



एण्ड्रू यूल एण्ड  
कम्पनी लिमिटेड  
(भारत सरकार का उद्यम)

## ANDREW YULE & COMPANY LIMITED

(A GOVERNMENT OF INDIA ENTERPRISE)

'YULE HOUSE', 8, DR. RAJENDRA PRASAD SARANI, KOLKATA-700 001  
POST BOX : 150, TELEPHONE : 033-2242-8210, 033-2242-8550, FAX : 91-033-2242-9770  
Website : [www.andrewyule.com](http://www.andrewyule.com) E-mail : [com.sec@andrewyule.com](mailto:com.sec@andrewyule.com)  
CIN No. L63090WB1919GOI003229

आण्ड्रू ইউল অ্যান্ড  
কোম্পানী লিমিটেড  
(ভারত সরকারের একটি সংস্থা)

Ref: AY/Sectl/41

15<sup>th</sup> July, 2020

The General Manager  
Corporate Relationship Department  
BSE Limited,  
P. J. Towers,  
Dalal Street, Fort,  
Mumbai – 400 001

Dear Sir(s),

### Sub.: Audited Financial Results for the quarter and year ended 31<sup>st</sup> March, 2020

Further to our letter dated 7<sup>th</sup> July, 2020, we write to inform you that the Audited Standalone and Consolidated Financial Results of the Company for the year ended 31<sup>st</sup> March, 2020 have been approved and taken on record by the Board of Directors of the Company at its meeting held today i.e. 15<sup>th</sup> July, 2020. The said Results were reviewed by the Audit Committee of the Company at its Meeting held earlier today.

In terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, we enclose the following:

- i. Audited Financial Results along with Segment-wise Revenue, Results, Assets and Liabilities of the Company for the quarter and year ended 31<sup>st</sup> March, 2020;
- ii. Auditors' Reports on the Financial Results;
- iii. Statements on Impact of Audit Qualifications.

The Board did not recommend Final Dividend for the financial year 2019-20.

The meeting commenced at 3.00 p.m. and concluded at 7.15 p.m.

This is for your information and record.

Thanking you.

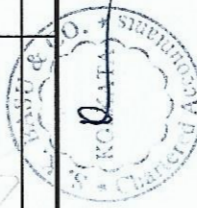
Yours faithfully,  
For Andrew Yule & Company Limited

  
(Sucharita Das)  
Company Secretary

Encl.: As above.

STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2020

Particulars	Standalone			
	3 months ended 31.03.2020	Preceding 3 months ended on 31.12.2019	Corresponding 3 months ended in the previous year 31.03.2019	Year to date 31.03.2020
	[Unaudited]	[Unaudited]	[Unaudited]	[Audited]
[1] Income from Operations				
[a] Net Sales/Income from Operations	4,083.37	8,574.71	6,712.51	29,707.98
[b] Other Operating Income	108.53	14.26	579.29	205.65
[2] Other Income	734.07	1,127.34	1,468.07	3,082.59
[3] Total Income	4,925.97	9,716.30	8,759.87	32,996.22
[4] Expenses				
[a] Cost of Materials Consumed	1,107.25	1,747.45	2,087.53	8,800.52
[b] Purchases of Stock-in-trade	-	-	-	-
[c] Changes in Inventories of Finished Goods,	1,951.78	822.70	2,676.53	(20.18)
[d] Employee Benefits Expense	3,352.10	4,466.56	2,544.03	17,648.44
[e] Finance Cost	188.87	241.25	185.42	845.19
[f] Depreciation and Amortisation Expense	156.74	166.83	185.34	657.56
[g] Other Expenses	1,268.14	1,895.92	1,246.85	7,190.08
Total Expenses	8,024.88	9,340.72	8,925.70	35,121.61
[5] Profit/(Loss) before Tax[3-4]	(3,098.91)	375.59	(165.84)	(2,125.38)
[h] Profit/ Loss arising out of Discontinued Operation				
[6] Tax Expense	(73.37)		36.60	(73.37)
[7] Net Profit/(Loss) for the period [5-6]	(3,025.54)	375.59	(202.44)	(2,052.01)
[8] Other Comprehensive Income				
(a) Remeasurement of Investment	(9.59)	(411.51)	(101.96)	(476.59)
(b) Adjustment of actuarial gains/losses	1,552.59	(214.56)	(1,077.91)	960.93
Total Other Comprehensive Income	1,543.00	(626.07)	(1,179.87)	484.34
Total Comprehensive Income for the period[7+8]	(1,482.54)	(250.48)	(1,382.31)	(1,567.67)
Earnings per equity share (not annualised)				
(a) Basic	(0.62)	0.08	(0.04)	(0.42)
(b) Diluted	(0.62)	0.08	(0.04)	(0.42)
Paid-up Equity Share Capital	9,779.02	9,779.02	9,779.02	9,779.02
(Face Value of Rs.2/- per share)				






- 1) The financial results of the company have been prepared in accordance with Indian Accounting Standards (Ind As) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendments) Rules 2016.
- 2) The above Audited Financial Results for the quarter and year ended 31st March 2020 were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meeting held on 15th July 2020.
- 3) This statement is as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 4) The Company has adopted INDAS-116 effective 01/04/2019 in the following manners:
  - a) The standards have been applied to only such cases wherever executed lease agreements and/or Notifications issued by the concerned Lessor Government are in hands of the Company and for the balance period of such lease as on 01/04/2019, except for cases mentioned in (b) below.
  - b) In case of lease of lands from the Government of Assam for the Tea gardens in Assam, the Company, in conjunction with Indian Tea Association, has noted that, section 9 of the Assam Land and Revenue Regulation, 1886 provides a land lessee, right of use, occupancy and other relevant rights subject to payment of revenues, taxes, cesses and rates from time to time as may be due in respect of said land and thus, there is no fixed or defined period of lease. As such, INDAS116 should not accordingly be applicable in case of Assam.
- 5) Figures of the previous year has been rearranged and regrouped wherever necessary.
- 6) The worker unions of the Chennai unit of the Electrical Division have gone on strike from mid August, 2019 due to their unsettled demand for wage increase beyond the wage revision offered by management more or less in line with other units. The management thereafter has declared Suspension of Work in turn during the same month and as of now there is Status Quo for both Strike and Suspension of Work, as aforesaid.
7. Impact on Financial position of the Company due to COVID-19 Pandemic  
Subject impact actually started almost from the initial days of Quarter 4 of financial year 2019-20, though formal lockdown on this account was declared by India by the end of March 2020.  
Since said lockdown and various restrictions imposed by the Government Authorities in this regard continued for the full quarter 1 of financial year 2020-21 there has been considerable adverse impact on turnover of the Company during this period along with resultant adverse impact on profitability and cash generation.  
Following table depicts a comparison of division-wise turnover in quarter 4 of 2018-19 vis-a-vis quarter 4 of 2019-20 as well as similar turnover in April & May 2020 (provisional).

Figs Rs./Crores	Quarter 4		April-May (Provisional)			
	2018-19	2019-20	2019-20	2019-20	2020-21	2020-21
Engineering Division	13.48	6.42	6.42	3.54	0.5	0.5
Electrical Division-Kolkata	13.49	6.42	6.42	0.91	1.81	1.81
Electrical Division-Chennai	8.88	2.51	2.51	7.71	1.1	1.1
Tea Division	30.73	25.37	25.37	18.74	10.82	10.82
Total	66.58	40.72	40.72	30.9	14.23	14.23

However, keeping in view some of the events occurring after the Balance Sheet date, any erosion in the year end value of the inventories due to impact of COVID-19 could not be foreseen as enumerated below

- 1 As regards inventory of Tea produced, price realization could be made in Quarter 1 of the FY 2020-21 at a rate higher than the book value of inventories.
- 2 Also for inventory of other manufactured items of other Divisions are mostly covered by inclusion of impact of COVID-19 under the force majeure clause in line with OM no. 18/4/2020-PPD dated 13.05.2020 issued by GOI, Ministry of Finance.

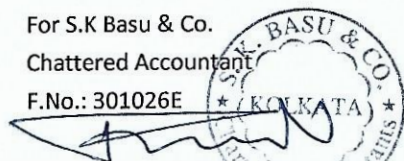
Chattered Accountant  
F.No.-301026E  
  
Rudra Neil Mallick  
Partner (M.No.: 053983)  
Place : Kolkata  
Date :

ANDREW YULE & COMPANY LIMITED

DEBASIS JANA  
CHAIRMAN & MANAGING DIRECTOR  
DIN : 07046349

	Note No.	As at March 31, 2020	As at March 31, 2019
<b>Non-current assets</b>			
(a) Property, Plant and Equipment	3	9432.83	8,729.50
(b) Capital work-in-progress	3	7739.27	5,943.49
(c) Intangible Assets	3	7.44	7.60
(d) Financial Assets			
(i) Investment	4	2681.19	1,203.04
(ii) Cash and Cash Equivalent	5	16.81	-
(e) Income Tax Assets (net)	6	1232.64	1,128.20
(f) Other non-current assets	7	397.06	365.46
<b>Total Non - Current Assets</b>		<b>21507.24</b>	<b>17,377.29</b>
<b>Current assets</b>			
(a) Inventories	8	4798.74	5,339.03
(b) Financial Assets			
(i) Investment	9	0.35	0.35
(ii) Trade Receivables	10	5131.44	6,612.24
(iii) Cash and cash equivalents	11	6407.02	8,123.22
(iv) Loans	12	0.44	0.44
(v) Other financial assets	13	2028.93	2,315.19
(d) Other current assets	14	2852.89	2,116.82
<b>Total Current Assets</b>		<b>21219.81</b>	<b>24,507.28</b>
<b>Total Assets</b>		<b>42727.05</b>	<b>41,884.58</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	15	9779.02	9,779.02
(b) Other Equity	16	7455.50	9,023.17
<b>Total equity</b>		<b>17,234.52</b>	<b>18,802.19</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	17	0.00	0.68
(ii) Other financial liabilities	18	28.80	28.80
(b) Provisions	19	1828.46	2,889.54
(c) Other non-current liabilities	20	415.04	341.31
(d) Deferred Tax Liability		1894.71	1,821.33
<b>Total non-current liabilities</b>		<b>4,167.01</b>	<b>5,081.65</b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	21	8055.23	5,127.77
(ii) Trade and other payables	22	5091.50	5,671.50
(iii) Other financial liabilities	23	5761.00	5,043.56
(b) Other current liabilities	24	1228.27	1,122.23
(c) Provisions	25	1189.53	1,035.68
<b>Total Current Liabilities</b>		<b>21,325.53</b>	<b>18,000.74</b>
<b>Total liabilities</b>		<b>25,492.53</b>	<b>23,082.40</b>
<b>Total Equity &amp; Liabilities</b>		<b>42,727.05</b>	<b>41,884.58</b>

For S.K Basu & Co.  
Chartered Accountant  
F.No.: 301026E



For Andrew Yule & Company Limited

DEBASIS JANA

Chairman & Managing Director



	Andrew Yule & Company Limited		Year ended 31st March, 2019	
	Year ended 31st March, 2020		Year ended 31st March, 2019	
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES :</b>				
Net Profit before Tax and extraordinary items		(2,125.38)		1,051.12
Adjustments for :				
Depreciation/Impairment of Assets	657.56		687.92	
Interest expense	744.35		615.16	
(Profit)/Loss on Sale of Fixed Assets			-	
(Profit)/Loss on Sale of Investments	(409.50)		(18.48)	
Gain on Acquisition of Land by Government			(551.34)	
Interest Income	(389.28)		(400.75)	
Dividend Income	(1,700.71)		(2,390.86)	
Provision no longer Required Written back			(323.83)	
Liabilities no longer required written back			(521.79)	
Net Gain on Foreign Currency Translation	(2.88)		(1.43)	
Gain on Remeasurement of Long Term Trade Receivables			(1.99)	
Gain on Remeasurement of Investments	(89.02)		(38.63)	
Excess provision for YASF written back	(25.26)		(20.63)	
Diminution in the value of non trade investments			19.22	
Provision for Doubtful Debts	320.19		238.43	
Provision for Doubtful Loans, Advances and Deposits	16.22		120.18	
Provision for Stock/Stores Obsolescence	21.92		36.18	
Provision for TDS Recoverable	1.02			
Unpaid Salaries				
Changes in fair value of financial assets at fair value through P&L	(476.59)			
Actuarial Gains and Losses	1,107.68			
Cash Generated from discontinued Operations	-			
		(224.30)		(2,552.64)
<b>Operating profit before changes in amount of Current Liabilities and Current Assets</b>		<b>(2,349.68)</b>		<b>(1,501.52)</b>
Adjustment for				
Trade and other receivables	920.21		518.24	
Inventories	540.29		(263.32)	
Trade and other payables	(1,666.81)		(300.83)	
		(206.31)		(45.91)
Cash Generated from Operations		(2,555.99)		(1,547.43)
Tax paid				-
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>		<b>(2,555.99)</b>		<b>(1,547.43)</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES :</b>				
Purchase of Fixed Assets	(3,156.51)			(2,924.00)
Sale of Fixed Assets				1.84
Purchase of Investments	(1,478.15)			-
Sale Proceeds of Investments	501.40			34.24
Dividend Received	1,700.71			2,390.86
Increase in Loans and Advances				-
Interest Received	389.28			400.75
<b>NET CASH FROM INVESTING ACTIVITIES (B)</b>		<b>(2,043.27)</b>		<b>(96.31)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES :</b>				
Interest Paid	(744.35)			(615.16)
Dividend Paid				(235.41)
Short Term Borrowings (Repaid)/Taken	3,644.91			2,548.24
Long Term Borrowings (Repaid)/Taken	(0.68)			(1.50)
<b>NET CASH USED IN FINANCING ACTIVITIES (C)</b>		<b>2,899.88</b>		<b>1,696.17</b>
Net Increase/(Decrease) in Cash and Cash Equivalents [A+B+C]		(1,699.38)		52.43
CASH AND CASH EQUIVALENTS (Opening Balance)		8,123.21		8,070.78
CASH AND CASH EQUIVALENTS (Closing Balance)		6,423.83		8,123.21
[1] The above Cash Flow Statement has been prepared under "Indirect Method" as set out in the Accounting Standard-3 on Cash Flow Statement notified by the Companies (Accounting Standard) Rules, 2006				
[2] Cash and Cash Equivalents include :				
	As at 31st March, 2020		As at 31st March, 2019	
Balance with Banks (Refer Note below)		758.85		1,683.32
Cheques in Hand		51.00		-
Cash in Hand		23.18		20.86
Postage and Stamps in hand				-
Remittance in Transit				-
Deposit with Bank maturing within 3 months				
Margin Money with Bank maturing within 3 months				
Deposit with Bank maturing after 3 months				1,125.00
Deposit Account Margin		5,590.80		5,294.04
		6,423.83		8,123.22
[a] includes '16.84 lakhs attached by Provident Fund Authority				
[b] Previous year's figures have been regrouped/rearranged wherever necessary				

For S.K. Basu & Co.  
Chartered Accountant  
F. No.:301026E

Rudra Neil Mallick  
Partner (M.No.: 053983)



For Andrew Yule & Company Limited

Debasis Jana  
Chairman & Managing Director



**ANDREW YULE & COMPANY LIMITED**

[A Government of India Enterprise]

CIN: L63090WB1919GOI003229

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

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

Rs in Lakhs

**SEGMENT-WISE REVENUE, RESULTS, ASSETS & LIABILITIES FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2020**

Particulars		Standalone				
		3 months ended 31.03.2020	Preceding 3 months ended 31.12.2019	Corresponding 3 months ended in the previous year 31.03.2019	Year to date 31.03.2020	Year to date 31.03.2019
		(Unaudited)	(Unaudited)	(Unaudited)	Audited	Audited
[1]	<b>Segment Revenue [ Net Sales/Income from each segment]</b>					
[a]	Tea	2,608.07	6,706.91	3,113.84	20,615.36	19,887.96
[b]	Electrical	861.08	996.50	2,704.28	5,341.60	7,777.21
[c]	Engineering	688.42	848.93	1,395.67	3,719.62	3,059.98
[d]	Unallocated	50.08	36.86	114.16	263.73	468.34
	<b>Total</b>	<b>4,207.65</b>	<b>8,589.20</b>	<b>7,327.95</b>	<b>29,940.31</b>	<b>31,193.49</b>
	Less: Inter Segment Revenue	15.75	0.24	36.15	26.68	77.89
	<b>Net Sales/Income from Operations</b>	<b>4,191.90</b>	<b>8,588.95</b>	<b>7,291.80</b>	<b>29,913.63</b>	<b>31,115.60</b>
[2]	<b>Segment Results</b>					
	[Profit(+)/Loss(-) before tax and interest from each Segment]					
[a]	Tea	(2,167.29)	339.34	(1,718.21)	(221.04)	701.80
[b]	Electrical	(536.96)	(470.32)	465.93	(2,098.95)	(1,163.57)
[c]	Engineering	(138.08)	37.76	165.63	(112.16)	(304.44)
	<b>Total</b>	<b>(2,842.33)</b>	<b>(93.22)</b>	<b>(1,086.65)</b>	<b>(2,432.15)</b>	<b>(766.21)</b>
	Less:					
	[i] Interest	188.87	241.25	1,044.88	845.19	615.16
	[ii] Other unallowable Expenditure net off Unallocable Income	67.70	(710.06)	(3,758.73)	(1,151.96)	(2,432.49)
	<b>Total Profit/(Loss) before tax</b>	<b>(3,098.90)</b>	<b>375.59</b>	<b>1,627.20</b>	<b>(2,125.38)</b>	<b>1,051.12</b>
	<b>Segment Assets</b>					
	Tea	19,885.35	20,391.99	18,405.45	19,885.35	18,405.45
	Electrical	10,274.09	11,051.49	11,213.37	10,274.09	11,213.37
	Engineering	4,840.02	5,139.88	4,531.66	4,840.02	4,531.66
	Unallocated Corporate	7,727.59	7,586.37	7,734.10	7,727.59	7,734.10
	<b>Total</b>	<b>42,727.05</b>	<b>44,169.73</b>	<b>41,884.58</b>	<b>42,727.05</b>	<b>41,884.58</b>
	<b>Segment Liabilities</b>					
	Tea	10,169.40	8,305.68	7,920.81	10,169.40	7,920.81
	Electrical	10,579.42	11,258.22	9,647.90	10,579.42	9,647.90
	Engineering	3,194.00	3,363.66	2,905.59	3,194.00	2,905.59
	Unallocated Corporate	1,549.71	2,525.12	2,608.08	1,549.71	2,608.08
	<b>Total</b>	<b>25,492.53</b>	<b>25,452.68</b>	<b>23,082.39</b>	<b>25,492.53</b>	<b>23,082.39</b>
	<b>Segment Capital Employed ( Segment Assets- Segment Liabilities)</b>					
	Tea	9,715.95	12,086.31	10,484.64	9,715.95	10,484.64
	Electrical	(305.33)	(206.73)	1,565.47	-305.33	1,565.47
	Engineering	1,646.02	1,776.22	1,626.07	1,646.02	1,626.07
	Unallocated Corporate	6,177.88	5,061.25	5,126.02	6,177.88	5,126.02
	<b>Total</b>	<b>17,234.52</b>	<b>18,717.05</b>	<b>18,802.19</b>	<b>17,234.52</b>	<b>18,802.19</b>





# S. K. BASU & CO

## CHARTERED ACCOUNTANTS

### INDEPENDENT AUDITORS REPORT

To the Members of Andrew Yule & Company Limited

Report on the Audit of Standalone IND-AS Financial Statements

#### (1.) Qualified Opinion

We have audited the Standalone Ind AS Financial Statements of Andrew Yule and Company Limited ("The Company") which comprise the Balance Sheet as at 31<sup>st</sup> March, 2020, and the Statement of Profit and Loss (Including other comprehensive income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, subject to the qualifications mentioned hereinafter in this report, the aforesaid standalone IND AS Financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### (2) Basis for Qualified Opinion

In the absence of Balance confirmation certificates from a considerable number of Sundry Debtors and Sundry Creditors, no opinion can be formed about the correctness of the balances of Sundry Debtors and Sundry Creditors. Effect of the above, if any on profit and loss is not ascertainable.

We have conducted our auditing in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of The Companies Act, 2013. Our responsibilities under those standards are further described in the Auditors Responsibilities for the Audit of Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by The Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of The Companies Act, 2013 and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with the requirement of the ICAI's Code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### (3) Emphasis of Matter:

**Without qualifying our audit report, we draw attention to the following:**

- In the absence of IT system audit, security of accounting/operational data, recovery of data through IT disaster management system and manual intervention at crucial levels of data transfer and at the time of consolidation result in high audit risk.
- The absence of exercise of adequate controls in the process of maintaining the records of the companies lease deeds and title deeds enhances the audit risk.
- Electrical Division has not contributed an amount of Rs. 1103.36 lakhs and Engineering Division has not contributed an amount of Rs. 74.55 lakhs to the Company's gratuity fund which is utilised towards payment of gratuity to employees on retirement.
- Provident Fund recoverable of Rs. 42.97 Lakhs (Refer note No.56 of the financial statements) pending over 10 years from PF department of Government of India has been provided for in the accounts.
- Lease agreement of three tea gardens namely Banerhat, Choonabhutti and Haritalguri-3(of New Dooars)and Brentford Unit of Electrical Division, Kolkata has not been renewed since long. However,





- tea gardens under its operation.
- f. All the inoperative bank accounts of the Company in its various divisions should be closed to mitigate the fraud risk. Also many bank accounts have authorized signatories who have retired/resigned from the Company. These former employees should be replaced as signatories by the officials who are currently in the employment of the Company.
  - g. As per regulation 17(1) of SEBI (LODR) regulations, 2015, as amended the composition of the Board should be as follows: (i) the board of directors shall have an optimum combination of executive and non executive directors with at least one woman director.(ii) where the chairperson of the listed entity is an executive director, at least half of the Board of directors shall comprise of independent directors. In the case of the company, as the CMD is an executive director, at least half of the members on the Board should be independent directors .However at present the Board consists of four whole time directors, two government nominee directors and three independent directors with no woman director .Hence as on date three more independent directors including a woman director needs to be appointed to comply with the aforesaid provision.  
BSE had levied a fine of Rs.5,36,900/- for June 2019 quarter, Rs .9,06,240 /-for September 2019 quarter and Rs. 7,59,920/- for December 2019 quarter and Rs. 5,31,000/- for March, 2020 quarter (Totaling Rs. 27,34,060/- , inclusive of GST) due to non –compliance with requirements of Regulations 17 to 21of LODR regulations which has not been paid /provided by the Company as appointment of Directors is done by the Companies administrative ministry. The company has taken up the matter with the administrative ministry and with SEBI and BSE.
  - h. Hooghly Printing Company Limited (HPCL) had declared closure of its business operations with effect from 21st January, 2019 pursuant to its merger with the company. However, final approval of merger was held up by the Office of The Regional Director (Eastern Region), Kolkata vide their letter dated 08.01.2020 that the matter has been referred to NCLT under Section 232 of The Companies Act, 2013 by referring to the provisions of Section 233(5) of The Companies Act, 2013 concerning the interest of creditors. Some of the creditors were also applying under the Insolvency and Bankruptcy Code for their payment. In such situation a proposal was placed to sell of the assets of HPCL and apportion the dues between the creditors. However it was decided by the Board that since the matter is before NCLT, legal opinion needs to be taken before such sale is authorized. Hence the matter of merger is pending before such formalities are taken care of.
  - i. The Company has assessed the decline in sales and effect on inventory due to the nationwide lockdown arising out of COVID 19 as per Note No.58 of the financial statements.
  - j. Internal audit reports of all the gardens for the second half of the year have not been provided to us as a result we are unable to comment on the same.
  - k. There are a large number of debit balances in Trade Payables accounts which should be reconciled and adjusted with relevant heads of account.

**(4) Information other than the Standalone Ind AS Financial Statements and Auditors Report thereon:**

The Company's Board of Directors are responsible for the information .The other information comprises the information included in the Management Discussion and Analysis, Boards Report including the Annexures to Boards Report , Business Responsibility Report, Corporate Governance and Shareholders Information, but does not include the standalone financial statements and our auditors report thereon. The report is expected to be made available to us after the date of this audit report.

**(5) Key Audit matters**

Key audit matters re those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon.





and we do not provide a separate opinion in these matters. We have determined the matters described below to be the key audit matters to be communicated in this report.

S.N.	KEY AUDIT MATTER	AUDITORS RESPONSE
1.	<p><b>Provisions and Contingent Liabilities</b></p> <p>The Company is subject to a number of legal, regulatory and tax cases for which final outcome cannot be easily predicted and which could potentially result in significant liabilities. Management's disclosures with regards to contingent liabilities are presented in Note No.36-to the Standalone Ind AS Financial Statements.</p> <p>The assessment of the risks associated with the litigations is based on complex assumptions. This requires use of judgment to establish the level of provisioning, increases the risk that provisions and contingent liabilities may not be appropriately provided against or adequately disclosed. Accordingly, this matter is considered to be a key audit matter.</p>	<p>In order to get a sufficient understanding of litigations and contingent liabilities, we have discussed the process of identification implemented by the Management for such provisions through various discussions with Company's legal and finance departments.</p> <p>We read the summary of litigation matters provided by the Company's/ Unit's Legal and Finance Team.</p> <p>We read, where applicable, external legal or regulatory advice sought by the Company.</p> <p>We discussed with the Company's/ Unit's Legal and Finance Team certain material cases noted in the report to determine the Company's assessment of the likelihood, magnitude and accounting of any liability that may arise.</p> <p>In light of the above, we reviewed the amount of provisions recorded and exercised our professional judgment to assess the adequacy of disclosures in the Standalone Ind AS financial statements</p>

**(6) Responsibility of the Management and those charges with Governance for the Standalone Ind-AS financial statements:**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India,, including the accounting standards specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matter related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.





Those Board of Directors are also responsible for overseeing the Companies financial reporting process.

**(7) Auditor's responsibilities for the Audit of the Standalone Ind As Financial statements:**

Our objectives are to obtain reasonable assurance about whether the standalone IND AS financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these IND AS financial statements.

As part of our audit, in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the IND AS financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of The Companies Act, 2013 we are also responsible for expressing an opinion on whether the Company has adequate internal financial control system in place and the operating effectiveness of such controls.

Evaluate the appropriateness of the accounting policies used and the reasonableness of the accounting estimates and related disclosures made by the management.

Conclude on the appropriateness of the managements use of going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast a significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors report to the related disclosures in the IND AS financial statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report .However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the IND AS financial statements, including the disclosures , and whether the IND AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding , amongst other matters, the planned scope and timing of the audit and significant audit findings ,including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonable be thought to bear on our independence, and where applicable, related safeguards.





**(8) Other Matters;**

(a) Due to the COVID-19 pandemic, nationwide lockdown and other travel restrictions imposed by the Government/local administration, some of the audit processes were carried out by electronically by remote access. The necessary records were made available by the management through digital media and were accepted as audit evidence while reporting for the current period.

(b) The standalone financial results include the results for the quarter ended March 31, 2020 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures upto the third quarter of the current financial year. The figures for the quarter ended 31st March, 2020 are neither subject to limited review nor audited by us.

**(9) Report on Other Legal and Regulatory Requirements:**

(1) As required by The Companies (Auditors Report) Order, 2016 (The Order) , issued by the Central Government of India, in terms of sub section 11 of section 143 of The Companies Act, 2013, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

(a ) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books,

(c ) The Balance Sheet, the Statement of Profit and Loss including The Statement of Other Comprehensive Income and Statement of Cash Flows dealt with by this Report are in agreement with the books of account ,

(d) In our opinion, the aforesaid standalone IND AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015.

(e) Section 164 (2) of the Act regarding disqualification for appointment of Director is not applicable to Government Companies vide notification no. GSR.463E dated 5<sup>th</sup> June, 2015.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our report in "Annexure B".

(g) With respect to the matters required to be reported upon as per directions of The Comptroller and Auditor General of India as per the provisions of Section 143(5) of The Companies Act, 2013, refer to our report in Annexure C.



(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has disclosed the impact of pending litigations on its financial position in its IND AS financial statements – Refer Note 36 to the IND AS financial statements;

(ii) The Company has not entered into any long-term contracts including derivative contracts for which there were material foreseeable losses.

(iii). There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.K.BASU & CO.

CHARTERED ACCOUNTANTS

(FIRM NO: 301026E)

( RUDRA NEIL MALICK )

PARTNER

(MN: 053983)

(UDIN: 20053983AAAAAM9785)



Place: KOLKATA

DATE: 15TH July, 2020





# S. K. BASU & CO

## CHARTERED ACCOUNTANTS

### Annexure-A to the Independent Auditors Report:

#### Referred to in Para 9(1) of our report of even date:

(1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) According to the information and explanations given to us, Fixed assets have been physically verified by the management at reasonable intervals during the year under audit.

(c) According to the information and explanations given to us and the records examined by us, the title deeds of immovable properties are held in the name of the Company. However, title deeds of three properties located in Kolkata were lost. FIR was lodged only for two title deeds with Burrabazar P.S. on 25.05.2017 and no further information was available with the Company about the lost title deeds till date. Further two lease deeds in respect of two tea gardens Tinkong and Basmatia are reportedly lying with the bank but the bank has not issued any certificate confirming possession of those lease deeds by them.

(2) According to the information and explanations given to us, the inventory has been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.

(3) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the Register maintained under Section 189 of The Companies Act, 2013, except loans given to the subsidiaries of Yule Electrical Ltd. RS.4.05 lakhs and Yule Engineering Ltd. Rs. 2.34 Lakhs.

(4) According to the information and explanations given to us, the Company has not given loans, guarantees, made investments in and or purchased securities in respect of which provisions of Section 185 and 186 of The Companies Act, 2013 are applicable except loans given to subsidiaries of Yule Electrical Ltd. RS.4.05 lakhs and Yule Engineering Ltd. Rs. 2.34 Lakhs.

(5) According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of sections 73 to 78 or any other relevant provisions of the act and rules framed thereunder.

(6) According to the information and explanations given to us, the Cost Records are maintained by the Company for all the products as per requirements of the relevant act and rules framed thereunder.

(7) (a) According to the information and explanations given to us and on the basis of examination of the books of accounts and records, the Company has been regular in depositing undisputed statutory dues including provident Fund, Employees State Insurance, Income Tax, GST and any other statutory dues with the appropriate authorities, to the appropriate authority. According to the information and explanations given to us, no disputed amounts payable which were outstanding at the year end was for a period of more than six months from the date they became payable.

7(b) According to the information and explanations given to us, the Company has not deposited the following dues on account of disputes with the appropriate authorities.



Name of the Statute	Nature of Dues	Amount (Rs. Lakhs)	Period to which the amount relates	Forum where the amount is pending.
Income tax act	Penalty	4.65	2004-05	CIT(Appeals)
Income Tax Act	Income Tax	1929.53	2010-11 to 2014-15	NCLT and CIT(Appeals)
WB Sales Tax and VAT	West Bengal Sales Tax & VAT	1878.90	1979-80 to 2014-15-Rs.546.78 Lakhs 1973-74 to 2003-04-Rs.366.79 Lakhs 1985-86 to 2003-04- Rs.908.04 Lakhs 1980-81 to 1985-85- Rs.49.33 Lakhs 2016-17-Rs. 7.96 Lakhs	Appellate & Revision Board Taxation Tribunal Calcutta High Court SOD Sr.Joint Commissioner
Assam Sales tax and VAT	Assam Sales Tax & VAT	152.93	1996-97 to 1998-99- Rs.152.93 Lakhs	Appellate Authority Revenue Board
Orissa Sales Tax and VAT	Orissa Sales Tax & VAT	111.88	1999-2000 -Rs.106.24 Lakhs 2001-02-Rs.5.64 Lakhs	Appellate Authority Tribunal, Cuttack 2nd Appellate Authority Berhampore
Central Excise	Central Excise	513.59	2006-07 to 2009-10-Rs.331.98 Lakhs 2013-14 to 2016-17-Rs.181.61 lakhs	Appeal to CESTAT Commissioner of Central Excise
Service tax	Service Tax	23.43	2006-07 to 2015-16-Rs.21.98 lakhs 2006-07 to 2007-08-Rs.1.45 Lakhs	Appeal at Commissioner of Central Excise Appeal at CESTAT
Provident Fund Act	Provident Fund	16.81	2006-2007	Regional PF Commissioner,Kolkata
	Total	4631.72		

(8) According to the information and explanations given to us and based on the examination of the books and records of the company, the Company has not defaulted in the repayment of dues to banks and financial institutions.

(9) Based on the information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer including debt instruments and term loans. Accordingly the provisions of Clause 3 (ix) of CARO are not applicable to the company.

(10) Based on the audit procedures performed and according to the information and explanations given by the management, no fraud on or by the Company or its officers/employees has been committed, noticed or reported during the year.

(11) Section 197 of The Companies Act, 2013 regarding payment of managerial remuneration is not applicable to the Company being a government company vide notification no. GSR. 463€ dated 5<sup>th</sup> June, 2015.





(12) As per information and explanations given to us, the Company is not a NIDHI Company. Therefore, the provisions of Clause 4(xii) are not applicable to the Company.

(13) As per information and explanations given to us, the transactions with the related parties are in compliance with Section 177 and 188 of The Companies Act, 2013 and the details have been disclosed in the Note No. 39 of the Standalone Financial Statements as required by the applicable Ind-AS.

(14) Based on the audit procedures performed and according to the information and explanations given by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of CARO are not applicable to the Company and hence not commented upon.

(15) Based on the audit procedures performed and according to the information and explanations given by the management, the company has not entered into any non cash transactions with directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of CARO are not applicable to the Company.

(16) in our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45IA of the Reserve Bank of India act, 1934 and accordingly, the provisions of Clause 3 (xvi) of the order are not applicable to the Company.

For S.K.BASU & CO.  
CHARTERED ACCOUNTANTS  
(FIRM NO: 301026E)

Place: KOLKATA

DATE: 15th July, 2020

( RUDRA NEIL MALICK )  
PARTNER  
(MN: 053983)

(UDIN: 20053983AAAAAM9785)





# S. K. BASU & CO

## CHARTERED ACCOUNTANTS

### Annexure B to the Independent Auditors Report

Referred to in Para 9(2)(f) of our report of even date:

**Report on the Internal Financial Controls under Clause(i) of Sub Section 3 of Section 143 of the Companies Act, 2013 (The Act).**

(1). We have audited the internal financial controls over financial reporting of Andrew Yule and Company Limited (The Company) as on 31<sup>st</sup> March, 2020 in conjunction with our audit of the standalone IND AS financial statements of the Company for the year ended on that date.

#### **Managements Responsibility for Internal Financial controls**

(2). The Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over financial reporting issued by The Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to companies policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information as required under the Companies Act, 2013.

#### **Auditors Responsibility**

(3). Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing issued by ICAI and the Standards on Auditing as specified under Section 143 (10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls. Those Standards and Guidance Notes require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained if such controls operated effectively in all material respects.

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

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





## Meaning of Internal Financial Controls over Financial Reporting

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

## Inherent Limitations of Internal Financial Controls over Financial Reporting

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

## Opinion

(8) Based on our audit and the information and explanations given to us, we are of the opinion that:

(a) The flow of financial data from divisions, units and gardens are not seamlessly integrated with Head office accounts. It involves manual interventions at various stages of accounting.

(b) Absence of guidelines of IT general controls and segregation of duties does not give reasonable assurance regarding fair maintenance and accurate reflection of records with reasonable details for transactions and disposition of assets of the Company.

© Since the inception of computerization, IT systems audit has not been carried out.

(d) IT disaster recovery plan has not been defined.

(e) The company has not obtained balance confirmation certificates from a considerable number of sundry debtors and creditors.

(f) Internal audit reports of the company for the second half of the year have not been provided to us as a result we are unable to comment on the same.

In view of the above observations, Internal financial Controls of the company as at 31<sup>st</sup> March, 2020 is inadequate with respect to its size, diversity and complexity of operations based on internal control over financial





reporting criteria as stated in the Guidance Note on audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

For S.K.BASU & CO.  
CHARTERED ACCOUNTANTS  
(FIRM NO: 301026E)

Place: KOLKATA

DATE: 15th July, 2020

( RUDRA NEIL MALICK )  
PARTNER  
(MN: 053983)



(UDIN: 20053983AAAAAM9785)



# S. K. BASU & CO

## CHARTERED ACCOUNTANTS

### Annexure C to the Independent Auditors Report

Directions under Section 143(5) of The Companies Act, 2013 on the basis of our audit of standalone financial statements of Andrew Yule and Company Limited for the FY 2019-20.

We give below the answer to the questions and information asked for in the above mentioned directions:

S.N.	Directions	Our Answer
1.	Whether the Company has system in place to process all the accounting transactions through IT system.? If yes, the implications of processing the accounting transactions outside IT system on the integrity of the accounts along with the financial implications , if any, may be stated.	The Company does not presently possess an ERP accounting system or a fully integrated IT system among its units and Head Office and as such, necessary accounting integration is being done through separate data entry mode and by applying standalone IT software. The method adopted by the Company leaves a scope of absence of data integrity, thereby increasing the risk.
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interests etc.made by a lender to the Company due to the Companys inability to repay the loan? If yes, the financial impact may be stated.	There is no instance of restructuring/waiver/write offs of existing loans availed by the Company.
3.	Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for/utilized as per its terms and conditions? List the cases of deviation.	All funds received/receivable for specific schemes from Central/State agencies were properly accounted for under Note No. 21 relating to the head of "Other non current liabilities"

For S.K.BASU & CO.  
CHARTERED ACCOUNTANTS  
(FIRM NO: 301026E)

  
( RUDRA NEIL MALLICK )  
PARTNER  
(MN: 053983)

(UDIN: 20053983AAAAAM9785)

Place: KOLKATA

DATE: 15TH July, 2020





# **S. K. BASU & CO**

**CHARTERED ACCOUNTANTS**

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## **COMPLIANCE CERTIFICATE**

We have conducted the audit of the Standalone accounts of Andrew Yule and Company Limited for the year ended 31st March, 2020 in accordance with the directions/sub directions issued by The Comptroller and Auditor General of India under Section 143(5) of The Companies Act, 2013 and certify that we have complied with all the directions/subdirections issued to us.

For S.K.BASU & CO.  
CHARTERED ACCOUNTANTS  
(FIRM NO: 301026E)

Place: KOLKATA

DATE: 15TH July, 2020

  
( RUDRA NEIL MALLICK )  
PARTNER  
(MN: 053983)



(UDIN: 20053983AAAAAM9785)

ANDREW YULE & COMPANY LIMITED  
ANNEXURE - I

Impact of Audit Qualifications (for audit report with modified opinion) submitted along with Annual Audited Financial Results and Consolidated separately)

Statement on Impact on Audit Qualifications for the Financial Year ended March 31, 2020  
[See Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016]

Particulars	Audited Figures (as reported before adjustment of qualifications)	Audited Figures (audited figures after adjustment of qualifications)
1 Turnover/Total Income	32,596.23	32,596.23
2 Total Expenditure	35,121.66	35,121.66
3 Net Profit/(Loss)	(2,125.38)	(2,125.38)
4 Earning Per Share	(0.42)	(0.42)
5 Total Assets	42,727.05	42,727.05
6 Total Liabilities	42,727.05	42,727.05
7 Net Worth	17,234.52	17,234.52
8 Any other financial items as felt appropriate by the Management		

Audit Qualification:

Details of the Qualifications

(1) In the absence of Balance Confirmation Certificates, no opinion can be formed about the correctness of the balances of Sundry Debtors and Creditors. Also recoverability of Sundry Debtors and actual obligations to Sundry Creditors are not ascertainable

Type of Audit Qualification: Qualified Opinion/ Disclaimer of Opinion/ Adverse Opinion

Frequency of Qualification

For Audit Qualifications where the impact is quantified by the Auditor, Management views

For Audit Qualifications where the impact is not quantified by the Auditor,

(i) Management estimation on the Impact of Audit Qualification

(ii) Management is unable to estimate the impact, reasons for the same

(iii) Auditors comment on (i) and (ii) above

Signatures:

CEO/Managing Director

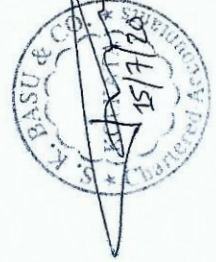
CFO

Audit Committee Chairman

Statutory Auditor

Dr. Kallada

1st July 2020





STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2020

Particulars	Consolidated				Year to date 31.03.2020	Year to date 31.03.2019
	3 months ended 31.03.2020	Preceding 3 months ended on 31.12.2019	Corresponding 3 months ended in the previous year 31.03.2019			
[1] Income from Operations	[Unaudited]	[Unaudited]	[Unaudited]			[Unaudited]
[a] Net Sales/Income from Operations	4,083.37	8,574.71	6,655.70		29,707.98	30,498.84
[b] Other Operating Income	108.53	14.26	579.29		205.65	652.54
[2] Other Income	734.08	1,127.33	1,414.88		3,082.60	4,118.70
[3] Total Income	4,925.98	9,716.30	8,649.87		32,996.23	35,270.08
[4] Expenses						
[a] Cost of Materials Consumed	1,107.25	1,747.45	2,059.51		8,800.52	9,446.94
[b] Purchases of Stock-in-trade	-	-	-		-	-
[c] Changes in Inventories of Finished Goods,	1,951.78	822.70	2,676.53		(20.18)	184.68
	-	-	-			
[d] Employee Benefits Expense	3,352.10	4,466.56	2,498.12		17,648.44	16,478.39
[e] Finance Cost	188.87	241.25	179.63		845.19	629.25
[f] Depreciation and Amortisation Expense	156.74	166.83	185.34		657.56	694.26
[g] Other Expenses	1,268.76	1,896.03	1,182.84		7,190.81	6,939.88
Total Expenses	8,025.50	9,340.82	8,781.97		35,122.34	34,373.40
[5] Profit/(Loss) before Tax[3-4]	(3,099.53)	375.48	(132.10)		(2,126.11)	896.68
[h] Profit/ Loss arising out of Discontinued Operation	(40.46)	(4.72)	(156.72)		(148.20)	(156.72)
[6] Tax Expense	(105.81)	-	178.75		(105.81)	178.75
[7] Net Profit/(Loss) for the period [5-6]	(3,034.18)	370.76	(467.57)		(2,168.50)	561.21
[8] Other Comprehensive Income						
(a) Remeasurement of Investment	(9.59)	(411.51)	85.22		(476.59)	(8.37)
(b) Adjustment of actuarial gains/losses	1,552.59	(214.56)	(513.64)		960.93	(722.40)
Total Other Comprehensive Income	1,543.00	(626.07)	(428.42)		484.34	(730.77)
[9] Total Comprehensive Income for the period[7+8]	(1,491.18)	(255.32)	(895.99)		(1,684.16)	(169.56)
[10] Earnings per equity share (not annualised)						
(a) Basic	(0.62)	0.08	(0.10)		(0.44)	0.11
(b) Diluted	(0.62)	0.08	(0.10)		(0.44)	0.11
Paid-up Equity Share Capital	9,779.02	9,779.02	9,779.02		9,779.02	9,779.02
(Face Value of Rs.2/- per share)						





- 1) The Audited Consolidated Financial & Segment Results for the quarter and year ended 31st March 2020 were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on 15th July, 2020 as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been carried out by the Statutory Auditors of the Company
- 2) The Company is also engaged in cultivation and manufacturing tea, being seasonal in nature, the above figures cannot be taken as indicative of full year.
- 3) This statement is as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 4) The Company has adopted INDAS-116 effective 01/04/2019 in the following manners:
  - a) The standards have been applied to only such cases wherever executed lease agreements and/or Notifications issued by the concerned Lessor Government are in hands of the Company and for the balance period of such lease as on 01/04/2019, except for cases mentioned in (b) below.
  - b) In case of lease of lands from the Government of Assam for the Tea gardens in Assam, the Company, in conjunction with Indian Tea Association, has noted that, section 9 of the Assam Land and Revenue Regulation, 1886 provides a land lessee, right of use, occupancy and other relevant rights subject to payment of revenues, taxes, cesses and rates from time to time as may be due in respect of said land and thus, there is no fixed or defined period of lease. As such, INDAS116 should not accordingly be applicable in case of Assam.
- 5) The worker unions of the Chennai unit of the Electrical Division have gone on strike from mid August, 2019 due to their unsettled demand for wage increase beyond the wage revision offered by management more or less in line with other units. The management thereafter has declared Suspension of Work in turn during the same month and as of now there is Status Quo for both Strike and Suspension of Work, as aforesaid.
- 6) Figures of the previous year has been rearranged and regrouped wherever necessary.

#### 7. Impact on Financial position of the Company due to COVID-19 Pandemic

Subject impact actually started almost from the initial days of Quarter 4 of financial year 2019-20, though formal lockdown on this account was declared by India by the end of March 2020.

Since said lockdown and various restrictions imposed by the Government Authorities in this regard continued for the full quarter 1 of financial year 2020-21 there has been considerable adverse impact on turnover of the Company during this period along with resultant adverse impact on profitability and cash generation.

Following table depicts a comparison of division-wise turnover in quarter 4 of 2018-19 vis-a-vis quarter 4 of 2019-20 as well as similar turnover in April & May 2020 (provisional).

Figs Rs./Crores	Quarter 4		April-May (Provisional)		
	2018-19	2019-20	2019-20	2020-21	2020-21
Engineering Division	13.48	6.42	3.54	0.5	0.5
Electrical Division-Kolkata	13.49	5.42	0.91	1.81	1.81
Electrical Division-Chennai	8.88	2.51	7.71	1.1	1.1
Tea Division	30.73	25.37	18.74	10.82	10.82
Total	66.58	40.72	30.9	14.23	14.23

However, keeping in view some of the events occurring after the Balance Sheet date, any erosion in the year end value of the inventories due to impact of COVID-19 could not be foreseen as enumerated below

- 1 As regards inventory of Tea produced, price realization could be made in Quarter 1 of the FY 2020-21 at a rate higher than the book value of inventories.
- 2 Also for inventory of other manufactured items of other Divisions are mostly covered by inclusion of impact of COVID-19 under the force majeure clause in line with OM-no-18/4/2020-PPD dated 13.05.2020 issued by GOI, Ministry of Finance.

Chattered Accountant,  
F.No.-301026E  
BASU & CO. CHARTERED ACCOUNTANTS  
Rudra Neil Mallick  
Partner (M.No.: 053983)  
Place : Kolkata  
Date :

ANDREW YULE & COMPANY LIMITED

DEBASIS JANA  
CHAIRMAN & MANAGING DIRECTOR  
DIN : 07046349



	Note No.	As at March 31, 2020	As at March 31, 2019
<b>Non-current assets</b>			
(a) Property, Plant and Equipment	3	9432.83	8,729.50
(b) Capital work-in-progress	3	7739.27	5,943.49
(c) Intangible Assets	3	7.44	8.22
(d) Non Current Assets held for Sale or as held for distribution to owners	4	83.14	212.39
(e) Financial Assets			
(i) Investment	5	20247.10	17,911.53
(ii) Cash and Cash Equivalent	6	16.81	-
(iii) Loans	7	0.64	0.69
(f) Income Tax Assets (net)	8	1270.61	1,166.48
(g) Other non-current assets	9	397.06	365.46
<b>Total Non - Current Assets</b>		<b>39194.90</b>	<b>34,337.76</b>
<b>Current assets</b>			
(a) Inventories	10	4827.32	5,367.61
(b) Financial Assets			
(i) Investment	11	0.35	0.35
(ii) Trade Receivables	12	5112.08	6,706.37
(iii) Cash and cash equivalents	13	6407.08	8,133.41
(iv) Loans	14	0.44	0.70
(v) Other financial assets	15	2048.78	2,580.16
(c) Other current assets	16	2640.74	1,953.89
<b>Total Current Assets</b>		<b>21036.79</b>	<b>24,742.48</b>
<b>Total Assets</b>		<b>60231.69</b>	<b>59,080.25</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	17	9779.02	9,779.02
(b) Other Equity	18	24507.77	25,335.08
<b>Total equity</b>		<b>34,286.79</b>	<b>35,114.10</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	19	0.00	0.68
(ii) Other financial liabilities	20	28.80	28.80
(b) Provisions	21	1828.46	2,889.54
(c) Other non-current liabilities	22	464.84	398.73
(d) Deferred Tax Liability		1900.46	1,859.52
<b>Total non-current liabilities</b>		<b>4,222.56</b>	<b>5,177.27</b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	23	8053.91	5,279.77
(ii) Trade and other payables	24	5373.49	5,984.65
(iii) Other financial liabilities	25	5821.17	5,310.47
(b) Other current liabilities	26	1284.25	1,122.23
(c) Provisions	27	1189.53	1,091.74
<b>Total Current Liabilities</b>		<b>21,722.35</b>	<b>18,788.85</b>
<b>Total liabilities</b>		<b>25,944.90</b>	<b>23,966.12</b>
<b>Total Equity &amp; Liabilities</b>		<b>60,231.69</b>	<b>59,080.22</b>

For Andrew Yule & Company Limited



DEBASIS JANA

Chairman & Managing Director

For S.K Basu & Co.

Chartered Accountant

F.No.: 301026E





Andrew Yule & Company Limited					
	Year ended 31st March, 2020		Year ended 31st March, 2019		
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES :</b>					
Net Profit before Tax and extraordinary items		(2,126.11)			896.68
<b>Adjustments for :</b>					
Depreciation/Impairment of Assets	657.56			694.26	
Interest expense	744.35			629.25	
(Profit)/Loss on Sale of Fixed Assets				-	
(Profit)/Loss on Sale of Investments	(409.50)			(18.48)	
Gain on Acquisition of Land by Government				(551.34)	
Interest Income	(389.28)			(432.86)	
Dividend Income	(1,700.71)			(2,390.86)	
Provision no longer Required Written back				(323.83)	
Liabilities no longer required written back				(523.94)	
Net Gain on Foreign Currency Translation	(2.88)			(1.43)	
Gain on Remeasurement of Long Term Trade Receivables				(1.99)	
Gain on Remeasurement of Investments	(89.02)			(38.63)	
Excess provision for YASF written back	(25.26)			(20.63)	
Diminution in the value of non trade investments	42.97			19.22	
Provision for Doubtful Debts	320.19			238.43	
Provision for Doubtful Loans, Advances and Deposits	16.22			120.18	
Provision for Stock/Stores Obsolescence	21.92			36.18	
Provision for TDS Recoverable	1.02				
Changes in fair value of financial assets at fair value through P&L	(476.59)				
Actuarial Gains and Losses	960.93				
Cash Generated from discontinued Operations	(148.20)			(131.11)	
Other Expenses	962.25				
		485.97			(2,697.08)
Operating profit before changes in amount of Current Liabilities and Current Assets		(1,640.14)			(1,800.40)
<b>Adjustment for</b>					
Trade and other receivables	1,328.35			1,094.16	
Inventories	540.29			(264.15)	
Trade and other payables	(1,705.68)			(651.35)	
Other Assets	41.33				
		204.29			178.66
Cash Generated from Operations		(1,435.85)			(1,621.74)
Tax paid					-
NET CASH FROM OPERATING ACTIVITIES (A)		(1,435.85)			(1,621.74)
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES :</b>					
Purchase of Fixed Assets	(3,026.64)				(2,923.99)
Sale of Fixed Assets					1.84
Purchase of Investments	(2,335.57)	-			-
Sale Proceeds of Investments	458.43				24.25
Dividend Received	1,700.71				2,390.86
Increase in Loans and Advances					-
Interest Received	389.28				432.86
NET CASH FROM INVESTING ACTIVITIES (B)		(2,813.79)			(74.19)
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES :</b>					
Interest Paid	(744.35)				(629.25)
Short Term Borrowings (Repaid)/Taken	3,284.47				2,473.88
Long Term Borrowings (Repaid)/Taken					(91.68)
NET CASH USED IN FINANCING ACTIVITIES (C)		2,540.12			1,752.95
Net Increase/(Decrease) in Cash and Cash Equivalents [A+B+C]		(1,709.52)			57.02
CASH AND CASH EQUIVALENTS (Opening Balance)		8,133.41			8,076.39
CASH AND CASH EQUIVALENTS (Closing Balance)		6,423.89			8,133.41
[1] The above Cash Flow Statement has been prepared under "Indirect Method" as set out in the Indian Accounting Standard-7 on Cash Flow Statement notified by the Companies (Accounting Standard) Rules, 2006					
[2] Cash and Cash Equivalents include :					
	As at 31st March, 2020				As at 31st March, 2019
Balance with Banks (Refer Note below)		758.91			1,683.37
Cheques in Hand		51.00			-
Cash in Hand		23.18			20.88
Postage and Stamps in hand					-
Remittance in Transit					-
Deposit with Bank maturing within 3 months					
Margin Money with Bank maturing within 3 months					
Deposit with Bank maturing after 3 months					1,135.11
Deposit Account Margin		5,590.80			5,294.04
		6,423.89			8,133.41
[a] includes `16.84 lakhs attached by Provident Fund Authority					
[b] Previous year's figures have been regrouped/rearranged wherever necessary					

For S.K. Basu & Co.  
Chartered Accountant  
F. No.:301026E

Rudra Neil Mallick  
Partner (M.No.: 053983)  
Date  
Place

For Andrew Yule & Company Limited

Debasis Jana  
Chairman & Managing Director



**ANDREW YULE & COMPANY LIMITED**

[A Government of India Enterprise]

CIN: L63090WB1919GOI003229

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

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

Rs in Lakhs

**SEGMENT-WISE REVENUE, RESULTS, ASSETS & LIABILITIES FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2020**

Particulars		Consolidated				
		3 months ended 31.03.2020	Preceeding 3 months ended 31.12.2019	Corresponding 3 months ended in the previous year 31.03.2019	Year to date 31.03.2020	Year to date 31.03.2019
[1]	<b>Segment Revenue [ Net Sales/Income from each segment]</b>					
[a]	Tea	2,608.07	6,706.91	3,113.84	20,615.36	19,887.96
[b]	Electrical	861.08	996.50	2,704.28	5,341.60	7,777.21
[c]	Engineering	688.42	848.93	1,395.67	3,719.62	3,059.98
[d]	Unallocated	50.08	36.86	129.66	263.73	468.34
[e]	Printing	-	-	(56.81)	-	51.28
[f]	<b>Total</b>	<b>4,207.65</b>	<b>8,589.20</b>	<b>7,286.64</b>	<b>29,940.31</b>	<b>31,244.77</b>
	Less: Inter Segment Revenue	15.75	0.24	51.65	26.68	93.39
	<b>Net Sales/Income from Operations</b>	<b>4,191.90</b>	<b>8,588.96</b>	<b>7,234.99</b>	<b>29,913.63</b>	<b>31,151.38</b>
[2]	<b>Segment Results</b>					
	[Profit(+)/Loss(-) before tax and interest from each Segment]					
[a]	Tea	(2,167.29)	339.34	(1,718.21)	(221.04)	701.80
[b]	Electrical	(536.96)	(470.32)	465.93	(2,098.95)	(1,163.57)
[c]	Engineering	(138.08)	37.76	165.63	(112.16)	(304.44)
[d]	Printing	(148.20)	-	32.18	(148.20)	(140.35)
[e]	<b>Total</b>	<b>(2,990.53)</b>	<b>(93.22)</b>	<b>(1,054.47)</b>	<b>(2,580.35)</b>	<b>(906.56)</b>
	Less:					
	[i] Interest	188.87	241.25	179.62	845.19	629.25
	[ii] Other unallowable Expenditure net off Unallocable Income	(145.23)	(705.22)	(766.53)	(1,257.04)	(2,097.02)
	<b>Total Profit/(Loss) after tax</b>	<b>(3,034.17)</b>	<b>370.76</b>	<b>(467.56)</b>	<b>(2,168.50)</b>	<b>561.21</b>
	<b>Segment Assets</b>					
	Tea	19,885.35	20,391.99	18,405.45	19,885.35	18,405.45
	Electrical	10,274.09	11,051.49	11,213.37	10,274.09	11,213.37
	Engineering	4,840.02	5,139.88	4,531.66	4,840.02	4,531.66
	Printing	212.72	205.57	711.66	212.72	711.66
	Unallocated Corporate	25,019.46	7,215.33	24,218.10	25,019.46	24,218.10
	<b>Total</b>	<b>60,231.64</b>	<b>44,004.26</b>	<b>59,080.24</b>	<b>60,231.64</b>	<b>59,080.24</b>
	<b>Segment Liabilities</b>					
	Tea	10,169.40	8,305.69	7,920.81	10,169.40	7,920.81
	Electrical	10,579.42	11,258.22	9,647.90	10,579.42	9,647.90
	Engineering	3,194.00	3,363.66	2,905.59	3,194.00	2,905.59
	Printing	449.66	449.03	1,100.52	449.66	1,100.52
	Unallocated Corporate	1,549.71	2,518.92	2,391.32	1,549.71	2,391.32
	<b>Total</b>	<b>25,942.19</b>	<b>25,895.52</b>	<b>23,966.14</b>	<b>25,942.19</b>	<b>23,966.14</b>
	<b>Segment Capital Employed ( Segment Assets- Segment Liabilities)</b>					
	Tea	9,715.95	12,086.30	10,484.64	9,715.95	10,484.64
	Electrical	(305.33)	(206.73)	1,565.47	(305.33)	1,565.47
	Engineering	1,646.02	1,776.22	1,626.07	1,646.02	1,626.07
	Printing	-236.94	(243.46)	(388.86)	(236.94)	(388.86)
	Unallocated Corporate	23,469.75	4,696.41	21,826.78	23,469.75	21,826.78





# S. K. BASU & CO

## CHARTERED ACCOUNTANTS

### INDEPENDENT AUDITORS REPORT

To the Members of Andrew Yule & Company Limited

Report on the Audit of Consolidated IND-AS Financial Statements

#### (1.) Qualified Opinion

We have audited the Consolidated Ind AS Financial Statements of Andrew Yule and Company Limited ("The Holding Company") and considered financial statements of Subsidiaries and Associates (Together referred to as "The Group") audited by other auditors which comprise the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2020, and the Consolidated Statement of Profit and Loss (Including other comprehensive income), the Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, subject to the qualifications mentioned hereinafter in this report, the aforesaid Consolidated IND AS Financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at 31st March, 2020, consolidated loss and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

#### (2) Basis for Qualified Opinion

a.) In the absence of Balance confirmation certificates from a considerable number of Sundry Debtors and Sundry Creditors, no opinion can be formed about the correctness of the balances of Sundry Debtors and Sundry Creditors. Effect of the above, if any on profit and loss is not ascertainable.

b.) The auditor of one of the subsidiary companies, namely Hooghly Printing Co.Ltd. (HPCL) have qualified their report stating that the Companies' net current and non current assets arising out of discontinued business have not been stated at net realizable value(as per valuation report dated 21.08.2019), which is not in conformity with the Accounting standards prescribed under Section 133 of The Companies Act, 2013. The Company considered the carrying value of assets in the books of accounts as per the merger proposal of HPCL with Andrew Yule & Co.Ltd. currently pending with Hon'ble National company Law Tribunal (NCLT), Kolkata Branch.(Refer to Note No.60 of the Consolidated financial statements.)

c.) Auditors of subsidiary companies, namely Yule Electrical Limited and Yule Engineering Limited have qualified their reports stating that the said companies are not a going concern as there were no operating activities in the concerned year and the same has not been disclosed in "Notes to Financial Statements". Also no agreement related to the terms of payment and interest payable if any, was available for unsecured borrowings from Andrew Yule and Company Ltd. Further, confirmation of Loan taken from others were not available to the auditors of Yule Electrical Limited.





d ) Auditors of Associate Companies namely The New Beerbhoom Coal Company Limited and Katras Jherriah Coal Company Limited have qualified their respective audit reports as follows:

(i) In the case of New Beerbhoom Coal Company Limited -" a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern and on realisability of advance income tax recoverable Rs. 4.09 lakhs and not valuing investments in shares of WEBFIL Ltd.- Rs. 4.62 lakhs(valued at intrinsic value) and BKNY & CO., Partnership firm -Rs.1.04 lakhs(valued at cost) at fair value and are unable to ascertain the extent of liabilities from pre nationalization period amounting to Rs.11.88 lakhs and other liabilities of Rs. 1.04 lakhs."

(ii) In the case of Katras Jherriah Coal Company limited " a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern and on realisability /recognition of amount receivable of Rs.1.78 lakhs, claims payable pending with appellate courts amounting to Rs. 28.60 lakhs , claims of creditors against the company amounting to Rs. 36.19 lakhs, advance income tax recoverable Rs. 10.54 lakhs and not valuing investments in New Beerbhoom Coal Company Ltd.-Rs. 0.53 lakhs(valued at NAV) and BKNY & CO., Partnership firm -Rs.0.90 lakhs(valued at cost) at fair value."

e) The auditors of the associate company Tidewater Oil Company(India) Limited have qualified their consolidated audit report as follows;" The financial results of one joint venture (JX Nippon TWO Lubricants India Private Limited) is unaudited . Hence the impact of adjustments, if any, had an audit been carried out is unascertainable."

We have conducted our auditing in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of The Companies Act, 2013. Our responsibilities under those standards are further described in the Auditors Responsibilities for the Audit of Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by The Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of The Companies act, 2013 and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with the requirement of the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **(3) Emphasis of Matter:**

**Without qualifying our audit report, we draw attention to the following:**

- a. In the absence of IT system audit, security of accounting/operational data, recovery of data through IT disaster management system and manual intervention at crucial levels of data transfer and at the time of consolidation result in high audit risk.
- b. The absence of exercise of adequate controls in the process of maintaining the records of the companies lease deeds and title deeds enhances the audit risk.
- c. Electrical Division has not contributed an amount of Rs. 1103.36 lakhs and Engineering Division has not contributed an amount of Rs. 74.55 lakhs to the Company's gratuity fund which is utilised towards payment of gratuity to employees on retirement.





- d. Provident Fund recoverable of Rs. 42.97 Lakhs (Refer note No.56 of the financial statements) pending over 10 years from PF department of Government of India has been provided for in the accounts.
- e. Lease agreement of three tea gardens namely Banerhat, Choonabhutti and Haritalguri-3 (of New Dooars) and Brentford Unit of Electrical Division, Kolkata has not been renewed since long. However, lease rent is being paid by the Company. Salami asked for by the West Bengal Government amounting to Rs.177.67 lakhs (PY-Rs. 228.93 lakhs) as per Note No. 54 is shown under "Claims not acknowledged as debts". The matter should be resolved immediately as it disputes the Company's ownership of the tea gardens under its operation.
- f. All the inoperative bank accounts of the Company in its various divisions should be closed to mitigate the fraud risk. Also many bank accounts have authorized signatories who have retired/resigned from the Company. These former employees should be replaced as signatories by the officials who are currently in the employment of the Company.
- g. As per regulation 17(1) of SEBI (LODR) regulations, 2015, as amended the composition of the Board should be as follows: (i) the board of directors shall have an optimum combination of executive and non executive directors with at least one woman director. (ii) where the chairperson of the listed entity is an executive director, at least half of the Board of directors shall comprise of independent directors. In the case of the company, as the CMD is an executive director, at least half of the members on the Board should be independent directors. However at present the Board consists of four whole time directors, two government nominee directors and three independent directors with no woman director. Hence as on date three more independent directors including a woman director needs to be appointed to comply with the aforesaid provision.  
BSE had levied a fine of Rs.5,36,900/- for June 2019 quarter, Rs .9,06,240 /-for September 2019 quarter and Rs. 7,59,920/- for December 2019 quarter and Rs. 5,31,000/- for March, 2020 quarter (Totaling Rs. 27,34,060/-, inclusive of GST) due to non –compliance with requirements of Regulations 17 to 21 of LODR regulations which has not been paid /provided by the Company as appointment of Directors is done by the Companies administrative ministry. The company has taken up the matter with the administrative ministry and with SEBI and BSE.
- h. Hooghly Printing Company Limited (HPCL) had declared closure of its business operations with effect from 21st January, 2019 pursuant to its merger with the company. However, final approval of merger was held up by the Office of The Regional Director (Eastern Region), Kolkata vide their letter dated 08.01.2020 that the matter has been referred to NCLT under Section 232 of The Companies Act, 2013 by referring to the provisions of Section 233(5) of The Companies Act, 2013 concerning the interest of creditors. Some of the creditors were also applying under the Insolvency and Bankruptcy Code for their payment. In such situation a proposal was placed to sell of the assets of HPCL and apportion the dues between the creditors. However it was decided by the Board that since the matter is before NCLT, legal opinion needs to be taken before such sale is authorized. Hence the matter of merger is pending before such formalities are taken care of.
- i. The Company has assessed the decline in sales and effect on inventory due to the nationwide lockdown arising out of COVID 19 as per Note No.58 of the financial statements.
- j. Internal audit reports of all the gardens for the second half of the year have not been provided to us as a result we are unable to comment on the same.
- k. There are a large number of debit balances in Trade Payables accounts which should be reconciled and adjusted with relevant heads of account.

**(4) Information other than the Consolidated Ind AS Financial Statements and Auditors Report thereon:**





The Company's Board of Directors are responsible for the information. The other information comprises the information included in the Management Discussion and Analysis, Boards Report including the Annexures to Boards Report, Business Responsibility Report, Corporate Governance and Shareholders Information, but does not include the Consolidated financial statements and our auditors report thereon. The report is expected to be made available to us after the date of this audit report.

#### **(5) Key Audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated financial statements of the current period. These matters were addressed in the context of our audit of the Consolidated financial statements as a whole, and in forming our opinion thereon and we do not provide a separate opinion in these matters. We have determined the matters described below to be the key audit matters to be communicated in this report. However, no key audit matters were reported in the audit reports of the subsidiaries or associate companies.

<b>S.N.</b>	<b>KEY AUDIT MATTER</b>	<b>AUDITORS RESPONSE</b>
<b>1.</b>	<p><b>Provisions and Contingent Liabilities</b></p> <p>The Company is subject to a number of legal, regulatory and tax cases for which final outcome cannot be easily predicted and which could potentially result in significant liabilities. Management's disclosures with regards to contingent liabilities are presented in Note No.36-to the Standalone Ind AS Financial Statements.</p> <p>The assessment of the risks associated with the litigations is based on complex assumptions. This requires use of judgment to establish the level of provisioning, increases the risk that provisions and contingent liabilities may not be appropriately provided against or adequately disclosed. Accordingly, this matter is considered to be a key audit matter.</p>	<p>In order to get a sufficient understanding of litigations and contingent liabilities, we have discussed the process of identification implemented by the Management for such provisions through various discussions with Company's legal and finance departments.</p> <p>We read the summary of litigation matters provided by the Company's/ Unit's Legal and Finance Team.</p> <p>We read, where applicable, external legal or regulatory advice sought by the Company.</p> <p>We discussed with the Company's/ Unit's Legal and Finance Team certain material cases noted in the report to determine the Company's assessment of the likelihood, magnitude and accounting of any liability that may arise.</p> <p>In light of the above, we reviewed the amount of provisions recorded and exercised our professional judgment to assess the adequacy of disclosures in the Standalone Ind AS financial statements</p>

#### **(6) Responsibility of the Management and those charges with Governance for the Consolidated Ind-AS financial statements:**

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated financial





statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance, Consolidated changes in equity and Consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India,, including the Indian accounting standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated financial statements of The Group ,the respective Board of directors are responsible for assessing the ability of the respective Companies to continue as a going concern, disclosing, as applicable, matter related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the Companies included in the Group and of its associates are also responsible for overseeing the Companies financial reporting process and its associates.

**(7) Auditor's responsibilities for the Audit of the Consolidated Ind As Financial statements:**

Our objectives are to obtain reasonable assurance about whether the Consolidated IND AS financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of our audit, in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the IND AS financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of The Companies Act, 2013 we are





also responsible for expressing an opinion on whether the Company has adequate internal financial control system in place and the operating effectiveness of such controls.

Evaluate the appropriateness of the accounting policies used and the reasonableness of the accounting estimates and related disclosures made by the management.

Conclude on the appropriateness of the managements use of going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast a significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors report to the related disclosures in the IND AS financial statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report .However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the IND AS financial statements, including the disclosures , and whether the IND AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding , amongst other matters, the planned scope and timing of the audit and significant audit findings ,including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonable be thought to bear on our independence, and where applicable, related safeguards.

#### **(8) Other Matters**

(a) The process of merger of Hooghly Printing Company Ltd. As per the Board's resolution dated 22.02.2018 of the said subsidiary (Refer Note No: 60 of the consolidated financial statements) is yet to be completed .

(b) We have considered information from the financial statements of the three subsidiaries, namely, Hooghly Printing Co. Ltd., Yule Engineering Ltd. and Yule Electrical Ltd., whose financial statements have been audited by other auditors, which reflect total assets of Rs.212.75 Lakhs as at 31<sup>st</sup> March, 2020. Total Revenues from continued operation of Rs.-0.07 lakhs for the year ended on that date , as considered in the consolidated Ind AS financial statements. The consolidated Ind As financial statements also include the net loss of Rs- 180.14 lakhs of the subsidiary companies for the year ended 31<sup>st</sup> March, 2020.





© The consolidated financial statements of the three associate companies, namely, Tide Water Oil Co. (India) Ltd., The New Beerbhoom Coal Co. Ltd. and Katras Jherriah Coal Co. Ltd. have been audited by other auditors whose audit reports have been furnished to us by the management and our opinion on the Consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates and our report in terms of sub sections (3) and (11) of Section 143 of The Act, in so far as it relates to the aforementioned subsidiaries and associates, is based solely on the reports of the other auditors subject to non compliance of SA 705 and SA 570 by the respective auditors of two subsidiaries Yule Engineering Limited and Yule Electrical Ltd.

Our opinion on the consolidated financial statements and our report on the other legal and regulatory requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by management.

(d) Due to the COVID-19 pandemic, nationwide lockdown and other travel restrictions were imposed by the Government/local administration. Hence, some of the audit processes were carried out by electronically by remote access. The necessary records were made available by the management through digital medium and were accepted as audit evidence while reporting for the current period.

**(9) Report on Other Legal and Regulatory Requirements:**

As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books, and the reports of the other auditors, subject to our qualifications/emphasis of matter mentioned elsewhere in this report.

(c) The Consolidated Balance Sheet, the consolidated Statement of Profit and Loss including The Statement of Other Comprehensive Income and consolidated Statement of Cash Flows dealt with by this Report are in agreement with the books of account, maintained for the purpose of preparation of the consolidated financial statements, subject to our qualification/emphasis of matter elsewhere in this report.

(d) In our opinion, the aforesaid Consolidated IND AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015 subject to our qualification/emphasis of matter elsewhere in this report.

(e) Section 164 (2) of the Act regarding disqualification for appointment of Director is not applicable to Government Companies vide notification no. GSR.463( E ) dated 5<sup>th</sup> June, 2015.





(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our report in "Annexure A".

(g) With respect to the matters required to be reported upon as per directions of The Comptroller and Auditor General of India as per the provisions of Section 143(5) of The Companies Act, 2013, refer to our report in "Annexure B".

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The consolidated financial statements of the Company has disclosed the impact of pending litigations on the consolidated financial position of the Group in its IND AS financial statements – Refer **Note 38** to the consolidated financial statements;

(ii) The Group and its Associates has not entered into any long-term contracts including derivative contracts for which there were material foreseeable losses.

(iii). There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company and its subsidiaries and associate companies.

For S.K.BASU & CO.  
CHARTERED ACCOUNTANTS  
(FIRM NO: 301026E)

Place: KOLKATA

DATE: 15th July, 2020



( RUDRA NEIL MALICK )  
PARTNER



(MN: 053983)  
(UDIN:20053983AAAAAN7180)



# **S. K. BASU & CO**

## **CHARTERED ACCOUNTANTS**

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### **Annexure A to the Independent Auditors Report**

**Referred to in Para 9(f) of our report of even date:**

**Report on the Internal Financial Controls under Clause(i) of Sub Section 3 of Section 143 of the Companies Act, 2013 (The Act).**

(1). We have audited the internal financial controls over financial reporting of Andrew Yule and Company Limited (The Company) as on 31<sup>st</sup> March, 2020 in conjunction with our audit of the Consolidated IND AS financial statements of the Company for the year ended on that date.

#### **Managements Responsibility for Internal Financial controls**

(2). The Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over financial reporting issued by The Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to companies policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information as required under the Companies Act, 2013.

#### **Auditors Responsibility**

(3). Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing issued by ICAI and the Standards on Auditing as specified under Section 143 (10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls. Those Standards and Guidance Notes require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained if such controls operated effectively in all material respects.

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





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

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

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

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

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

#### **Opinion**

(8) Based on our audit and the information and explanations given to us, we are of the opinion that:

(a) The flow of financial data from divisions, units and gardens are not seamlessly integrated with Head office accounts. It involves manual interventions at various stages of accounting.

(b) Absence of guidelines of IT general controls and segregation of duties does not give reasonable assurance regarding fair maintenance and accurate reflection of records with reasonable details for transactions and disposition of assets of the Company.

© Since the inception of computerization, IT systems audit has not been carried out.

(d) IT disaster recovery plan has not been defined.



(e) The company has not obtained balance confirmation certificates from a considerable number of sundry debtors and creditors.


(f) Internal audit reports of the company for the second half of the year have not been provided to us as a result we are unable to comment on the same.

In view of the above observations, Internal financial Controls of the company as at 31<sup>st</sup> March, 2020 is inadequate with respect to its size, diversity and complexity of operations based on internal control over financial reporting criteria as stated in the Guidance Note on audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

For S.K.BASU & CO.  
CHARTERED ACCOUNTANTS  
(FIRM NO: 301026E)

Place: KOLKATA

DATE:15th July, 2020

  
( RUDRA NEIL MALICK )  
PARTNER

(MN:053983)

(UDIN:20053983AAAAAN7180)







# S. K. BASU & CO

## CHARTERED ACCOUNTANTS

### Annexure B to the Independent Auditors Report

Directions under Section 143(5) of The Companies Act, 2013 on the basis of our audit of Consolidated financial statements of Andrew Yule and Company Limited for the FY 2019-20.

We give below the answer to the questions and information asked for in the above mentioned directions:

S.N.	Directions	Our Answer
1.	Whether the Company has system in place to process all the accounting transactions through IT system.? If yes, the implications of processing the accounting transactions outside IT system on the integrity of the accounts along with the financial implications , if any, may be stated.	The Company does not presently possess an ERP accounting system or a fully integrated IT system among its units and Head Office and as such, necessary accounting integration is being done through separate data entry mode and by applying Consolidated IT software. The method adopted by the Company leaves a scope of absence of data integrity, thereby increasing the risk.
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interests etc .made by a lender to the Company due to the Company's inability to repay the loan? If yes, the financial impact may be stated.	There is no instance of restructuring/waiver/write offs of existing loans availed by the Company.
3.	Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for/utilized as per its terms and conditions? List the cases of deviation.	All funds received/receivable for specific schemes from Central/State agencies were properly accounted for under Note No. 20 relating to the head of "Other non current liabilities"

For subsidiary companies, their respective auditors reports under Section 143(5) are appended below:

### Hooghly Printing Company Limited

S.N.	Directions	Reply of Auditor
1.	Whether the Company has system in place to process all the accounting transactions through IT system.? If yes, the implications of processing the accounting transactions	The Company process all its accounting transactions through IT system to the extent checked by us and based on information and explanation so obtained during the course of



	outside IT system on the integrity of the accounts along with the financial implications , if any, may be stated.	audit.
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interests etc.made by a lender to the Company due to the Companys inability to repay the loan? If yes, the financial impact may be stated.	No such cases noticed.
3.	Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for/utilized as per its terms and conditions? List the cases of deviation.	No such cases noticed.

#### Yule Engineering Limited

S.N.	Directions	Reply of Auditor
1.	Whether the Company has system in place to process all the accounting transactions through IT system.? If yes, the implications of processing the accounting transactions outside IT system on the integrity of the accounts along with the financial implications , if any, may be stated.	Accounts have been maintained through Excel worksheet. Integrity of the accounts along with the financial implications have been checked.
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interests etc.made by a lender to the Company due to the Companys inability to repay the loan? If yes, the financial impact may be stated.	There is no restructuring of an existing loan or cases of waiver /write off of debts/loans/interest etc made by a lender to the company due to the company's inability to repay the loan.
3.	Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for/utilized as per its terms and conditions? List the cases of deviation.	No such funds received/receivable for specific schemes from Central/State Governments.

#### Yule Electrical Limited

S.N.	Directions	Reply of Auditor
1.	Whether the Company has system in place to process all the accounting transactions through IT system.? If yes, the implications of processing the accounting transactions	Accounts have been maintained through Excel worksheet. Integrity of the accounts along with the financial implications have been checked.





	outside IT system on the integrity of the accounts along with the financial implications , if any, may be stated.	
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interests etc.made by a lender to the Company due to the Companys inability to repay the loan? If yes, the financial impact may be stated.	There is no restructuring of an existing loan or cases of waiver /write off of debts/loans/interest etc made by a lender to the company due to the company's inability to repay the loan.
3.	Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for/utilized as per its terms and conditions? List the cases of deviation.	No such funds received/receivable for specific schemes from Central/State Governments.

For S.K.BASU & CO.

CHARTERED ACCOUNTANTS

(FIRM NO: 301026E)



( RUDRA NEIL MALLICK)

PARTNER

(MN:053983)

(UDIN:20053983AAAAAN7180)

Place: KOLKATA

DATE: 15th July, 2020



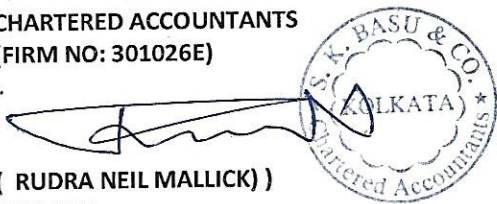
# S. K. BASU & CO

CHARTERED ACCOUNTANTS

## COMPLIANCE CERTIFICATE

We have conducted the audit of the consolidated accounts of Andrew Yule and Company Limited for the year ended 31st March, 2020 in accordance with the directions/sub directions issued by The Comptroller and Auditor General of India under Section 143(5) of The Companies Act, 2013 and certify that we have complied with all the directions/subdirections issued to us.

For S.K.BASU & CO.  
CHARTERED ACCOUNTANTS  
(FIRM NO: 301026E)



( RUDRA NEIL MALICK )  
PARTNER  
(MN: 053983)

(UDIN:20053983AAAAAN7180)

Place: KOLKATA

DATE: 15TH July, 2020.