with the cut-off date of 31st March, 2006 is under implementation.

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

- [a] [i] Shares pending allotment appearing in Note No.3 for ₹3007.00 lakh includes ₹150.00 lakh representing 75,00,000 number of shares at a face value of ₹2/- each arising out of conversion of funded interest to be issued to State Bank of India as a part of SRS and ₹2857.00 lakh representing 14,28,50,000 number of shares at a face value of ₹2/- each to be issued to Government of India (GOI) arising out of conversion of non-plan GOI loan of ₹4152.00 lakh after writing off ₹1295.00 lakh against accumulated loss as a part of financial restructuring package approved by GOI and BIFR.
- [ii] The above pending shares will be allotted upon enhancement of Company's authorised capital from ₹7500.00 lakh to ₹11000.00 lakh after disposal of Company's application for waiver of ROC filing fee for enhancement of authorised capital by BIFR and completion of requisite formalities, though approval for enhancement of authorised capital was already obtained in Annual General Meeting held on 20.09.2013.
- [iii] The other operational income appearing in Note No.8.1 includes ₹2622.87 lakh on account of waiver of interest on Government of India Loan from 01.04.2007 to 31.03.2012 pursuant to BIFR Order No.501/2003 dated 15.07.2013.
- [b] In terms of the aforesaid order 46% of unsecured creditors amounting to ₹58.47 lakh (₹29.36 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 ₹990.96 lakh (₹840.19 lakh) for the year ended 31st March, 2014 has been recognised under the line item Contribution to Provident and Other Funds included in Note No.9.3 above.

Particulars	2013-14	2012-13
Contribution to Provident Fund	989.09	831.09
Contribution to Employees State Insurance Fund	1.87	9.10



OTHER NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST MARCH, 2014

[₹ in lakh]

Note 10 – [Contd.]

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

Particulars	2013-14					2012-13				
	Gratuity	Leave en-cashment	Pension	Superannuation	Medical	Gratuity	Leave en-cashment	Pension	Superannuation	Medical
<b>Defined benefit plans/Long term compensated absences. As per actuarial valuation as on 31st March, 2014.</b>										
[I] <b>Change in present value of Defined Benefit Obligations during the year ended 31st March, 2014.</b>										
[1] Present value of DBO at the beginning of the period.	4440.02	948.21	1.41	385.73	8.27	4014.98	817.50	1.50	388.44	8.45
[2] Current Service cost.	225.64	48.77	...	36.89	...	202.52	49.88	...	42.71	...
[3] Interest cost.	358.27	75.32	0.11	31.08	0.65	329.10	67.42	0.12	30.82	0.67
[4] Curtailment cost/(credit).	...	...	...	...	...	...	...	...	...	...
[5] Settlement cost/(credit).	...	...	...	...	...	...	...	...	...	...
[6] Plan amendments.	...	...	...	...	...	...	...	...	...	...
[7] Acquisitions.	...	...	...	...	...	...	...	...	...	...
[8] Actuarial (Gains)/Losses.	(116.38)	69.67	(0.26)	(24.50)	(0.50)	396.59	104.46	0.09	(3.92)	(0.58)
[9] Benefits paid	(273.29)	(94.18)	(0.23)	(22.51)	(0.32)	(503.17)	(91.05)	(0.30)	(72.32)	(0.27)
[10] Present Value of DBO at the end of the period.	4634.26	1047.79	1.03	406.69	8.10	4440.02	948.21	1.41	385.73	8.27
[II] <b>Change in Fair value of Assets during the year ended 31st March, 2014.</b>										
[1] Plan Assets at the beginning of the period.	3824.07	29.91	...	751.82	...	3506.50	19.48	...	761.47	...
[2] Actuarial Gain/(Loss)	11.38	...	...	(18.53)	...	0.86	...	...	(0.79)	...
[3] Actual return on plan assets.	326.25	1.93	...	61.47	...	307.65	2.31	...	63.46	...
[4] Actual Company contribution.	480.13	81.89	0.23	...	0.32	511.93	99.17	0.30	...	0.27
[5] Benefits paid.	(273.29)	(94.18)	(0.23)	(22.51)	(0.32)	(503.17)	(91.05)	(0.30)	(72.32)	(0.27)
[6] Plan Assets at the end of the period.	4368.54	19.55	...	772.25	...	3824.07	29.91	...	751.82	...
[III] <b>Net Assets/(Liability) recognised in Balance Sheet as at 31st March, 2014.</b>										
[1] Present value of Defined Benefit Obligation	4634.26	1047.79	1.03	406.69	8.10	4440.02	948.22	1.41	385.73	8.27
[2] Fair value of Plan Assets.	4368.53	19.55	...	772.25	...	3824.07	29.91	...	751.82	...
[3] Funded status(Surplus/(Deficit))	(265.73)	(1028.24)	(1.03)	365.56	(8.10)	(615.95)	(918.31)	(1.41)	366.09	(8.27)
[4] Unrecognised past service cost.	...	...	...	...	...	...	...	...	...	...
[5] Net Assets/(Liability) recognised in Balance Sheet.	(265.73)	(1028.24)	(1.03)	365.56	(8.10)	(615.95)	(918.31)	(1.41)	366.09	(8.27)
[IV] <b>Components of employer expenses recognised in Profit &amp; Loss Account for the year ended 31st March, 2014.</b>										
[1] Current Service Cost.	225.64	48.77	...	36.89	...	202.52	49.88	...	42.71	...
[2] Interest Cost.	358.27	75.31	(0.11)	31.08	0.65	329.10	67.42	0.12	30.82	0.67
[3] Expected return on plan assets	(326.25)	(1.93)	...	(61.47)	...	(307.95)	(2.32)	...	(63.46)	...
[4] Curtailment cost/(credit).	...	...	...	...	...	...	...	...	...	...
[5] Settlement cost/(credit).	...	...	...	...	...	...	...	...	...	...
[6] Past Service Cost.	...	...	0.26	...	...	...	...	...	...	...
[7] Actuarial Losses/(Gains).	(127.76)	69.67	...	(5.97)	(0.50)	395.73	104.46	0.09	(3.13)	(0.58)
[8] Total expenses recognised in the statement of Profit & Loss Account under the head Salaries & Wages.	129.90	191.82	(0.15)	0.53	0.15	619.40	219.44	0.21	6.94	0.09
[V] <b>Actuarial Assumptions.</b>										
[1] Discount Rate	8.59%	8.59%	9.17%	9.17%	8.00%	8.15%	8.15%	8.30%	8.30%	8.00%
[2] Expected return on plan assets	8.30%	NA	NA	NA	NA	8.75%	NA	NA	NA	NA
[3] Salary escalation	5.00%	5.00%	NA	5.00%	NA	5.00%	5.00%	NA	5.00%	NA
[4] Expected Average remaining working lives of employees (years)	18.27	12.00	NA	3.07	NA	18.53	12.67	NA	3.80	NA
[5] Method of valuation	Projected Unit Credit (PUC) Actuarial Method					Projected Unit Credit (PUC) Actuarial Method				

OTHER NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST MARCH, 2014

[₹ in lakh]

Note 10 – [Contd.]

- [c] In respect of Hooghly Printing Co. Ltd., independent Actuarial Valuation of Medical Benefit has been made as on 31st March, 2014. 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, 2014 is ₹196.06 lakh (₹170.66 lakh) has been taken into account.
- 10.08 Provision for Liquidated damages amounting to ₹2075.26 lakh (₹2093.82 lakh) has been set off against Trade Receivables.
- 10.09 [i] 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.
- [ii] In Tide Water Oil Co. (India) Ltd. diminution in value of long term investments amounting to ₹41.00 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 ₹10.75 lakh (₹15.75 lakh).
- 10.10 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.
- 10.11 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, 2014 are given below :—

[a] Timing difference :

Particulars		31st March, 2014	31st March, 2013
[i]	Depreciation as per Tax Laws	528.83	462.78
[ii]	Depreciation as per Books	476.12	482.17
[iii]	Difference	52.71	(–) 19.39
	Deferred Tax Liability including Education Cess	18.11	(–) 6.15
	Adjustment/Credit related to previous years	17.73	14.15
	Total	35.84	8.00

[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 31st March, 2013	Charge/(Credit) to Statement of Profit and Loss	Deferred Tax Liabilities/(Assets) as at 31st March, 2014
Deferred Tax Liability			
Difference between book and tax depreciation	384.46	35.84	420.30
Total	384.46	35.84	420.30
Previous year	376.46	8.00	384.46

[c] In computing deferred tax liability of the Group for the financial year 2013-14, 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 In terms of the sanction letter/debt covenants received by the Group from the lending Banks and Financial Institutions, repayment schedule of term loan and applicable rate of interest are as set out below.

From Consortium Bank	₹2990.96 lakh to be repaid in 28 equal quarterly installments of ₹106.82 lakh each commencing from 25th March, 2013. Company's proposal for conversion of said term loan into equity is agreed to by concerned Consortium Bank and approval of the same is under consideration of GOI.	9.25% p.a. with monthly rest.
From Bankers of Tea Division	Repayment of ₹220.95 lakh to be repaid in 2014-15 ₹210.00 lakh and ₹10.95 lakh to be repaid in 2015-16. 9.75% p.a. with monthly rest for Allahabad Bank.	10.75% p.a. for other Banks.
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%



OTHER NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST MARCH, 2014

[₹ in lakh]

**Note 10 – [Contd.]**

- 10.13 [a] In case of Katras Jheriah 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 (₹1,78,572) as shown in the Balance Sheet are after adjustments of ₹62,98,861 (₹62,98,861) being payments made by the Commissioners of Payments, Dhanbad and Calcutta upto 31st March, 2014 against admitted claims of the Company's bankers and other creditors, and ₹42,96,359 (₹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.
- 10.14 Consolidated Segment Reporting :

The Group's segment information as at and for the year ended 31st March, 2014 are as below :—

Particulars		External Sales		Inter Segment Sales		Total	
[1]	Segment Revenue	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
	Electrical	10926.21	7556.71	4.15	0.09	10930.36	7556.80
	Tea	18255.25	17835.16	3.02	6.26	18258.27	17841.42
	Engineering	3424.15	3722.76	20.55	29.01	3444.70	3751.77
	Printing	1562.49	938.12	17.41	11.64	1579.90	949.76
	Segment Total	34168.10	30052.75	45.13	47.00	34213.23	30099.75
	Eliminations					45.13	47.00
	Consolidated Total					34168.10	30052.75
[2]	Segment Results						
	Electrical					(-) 232.88	(-) 755.43
	Tea					3791.89	1960.46
	Engineering					135.28	370.39
	Printing					68.45	19.95
	Yule Engineering					(-) 0.19	(-) 0.25
	Yule Electrical					(-) 0.32	(-) 8.87
	Segment Total					3762.23	1586.25
	Unallocated Corporate Expenses (Net of Unallocated Income)					(-) 699.94	(-) 94.07
	Profit before Interest and Taxation					3062.29	1680.32
	Interest etc. paid					1185.93	1134.36
	Interest/Dividend Income					680.61	850.57
	Profit from ordinary activity					2556.97	1396.53
	Net Profit					2556.97	1396.53
	Provision for Taxation (Net of written back)					317.98	268.28
[3]	Profit after taxation before share of results of Associates					2238.99	1128.25
	Share of Profit of Associates					1276.69	1315.04
[4]	Profit after Taxation					3515.68	2443.29
		Segment Assets		Segment Liabilities			
Other Incormation		2013-14	2012-13	2013-14	2012-13		
	Electrical	12219.27	11214.89	13861.82	14277.17		
	Tea	24013.11	23369.41	5085.52	9659.38		
	Engineering	4928.73	4091.17	4800.34	4435.50		
	Printing	1240.38	912.73	785.58	515.64		
	Yule Engineering	11.69	11.85	0.53	0.39		
	Yule Electrical	...	...	0.17	0.06		
	Segment Total	42413.18	39600.05	24233.96	28888.14		
	Unallocated Corporate Assets/Liabilities	14967.38	14818.48	2584.30	2763.13		
	Total	57380.56	54418.53	26818.26	31651.27		

OTHER NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST MARCH, 2014

[₹ in lakh]

Note 10 – [Contd.]

Particulars	Capital Expenditure		Depreciation including impairment		Non-Cash Expenditure other than Depreciation	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
Electrical	47.77	66.99	60.39	61.08	89.13	123.02
Tea	659.97	393.99	361.55	364.21	36.34	4.87
Engineering	97.91	(-)68.06	19.95	17.30	45.89	20.96
Printing	1.83	3.02	28.63	32.76	...	...
Segment Total	807.48	395.94	470.52	475.35	171.36	148.85

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
Tea	➤	Tea growing and manufacturing.
	➤	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.

10.15 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, 2014 :

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

10.16 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.



OTHER NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST MARCH, 2014

[₹ in lakh]

Note 10 – [Contd.]

[ii] Key Management Personnel :

[a]	Kallol Datta	➤	Chairman and Managing Director
[b]	S. Swaminathan	➤	Director (Planning)
[c]	Amitava Dhar	➤	Director (Finance)
[d]	Sunil Munshi	➤	Director (Personnel)(w.e.f. 01.07.2012)
[e]	D. Bandyopadhyay	➤	Financial Controller & Company Secretary

[iii] Disclosure of transactions between the Group and related parties and the status of outstanding balance as on 31st March, 2014.

Particulars	Associates		Key Management Personnel and Relatives	
	2013-14	2012-13	2013-14	2012-13
Purchase of goods	24.32	36.36	...	...
Purchase of services	2.36	5.31	...	...
Purchase of Fixed Assets	...	0.93	...	...
Sale of goods	61.44	100.18	...	...
Sale of services	441.88	440.21	...	...
Interest Income	...	30.00	...	...
Interest Expense	3.45	3.45	...	...
Dividend Income	342.58	274.07	...	...
Rent/Hire charges received	16.85	140.63	...	...
Miscellaneous Receipts	1.01	1.84	0.02	0.02
Remuneration to Directors	...	...	84.97	73.84
Remuneration to Key Managerial Persons	...	...	16.39	14.61
Royalty Receipt	210.00	295.00	...	...
Sales Promotion Expenses	...	0.49	...	...
<b>Balances as on 31st March, 2014 :</b>				
Trade Receivable	49.07	76.86	...	...
Trade Payable	8.18	8.51	...	...
Long Term Loans and Advances	2.22	502.12	...	...
Short Term Loans and Advances	187.09	279.38	...	...
Other Long Term Liability	28.80	28.80	...	...
Other Current Liability	78.53	83.73	...	...

10.17 Earning per share

Particulars		For the year ended 31st March, 2014	For the year ended 31st March, 2013
[a]	Number of Equity Shares :—		
	At the beginning of the year	32,61,38,478	32,61,38,478
	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	32,61,38,478
	Face value of each Equity Share	₹2.00	₹2.00
[b]	Profit after Tax before extra ordinary income available for Equity Shareholders	3515.68	2443.29
[c]	Profit after Tax after extra ordinary income available for Equity Shareholders	3515.68	2443.29
[d]	Basic earnings per Share before extra ordinary income	₹1.08	₹0.75
[e]	Basic earnings per Share after extra ordinary income	₹1.08	₹0.75

OTHER NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST MARCH, 2014

[₹ in lakh]

**Note 10 — [Contd.]**

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

Particulars	2013-14	2012-13
Interest (Others)	...	0.87
Legal expenses	...	0.20
Central sales tax/West Bengal sales tax	...	0.02
Repairs to Plant and Machinery	0.77	...
Miscellaneous expenses	0.04	4.08
Arrear salary of Executive/Asstt./Staff	0.79	1.35
Food Stuff	...	1.38
Warehouse Charges	2.10	...
Repair	...	0.14
Gas	...	0.70
CENVAT/Service tax	...	0.01
Power and Fuel	...	1.38
One Time Settlement	...	1.88
Service Tax under VCES	1.83	...
Total	5.53	12.01

- 10.19 [a] In The New Beerbhoom Coal Co. Ltd. diminution in value of long term investment amounting to ₹8.67 lakh (₹8.63 lakh) is in the opinion of the management not of a permanent nature and accordingly no provision has been made. The Group interest in the same amount is ₹2.86 lakh (₹2.84 lakh).
- [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 Group, the extent of realisability of a loan given to a body corporate amounting to ₹4.50 lakh (₹4.50 lakh) is not ascertainable. Group interest in the said amount is ₹1.48 lakh (₹1.48 lakh).
- [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 Group, the extent of realisability of a loan given to a Body Corporate amounting to ₹2.00 lakh (₹2.00 lakh) is not ascertainable. Group interest in the said amount is ₹0.63 lakh (₹0.63 lakh).
- 10.20 In the Consolidated Financial Statements, Depreciation on Assets other than Computer Software belonging to Group has been provided under "Straight Line Method" except "Hooghly Printing Co. Ltd." one of the Subsidiary where depreciation has been provided under "Written Down Value Method". The total cost of the Assets of Hooghly Printing Co. Ltd. is ₹638.18 lakh (₹636.61 lakh) (Gross Block) wherein depreciation has been provided on "Written Down Value Method".
- 10.21 In Tide Water Oil Co. (I) Ltd., an Associate of the Group, where depreciation on fixed assets is calculated on written down value method at the rate prescribed under Schedule-XIV of the Companies Act, 1956 except on Leasehold Land, which is calculated on straight line basis over the period of lease.
- 10.22 In Tide Water Oil Co. (I) Ltd., an Associate of the Group, where intangible assets are amortised over their best estimated useful life ranging upto three years on straight line basis.
- 10.23 The New Beerbhoom Coal Co. Ltd., an Associate of the Group, has some property (let out to third parties on rental basis) which not being related to any coal mines have not vested in the Central Government as a result of nationalisation of its coal mines. In the absence of any information as regards the original cost and depreciation, if any, provided thereon, the book value of the said proprieties are considered to be "Nil" for the purpose of these Accounts.
- 10.24 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, 2014 relating to aforesaid Divisions entered into by the Group in the name of Andrew Yule & Co. Ltd. (AYCL) have been accounted for in the Books of Accounts of AYCL.
- 10.25 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.