



# Annual Report

2021-22





## BOARD OF DIRECTORS

Mr. Dharendra Kumar  
Ms. Shashi Kumar  
Ms. Divya Jalan  
Mr. Hemant Kumar Agrawal  
Mr. Golam Momen - *Independent Director*  
Mr. Ghanshyam Das Gupta - *Independent Director*  
Mr. Naveen Bansal - *Independent Director*  
Mr. Gaurav Gupta - *Independent Director*  
(Resigned w.e.f. 1st April, 2022)  
Mr. Deepak Nagar - *Additional Director (Independent)*  
(Appointed w.e.f. 30th May, 2022)  
Mr. Kartik Narayan Singh - *Whole-time Director*

## KEY MANAGERIAL PERSONNEL

Mr. Kartik Narayan Singh - *Whole-time Director & General Manager (Heeleakah Tea Estate)*  
Mr. Yugal Keshor Chaudhary - *Chief Financial Officer*  
(Resigned w.e.f. 12th August, 2021)  
Mr. Manoj Sureka - *Chief Financial Officer*  
(Appointed w.e.f. 12th August, 2021)  
Ms. Sreya Bose - *Company Secretary & Compliance Officer*  
(Resigned w.e.f. 30th November, 2021)  
Mrs. Ritu Bhatler - *Company Secretary & Compliance Officer*  
(Appointed w.e.f. 10th March, 2022)

## BOARD COMMITTEES

### AUDIT COMMITTEE

Mr. Ghanshyam Das Gupta - *Chairman*  
Mr. Golam Momen  
Mr. Naveen Bansal

### NOMINATION & REMUNERATION COMMITTEE

Mr. Naveen Bansal - *Chairman*  
Mr. Golam Momen  
Mr. Ghanshyam Das Gupta

### STAKEHOLDERS' RELATIONSHIP COMMITTEE

Mr. Golam Momen - *Chairman*  
Mr. Naveen Bansal  
Mr. Ghanshyam Das Gupta

### AUDITORS

M/s. J K V S & Co.  
5-A, Nandalal Jew Road  
Kolkata - 700 026, e-mail : [kolkata@jkvs.in](mailto:kolkata@jkvs.in)

### TEA ESTATE

Heeleakah Tea Estate  
P.O. Kharikatia  
Dist : Jorhat (Assam)  
Pincode-785633

### ESTATE GENERAL MANAGER

Mr. Kartik Narayan Singh

### BANKERS

PUNJAB NATIONAL BANK

### COMPLIANCE COMMITTEE

Mr. Kartik Narayan Singh  
Mr. Sunil Singhi  
Mr. Manoj Sureka (Appointed w.e.f. 12th November, 2021)  
Mr. Jugal Kishore Bagri (Resigned w.e.f. 31st March, 2022)  
Ms. Sreya Bose (Resigned w.e.f. 30th November, 2021)  
Mrs. Ritu Bhatler (Appointed w.e.f. 10th March, 2022)

## 45<sup>th</sup> ANNUAL GENERAL MEETING

Date : **21<sup>st</sup> September, 2022**  
Day : **Wednesday**  
Time : **11.30 a.m.**  
Mode : **Video Conferencing**  
Place : **1, Crooked Lane  
Kolkata-700 069**  
Book Closure : **15<sup>th</sup> September, 2022 to  
21<sup>st</sup> September, 2022**  
(Both days inclusive)

## REGISTERED OFFICE

1, Crooked Lane, Kolkata-700 069  
(CIN): L01132WB1977PLC031175  
Phone: (033) 2248 7062  
Email: [scottishassamcompliance@gmail.com](mailto:scottishassamcompliance@gmail.com)  
Website: [www.scottishassam.com](http://www.scottishassam.com)

## REGISTRAR

M/s. ABS Consultant Pvt. Ltd.  
"Stephen House", Room No. 99, 6th Floor  
4 B.B.D. Bag (East), Kolkata- 700 001  
Tel: (033) 2230 1043, Fax: (033) 2243 0153  
Email: [absconsultant99@gmail.com](mailto:absconsultant99@gmail.com)

## STOCK EXCHANGE WHERE SHARES ARE LISTED

The Calcutta Stock Exchange Limited

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**NOTICE**

**NOTICE** is hereby given that the **45<sup>th</sup> Annual General Meeting** of the Members of **THE SCOTTISH ASSAM (INDIA) LIMITED** will be held on Wednesday, 21<sup>st</sup> day of September, 2022 at 11.30 a.m. (IST) through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") to transact the following businesses:-

**ORDINARY BUSINESS :**

**1. Adoption of Audited Financial Statements, Reports of the Board of Directors and Auditors**

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended as on 31st March, 2022 together with the reports of the Board of Directors and Auditors thereon and to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** the Audited Financial Statements of the Company for the financial year ended 31st March, 2022 including the Audited Balance Sheet as at 31st March, 2022, the Statement of Profit & Loss and the Cash Flow Statement for the year ended on that date, the Reports of Directors and Auditors thereon, as circulated to the Members and now submitted to this Meeting be and are hereby approved and adopted."

**2. Declaration of Dividend**

To declare dividend of Rs. 6.00 per equity share (being 60% on face value of Rs. 10 per Share) for the financial year ended 31st March, 2022 and to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the recommendation of the Board of Directors of the Company, Dividend at the rate of 60% being Rs. 6.00 (Rupee Six Only) per equity share of the Company, for the year ended on 31st March, 2022 be and is hereby declared."

**3. Re-appointment of Director retiring by rotation**

To appoint a Director in place of Mr. Dharendra Kumar, Director (DIN: 00153773), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offer himself for re-appointment and to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** Mr. Dharendra Kumar (DIN: 00153773) who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, has offered himself for re-appointment, be and is reappointed as a Director of the Company whose period of office shall be liable to determination by retirement of directors by rotation."

**4. Appointment of Statutory Auditors**

To re-appoint M/s JKVS & Co., Chartered Accountants having Registration No. 318086E as Statutory Auditors of the Company from the conclusion of the 45th AGM until the conclusion of the 50th AGM and to fix their remuneration and to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) read with the Companies (Audit & Auditors) Rules, 2014 as amended from time to time and pursuant to recommendation of Audit Committee and Board of Directors, the consent of the Members of the Company be and is hereby accorded for the re-appointment of M/s. JKVS & Co., Chartered Accountant (Firm Registration No. 318086E) as the Statutory Auditors of the Company for another term of 5 consecutive years from the conclusion of this 45th Annual General Meeting till the



conclusion of the 50th Annual General Meeting of the Company and that the Board of Directors be and is hereby authorized to fix their remuneration."

**SPECIAL BUSINESS:**

**5. Appointment of Mr. Deepak Nagar (DIN: 01532015) as an Independent Director of the Company**

To Consider and if thought fit, to pass, with or without modification (s), the following resolutions as a **Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') (including any statutory modification(s) or re-enactment thereof for the time being in force) read with the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended to date and Schedule IV to the Act and Regulation 16(1)(b) and 17 and any other applicable Regulation of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended to date, Mr. Deepak Nagar (DIN: 01532015) who was appointed as an Additional Director (Non-Executive Independent) of the Company on 30th May, 2022 and who holds office up to the conclusion of this Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013, and the rules made thereunder and Regulation 16(1) (b) of the Listing Regulations and is eligible for appointment and in respect of whom the Company has received a notice under the provisions of Section 160(1) of the Companies Act, 2013 proposing candidature for the office of the Director, be and is hereby appointed as a Non-Executive Independent Director not liable to retire by rotation for a tenure of five consecutive years from 30th May, 2022 to 29th May, 2027 on the recommendation of the Nomination and Remuneration Committee upon the terms and conditions set out in the Explanatory Statement annexed to the Notice."

**By order of the Board  
For Scottish Assam (India) Ltd.**

**Registered Office:**

**1, Crooked Lane,**

**Kolkata - 700 069**

**Date : 30<sup>th</sup> day of May, 2022**

Sd/-

**Ritu Bhatner**

**Company Secretary & Compliance Officer**

**Membership No. : A36291**

**NOTES :**

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act) read with Rules setting out the material facts pertaining to the proposed resolutions and reasons thereof are annexed for your consideration and requisite action.
2. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular No. 20/2020 dated 5th May, 2020 read with General Circulars No. 14/2020 dated 8th April, 2020, No. 17/2020 dated 13th April, 2020, No. 33/2020 dated 28th September, 2020, No. 39/2020 dated 31st December, 2020 and No. 10/2021 dated 23rd June, 2021 and General Circular No. 02/2021 and 02/2022 dated 13th January, 2021 and 5th May, 2022 (collectively referred to as 'MCA Circulars') and the Securities and Exchange Board of India ('SEBI') vide its Circular SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022 (collectively referred to as 'SEBI Circulars') permitted the holding of the Annual General Meeting ('AGM'/'the Meeting') through VC/ OAVM, without the physical presence of the Members at a common



venue. In compliance with the provisions of the Companies Act, 2013 ('Act'), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and MCA and SEBI Circulars, the 45th AGM of the Company is being held through VC/OAVM on Wednesday, 21st day of September, 2022 at 11:30 a.m. (IST). The deemed venue for the AGM will be the Registered Office of the Company.

3. **Since this AGM will be held through Video Conferencing ('VC')/Other Audio-Visual Means ('OAVM') pursuant to MCA and SEBI Circulars, the requirement of physical attendance of Members has been dispensed with. Accordingly, Members will not be able to appoint proxies for this meeting. Hence Proxy Form, Attendance Slip and Route Map are not being annexed to this Notice.**
4. Corporate/Institutional Members (other than individuals/HUF, NRI, etc.) are requested to send a scanned copy (in PDF/JPG format) of the Board Resolution authorizing their representatives to attend the AGM through VC/OAVM on its behalf and vote, pursuant to Section 113 of the Act by e-mail at scottishassamcompliance@gmail.com
5. In terms of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI Listing Regulations as amended, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at this AGM. For this purpose, the Board of Directors of the Company ('the Board') have engaged the services of Central Depository Services (India) Limited (CDSL). The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL. The Board has appointed Mr. Pravin Kumar Drolia (PCS) of M/s. Drolia & Co, as the Scrutinizer for this purpose.
6. Remote e-voting will commence at **9.00 a.m. on 18th September, 2022** and will end at **5.00 p.m. on 20th September, 2022**, when remote e-voting will be blocked by CDSL.
7. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members on **14th September, 2022 (cut-off date)**. Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or e-voting during the AGM. A person who is not a Member on the cut-off date should accordingly treat this Notice as for information purposes only.
8. The Register of Member and Share Transfer Books of the Company shall remain closed from 15th September, 2022 to 21st September, 2022 (both days inclusive) for the purpose of the payment of Dividend and the 45th Annual General Meeting.
9. Pursuant to the provisions of the Finance Act, 2020, dividend income is taxable in the hands of the Members with effect from 1st April, 2020 and the Company is required to deduct tax at source from such dividend at the prescribed rates in the Income Tax Act, 1961 ("the IT Act"). In general, to enable compliance with TDS requirements, members are requested to complete and, or update their residential status, PAN, category as per the IT Act with their depository participants ("DPs") or in case shares are held in physical forms, with the company by sending documents through email at absconsultant99@gmail.com on or before by **21st September, 2022 (upto 5.00 p.m.)**. The Company had communicated and provided information and detailed instructions with respect to tax on dividend for the financial year ended 31st March, 2022 separately to the Members.
10. **SEBI vide Circular dated 3rd November, 2021 and 14th December, 2021 has mandated the furnishing of PAN, full KYC details (postal address, mobile number, e-mail id, bank details, Signature) and Nomination by holders of physical securities. In case any of the aforesaid details are not furnished by these holders of Physical shares then, w.e.f. 1st April, 2023, the folio of the aforesaid shareholders will be frozen by our Registrar and Share Transfer Agents ("RTA") ABS Consultant Pvt. Ltd. Accordingly, Members are requested to intimate immediately aforesaid details by downloading the required form from the Company's website i.e. www.scottishassam.com.**
11. Further, in order to receive the dividend in a timely manner, members holding shares in physical form who have not updated their mandate for receiving the dividend directly in their bank accounts through electronic clearing service or any other means are requested to send the following documents to our RTA- M/s. ABS Consultant Pvt Ltd Address: "Stephen House" Room No. 99, 6th Floor 4 B.B.D. Bag (East), Kolkata-700001.
  - a) A signed request letter by the first holder, mentioning the name, folio number, complete address and the following details relating to bank account in which the dividend is to be received:



- i) Name of Bank & Branch
  - ii) Bank account number
  - iii) Type of account
  - iv) IFSC Code
  - v) MICR Code
  - b) Original cancelled cheque bearing the name of the member or first holder, incase shares are held jointly
  - c) Self- Attested copy of the PAN card; and
  - d) Self Attested copy of any document (such as Aadhar card, driving license, election identity card, passport) in support of the address of the members as registered with the company. Members holding shares in electronic form may please note that their bank details as furnished by the respected depositories to the company will be considered for remittance of dividend as per the applicable regulation of the depositories and the company will not entertain any direct request from such members for change/addition/ deletion in such bank details. Accordingly, the members holding shares in Demat form are requested to update their electronic bank mandate with their respective ("DPs") further, please note that instructions, if any already given by members in respect of shares held in physical forms will not be automatically applicable to the dividend paid on shares held in electronic form.
12. In compliance with the aforesaid MCA & SEBI Circulars, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company, RTA or CDSL/NSDL. Members may note that the Notice and Annual Report for the financial year 2021-22 will also be available on the Company's website [www.scottishassam.com](http://www.scottishassam.com), website of the Stock Exchange i.e. The Calcutta Stock Exchange Limited.
  13. The Notice of the 45th AGM and the Annual Report for the year ended 2021-22 is being emailed to all the Members whose names appear in the Register of Members/list of Beneficial Owners as received from NSDL/CDSL on the close of business hours on 19th August, 2022 and whose email ids are available. Any person who acquires shares and became Member after the aforesaid date, can obtain the same by downloading it from the Company's Website: [www.scottishassam.com](http://www.scottishassam.com) or may request for the same by writing to the Company at [scottishassamcompliance@gmail.com](mailto:scottishassamcompliance@gmail.com) or the Company's RTA at [absconsultant99@gmail.com](mailto:absconsultant99@gmail.com).
  14. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
  15. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 500 members on a first-come-first-served basis. However, this restriction shall not apply to large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc.
  16. Relevant documents referred to in the accompanying Notice and the Explanatory Statement shall be made available for inspection through electronic mode.
  17. The Register of Directors and Key Managerial Personnel and their shareholding as maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection in electronic mode during the AGM.
  18. Members are requested to intimate atleast Seven days before the Annual General Meeting to the Company query/ies, if any, regarding the accounts/notice to enable the management to keep the required information readily available at the meeting.
  19. SEBI vide its notification dated January 24, 2022 has amended Regulation 40 of the Listing Regulations and has mandated that all requests for the transfer of securities including transmission and transposition and request for duplicate certificate shall be processed only in dematerialised form. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to



dematerialized form. Members can contact the Company's Registrar and Share Transfer Agent, ABS Consultants Private Limited ("Registrar" or "RTA") at absconsultant99@gmail.com.

20. Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 read with the rules made thereunder, dividends that are unclaimed/unpaid for a period of 7 years from the date of transferring the same into unpaid dividend account of the bank are required to be transferred to the Investor Education and Protection Fund (IEPF) established by Central Government.

An amount of Rs. 1.02 Lakh being unclaimed/ unpaid dividend of the Company for the financial year ended on 31st March, 2014 were transferred in 1st October, 2021 to IEPF.

Last dates for claiming of unclaimed/unpaid dividends declared by the Company for the following financial years are as under:

<b>Dividends for the Financial Year</b>	<b>Date of declaration of Dividend</b>	<b>Due date for transfer to the IEPF</b>
2014-2015	27.07.2015	03.09.2022
2015-2016	22.07.2016	29.08.2023
2016-2017	04.09.2017	10.10.2024
2017-2018	28.08.2018	03.10.2025
2018-2019	30.08.2019	05.10.2026
2019-2020	29.09.2020	04.11.2027
2020-2021	29.09.2021	04.11.2028

Members who have so far not en-cashed the Dividend Warrants for the above years are requested to submit their claim at the earliest to the Registrar and Share Transfer Agent i.e. M/s. ABS Consultant Pvt. Ltd. at either of the aforesaid addresses immediately quoting their Folio No/ DP ID and Client ID.

Members are requested to note that no claim shall lie against the Company in respect of any amount of dividend remaining unclaimed/ unpaid after expiry of 7 years from the dates which they became first due for payment.

Further, in compliance with the rules, the Company has sent notices to the concerned shareholders whose Shares/Dividends are liable to be transferred/credited to the Demat/ Dividend Account of the IEPF Authority of Central Government. The Company has uploaded on its website: [www.scottishassam.com](http://www.scottishassam.com) the detail of such shareholders whose shares has been transferred /credited to the Demat Account of the IEPF Authority under Investors Relation window.

The Company has already transferred all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more to designated Demat Account of IEPF maintained with CDSL. Members who have so far not claimed or collected their dividends up to the financial year 2014-2015 may claim their dividend and shares from the Investor Education and Protection Fund, by submitting an application in the prescribed format.

21. The Company, in compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, will be providing the facility of live webcast of the proceedings of the AGM on its corporate website.





**THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- The voting period begins on **18/09/2022 at 09.00 a.m.** and ends on **20/09/2022 at 05.00 p.m.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 14/09/2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.
- Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders  
In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1 : Access through depositories CDSL/NSDL e-voting system in case of individual shareholders holding shares in demat mode.

- In terms of SEBI circular no. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.

Pursuant to above said SEBI Circular, Login method for e-voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<p>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System My easi.</p> <p>After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-voting service providers' website directly.</p> <p>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from a e-voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the evoting is in progress and also able to directly access the system of all e-voting Service Providers.</p>



Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<p>If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>Visit the e-voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</p>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. After Successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.**

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30



**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

● Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"><li>● Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li></ul>
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"><li>● If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li></ul>

- After entering these details appropriately, click on "SUBMIT" tab.
- Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.



- There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- **Additional Facility for Non - Individual Shareholders and Custodians -For Remote Voting only.**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to **www.evotingindia.com** and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cDSLindia.com
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login will be mapped automatically and can be delink in case of any wrong mapping.
  - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address **scottishassamcompliance@gmail.com** if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.**



1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

#### **ANNEXURE - I TO THE NOTICE**

##### **Explanatory statement pursuant to Section 102 of the Companies Act, 2013:**

###### **Item No. 4:**

The Statutory Auditors, M/s. JKVS & Co. (Firm Registration No. 318086E) who have completed first terms of 5 years and are due to retire at the forthcoming Annual General Meeting, as per applicable provisions of the Companies Act, 2013 and rules made thereunder. M/s. JKVS & Co. have confirmed that the re-appointment, if made, would be in compliance with the statutory requirements under the Companies Act, 2013 and the Listing Obligations. The Company has also received consent and eligibility letter to act as the Statutory Auditors of the Company, in accordance with the provisions of Section 139 and 141 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014.

The Audit Committee has recommended to the Board of Directors, the re-appointment of M/s. JKVS & Co. as the Statutory Auditors as their qualifications and experience have been found to be commensurate with the size and requirements of the Company.

The Board of Directors considered the matter and has recommended the re-appointment of M/s. JKVS & Co. as the Statutory Auditors for the approval of the Members.

None of the Directors, Key Managerial Personnel of the Company and their relatives, is in way concerned or interested in this Resolution.

###### **Item No. 5:**

The Board of Directors of the Company, on the recommendation of the Nomination & Remuneration Committee, had appointed Mr. Deepak Nagar (DIN: 01532015) as an Additional Director (Non-Executive - Independent) of the Company with effect from 30th May, 2022 not liable to retire by rotation, who hold office up to conclusion of the ensuing Annual General Meeting.

The Company has received notice under Section 160 of the Companies Act, 2013 signifying candidature of Mr. Deepak Nagar for Directorship of the Company. The Company has received a declaration from Mr. Deepak Nagar confirming that he meets the criteria of Independence as prescribed under the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulation"). Mr. Gaurav Gupta is also not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as an Independent Director of the Company.

In the opinion of the Board, Mr. Deepak Nagar fulfils the conditions for his appointment as an Independent Director as specified in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and he is Independent of the management.

Mr. Deepak Nagar has vast experience and he is also on the Board of other Companies. The Board is of the opinion that it will be beneficial to the Company to avail of his services as an Independent Director of the Company. So, the Board of the Company hereby recommends his appointment as an Independent Director for a term of five years by way of special resolution.

Except the above mentioned Director, none of the other Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

#### **ANNEXURE II TO THE NOTICE**

Details of Directors seeking appointment/re-appointment at the Annual General Meeting [Pursuant to Regulation 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standard on General Meeting]

**THE SCOTTISH ASSAM (INDIA) LIMITED**

<b>Name</b>	<b>Mr. Dharendra Kumar</b>	<b>Mr. Deepak Nagar</b>
DIN	00153773	01532015
Date of Birth	27/11/1942	28/01/1972
Date of appointment	10/09/1999	30/05/2022
Experience in specific area	Extensive Knowledge & Experience as a Director for many years	Extensive Knowledge & Experience
Qualification	Graduation	Graduation
Terms and condition of appointment/ Re-appointment	Re-appointment as an non-executive Director, Liable to retire by rotation	Mr. Deepak Nagar is a Non-Executive independent director of the Company. His remuneration comprises of sitting fees only (as payable to Non-Executive director) He is not liable to retire by rotation.
Last drawn remuneration	Except sitting fees, no other remuneration is paid.	NIL
Skill and capabilities for the role and the manner for appointment as Independent Director	NotApplicable	He has vast experience and he is also on the Board of other Companies.
Relationship with other director and Key managerial personnel	NotApplicable	NotApplicable
Directorship in companies	M/s. R D Tea Ltd M/s. Shwetambra Investment & Trading Pvt Ltd M/s. Rosebud Commercial Co. Pvt Ltd M/s. Contemporary Polysacks Ltd M/s. Park Towers Investment and Services Private Limited M/s. S P B P Tea Plantation Limited	M/s. Strawberry Agro (OPC) Private Limited
Directorship held in other listed (excluding foreign companies & section 8 companies & private companies) as on March 31, 2022	M/s. JK Paper Limited M/s Bengal Tea & Fabrics Ltd	NIL
Name of the Listed Entity from which the director has resigned in past 3 years	NIL	NIL
Chairman/Member in the Committees of the Boards of the Listed Companies	A) Audit Committee- Member (Bengal Tea & Fabrics Limited ) B)Stakeholder Relationship Committee- Member (Bengal Tea & Fabrics Limited )	NIL
No of shares held in the Company	NotApplicable	NotApplicable
No. of meetings of the Board attended during the year	6	NotApplicable

\* Only Audit Committee and Stakeholder Relationship Committee are being considered



## REPORT OF THE DIRECTORS

For the financial year ended 31<sup>st</sup> March, 2022

Dear Shareholders,

Your Directors present the 45<sup>th</sup> Annual Report of the Company together with the Audited Statements of Accounts for the year ended as on 31<sup>st</sup> March, 2022.

### FINANCIAL PERFORMANCE

(Rs. in Lakhs)

Particulars	For the Year ended 31.03.2022	For the Year ended 31.03.2021
Net Sales Income From Operations	3523.68	3140.42
Operating Profit before interest, Depreciation and Tax and other amortisations (EBIDTA)	1330.03	1772.54
Less: Depreciation & Amortisation Expenses	38.87	38.02
Less: Finance Cost	29.91	28.70
Tax Expense(Net)	112.08	286.26
Profit / (Loss) For the Year	1149.17	1419.56
Other Comprehensive Income (Net of tax)	47.19	(26.01)
Total Comprehensive Income (After Tax)	1196.36	1393.55

### OVERVIEW OF COMPANY PERFORMANCE

Our own estate production for the financial year was 13.20 Lacs kgs being 1.03 Lacs kgs more than the previous year's production of 12.17 Lacs kgs, showing an increase of 8.46%. Production from purchased leaf was 1.03 Lacs kgs showing a total production of 14.23 Lacs kgs for the financial year 2021 - 2022.

Your Company's focus has always been to produce quality teas which command a premium. The Company continued with its development programme in the field and factory to improve productivity and quality of teas. The uprooting and replanting of old plant teas areas also continue as per programme to ensure better yields and crops.

The average price realisation for the year was almost same i. e 260.94 per Kg, previous year Rs.260.82 per Kg.

### EQUITY DIVIDEND

The Board is pleased to recommend the distribution of dividend of Rs.6/- per share for the year ended 31st March, 2022.

### PROSPECTS

As a result of the industry wise revision of wages w.e.f. 23rd February, 2021 there has been substantial increase in the labour cost.

Apart from these increase, revision of staff salary, revision in rates of fertilizers, chemical, power, fuel & other consumable stores have shown substantial increase in cost of production. Social obligation cost further adds to the costs. However with continued focus on a balance of quality, crop and productivity, we are cautiously confident of another productive year of value addition for your Company.

We have started production in the current year under the brand name of "HEELEAKAH SUPREME" for orthodox tea and demand for this tea is picking up. We expect the orthodox market to be rewarding this year.

### SHARE CAPITAL

The paid-up Equity Share Capital of the Company as on 31st March, 2022 was Rs. 80.00 Lacs comprising of 8,00,000 equity shares of Rs.10/- each. During the year under review, your Company has neither issued any shares nor has granted any stock options or sweat



equity. The Company has paid Listing Fees for the Financial Year 2021-2022 to The Calcutta Stock Exchange Limited, where its equity shares are listed.

#### **PERSONNEL**

The Directors would like to record their appreciation for the sincere efforts put in by the Company's workers, staff and Management at all levels which has ensured regular production.

#### **TRANSFER TO GENERAL RESERVE**

Your directors decided to transfer Rs.1.00 crore to General Reserve from retained earnings of the Company & after such transfer Rs 39.63 crore will remain in the Retained Earnings of the company.

#### **CORPORATE GOVERNANCE**

The Company has adopted the Corporate Governance Policies which set out the principle of running the Company with fairness, transparency and accountability. In term of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate report on corporate Governance is enclosed as a part of this Annual Report. A certificate from the Auditors of the Company regarding compliance as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to the Report on Corporate Governance.

#### **MANAGEMENT DISCUSSION & ANALYSIS REPORT:**

The Management Discussion & Analysis Report for the year under review as stipulated under the SEBI (LODR) Regulations is set out in annexure forming part of the Annual Report.

#### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Your Company considers Corporate Social Responsibility as an important aspect for doing Business. As a good Corporate Citizen, your Company shall initiate appropriate action towards various social causes in the future. Presently, section 135 of Companies Act, 2013 is not applicable to the Company.

#### **DIRECTOR'S RESPONSIBILITY STATEMENT PURSUANT TO SECTION 134(3)(c) OF THE COMPANIES ACT, 2013**

Your Directors would like to inform members that the audited accounts containing the financial statements for the year 2021 - 2022 are in conformity with the requirements of the IND AS and Companies Act, 2013 and they believe that the financial statements reflect fairly the form and substance of transactions carried out during the year and reasonably present the Company's financial condition and results of operations. The Statutory Auditors, M/s. JKVS & Co, Chartered Accountants, Kolkata have audited these financial statements.

Based on the same, your Directors further confirm that according to their information :

- i. In the preparation of the annual accounts, applicable accounting standards have been followed and there are no material departures;
- ii. The selected accounting policies selected by directors were applied consistently followed and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the Profit & Loss for that period.
- iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. The annual accounts have been prepared on a going concern basis.
- v. That there is adequate proper internal financial controls with reference to the financial statement have been laid down for the company and such internal financial controls are adequate and operating effectively.
- vi. That proper system has been devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.





#### **PARTICULARS OF EMPLOYEES**

The prescribed particulars of employees required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure-1** to this report. The Information as required under Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in the **Annexure - 1** forming part of the Report.

#### **PUBLIC DEPOSITS**

During the year 2021-22, your Company did not accept/renew any deposits and as such, no amount of principal or interest was outstanding as on 31st March, 2022.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

During the year Company invested some of its surplus earnings in Mutual Funds and is getting reasonable returns on its investment i.e. Rs. 662.86 Lacs (Previous Year of Rs. 1161.39 Lacs) as on 31st March, 2022.

#### **GOING CONCERN STATUS**

No significant and material orders have been passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operation in the future.

#### **CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

During the year there were no material related party transactions with promoters, the directors or the management, their subsidiaries or relatives etc. by your Company that may have a potential conflict with the interest of the Company. Accordingly, the disclosure of related party transactions in Form AOC 2 as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is not applicable to your Company.

As required under the SEBI (LODR) Regulations, 2015 related party transactions are placed before the Audit Committee for approval. Wherever required, prior approval of the Audit Committee is obtained on an omnibus basis for continuous transactions. All the related party transactions entered during the Financial Year 2021-22 on arm's length basis and are in ordinary course of business in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. The policy on Related Party Transactions has been uploaded on the website of the Company i.e. [www.scottishassam.com](http://www.scottishassam.com)

#### **CEO AND CFO CERTIFICATION**

In terms of Part B of the Listing Regulations, the CEO and the CFO of the Company certify to the Board regarding review of the financial statements, compliance with the accounting standards, maintenance of internal control systems for financial reporting and accounting policies.

#### **RISK MANAGEMENT**

In today's economic environment, Risk Management is a very important part of business. The main aim of risk management is to identify, monitor and take precautionary measures in respect of the events that may pose risks for the business. The company has adopted and implemented a Risk Management Policy after identifying various risk which the Company encounters on its day to day business none of which in the opinion of the Board poses a threat to the existence of the Company. The Company has taken adequate measures and there is a continuous process for identifying, evaluating and managing significant risks faced through risk analysis process designed to identify the key risk factors. The role of insurance and other measures used in managing risks is also reviewed. In addition, the Audit Committee has oversight in the areas of financial risks and controls. During the year no major risks were noticed. Although the requirement of Risk Management Committee is not mandatory for the Company as per SEBI Circular No. CIR/CFD/POLICY CELL/2/2014 dated 17th April, 2014.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGES AND OUTGO**

The information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo as per Section



134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is set out in the annexure forming part of the Annual Report marked as **Annexure-2**.

#### **ENVIRONMENT AND SAFETY**

The Company has committed to maintaining highest standard of safety, health environment protection and has complied with all applicable statutory requirements and prevention of pollution. It always strives to keep the estates greener and cleaner and committed to the safety and health of its employees.

#### **DISCLOSURE UNDER THE SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has zero tolerance for sexual harassment at work place and has adopted a policy in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and the Rules hereunder for prevention, prohibition and redressal of complaints of sexual harassment at workplace. There were no cases of sexual harassment reported during the year.

The policy on Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 has been uploaded on the website of the Company i.e. [www.scottishassam.com](http://www.scottishassam.com)

#### **AUDITORS AND AUDITORS' REPORT**

The term of the Statutory Auditors of the Company, M/s. JKVS & Co., Chartered Accountant, expires at the ensuing Annual General Meeting in accordance with the provisions of the Companies Act, 2013 and they are eligible for re appointed for another term of five years and so on the recommendation of the Audit Committee of the Company, the Board of Directors of the Company has recommended the appointment of M/s. JKVS & Co., Chartered Accountant (Firm Registration No.318086E) as the Statutory Auditors of the Company to hold office from the conclusion of the 45th Annual General Meeting of the Company till the conclusion of the 50th Annual General Meeting pursuant to Section 139 of the Companies Act, 2013 subject to approval by the Shareholders at the ensuing Annual general meeting.

The Company has received a letter from M/s. JKVS & Co., Chartered Accountants to the effect that their appointment, if made, would be within the prescribed limits under Section 139 of the Act and that they are not disqualified for appointment.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. There is no qualification, adverse remarks or disclaimer made by the Statutory Auditors

#### **COST AUDIT**

The provisions of Section 148 of Companies Act, 2013 read with (Cost Records and Audit) Rules, 2014 are not applicable on the Company as your company does not fall in the eligibility criterion of the same.

#### **INTERNAL AUDIT**

The Company continued to engage M/s V. Singhi & Associates - Chartered Accountants as its internal auditors at its Head Office and Tea Estate. Their scope of work and the plan for audit is approved by the Audit Committee. The report submitted by them is regularly reviewed and their findings are discussed with the process owners and suitable corrective action taken on an ongoing basis to improve efficiency in operations.

#### **SECRETARIAL AUDIT**

The Company had appointed Mr. Pravin Kumar Drolia (Membership No. FCS: 2366 CP No. 1362) Company Secretary in Whole-time Practice to undertake the Secretarial Audit of the Company. The report of the Secretarial Audit pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as **Annexure - 3** and forms part of the Director's Report. There is no qualification or reservation or adverse remark or disclaimer made by the Secretarial Auditor in the Report.



#### **COMPLIANCE WITH SECRETARIAL STANDARDS**

During the year under review, the Company has duly complied with the applicable provisions of the Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI).

#### **INSURANCE**

Adequate insurance cover has been taken for properties of the Company including buildings, plant and machineries and stocks against fire, earthquake and other risks as considered necessary.

#### **REPORTING OF FRAUD BY AUDITORS**

There were no instances of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and/or the Board under Section 143(12) of the Companies Act, 2013 and the rules made thereunder.

#### **DIRECTOR'S & KEY MANAGERIAL PERSONNEL**

In accordance with the provisions of Article 84 of the Articles of Association of the Company, Mr. Dharendra Kumar, Director (DIN 00153773), is due to retire by rotation and is liable to vacate his office at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

Mr. Gaurav Gupta (DIN 00015692), Independent Director of the Company had resigned from the Board of the Company w.e.f. 1st April, 2022 due to some personal reasons. The Board placed on record their appreciation for his continued support and guidance.

The Board appointed Mr. Deepak Nagar (DIN 01532015) as an Additional Independent Director who shall hold the office till the conclusion of the ensuing Annual General Meeting. Based on the recommendation of Nomination and Remuneration Committee, the Board desired that Mr. Deepak Nagar having all round experience in various fields be appointed as an Independent Director in the ensuing Annual General Meeting for a consecutive term of 5 years. Brief resume of the Mr. Deepak Nagar, nature of his expertise in specific functional areas and details of his directorship and membership/chairmanship of Board/ Committees, as stipulated under the Listing Regulations has been provided in the Explanatory Statement and Annexure to the Notice of the 45th AGM of the Company.

All Independent Directors have submitted their disclosures to the Board that they meet the criteria of independence as stipulated in Section 149(6) of the Companies Act, 2013 and in accordance with Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 which has been duly assessed by the Board. The Independent Directors have also confirmed that they have complied with the Company's Code of Conduct.

Independent Directors have been familiarized with the nature of operations of the Company and the industry in which it operates and business module of the Company. The details of the familiarization programme have been posted on the website of the Company i.e. [www.scottishassam.com](http://www.scottishassam.com)

On the recommendation of the Nomination and Remuneration Committee, the Board has framed the policy for selection and appointment of Directors, Senior Management Personnel and their remuneration. The Committee has also framed the criteria for performance evaluation of every Director and accordingly carried out the performance evaluation.

During the year, Mr. Yugal Keshor Chaudhury had resigned from the Post of Chief Financial Officer w.e.f. 12th August, 2021 and Mr. Manoj Sureka has been appointed as Chief Financial Officer w.e.f. 12th August, 2021. Ms. Sreya Bose had resigned from the post of Company Secretary & Compliance Officer w.e.f. 30th November, 2021. Mrs. Ritu Bhatte has been appointed as Company Secretary & Compliance Officer w.e.f. 10th March, 2022.

#### **VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

In compliance with the provisions of Section 177(9) of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Company has framed a Whistle Blower Policy/Vigil Mechanism for Directors and Employees for reporting genuine concerns about any instance of any irregularity, unethical practice and/or misconduct. The details of the Whistle Blower Policy/Vigil Mechanism are posted on the Company's website i.e. [www.scottishassam.com](http://www.scottishassam.com).



#### **INTERNAL FINANCIAL CONTROL SYSTEMS**

Your Company has an adequate system of internal control procedures which are constantly assessed and strengthened with new/ revised standard operating procedures. The Company's internal control system is commensurate with the size and nature of business. The internal control systems of the Company were monitored and evaluated by the internal auditors and their audit reports were periodically reviewed by the Audit Committee. The observations and comments of the Audit Committee are placed before the Board and suitable steps are taken to strengthen the controls.

#### **OTHER DISCLOSURES**

##### **EXTRACT OF ANNUAL RETURN**

The details for the financial year ended 31st March, 2022 forming part of the extract of the annual return is enclosed as **Annexure-4**.

##### **NUMBER OF BOARD MEETINGS**

The Board of Directors met 6 times during the year ended 31st March, 2022. The details of the Board meetings and the attendance of Directors are provided in Corporate Governance Report. The maximum interval between any two meetings was within the maximum gap allowed pursuant to the Companies Act, 2013 read with circulars issued by MCA & SEBI with respect to increase in gap and extension for holding meetings in view of COVID-19 pandemic.

##### **MATERIAL CHANGES OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR UNDER REVIEW AND THE DATE OF THE REPORT**

Except those disclosed in this Annual report, there are no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of the report.

##### **SEPARATE MEETING OF INDEPENDENT DIRECTORS**

As stipulated by the Code of Independent Directors under Companies Act, 2013 and LODR, a separate meeting of the Independent Directors of the Company was held on 12th February, 2022 to review the performance of Non Independent Directors including the Chairman and the Board as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

##### **COMPOSITION OF COMMITTEE OF BOARD**

The Board has constituted the following Committees of Board:

###### **(a) Audit Committee**

The Audit Committee comprises Independent Directors namely Mr. Ghanshyam Das Gupta (Chairman), Mr. Golam Momen and Mr. Naveen Bansal as other members. All the recommendations made by the Audit Committee were accepted by the Board.

###### **(b) Nomination & Remuneration Committee**

The Nomination and Remuneration Committee comprises Independent Directors namely Mr. Naveen Bansal (Chairman), Mr. Ghanshyam Das Gupta and Mr. Golam Momen as other members.

###### **(c) Stakeholders Relationship Committee**

The Stakeholders Relationship Committee comprises Independent Directors namely Mr. Golam Momen (Chairman), Mr. Ghanshyam Das Gupta and Mr. Naveen Bansal as other members.

###### **(d) Compliance Committee**

The Compliance Committee comprises Members namely Mr. Kartik Narayan Singh, Mr. Sunil Singhi, Mr. Manoj Sureka and Mrs. Ritu Bhattar.



#### **EVALUATION OF BOARD'S PERFORMANCE**

The Companies Act, 2013 states that formal evaluation needs to be done by the Board of its own performance and that of its Committees and individual directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The Company has a system of Formal Annual Evaluation of performance of Board, its Committees & Individual Directors as per the size and operations of the Company. During the year, the Board formulated and adopted a Board Evaluation Framework for evaluating the performance of the Board as a whole, Committees of the Board and the Individual Directors on the Board. Pursuant to the said Evaluation Framework, the Nomination & Remuneration committee evaluated the performance of the Board, its Committees and the Individual Directors for the financial year 2021 - 2022. The Board was of the view that the performance of the Board as a whole was adequate and fulfilled the parameters stipulated in the evaluation framework in its pro-growth activity and facing challenging operational, climatic and economic adversities during the year. The Board also ensured that the Committees functioned adequately and independently in terms of the requirements of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and at the same time supported as well as co-ordinated with the Board to help in its decision making. The individual Director's performance was also evaluated and the Board was of the view that the Directors fulfilled their applicable responsibilities and duties as laid down by the listing agreement and the Companies Act, 2013 and at the same time contributed with their valuable knowledge, experience and expertise to grab the opportunity and counter the adverse challenges faced by the Company during the year.

#### **NOMINATION AND REMUNERATION POLICY**

The Board has adopted a Remuneration Policy for identification, selection, appointment and payment of remuneration to Directors and Key Managerial Personnel (KMP) of the Company. The policy enumerates the powers, roles and responsibilities of the Nomination and Remuneration Committee.

The Remuneration Policy aims to enable the Company to attract, retain and motivate qualified members for the Board and other executive level. It ensures that the interest of Board members and senior executives are aligned with the business strategy and risk tolerance objectives, values and long term interests of the Company. The Policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to Executive and Non-executive Directors (by way of sitting fees and commission), Key Managerial Personnel, Senior Management and other employees. The policy also provides for appointment of Key Managerial Personnel / Senior Management and performance evaluation which are considered by the Nomination and Remuneration Committee and the Board of Directors while making selection of the candidate. The aforesaid Remuneration policy has been uploaded on the website of the Company i.e. [www.scottishassam.com](http://www.scottishassam.com).

#### **ACKNOWLEDGEMENT**

Your Directors take this opportunity to thank the Banks, Central and State Government authorities, Regulatory authorities, Stock Exchanges and the stakeholders for their continued co-operation and support to the Company.

Your Directors also wish to record their appreciation for the continued co-operation, support and commitment received from the employees of the Company in rising up to the challenges thrown at them due to COVID - 19 crisis and associated shutdown. It was due to their untiring efforts that the Company could resume operations swiftly without delay while following all the required safety procedures as per protocol and ensuring least amount of loss to production, sale and human life.

**On behalf of the Board**

**(Divya Jalan)  
Director**

**Place : Kolkata**

**Date : 30<sup>th</sup> day of May, 2022**

**Din : 00016102**



**Annexure 1 to the Directors' Report**

**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2021-22, ratio of the remuneration of each Director and the employees of the Company for the financial year 2021-22 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

**(i) Remuneration to the Director/Key Managerial Personnel of the Company: (Rs. in Lakhs)**

<b>Name of Director / KMP</b>	<b>Remuneration for the financial year 2021-2022</b>	<b>Remuneration for the financial year 2020-2021</b>	<b>% Change</b>
Mr. Kartik Narayan Singh	15.49	15.49	--
Mr. Manoj Sureka*	18.22	--	--
Mr. Yugal Keshor Chaudhury*	2.84	8.78	--
Mrs. Sreya Bose#	3.65	5.34	--
Mrs. Ritu Bhattar#	0.29	--	--

\* Mr. Yugal Keshor Chaudhury had resigned from the Post of Chief Financial Officer w.e.f 12th August, 2021 and Mr. Manoj Sureka has appointed as Chief Financial Officer w.e.f 12th August, 2021.

# Mrs. Sreya Bose had resigned from the post of Company Secretary & Compliance Officer w.e.f 30th November, 2021. Mrs. Ritu Bhattar has appointed as Company Secretary & Compliance Officer w.e.f 10th March, 2022.

The Independent Directors & Non-Executive Directors of the Company are entitled to sitting fee as per statutory provisions of the Companies Act, 2013, details of which has been provided in the Corporate Governance Report. The ratio of remuneration and percentage increase for the same is, therefore, not considered for the purpose above.

(ii) The number of permanent employees on the rolls of the Company as on 31st March, 2022: 2366

(iii) The Company affirms that the remuneration is as per the Remuneration Policy of the Company.

**Annexure 2 to the Directors' Report**

**THE INFORMATION UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014 FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022 IS GIVEN HERE BELOW AND FORMS PART OF THE DIRECTOR'S REPORT.**

Statement of particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo forming part of Director's Report for the year ended 31<sup>st</sup> March, 2022. Necessary information required by Companies (Disclosure of particulars in Report of Board of Directors) Rules, 1988 for conservation of energy, technology absorption and foreign exchange earnings and outgo enumerated below :



**FORM A**

Form of Disclosure of particulars with respect to conservation of energy :

(Rs. in Lakhs)

**A) POWER AND FUEL CONSUMPTION**

<u>Particulars</u>	<u>Current Year 2021-2022</u>	<u>Previous Year 2020-2021</u>
1 Electricity		
a) Purchased (Unit)	912980	720936
Total Amount (In lakh)	75.91	57.28
Rate/Unit (Rs.)	8.31	7.95
b) Own Generation		
i) Through Diesel (Unit)	95514	82558
Units per ltrs. of Diesel	2.62	1.98
Cost/Unit (Rs.)	32.82	38.63
2. <b>Gas</b>		
Quantity (Scum)	603569	483997
Total Amount (In Lakh)	80.75	53.71
Rate per 1000 Scum	13378	11097
<b>B. CONSUMPTION PER UNIT OF PRODUCTION STANDARDS (if any)</b>		
Products - Made Tea (Kgs)	1422545	1255035
Electricity (in units) /per Kg	0.64	0.64
Gas (in Scum)/per Kg	0.42	0.39

**FORM-B**

Form of disclosure of particulars with respect to Absorption, Research and Development (R & D)

1. Specified area in which R & D carried out by the Company
2. Benefits derived as a result of above R & D
3. Future Plan of action
4. Expenditure on R & D
  - a) Capital R & D
  - b) Recurring
  - c) Total
  - d) Total R & D expenditure as a percentage of total turnover

The Company subscribes to Tea Research Association which is registered under Section 35(i)(ii) of the Income Tax Act, 1961



**Technology absorption, adaptation and innovation**

- |  |   |
|--|---|
| 1. Efforts in brief, made towards technology absorption, adaptation and innovation                                       | Continuous efforts are being made towards absorption, adaptation and innovation of technology absorption maintaining close liaison with advisory officer of Tocklai Experimental Station. |
| 2. Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, import substitution etc. | Increase in Productivity and cost reduction by optimization of inputs.  |

**Foreign Exchange Earning and outgo**

- |                                      |     |
|--------------------------------------|-----|
| 1. Foreign Exchanged Earned (F.O.B.) | Nil |
| 2. Foreign Exchanged used            | Nil |

**Registered Office:**

**1, Crooked Lane  
Kolkata - 700069**

**Date : 30th day of May, 2022**

For and on behalf of the Board of Directors

Mr. DHIRENDRA KUMAR (DIN : 00153773)

Ms. DIVYA JALAN (DIN : 00016102)

Mr. GHANSHYAM DAS GUPTA (DIN : 00174114)

Director

Mr. KARTIK NARAYAN SINGH  
(DIN : 07779482)

- *Wholetime Director*





**ANNEXURE-3**

**CS PRAVIN KUMAR DROLIA**  
(Company Secretary in whole time practice)  
2nd FLOOR, BLOCK D, 13, SELIMPUR ROAD, KOLKATA-700031  
MOBILE NO.- 9831196869, EMAIL ID: droliapravin12@gmail.com

Form No. MR-3

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration to Managerial Personnel) Rules, 2014]

To  
The Members,  
The Scottish Assam (India) Ltd,  
1, Crooked Lane,  
Kolkata - 700 069

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by The Scottish Assam (India) Limited having **CIN L01132WB1977PLC031175** (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of books, papers, minute books, forms and returns filed and other records maintained by the Company digitally and also the information provided by the Company, its officers, and authorised representatives during the conduct of Secretarial Audit, whereby report that in my opinion the Company has, during the audit period covering the financial year ended 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2022 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
- III. The Securities and Exchange Board of India (Depositories and Participants) Regulations 2018 and Bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing;
- V. Following Regulations (as amended from time to time ) and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
  - d) The SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015;
  - e) The Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009

**[The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable to the Company for the financial year ended 31-03-2022, as the Company did not undertake any activities under the said Regulations: -**

- (a) The Securities and Exchange Board of India (Share based Employee Benefits and Sweat Equity) Regulations, 2021;



- (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2018 as amended till date;
- (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 as amended till date;
- (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (f) The Securities and Exchange Board of India (Issue and listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013

VI. The following **Industry Specific** laws:

- a) Tea Act, 1953
- b) The Tea Waste (Control) Order, 1959
- c) The Tea Warehouse (Licensing) Order, 1989
- d) The Tea (Marketing) Control Order, 1984
- e) Tea (Distribution and Export) Control Order, 2005
- f) FSAAI (Food Safety and Standards Authority of India) Act, 2006

We have also examined compliance with the applicable clauses of the following:

- (i) SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (LODR) entered into by the Company with The Calcutta Stock Exchange Limited.
- (ii) Guidelines and notification on Secretarial Standards (SS1 and SS2) issued by The Institute of Company Secretaries of India from time to time in respect of holding of Board Meetings and Shareholder's Meetings.

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and LODR.

Adequate Notice is given to all Directors to schedule the Board Meetings. Agenda and detailed Notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines as also represented by the management. All decisions of the Board were unanimous and the same was captured and recorded as part of the Minutes.

I further report that during the audit period, the Company has not made any:

- (i) Public/Right/ Preferential issue of Shares/Debentures/Sweat Equity or any other Security.
- (ii) Redemption / buy-back of securities.
- (iii) Major decisions taken by the Members in pursuance to section 180 of the Companies Act, 2013.
- (iv) Merger/ Amalgamation/ Reconstruction etc.
- (v) Foreign technical collaborations.

**For DROLIA & COMPANY**  
**(Company Secretary in Whole time practice)**

Pravin Kumar Drolia

*Proprietor*

**FCS : 2366**

**CP No. 1362**

**Place : Kolkata**

**Date : 30.05.2022**

**UDIN : F002366D000392550**

**Note:** This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.



**ANNEXURE-A**

**CS PRAVIN KUMAR DROLIA**

(Company Secretary in whole time practice)

2nd FLOOR, BLOCK D, 13, SELIMPUR ROAD, KOLKATA-700031

MOBILE NO.- 9831196869, EMAIL ID: droliapravin12@gmail.com

To,  
The Members,  
The Scottish Assam (India) Limited,  
1, Crooked Lane, Kolkata 700 069

My report of even date is to be read along with this letter.

- 1) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express as opinion on these Secretarial records based on my audit.
- 2) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
- 3) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) Where ever required. I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5) The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to verification of procedures on test basis.
- 6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For DROLIA & COMPANY**  
*(Company Secretary in Whole time practice)*

**Pravin Kumar Drolia**  
*Proprietor*  
**FCS : 2366**  
**CP No. 1362**

**Place : Kolkata**  
**Date : 30.05.2022**  
**UDIN : F002366D000392550**



**ANNEXURE 4 TO THE DIRECTOR'S REPORT**

Form No. MGT-9

**EXTRACT OF ANNUAL RETURN**

**AS ON THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule No. 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS**

(i)	CIN	L01132WB1977PLC031175
(ii)	Registration Date	27 <sup>th</sup> September, 1977
(iii)	Name of the Company	THE SCOTTISH ASSAM (INDIA) LTD
(iv)	Category/Sub-Category of the Company	TEA
(v)	Address of the Registered Office	1, Crooked Lane, Kolkata – 700 069
(vi)	Whether Listed Company	Listed
(vii)	Name, Address and contact details of Registrar	M/s. ABS Consultant Pvt. Ltd. "Stephen House" Room No-99, 6th Floor 4, B.B.D. Bag (East) Kolkata – 700 001 Ph. : (033) 2230-1043

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

The principal business activity of the Company is of manufacturing and sale of TEA. It comprises 100% of total turnover of the Company

**III. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

N.A.

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**(i) Category-wise Share Holding**

Category of Shareholding	No. of Share held as on 31.03.2022				No. of Share held as on 31.03.2021				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1) Indian									
a) Individual/ HUF	190285	---	190285	23.77	190285	---	190285	23.77	---
b) Central Govt	---	---	---	---	---	---	---	---	---
c) State Govt(s)	---	---	---	---	---	---	---	---	---
d) Banks / FI	---	---	---	---	---	---	---	---	---
e) Any Other- Bodies Corp	409715	---	409715	51.23	409715	---	409715	51.23	---
<b>Sub-total(A)(1)</b>	<b>600000</b>	<b>---</b>	<b>600000</b>	<b>75.00</b>	<b>600000</b>	<b>---</b>	<b>600000</b>	<b>75.00</b>	<b>---</b>



Category of Shareholding	No. of Share held as on 31.03.2022				No. of Share held as on 31.03.2021				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2)Foreign									
a) NRIs-Individuals	---	---	---	---	---	---	---	---	---
b) Other-Individuals	---	---	---	---	---	---	---	---	---
c) Bodies Corp.	---	---	---	---	---	---	---	---	---
d) Banks / FI	---	---	---	---	---	---	---	---	---
e) Any Other	---	---	---	---	---	---	---	---	---
<b>Sub-total(A)(2)</b>	---	---	---	---	---	---	---	---	---
<b>Total shareholding of Promoter</b>	<b>600000</b>	<b>---</b>	<b>600000</b>	<b>75.00</b>	<b>600000</b>	<b>---</b>	<b>600000</b>	<b>75.00</b>	<b>--</b>
<b>(A) = (A)(1)+(A)(2)</b>									
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	---	---	---	---	---	---	---	---	---
b) Banks / FI	---	---	---	---	---	---	---	---	---
c) Central Govt	---	---	---	---	---	---	---	---	---
d) State Govt(s)	---	---	---	---	---	---	---	---	---
e) Venture Capital Funds	---	---	---	---	---	---	---	---	---
f) Insurance Companies	---	---	---	---	---	---	---	---	---
g) FIs	---	---	---	---	---	---	---	---	---
h) Foreign Venture Capital Funds	---	---	---	---	---	---	---	---	---
i) Others (specify)	---	---	---	---	---	---	---	---	---
<b>Sub-total (B)(1)</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>
2) Central Govt./ State Govt./ President of India	18239	---	18239	2.28	17114	---	17114	2.14	0.14
<b>Sub-total (B)(2)</b>	<b>18239</b>	<b>---</b>	<b>18239</b>	<b>2.28</b>	<b>17114</b>	<b>---</b>	<b>17114</b>	<b>2.14</b>	<b>0.14</b>
3) Non Institutions									
a) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	77343	56492	133835	16.73	70892	61817	132709	16.60	0.13
(ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	---	---	---	---	---	---	---	---	---
b) NBFC registered with RBI	---	---	---	---	---	---	---	---	---
c) Employee Trust	---	---	---	---	---	---	---	---	---
d) Overseas Depositories (holding DRs)	---	---	---	---	---	---	---	---	---
e) Any Others (Specify)									
Bodies corporate									



Category of Shareholding	No. of Share held as on 31.03.2022				No. of Share held as on 31.03.2021				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Holding 1% and above									
1) Octal Credit Capital Limited	21398	—	21398	2.67	21398	—	21398	2.67	—
2) Mittal Sales Pvt Ltd	21399	—	21399	2.67	21399	—	21399	2.67	—
ii) Holding Less than 1%	3959	—	3959	0.49	6310	—	6310	0.79	(0.30)
Non Resident Indian									
i) Holding 1% and above	—	—	—	—	—	—	—	—	—
ii) Holding Less than 1%	770	—	770	0.10	670	—	670	0.08	0.02
Foreign National	—	—	—	—	—	—	—	—	—
Overseas Corporate Bodies	—	—	—	—	—	—	—	—	—
Foreign Banks	—	—	—	—	—	—	—	—	—
Trust									
1.Custodian A/c- Jagdish P Gandhi	100	—	100	0.01	100	—	100	0.01	—
2.Estate of Mehraj Kothari	300	—	300	0.04	300	—	300	0.04	—
<b>Sub-total(B)(3)</b>	<b>125269</b>	<b>56492</b>	<b>181761</b>	<b>22.72</b>	<b>121069</b>	<b>61817</b>	<b>182886</b>	<b>22.86</b>	<b>0.14</b>
<b>TotalPublic Shareholding (B)=(B)(1)+(B)(2)+(B)(3)</b>	<b>143508</b>	<b>56492</b>	<b>200000</b>	<b>25.00</b>	<b>138183</b>	<b>61817</b>	<b>200000</b>	<b>25.00</b>	<b>—</b>
<b>GrandTotal (A+B)</b>	<b>743508</b>	<b>56492</b>	<b>800000</b>	<b>100.00</b>	<b>738183</b>	<b>61817</b>	<b>800000</b>	<b>100.00</b>	<b>—</b>



(ii) Table II - Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (1.04.2021)			Shareholding at the end of the year (31.03.2022)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
<b>(A) INDIVIDUAL/HUF</b>								
1.	Hemant Kumar Agarwal	300	0.04	---	300	0.04	---	---
2.	Smita Agarwal	500	0.06	---	500	0.06	---	---
3.	Sandhya Agarwal	800	0.10	---	800	0.10	---	---
4.	Pramod Rani	800	0.10	---	800	0.10	---	---
5.	Prabha Rani Agarwal	819	0.10	---	819	0.10	---	---
6.	Arvind Kumar Agarwal	900	0.11	---	900	0.11	---	---
7.	Mudit Kumar	1000	0.13	---	1000	0.13	---	---
8.	Alaka Jalan	1300	0.16	---	1300	0.16	---	---
9.	ILa Rani Agarwal	1951	0.24	---	1951	0.24	---	---
10.	Divyaa Kummur	6350	0.79	---	6350	0.79	---	---
11.	Divya Jalan	10802	1.35	---	10802	1.35	---	---
12.	Sandeep Kumar Jalan	11925	1.49	---	11925	1.49	---	---
13.	Shashi Kumar	13288	1.66	---	13288	1.66	---	---
14.	Devang Kumar	19550	2.44	---	19550	2.44	---	---
15.	Pradip Kumar Khaitan (in the Capacity of trustee of Tea Trust Created by existing Promoters)	120000	15.00	----	120000	15.00	---	----
<b>Total (A)</b>		<b>190285</b>	<b>23.77</b>	<b>---</b>	<b>190285</b>	<b>23.77</b>	<b>---</b>	<b>---</b>
<b>(B) Bodies Corporate</b>								
1.	Supriya Finance Limited	300	0.04	---	300	0.04	----	---
2.	Sandeep Investments Ltd.	400	0.05	---	400	0.05	---	---
3.	Shwetambra Investment and Trading Private Limited	13130	1.64	---	13130	1.64	---	----
4.	Arohi Holdings Private Ltd	15800	1.98	----	15800	1.98	----	---
5.	Purshottam Investments Pvt Ltd	22447	2.81	----	22447	2.81	----	---
6.	Innovation Handicrafts (India) Private Limited	22765	2.85	----	22765	2.85	----	---
7.	SPBP Tea Plantation Ltd.	34600	4.33	---	34600	4.33	---	----
8.	Aarvee Trading Company Private Limited	40000	5.00	---	40000	5.00	---	---
9.	SPBP Investments Pvt Ltd	45000	5.63	---	45000	5.63	----	---
10.	Maryada Advisory Services Pvt Ltd	45290	5.66	---	45290	5.66	---	----
11.	Shree Durga Agencies Ltd	83020	10.37	---	83020	10.37	---	---
12.	Nirvan Commercial Company Ltd	86963	10.87	---	86963	10.87	---	---
<b>Total (B)</b>		<b>409715</b>	<b>51.23</b>	<b>---</b>	<b>409715</b>	<b>51.23</b>	<b>---</b>	<b>---</b>
<b>Total (A+B)</b>		<b>600000</b>	<b>75.00</b>	<b>----</b>	<b>600000</b>	<b>75.00</b>	<b>---</b>	<b>---</b>



(iii) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Date	Shareholding		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>Mittal Sales Pvt Ltd</b>					
	At the beginning of the year	01/04/2021	21399	2.67	21399	2.67
	Changes during the year	---	--	--	--	--
	At the End of the year	31/03/2022	21399	2.67	21399	2.67
2.	<b>Octal Credit Capital Ltd</b>					
	At the beginning of the year	01/04/2021	21398	2.67	21398	2.67
	Changes during the year	---	--	--	--	--
	At the End of the year	31/03/2022	21398	2.67	21398	2.67
3.	<b>Vinod V Makhija</b>					
	At the beginning of the year	01/04/2021	200	0.02	200	0.02
	Changes during the year	---	3650	0.46	3650	0.46
	At the End of the year	31/03/2022	3850	0.48	3850	0.48
4.	<b>Pushpa V Makhija</b>					
	At the beginning of the year	01/04/2021	---	---	---	---
	Changes during the year	---	3775	0.47	3775	0.47
	At the End of the year	31/03/2022	3775	0.47	3775	0.47
5.	<b>Preya Hardik Shah</b>					
	At the beginning of the year	01/04/2021	---	---	---	---
	Changes during the year	---	2170	0.27	2170	0.27
	At the End of the year	31/03/2022	2170	0.27	2170	0.27
6.	<b>Mahendra Girdharilal</b>					
	At the beginning of the year	01/04/2021	2100	0.26	2100	0.26
	Changes during the year	---	--	---	---	---
	At the End of the year	31/03/2022	2100	0.26	2100	0.26
7.	<b>Nivedita Malvi</b>					
	At the beginning of the year	01/04/2021	1800	0.23	1800	0.23
	Changes during the year	---	--	---	---	---
	At the End of the year	31/03/2022	1800	0.23	1800	0.23
8.	<b>Lenus Finvest Private Limited</b>					
	At the beginning of the year	01/04/2021	1700	0.21	1700	0.21
	Changes during the year	---	--	---	---	---
	At the End of the year	31/03/2022	1700	0.21	1700	0.21
9.	<b>Nirmal V Jain</b>					
	At the beginning of the year	01/04/2021	1275	0.16	1275	0.16
	Changes during the year	---	225	0.03	225	0.03
	At the End of the year	31/03/2022	1500	0.19	1500	0.19
10.	<b>Thakar Sureshkumar Naranbhai HUF</b>					
	At the beginning of the year	01/04/2021	1400	0.18	1400	0.18
	Changes during the year	---	---	---	---	---
	At the End of the year	31/03/2022	1400	0.18	1400	0.18





(iv) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mrs. Divya Jalan				
	At the beginning of the year	10802	1.35	10802	1.35
	Changes during the year	---	---	---	---
	At the End of the year	10802	1.35	10802	1.35
2.	Mr. Hemant Kumar Agarwal				
	At the beginning of the year	300	0.04	300	0.04
	Changes during the year	--	--	---	---
	At the End of the year	300	0.04	300	0.04
3.	Mr. Ghanshyam Das Gupta				
	At the beginning of the year	100	0.01	100	0.01
	Changes during the year	--	---	--	--
	At the End of the year	100	0.01	100	0.01
4.	Mr. Golam Momen				
	At the beginning of the year	800	0.10	800	0.10
	Changes during the year	---	---	---	---
	At the End of the year	800	0.10	800	0.10
5.	Mrs. Shashi Kumar				
	At the beginning of the year	13288	1.66	13288	1.66
	Changes during the year	---	---	---	---
	At the End of the year	13288	1.66	13288	1.66

(v) Indebtness

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits (in Lakh)	Unsecured Loans	Deposits	Total Indebtedness (in Lakh)
Indebtedness at the beginning of the financial year				
i) Principal Amount	528.38	---	---	528.38
ii) Interest due but not paid	---	---	---	---
iii) Interest accrued but not due	---	---	---	---
<b>Total (i+ii+iii)</b>	<b>528.38</b>	<b>---</b>	<b>---</b>	<b>528.38</b>
Change in Indebtedness during the financial year				
• Addition	---	---	---	---
• Reduction	124.78	---	---	---
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	403.60	---	---	403.60
ii) Interest due but not paid	---	---	---	---
iii) Interest accrued but not due	---	---	---	---
<b>Total (i+ii+iii)</b>	<b>403.60</b>	<b>---</b>	<b>---</b>	<b>403.60</b>



(vi) **REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

Sl. no.	Particulars of Remuneration	Whole Time Director & CEO	Total Amount (in Lakh)
		Mr. K. N. Singh (in Lakh)	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	15.49	15.49
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	---	---
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	---	---
2.	Stock Option	---	---
3.	Sweat Equity	---	---
4.	Commission		
	- as % of profit	---	---
	- others, specify		
5.	Others, please specify		
	<b>Total (A)</b>	<b>15.49</b>	<b>15.49</b>

**B. Remuneration to other directors: (Rs. in Lakh)**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			
		Mr. Golam Momen	Mr. Ghanshyam Das Gupta	Mr. Naveen Bansal	Mr. Gaurav Gupta
	<b>Independent Directors</b>				
	·Fee for attending Board committee meetings	0.60	0.80	0.90	0.20
	·Commission	---	---	---	---
	·Others, please specify	---	---	---	---
	<b>Total (1)</b>	<b>0.60</b>	<b>0.80</b>	<b>0.90</b>	<b>0.20</b>
	<b>Other Non-Executive Directors</b>				
		Mr. Dharendra Kumar	Mrs. Divya Jalan	Mr. Hemant Agarwal Kumar	Mrs. Shashi Kumar
	·Fee for attending Board committee meetings	0.30	0.30	0.05	0.20
	·Commission	---	---	---	---
	·Others, please specify	---	---	---	---
	<b>Total (2)</b>	<b>0.30</b>	<b>0.30</b>	<b>0.05</b>	<b>0.20</b>
	<b>Total (B)=(1+2)</b>	<b>0.90</b>	<b>1.10</b>	<b>0.95</b>	<b>0.40</b>



**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD (in Lakh)**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961:			
	Ms. Sreya Bose (Resigned w.e.f 30th November, 2021)	3.65	---	3.65
	Mrs. Ritu Bhatler (Appointed w.e.f 10th March, 2022)	0.29	---	0.29
	Mr. Yugal Keshor Chaudhury (Resigned w.e.f 12th August, 2021)	---	2.84	2.84
	Mr. Manoj Sureka (Appointed w.e.f 12th August, 2021)	---	18.22	18.22
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	---	---	---
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	---	---	---
2.	Stock Option	---	---	---
3.	Sweat Equity	---	---	---
4.	Commission			
	- as % of profit	---	---	---
	- others, specify	---	---	---
5.	Others, please specify	---	---	---

**(VII) PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type		Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
A.	COMPANY					
	Penalty	---	---	---	---	---
	Punishment	---	---	---	---	---
	Compounding	---	---	---	---	---
B.	DIRECTORS					
	Penalty	---	---	---	---	---
	Punishment	---	---	---	---	---
	Compounding	---	---	---	---	---
C.	OTHER OFFICERS IN DEFAULT					
	Penalty	---	---	---	---	---
	Punishment	---	---	---	---	---
	Compounding	---	---	---	---	---



**ANNEXURE 5 TO THE DIRECTOR'S REPORT**

**CORPORATE GOVERNANCE REPORT**

**INTRODUCTION**

Pursuant to Regulation 34(3) read with Part C of Schedule V of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 a report on Corporate Governance for the year end 31st March, 2022 is given below:

**1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Your Company's Corporate Governance philosophy is based on transparency, accountability, values and ethics, which forms an integral part of the Management's initiative in its ongoing pursuit towards achieving excellence, growth and value creation. Your Company is committed to highest standards of Corporate Governance and disclosure practices to ensure that its affairs are managed in the best interest of all stakeholders - the members, the Company's customers, employees, the Government of the land and the community. Thus, corporate governance is a reflection of a company's culture, policies, its relationship with stakeholders and its commitment to value.

The Company adopts the principle of governance so that it covers all aspects of dealing and reporting in a transparent and fair manner. We believe Corporate Governance is not just a destination but a journey to constantly improve sustainable value creation. It is an upward moving target that we collectively strive towards achieving. In addition to compliance with regulatory requirements, the Company endeavors to ensure that the highest standards of ethical and responsible conduct are met throughout the organization.

**2. BOARD OF DIRECTORS AND GOVERNANCE FRAMEWORK**

**A. COMPOSITION & CATEGORY OF DIRECTORS**

The Board of Directors along with its Committees provides leadership and guidance to the Management directs and supervises the performance of the Company, thereby enhancing stakeholder value. The Board has a fiduciary relationship in ensuring that the rights of all stakeholders are protected. Your Company has an engaged and well-informed Board with qualifications and experience in diverse areas. The Board composition is in conformity with the Listing Regulations and the Companies Act, 2013("the Act").

The Company's Board has an optimum combination of Executive and Non-Executive Directors including a Woman Director. The Board of Directors as at the end of 31st March, 2022 comprised of 9 Directors, out of which 1 was Executive Director and 8 were Non-Executive Directors, which includes 4(Four) Independent Directors. The Chairman of the Board is elected at every Board meeting. The Independent Directors constitute one-half of the total Board strength. The Composition of the Board as of 31st March, 2022 is given in the table below:-

<b>Categories</b>	<b>Names of Directors</b>	<b>No of Directors</b>
Non-Executive Directors	Mr. Dharendra Kumar Mrs. Shashi Kumar Mrs. Divya Jalan Mr. Hemant Kumar Agrawal	4
Non-Executive Independent Directors	Mr. Golam Momen Mr. Ghanshyam Das Gupta Mr. Naveen Bansal Mr. Gaurav Gupta (Note) - (1)	4
Managing & Executive Directors / Whole-time Directors	Mr. Kartik Narayan Singh	1
<b>Total</b>		<b>9</b>

Note - (1) : Mr. Gaurav Gupta was resigned as an Independent Director w.e.f 01.04.2022



(2) Mr. Deepak Nagar is appointed as an Additional Director (Non-Executive, Independent) w.e.f 30.05.2022.

Category of each Director and details of attendance of each Director at Board Meetings and at the last year's Annual General Meeting:

Name of Directors	AGM	Board Meeting					
	29/09/2021	01/06/2021	30/06/2021	12/08/2021	12/11/2021	12/02/2022	10/03/2022
Mr. Dharendra Kumar	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mrs. Shashi Kumar	No	No	Yes	Yes	Yes	Yes	No
Mrs. DivyaJalan	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Hemant Kumar Agrawal	Yes	No	No	Yes	No	No	No
Mr. GolamMomen	Yes	No	No	Yes	Yes	Yes	No
Mr. Ghansyam Das Gupta	Yes	No	Yes	Yes	Yes	Yes	No
Mr. Naveen Bansal	No	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Gaurav Gupta	Yes	No	Yes	Yes	Yes	Yes	No
Mr. Kartik Narayan Singh	Yes	No	No	Yes	No	Yes	No

The composition and category of Directors, the number of Directorships and Committee chairpersonships /Memberships held by them and Directorships held by them in other listed entities as on 31st March, 2022:

Name of Director	Category of Directorship in other Listed Entities	Directorship in other Listed companies	No. of Chairpersonship/ Membership of Board Committees in Companies
Mr. Dharendra Kumar	Non-Executive Non-Independent Non-Executive Independent	JK Paper Ltd Bengal Tea & Fabrics Ltd	1 (Member)
Mrs. Shashi Kumar	---	Nil	Nil
Mrs. DivyaJalan	---	Nil	Nil
Mr. Ghansyam Das Gupta	---	Nil	Nil
Mr. GolamMomen	Non-Executive Independent Non-Executive Independent Non-Executive Independent Non-Executive Independent	Kanco Tea & Industries Ltd Baghmari Tea Co Ltd Harrisons Malayalam Ltd Bengal Tea & Fabrics Ltd	7 (Member) 3 (Chairman)
Mr. Hemant Kumar Agrawal	---	Nil	Nil
Mr. Naveen Bansal	---	Nil	Nil
Mr. Gaurav Gupta*	---	Nil	Nil
Mr. Kartik Narayan Singh	---	Nil	Nil
Mr. Deepak Nagar#	---	Nil	Nil

Note:

- 1) Directorships held by Directors in the afore-mentioned Table do not include Private Limited Companies, Foreign Companies, Section 8 Companies, Alternate Directorships and One Person Companies. All the Public Limited Companies, whether listed or not, have been considered in the afore-mentioned Table.



- 2) Memberships / Chairmanships of only the Audit Committee and the Stakeholders' Relationship Committee of the public limited companies, whether listed or not, have been considered. All other companies including private limited companies, foreign companies and companies under Section 8 of the Act have been excluded.
- 3) \* Mr. Gaurav Gupta was resigned as an Independent Director w.e.f 01.04.2022.
- 4) #Mr. Deepak Nagar is appointed as an Additional Director (Non-Executive and Independent)w.e.f 30.05.2022.

**Skills/expertise/competencies identified by the Board of Directors**

The Board of the Company is highly structured to ensure a high degree of diversity by age, education/qualifications, professional background, sector expertise and special skills. The following are the skills as identified by the Board.

DIRECTORS	AREA OF EXPERTISE					
	Strategic Planning	Sales & Marketing	Technology	Financial	Governance	Tea Estate Management and Operations
Mr. Dharendra Kumar	✓	✓	✓	✓	✓	✓
Mrs. Shashi Kumar	✓	✓		✓	✓	✓
Mrs. Divya Jalan	✓		✓	✓	✓	✓
Mr. Hemant Kumar Agrawal	✓	✓	✓	✓	✓	
Mr. Golam Momen	✓	✓		✓	✓	✓
Mr. Ghansyam Das Gupta	✓	✓		✓	✓	✓
Mr. Naveen Bansal	✓	✓	✓	✓	✓	
Mr. Gaurav Gupta*	✓	✓	✓	✓	✓	✓
Mr. Deepak Nagar#	✓	✓	✓	✓	✓	✓
Mr. Kartik Narayan Singh	✓	✓	✓	✓	✓	✓

- a) None of the above directors of your Company are inter-serelated to each other.
- b) \* Mr. Gaurav Gupta was resigned as an Independent Director w.e.f 01.04.2022.
- c) #Mr. Deepak Nagar is appointed as an Additional Director (Non-Executive and Independent) w.e.f 30.05.2022.

**RESPONSIBILITIES**

The Board's prime concentration is on strategy, policy and control, delegation of power and specifying approvals that remain in the Board's domain besides review of corporate performance and reporting to shareholders. The Board and Management's roles are clearly demarcated.

The Management is required to:

- a) Provide necessary inputs to assist the Board in its decision-making process in respect of the Company's strategies, policies, performance targets and code of conduct;
- b) manage day-to-day affairs of the Company to achieve targets and goals set by the Board in the best possible manner;
- c) implement all policies and the code of conduct as approved by the Board;
- d) provide timely, accurate, substantive and material information, including on all financial matters and any exceptions, to the Board and/or its Committees;
- e) ensure strict compliance with all applicable laws and regulations; and
- f) implement sound and effective internal control systems.



### **ROLE OF INDEPENDENT DIRECTORS**

The Independent Directors play an important role in deliberations and decision-making at the Board Meetings and bring to the Company wide experiences in their respective fields. They also contribute in significant measure to Board Committees. Their independent role vis-à-vis the Company means that they have a special contribution to make in situations where they add a broader perspective by ensuring that the interests of all stakeholders are kept in acceptable balance and in providing an objective view in instances where a (potential) conflict of interests may arise between stakeholders.

In terms of the provisions of Section 149 of the Companies Act, 2013 and Rules framed thereunder and Listing Regulations, the Independent Directors of the Company are appointed for not more than two terms of maximum of five years each and shall not be liable to retire by rotation. A formal letter of appointment setting out the terms and conditions of appointment, roles and functions, responsibilities, duties, fees and remuneration, liabilities, resignation/removal, etc., as specified under Schedule IV to the Companies Act, 2013 has been issued to each of the Independent Directors subsequent to obtaining approval of the Members to their respective appointments. The terms and conditions of such appointment of the Independent Directors are also made available on the website of the Company at [www.scottishassam.com](http://www.scottishassam.com). In terms of Regulation 25(8) of the Listing Regulations, Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be anticipated that could impair or impact their ability to discharge their duties.

The Independent Directors have been familiarized with the nature of operations of the Company & the industry in which it operates, business model of the Company. The details of familiarization programme have been posted in the website of the Company i.e. [www.scottishassam.com](http://www.scottishassam.com)

### **SEPARATE MEETING OF INDEPENDENT DIRECTORS**

During FY 2021-2022, the Independent Directors met separately on 12th February, 2022 without the presence of Non-Independent Directors and members of the management in compliance with Regulation 25 (3) of the Listing Regulations and Schedule IV of the Act. At the said meeting, the Independent Directors, inter-alia, considered the following:

- I. Reviewed the performance of Non-Independent Directors and the Board as a whole;
- II. Reviewed the performance of the Chairman of the Company, taking into account the views of executive directors and non-executive directors.
- III. Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The Independent Directors expressed satisfaction on the performance of Non-Independent Directors and the Board as a whole. The Independent Directors were also satisfied with the quality, quantity and timeliness of flow of information between the Company management and the Board.

The Independent Directors expressed satisfaction on the performance of Non-Independent Directors and the Board as a whole. The Independent Directors were also satisfied with the quality, quantity and timeliness of flow of information between the Company management and the Board.

The Independent Directors of the Corporation have registered their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

### **CONFIRMATION OF INDEPENDENCE**

The Board is of the opinion that the Independent Directors fulfill the conditions of Independence specified in Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulation and are independent of the management.

### **CODE OF CONDUCT**

The Board of Directors has adopted the Code of Conduct and Ethics for Directors and Senior Management. The Code has been posted on the website of the Company i.e. [www.scottishassam.com](http://www.scottishassam.com). For the year under review, all the Directors and the Senior Management



Personnel of the Company have confirmed their adherence to the provisions of this Code. A declaration to this effect is appearing along with the report.

#### **CERTIFICATE OF COMPANY SECRETARY IN PRACTICE**

A Certificate obtained from a Company Secretary in Practice, confirming that none of the Directors of the Company is debarred or disqualified from being appointed or continuing as Director of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority, is annexed hereto.

#### **BOARD MEETINGS**

##### **Selection of Agenda Items for Board Meetings**

- i) The Company holds a minimum of four Board Meetings in each year, which are pre-scheduled after the end of each financial quarter. The gap between two Meetings is not more than 120 days. Apart from the four pre-scheduled Board Meetings, additional Board Meetings are convened by giving appropriate notice to address the specific needs of the Company.
- ii) All divisions and departments in the Company are encouraged to plan their functions well in advance, particularly with regard to matters requiring discussion and approval by the Board or by Committees. All such matters are communicated to the Company Secretary in advance so that these may be included in the Agenda for the Board or Committee Meetings.
- iii) At the beginning of each meeting of the Board, the Chairman briefs the Board members about the key developments relating to the Company.
- iv) At each of the four pre-scheduled Board Meetings, managers are invited to make presentations on the major business segments and operations of the Company before taking on record the results of the Company for the preceding financial quarter. Sufficient support information is provided to the Board in advance for all strategic matters of significance pertaining to expansion plans, financing and diversifications. These are discussed and deliberated in detail at the Board level.
- v) Among others, the following items are placed at the Board Meetings for the consideration/review/approval of the Board:
- vi) Annual Operating Plans and Budgets and any updates.
- vii) Capital Budgets and any updates.
- viii) Quarterly results of the Company and its Business Segments.
- ix) Minutes of Meetings of the Board Committees.
- x) The information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of Chief Financial Officer and the Company Secretary.
- xi) Show cause, demand, prosecution notices and penalty notices, which are materially important
- xii) Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- xiii) Any material default in financial obligations to and by the Company, or substantial non payment for goods sold by the Company.
- xiv) Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- xv) Details of any Joint Venture or Collaboration Agreement.
- xvi) Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- xvii) Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- xviii) Sale of material nature of investments, subsidiaries, assets, which is not in normal course of business.





- xix) Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- xx) Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

In addition, the other matters requiring the Board's consideration/review/approval, from time to time, are also placed at the Board Meetings. The Board's annual agenda includes recommending dividend, determining Directors who shall retire by rotation and recommending appointment/reappointment of Directors and Auditors, authentication of annual accounts and approving the Directors' Report, long term strategic plans for the Company and the principal issues that the Company expects to face in the future. The Board also considers/approves the other matters as required to be considered/approved by the Board as per the Companies Act, 2013 and the Listing Regulations, 2015. Board Meetings also note and review the functions of its Committees.

The Chairman of the Board and the Company Secretary in consultation with other concerned persons in senior management finalise the agenda papers for the Board Meeting. Directors have access to the Company Secretary's support for all information of the Company and are free to suggest inclusion of any matter in the Agenda.

#### **BOARD MATERIAL DISTRIBUTED IN ADVANCE**

- i) Agenda Papers are circulated to the Directors in advance. All material information is incorporated in the Agenda Papers for facilitating meaningful and focussed discussions at the Meeting. Where it is not practicable to attach any documents to the Agenda, the same are placed on the table at the Meeting with specific reference to this effect in the Agenda.
- ii) In special and exceptional circumstances, additional or supplementary items on the Agenda are permitted to be taken at the Meeting.

#### **RECORDING MINUTES OF PROCEEDINGS AT BOARD AND/OR COMMITTEE MEETINGS**

The Company Secretary records the minutes of the proceedings of each Board and Committee Meeting. Draft Minutes are circulated to all the members of the Board for their comments. The Minutes of proceedings of a Meeting are entered in the Minutes Book within 30 days from the conclusion of the Meeting.

#### **COMPLIANCE**

The Company Secretary while preparing the agenda, notes on agenda and minutes of the Meetings, ensures adherence to the applicable provisions of law including the Companies Act 2013, Secretarial Standards and the Listing Regulations, 2015.

#### **COMMITTEES OF THE BOARD**

##### **AUDIT COMMITTEE**

The Board of Directors of the Company has constituted an Audit Committee of the Board in terms of the requirements of Section 177 of the Companies Act, 2013 read with the rules made there under and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as Listing Regulations). Apart from the above, the Committee also carries out such functions / responsibilities entrusted on it by the Board of Directors from time to time.

Brief terms of reference of the Committee inter-alia include:

- I. Review of Company's financial statements, internal financial reporting process and the audit process;
- II. Appointment & performance evaluation of statutory and internal auditors and review of internal audit reports relating to internal control weaknesses
- III. Review of adequacy, reliability and effectiveness of internal financial controls, risk management process and vigil mechanism;
- IV. Approval of related party transactions and any subsequent modification of transactions of the company with related parties;



V. Monitoring of process for compliance with laws, regulations and the code of conduct.

VI. Review of compliance with provision of SEBI Insider Trading Regulations, 2015.

The terms of reference of Audit Committee cover the areas mentioned under Part C of Schedule II of the Listing Regulations as well as Section 177 of the Companies Act, 2013.

Composition, name of members, Chairman and Attendance of the Committee as on 31st March, 2022, the Audit Committee comprised of 3 members, all of whom are Non-Executive Independent Directors. Mr. Ghanshyam Das Gupta is the Chairman and Mr. Golam Momen and Mr. Naveen Bansal are the other members of the said committee. During the year under review 4(Four) Audit Committee meeting were held, the dates being 30th June, 2021, 12th August 2021, 12th November, 2021 and 12th February, 2022. The maximum gap between any two meetings of the committee was not more than 120 days. The composition of the Committee and particulars of attendance by the members at the meetings of the Committee held in FY 2021-2022 are given below:

Name	Category	No of meetings held	No of meetings attended
Mr. Ghanshyam Das Gupta	Non-executive, Independent	4	4
Mr. Golam Momen	Non-executive, Independent	4	3
Mr. Naveen Bansal	Non-executive, Independent	4	4

#### **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee has been constituted by the Board in compliance with the requirements of Section 178 of the Act and Regulation 19 of the Listing Regulations.

The terms of reference of the Nomination and Remuneration Committee has been reviewed and it covers the areas mentioned in Section 178 of the Act and Regulation 19 read with Part D (A) of Schedule II to the Listing Regulations. The terms of reference of the Committee, inter-alia are as follows:

- I. Recommendation of nominations for membership of the Board, its Committees and the leadership team of the Corporation including Key Managerial Personnel ("KMP") (as defined under the Companies Act, 2013) and Senior Management Team (as defined by the Committee);
- II. Formulation of the criteria for determining qualifications, positive attributes and independence of a director
- III. Formulation of criteria for evaluation of Independent Directors and the Board of Directors.
- IV. Recommend the remuneration policy for the directors, KMP, Senior Management team and other employees.
- V. Evaluation of performance of the Board, its Committees and Individual directors.
- VI. Devise a policy on Board diversity.
- VII. Formulate and recommend to the Board plans for orderly succession for appointments to the Board, KMPs and other Senior Management Team.

Composition, name of members, Chairman and Attendance of the Committee as on 31st March, 2022, the Nomination and Remuneration Committee comprised of 3 members, all of whom are Non-Executive Independent Directors. Mr. Naveen Bansal is the Chairman and Mr. Golam Momen and Mr. Ghanshyam Das Gupta are the other members of the said committee. During the year under review 4(Four) Nomination and Remuneration Committee meeting were held, the dates being 30th June, 2021, 12th August, 2021, 12th November, 2021 and 12th February, 2022. The composition of the Committee and particulars of attendance by the members at the meetings of the Committee held in FY 2021-2022 are given below:

Name	Category	No of meetings held	No of meetings attended
Mr. Naveen Bansal	Non-executive, Independent	4	4
Mr. Golam Momen	Non-executive, Independent	4	3
Mr. Ghanshyam Das Gupta	Non-executive, Independent	4	4



### 5. Remuneration of Directors

The Nomination and Remuneration Committee has adopted a Policy which, inter alia, deals with the manner of selection of Board of Directors, KMP's and Senior Management Personnel and their remuneration. The remuneration policy is in consonance with the existing Industry practice.

- During the year under review, there was no pecuniary relationship or transactions between the Company and any of its Non-Executive Directors apart from sitting fees and reimbursement of expenses incurred by them for the purpose of attending the meetings of the Company.
- Non-Executive Directors' compensation and disclosures the Non-Executive Directors, including Independent Directors, are paid Sitting fees for attending the meetings of the Board and Committees of the Board. The Company pays a sitting fee of Rs. 5,000/- per meeting per director for attending meetings of the Board, Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

#### Meetings of the Board

Name of The Directors	No. of Board Meetings		Attended Last AGM held on 29.09.2021	Remuneration paid as sitting fees (Rs. In Lakhs)
	Held	Attended		
Mr.Dhirendra Kumar	6	6	YES	0.30
Mrs.DivyaJalan	6	6	YES	0.30
Mr.Golam Momen	6	3	YES	0.15
Mr.Ghanshyam Das Gupta	6	4	YES	0.20
Mr. Naveen Bansal	6	6	NO	0.30
Mr.Hemant Kumar Agrawal	6	1	YES	0.05
Mrs.Shashi Kumar	6	4	NO	0.20
Mr.Gaurav Gupta	6	4	YES	0.20
Mr.Kartik Narayan Singh	6	2	YES	N.A.

#### Meetings of the Committees

Name of The Directors	No. of Audit Committee Meetings		No. of Stakeholders Relationship Committee Meetings		No. of Nomination & Remuneration Committee Meetings		Remuneration paid as sitting fees (Rs. In Lakhs)
	Held	Attended	Held	Attended	Held	Attended	
Mr.Golam Momen	4	3	4	3	4	3	0.45
Mr.Ghanshyam Das Gupta	4	4	4	4	4	4	0.60
Mr. Naveen Bansal	4	4	4	4	4	4	0.60

### PERFORMANCE EVALUATION OF BOARD, COMMITTEES AND DIRECTORS

The Company conducts a Performance Evaluation every year in respect of the following :

- Board of Directors as a whole.
- Committees of the Board of Directors.
- individual Directors including the Chairman of the Board of Directors.

The performance was evaluated based on parameters such as Composition and Quality of Board Members, Effectiveness of Board/ Committee process and functioning, contribution of the Members, Board Culture and Dynamics, Fulfilment of key responsibilities, Ethics and Compliance etc.



**STAKEHOLDERS RELATIONSHIP COMMITTEE**

The composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 178 of the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II of the SEBI Listing Regulations, 2015.

A brief term of reference of the Committee inter-alia includes:

- I. Approval and monitoring of transfer, transmission, split, consolidation and dematerialization, rematerialisation of shares/securities and issuance of duplicate share/security certificates by the Company.
- II. Overseeing various issues relating to shareholders/security holders, including redressal of complaints relating to transfer of shares/security, non-receipt of annual reports, etc.
- III. Review of the various measures and initiatives taken by the Company for ensuring timely receipt of/annual reports/statutory notices etc. by the shareholders of the company.
- IV. To oversee the overall performance of Registrar and Share Transfer Agent.

Composition, name of members, Chairman and Attendance of the Committee as on 31st March, 2022, the Stakeholders Relationship Committee comprised of 3 members all of whom are Non-Executive Independent Directors. Mr. Golam Momen is the Chairman and Mr. Ghanshyam Das Gupta and Mr. Naveen Bansal are the other members of the said Committee. During the year under review 4(Four) Stakeholders Relationship Committee meeting were held, the dates being 30th June, 2021, 12th August, 2021, 12th November, 2021 and 12th February, 2022 particulars of attendance by the members at the meetings of the Committee held in FY 2021-2022 are given below:

Name	Category	No of meetings held	No of meetings attended
Mr. Naveen Bansal	Non-executive, Independent	4	4
Mr. Golam Momen	Non-executive, Independent	4	3
Mr. Ghanshyam Das Gupta	Non-executive, Independent	4	4

The Board of Directors have authorized the Company Secretary to approve the transmission/rematerialisation of shares which are properly processed and related formalities are done by the Registrar & Share Transfer Agent, M/s. ABS Consultant Pvt. Ltd., Kolkata. The Committee also keeps a close watch on all the complaints/grievances from the shareholders which are duly attended. Continuous efforts are made to ensure that grievances are expeditiously redressed to the satisfaction of the investors.

Details of Complaints received, redressed and pending during the financial year and reported under Regulation 13(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are as under:

Sl. No.	Investor Complaints	Number
1.	Number of Investor Complaints received during the year	NIL
2.	Number of complaints resolved during the year till 31st March, 2022	NIL
3.	Number not solved to the satisfaction of the shareholders till 31st March, 2022	NIL
4.	Number of complaints pending as at 31st March, 2022	NIL

**COMPLIANCE COMMITTEE**

The Company had a Compliance Committee to consider matters relating to Company's Code of Conduct and such matters as may be referred by the Board, from time to time.

Composition, name of members, Chairman and Attendance of the Committee as on 31st March, 2022, the Compliance Committee comprised of 4 members. The chairman is elected in every meeting Mr. Kartik Narayan Singh is the Whole time Director Mr. Sunil Singhi is the Internal Auditor, Ms. Sreya Bose Company Secretary & Compliance Officer had resigned from the post w.e.f 30th November, 2021 and Mr. Jugal Kishore Bagri Accounts Manager has resigned from the post w.e.f 31st March, 2022. So Mrs. Ritu Bhattar Company Secretary & Compliance Officer and Mr. Manoj Sureka Chief Financial Officer have appointed as Member w.e.f. 10th March, 2022 and 12th November, 2021 respectively. During the year under review 4 (Four) Compliance Committee meeting were held, the dates being 30th June, 2021, 12th August, 2021, 12th November, 2021 and 10th March, 2022. The composition of the Committee and particulars of attendance by the members at the meetings of the Committee held in FY 2021-2022 are given below:



Name	Category	No of meetings held	No of meetings attended
Mr. Kartik Narayan Singh	Whole-time Director, CEO	4	1
Mr. Sunil Singhi	Internal Auditor	4	4
Ms. Sreya Bose*	Company Secretary	4	3
Mr. Jugal Kishore Bagri#	Accounts Manager	4	4
Mr. Manoj Sureka#	Chief Financial Officer	4	2
Mrs. RituBhatter*	Company Secretary	4	-

\* Resigned w.e.f 30th November, 2021 and appointed w.e.f 10th March, 2022

# Resigned w.e.f 31st March, 2022 and appointed w.e.f 12th November, 2021

#### CRITERIA FOR APPOINTMENT OF DIRECTORS

In evaluating the suitability of a person and recommending to the Board his appointment as a Director of the Company, the Nomination and Remuneration Committee may take into account and ascertain factors such as:

- i Personal and professional ethics, integrity and values
- ii Educational and professional background and experience
- iii Willingness to devote sufficient time and energy in carrying out the duties and responsibilities effectively

#### EQUITY SHARES OF THE COMPANY HELD BY DIRECTORS

The Directors, who held the Equity Shares of the Company as on 31st March 2022 are Mrs. Divya Jalan (10802), Mr. Hemant Kumar Agrawal (300), Mr. Ghyanshyam Das Gupta (100), Mr. Golam Momen (800), Mrs. Shashi Kumar (13288).

#### General Body Meetings

Details of the Annual General Meeting (AGM) held in the last three years are given below:

Financial year	Date of AGM	Venue	Time	Number of Special resolution passed
2018-2019	30 <sup>th</sup> August, 2019	GyanManch, 11 Pretoria Street Kolkata-700071	11.30 a.m.	4
2019-2020	29 <sup>th</sup> September, 2020	Video Conferencing	11.30 a.m.	4
2020-2021	29 <sup>th</sup> September, 2021	Video Conferencing	11.30 a.m.	Nil

#### SPECIAL RESOLUTIONS PASSED IN THE LAST THREE AGMS:

1. In the Annual General Meeting held on 30<sup>th</sup> August, 2019 Four special resolution was proposed and approved:
  - i. Continuation of Directorship of Mr. Golam Momen (DIN: 00402662) who has attained the age of 75 years.
  - ii. Continuation of Directorship of Mr. Dharendra Kumar (DIN: 00153773) who has attained the age of 75 years.
  - iii. Continuation of Directorship of Mrs. Shashi Kumar (DIN: 00199961) who has attained the age of 75 years.
  - iv. Approval of Directorship of Mr. Gaurav Gupta (DIN: 00015692).
2. In the Annual General Meeting held on 29<sup>th</sup> September, 2020 Four special resolution was proposed and approved:
  - i. To approve re-appointment of Mr. Golam Momen (holding DIN: 00402662) as an Independent Director for second term of five years.
  - ii. To approve re-appointment of Mr. Ghanshyam Das Gupta (holding DIN: (00174114) as an Independent Director for second term of five years.
  - iii. To approve re-appointment of Mr. Naveen Bansal (holding DIN: 00720211) as an Independent Director for second term of five years.



- iv. To approve re-appointment of Mr.Kartik Narayan Singh (holding DIN: 07779482) as Whole Time Director not liable to retire by rotation for a further period of five years.
3. In the Annual General Meeting held on 29th September, 2021 no special Resolution was proposed.

#### **OTHER DISCLOSURES**

##### **RELATED PARTY TRANSACTION**

During the year under review, there were no material related party transactions with any related party that may have conflict with the interest of the Company. Transactions entered into with related parties during the financial year were in the ordinary course of business and at arm's length basis and were approved by the Audit Committee. The omnibus approval of the Audit Committee is taken for all the proposed related party transactions to be entered into during the forthcoming year. Requisite disclosure has been made in the notes to the Financial Statements. The Board has adopted Related Party Transaction Policy for determining the materiality of Related Party transactions and also on dealing with related parties. The policy on related parties has been placed on the website of the company i.e. [www.scottishassam.com](http://www.scottishassam.com)

##### **Disclosures**

- I. There are no materially significant related party transactions entered into by the Company with its Promoters, Directors or Senior Management Personnel, Associates, etc. that may have potential conflict with the interests of the Company at large. Transactions carried out with the related parties are disclosed in Notes to the Audited Financial Statements.
- II. During the last three years, there were no strictures or penalties imposed either by the SEBI or the Stock Exchanges or any other Statutory Authorities for non-compliance of any matter related to the Capital Market.
- III. The Company does not have any material non-listed Indian subsidiary as defined in defined in Regulation 16 and 24 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- IV. The Company has adopted a Whistle Blower Policy and has established the necessary mechanism for directors & employees to report concerns about unethical behavior or suspected fraud in violation of Company's Code of Conduct or any other point of concern. The policy has been disclosed on the website of the Company i.e. [www.scottishassam.com](http://www.scottishassam.com)
- V. The Company did not have any commodity price risk or foreign exchange risk and hedging activities as on 31st March, 2022.
- VI. The Company has not raised funds through preferential allotment or qualified institutions placement as specified under regulation 32(7A).
- VII. The Company has complied with all the mandatory requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation(2) of Regulation 46 of the Listing Regulations.

##### **RECONCILIATION OF SHARE CAPITAL AUDIT:**

As stipulated by Securities and Exchange Board of India (SEBI), a qualified practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued / paid up Equity Share capital is in agreement with the total number of Equity Shares in physical form and total number of Equity Shares in dematerialised form held with NSDL and CDSL.

##### **CODE OF CONDUCT**

The Company has adopted a Code of Conduct for the members of Board of Directors and Senior Management Personnel of the Company. The essence of the code is to conduct the business of the Company in an honest, fair and ethical manner, in compliance with the applicable laws and in a way that excludes considerations for personal advantage. All Directors and Senior Management Personnel have affirmed compliance with the Code and a declaration to this effect, signed by the Whole-time Director & Chief Financial Officer, is attached to this report.



**DIVIDEND DISTRIBUTION POLICY:**

The Corporation has adopted a Dividend Distribution Policy in accordance with the requirements of Regulation 43A of the SEBI (LODR) Regulations, 2015.

**DISCLOSURES UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Company has not received any complaint on sexual harassment in FY 2021-2022.

**MEANS OF COMMUNICATON**

The Company's un-audited / audited quarterly, half yearly and annual financial results along with limited review report/ audit report by the Auditors and notices as required under Companies Act 2013 and Listing Regulations are published in widely circulated national English daily 'Financial Express' and in a local newspaper 'ArthikLipi' (Kolkata edition). These results are sent immediately to all the Stock Exchanges with which the Equity Shares of the Company are listed. The Company's results and official news releases are displayed on Company's website [www.scottishassam.com](http://www.scottishassam.com).

**COMPLIANCE CERTIFICATE OF THE AUDITORS**

The Statutory Auditors' Certificate that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, 2015 is annexed hereto.

**General Shareholders Information**

<b>Date, time and venue of the Annual General Meeting</b>	Wednesday, the 21 <sup>st</sup> day of September, 2022, at 11:30 A.M. through Video Conferencing / Other Audio Visual Means deemed to be held at the Registered Office of the Company.
<b>Financial Year</b>	1 <sup>st</sup> April 2021 to 31 <sup>st</sup> March 2022
<b>Book Closure Period (for share transfer &amp; AGM)</b>	15 <sup>th</sup> September, 2022 to 22 <sup>nd</sup> September, 2022
<b>Dividend Payment Date</b>	On or After 23 <sup>rd</sup> September, 2022
<b>Listing on Stock Exchanges</b>	The Calcutta Stock Exchange Limited (CSE), 7 Lyons Range, Kolkata -700 001. The Company has paid listing fees for the period 1 <sup>st</sup> April, 2021 to 31 <sup>st</sup> March 2022.
<b>Stock code at Stock Exchange</b>	029847
<b>Demat ISIN number for NSDL &amp; CDSL for Equity Shares</b>	INE010G01018

**Stock Market Performance**

There were no transactions in the equity shares of the Company at the Calcutta Stock Exchange (CSE), hence there is no monthly high and low quotations and volume of shares traded on the Stock Exchange during the year.

**Registrar & Share Transfer Agent (R&TA)**

M/s. ABS Consultant Pvt. Ltd. "Stephen House", Room No. 99, 6th Floor, 4 B.B.D. Bagh (East), Kolkata - 700 001 Tel: (033) 2230-1043 Fax: (033) 2243-0153 Email: [absconsultant99@gmail.com](mailto:absconsultant99@gmail.com).

**SHARE TRANSFER SYSTEM**

Share Transfer system is entrusted to the Registrar and Share Transfer Agents. Presently, Stakeholders' Relationship Committee is empowered to approve the Share Transfers. The Committee meeting is generally held on quarterly basis or on an earlier date as and when



required. The shares sent for transfer in physical form are registered and returned by our Registrars and Share Transfer Agents in 15 days of receipt of the documents, provided the documents are found to be in order.

The Share Transfers, transmission of shares Issue of duplicate certificates, split of certificates, dematerialisation, rematerialisation, etc. are endorsed by the Directors/Executives/Officers of the Company as may be authorized by the Stakeholders' Relationship Committee. Any grievances when received from the Members and/or any other miscellaneous correspondence are processed/ resolved by the Registrar and Share Transfer Agent within the prescribed time.

**Distribution of shareholding as on 31<sup>st</sup> March, 2022**

Sl. No.	Range of nominal value of equity shares held	No. of shareholders	% to shareholders	Total Shareholding (Rs. in Lakhs)	% of Total Shareholding
1	1 - 5000	949	94.52%	10,45,490	13.07%
2	5001-10000	22	2.19%	1,71,390	2.14%
3	10001-20000	10	1.00%	1,44,510	1.81%
4	20001-30000	2	0.20%	42,700	0.53%
5	30001-40000	2	0.20%	76,250	0.95%
6	40001-50000	NIL	NIL	NIL	NIL
7	50001-100000	1	0.10%	63,500	0.79%
8	100001 & Above	18	1.79%	64,56,160	80.70%
	<b>Total</b>	<b>1004</b>	<b>100.00</b>	<b>8,00,000</b>	<b>100.00</b>

**Shareholding pattern of the Company as on 31<sup>st</sup> March, 2022**

Sl. No	Category	No. of Shareholders	Shareholders%	Total no. of Shares	% To Shares
1	Promoter & Promoter Group	27	2.69	600000	75.00
2	Bodies Corporate	11	1.10	46756	5.84
3	Resident Individuals	952	94.82	133835	16.73
4	Trusts	2	0.20	400	0.05
5	NRIs	11	1.10	770	0.10
6	Central Govt./ State Govt/ President of India	1	0.10	18239	2.28
	<b>TOTAL</b>	<b>1004</b>	<b>100.00</b>	<b>800000</b>	<b>100.00</b>

Dematerialisation of shares	About 92.27% of the total equity share capital is held in Demat form with CDSL/NDSLas on 31 <sup>st</sup> March, 2022.
Outstanding GDRs/ADRs/Warrants none or any convertible instruments, conversion date and likely impact on equity	N.A.
Commodity price risk or foreign exchange risk and hedging activities	N.A.
Location of company's units	1, Crooked Lane, Kolkata-700 069





Investor's correspondence	ABS Consultant Pvt. Ltd. "Stephen house", Room no. 99, 6th floor 4.B.B.D. Bagh (east), Kolkata-700 001, email: absconsultant99@gmail.com phone: (033) 2230-1043
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**Transfer of unclaimed / unpaid amounts to the Investor Education and Protection Fund:**

Pursuant to the provisions of Section 124 of the Companies Act, 2013 read with the rules made there under, dividends that are unclaimed/unpaid for a period of 7 years from the date of transferring the same into unpaid dividend account of the bank are required to be transferred to the Investors Education and Protection Fund (IEPF) established by Central Government.

An amount of Rs. 1.02 Lakhs being unclaimed/ unpaid dividend of the Company for the financial year ended on 31st March, 2014 were transferred in 1st October, 2021 to IEPF.

Last dates for claiming of unclaimed/unpaid dividends declared by the Company for the following financial years are as under :

Dividends for the Financial year	Date of declaration of dividend	Due Date for transfer to the IEPF
2014-2015	27.07.2015	03.09.2022
2015-2016	22.07.2016	28.08.2023
2016-2017	04.09.2017	11.10.2024
2017-2018	28.08.2018	04.10.2025
2018-2019	30.08.2019	06.10.2026
2019-2020	29.09.2020	05.11.2027
2020-2021	29.09.2021	05.11.2028

Members who have so far not en-cashed the Dividend Warrants for the above years are requested to submit their claim at the earliest to the Registrar and Share Transfer Agent M/s. ABS Consultant Pvt Ltd at either of the aforesaid addresses immediately quoting their Folio No/ DP ID and Client ID.

Members are requested to note that no claim shall lie against the Company in respect of any amount of dividend remaining unclaimed/unpaid after expiry of 7 years from the dates which they became first due for payment.

Further, in compliance with the rules, the Company has sent notices to the concerned shareholders whose Shares/Dividends are liable to be transferred/credited to the Demat/Dividend Account of the IEPF Authority of Central Government. The Company has uploaded on its website: [www.scottishassam.com](http://www.scottishassam.com) the detail of such shareholders whose shares has been transferred/credited to the Demat Account of the IEPF Authority under Investors Relation window.

The Company has already transferred all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more to designated Demat Account of IEPF maintained with CDSL. Members who have so far not claimed or collected their dividends up to the financial year 2013-2014 may claim their dividend and shares from the Investor Education and Protection Fund, by submitting an application in the prescribed format.

**INTERNAL CONTROL SYSTEM**

The Internal Control System of the Company is aimed at proper utilization and safeguarding of the Company's resources and to promote operational efficiency. The findings of the Internal Audit and consequent corrective actions initiated and implemented from time to time are placed before the Audit Committee. The Audit Committee reviews such audit findings and the adequacy of the Internal Control System.

**CEOS AND CFO CERTIFICATION**

The CEO and the CFO of the Company have given a certificate on financial reporting and internal controls to the Board in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which is attached to this Report.



**DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT:**

The details of Directors seeking appointment/re-appointment as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given in annexure to the Notice convening Annual General Meeting.

**CREDIT RATING:**

Company has received BBB+ (Stable) Credit rating from ICRA Limited for Long Term Bank facilities.

**PREVENTION OF INSIDER TRADING CODE:**

As per SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of Conduct for Prevention of Insider Trading & Code of Corporate Disclosure Practices. All the Directors, employees and third parties such as auditors, consultants etc. who could have access to the unpublished price sensitive information of the Company are governed by this code. The trading window is closed during the time of declaration of results and occurrence of any material events as per the code.

**COMPLIANCE FRAMEWORK:**

The Company has a robust and effective framework for monitoring compliances with applicable laws within the organization and to provide updates to senior management and the Board on a periodic basis. The Audit Committee and the Board periodically reviews the status of the compliances with the applicable laws.

**SECURITIES AND EXCHANGE BOARD OF INDIA ('SEBI') COMPLAINTS REDRESS SYSTEM ("SCORES").**

All the investors complaints pertaining to the listed Companies will be electronically sent through SCORES and the Companies or their appointed Registrar & Share Transfer Agent (RTA/STA) are required to view the pending complaints and submit 'Action Taken Report' ('ATRs') along with necessary documents electronically in SCORES. Further, there is no need to file any physical ATRs with SEBI. The Company had completed the required registration under SCORES to efficiently and effectively redress the investors/shareholders complaints on time.

**TOTAL FEES PAID TO AUDITOR**

Total fees for all the services paid by the Company to the Statutory Auditor during the year under review amounted to Rs. 4.75 (in lakhs). None of the subsidiary companies has paid any fee to the Company's Statutory Auditor or any of its network firm.

**MANAGEMENT DISCUSSION AND ANALYSIS**

**Industry Structure and Development**

Your Company is engaged in the business of growing, manufacturing and marketing of teas produced in its Tea Estate named as Heeleakah Tea Estate District Jorhat (Assam). Our Tea Estate harvest top quality CTC tea and are popular with customers in the Indian domestic market under the brand name of Heeleakah. Your Company strives to improve its turnover by focusing on increasing yield and quality. Significant investments have been made on an ongoing basis into uprooting and replanting in order to improve our yield and quality. In the best interest of quality, sustainability and traceability, your Company also purchase good quality bought leaf for trading under the brand name of Dhopatbari Our Tea Brand i.e. Heeleakah and Dhopatbari are Trust Tea certified.

As the country navigated through the crisis, the Government and Reserve Bank of India took effective measures to support a robust economic recovery. The agricultural sector performed well, leading to a strong performance by rural markets. Uncertainty remains around the pace of economy recovery, which may further dampened by new covid-19 virus mutations, continued efficacy of government policy action and projected increase, in commodity price we will see differential economic recoveries across the world with global economy potentially going back to pre-pandemic levels in another two years. We are committed to build a substantial and profitable business model for our stakeholders.

**INDIAN TEA INDUSTRY & DEVELOPMENTS**

**Tea production in India**

Calendar 2021 was a year of revival for India's tea production after a stunning fall in 2020. Tea Board has now announced that the country produced 1,329.04 million kg (mkg) in 2021. This would mean a gain of 71.51 mkg or 5.69 per cent over 1,257.53 mkg produced in 2020. Markets have been lower for good quality teas whereas common median teas have suffered resulting in significantly lower sales realization than the previous year.



India is the second-largest producer of tea globally. Indian tea is one of the finest in the world due to strong geographical indications, heavy investment in tea processing units, continuous innovation, augmented product mix, and strategic market expansion. As of a 2018 survey, a total of 6.37 lakh hectares of area was cultivated in India for tea production. India is also among the world's top tea consuming countries, with 80% of the tea produced in the country consumed by the domestic population.

The northern part of India is the biggest producer at about 83% of the country's annual tea production in 2021-22 with the majority of the production coming from Assam followed by West Bengal. The Assam valley and Cachar are the two tea producing regions in Assam. In West Bengal Dooars, Terai and Darjeeling are the three major tea producer regions. The southern part of India produces about 17% of the country's total production with the major producing states being Tamil Nadu, Kerala, and Karnataka.

#### **COMPETITION**

The major competitive countries in tea in the world are Sri Lanka, Kenya, China and Indonesia. China is the major producer of green tea while Sri Lanka and Indonesia are producing mainly orthodox varieties of tea. Kenya is basically a CTC tea producing country. While India is facing competition from Sri Lanka and Indonesia with regard to export of orthodox teas and from China with regard to green tea export, it is facing competition from Kenya and from other African countries in exporting CTC teas.

Because of absence of large domestic base and due to comparatively small range of exportable items, Sri Lanka and Kenya have an edge over India to offload their teas in any international markets. This is one of the reasons of higher volume of export by Sri Lanka and Kenya compared to India. Another important point is that, U.K has substantial interest in tea cultivation in Kenya. Most of the sterling companies, after Indianisation due to implementation of FERA Act started tea cultivation in Kenya. So, it makes business sense for U.K. to buy tea from Kenya and Kenya became the largest supplier of tea to U.K.

#### **OPPORTUNITIES AND THREATS**

Life without tea is unthinkable for the billions of people who rely on their cherished cups to get them through the day. But tea crops the world over are facing multiple threats, from climate change and water shortages to rural de-population and low wages. So serious are these threats, that some of the world's biggest tea companies are joining forces to combat them. Unilever, which owns Lipton, Brook Bond and PG Tips, Twinings, Finlays, and Tata Global Beverages, which owns Tetley, are laying to one side competitive instincts to protect the long-term future of their business and ensure that tea remains as accessible and affordable as it is today. "Unless we manage these issues, we're looking at a very different future for tea," says Sally Uren, chief executive of Forum for the Future, which is co-ordinating the Tea 2030 initiative.

#### **SEGMENTWISE OR PRODUCTWISE PERFORMANCE**

The Company is primarily engaged in the business of cultivation, manufacture and sale of tea and is managed organizationally as a single unit. Accordingly, the Company is a single business segment company.

#### **Risks and Concerns**

The Tea Industry is largely dependent on the vagaries of nature. The Industry is highly labour intensive and is subject to stringent labour laws. Substantial increase in labour wages, high social cost over most other tea producing countries, high infrastructure costs and increasing energy and other input costs remain the major problems for the Indian Tea Industry. Shortage of labour during peak season in some pockets is also a cause for concern. Company has made substantial investment in irrigation to minimise the impact on crop. These problems need to be addressed by improved productivity. The Tea Industry in Assam has discussed with the Trade Unions and implemented productivity linked wages for the tea workers with a view to regain the Industry's competitiveness in the Local market. Interim labour agreement for the State of Assam in India has been signed with an increase of more than 22.75% in wages to mitigate various types of risks that the company has to face.

#### **Outlook**

Similar to the global outlook, the Indian economy was projected to grow at a stronger pace in FY 2021-22 than the previous year. The Tea manufactured in the Country is almost sufficient to meet the internal domestic demands. The weather is of prime importance for the Tea manufacturing industry for achieving / maintaining the production target for the industry. Due to the vagaries of the weather the production of tea fluctuates within a given range. However, in spite of this scenario the outlook for the tea industry appears to be positive, due to increasing demand and consumption.



### **Internal Control Systems and Their Adequacy**

The Company has laid down guidelines, procedures and policies for better management control which are periodically tested and supplemented by an extensive internal audit programme. One independent firm of Chartered Accountants carry out the internal audit at our Tea Estate and Head Office on a Quarterly basis. The Company has an Audit Committee, the details of which have been provided in the Corporate Governance Report. The Audit Committee reviews Audit Reports submitted by the internal Auditors. Significant findings are placed before the Audit Committee and the corrective measures are recommended for implementation. The Committee also meets the Company's statutory auditors to ascertain, inter alia, their views on the adequacy of internal control systems in the Company and keeps the Board of Directors informed of its major observations from time to time. In the opinion of the management, the existing internal checks and controls are effective and adequate.

### **FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

The details of Financial Performance and Operational Performance have been provided in the Report of the Directors.

#### **Human Resources**

The Company has built its workforce with a diverse background of individuals - essential for the kind of organization what it is. Tea Industry is highly labour intensive. The Company constantly endeavours to provide a platform where people have opportunities to actualize their maximum potential through work which helps to stretch their intellect. The Company employs around 2366 (permanent & casual) at our Tea Estate. Employee relations remained satisfactory during the period under review. The Company has been maintaining exceptionally good relations with its labour force and with the employee friendly approach being adopted by it, the industrial relations continue to remain cordial. The Company would like to record appreciation of the wholehearted support and dedication from employees at all levels in maintaining smooth production and manufacture of tea from all the Tea Estates during the year.

<b>Sl. No.</b>	<b>Key Financial Ratios</b>	<b>2021-22</b>	<b>2020-21</b>	<b>Difference</b>	<b>Notes on significant changes in financial ratios where change is more than 25%</b>
1.	Debtors Turnover Ratio (%)	88.45	96.48	-8.32	----
2.	Inventory Turnover Ratio (%)	25.51	35.40	-27.94	Due to increase in sales & average inventory.
3.	Interest Coverage Ratio (times)	43.17	60.44	-28.57	Due to repayment of borrowings.
4.	Current Ratio (times)	0.71	0.54	31.73	Due to decrease in trade payables and repayment of borrowings.
5.	Debt Equity Ratio (times)	0.06	0.10	-37.03	Due to repayment of borrowings.
6.	Operating Profit Margin (%)	16.89	18.20	-7.19	----
7.	Net Profit Margin (%)	0.33	0.45	-27.85	Due to decrease in net profit.

#### **CAUTIONARY STATEMENT**

The statements made in the Management's Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be "Forward Looking Statements" within the meaning of applicable Securities Laws & Regulations and are based on the currently held beliefs and assumptions of our management, which are expressed in good faith and in their opinion, reasonable. Actual results could differ from those expressed and implied since the Company's operations are influenced by many external and internal factors beyond the control of the Company. Several factors could make a significant difference to the Company's operations which includes climatic conditions, economic conditions affecting demand and supply, government regulations and taxation, natural calamities, raw material price changes, domestic supply and prices conditions, company's success in attracting and retaining Key Personnel, integration and re-structuring activities, general business and economic conditions over which the Company does not have any direct control.



**CEO and CFO Certification**

CEO and CFO Certification under Section 17(8) of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 for the Financial Year 2021-22

To

The Board of Directors,

The Scottish Assam (India) Ltd.

We in our capacity do hereby confirm and certify that ;

1. We have reviewed the audited Financial Statements and the Cash Flow Statement for the year ended 31st March, 2022 and that to the best of our knowledge and belief;
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading ;
  - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violating the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company, pertaining to financial reporting and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken, propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit Committee that there are no ;
  - (i) significant changes in internal controls for financial reporting during the year ;
  - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the Notes to the Financial Statements, and ;
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place : Kolkata

K. N. Singh

Manoj Sureka

Date : 28<sup>th</sup> Day of May 2022

Chief Executive Officer

Chief Financial Officer

**DECLARATION AFFIRMING COMPLIANCE WITH THE CODE OF CONDUCT**

**(Regulation 34, read with Schedule V (D) of the  
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

This is to confirm that the Company has adopted a Code of Conduct for its Directors and Senior Management Personnel ("Code") and that the same is available on the website of the Company : [www.scottishassam.com](http://www.scottishassam.com)

I hereby declare that all the Board Members and Senior Management Personnel have affirmed their compliance with the aforesaid Code for the Financial Year ended 31<sup>st</sup> March, 2022.

On behalf of the Board

(Divya Jalan)

Director

Place : Kolkata

Date : 30<sup>th</sup> day of May, 2022

Din : 00016102



**INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To the Members of

The Scottish Assam (India) Limited

1. We have examined the compliance of conditions of Corporate Governance by The Scottish Assam (India) Limited ("the Company"), for the year ended on 31<sup>st</sup> March, 2022, as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of Regulation 46(2) and para C and D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

**Managements' Responsibility**

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

**Auditor's Responsibility**

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the "ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.



**Opinion**

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of Regulation 46(2) and para C, D and E of Schedule V to the Listing Regulations during the year ended 31st March, 2022.

**Other Matters and Restriction on Use**

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

10. This Report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Report for events and circumstances occurring after the date of this Report.

For JKVS & CO  
*Chartered Accountants*  
Firm's Registration No. 318086E

(Utsav Saraf)  
*Partner*  
Membership No. 306932  
UDIN : 22306932ANUCKO3094

Place : Kolkata  
Date : 30<sup>th</sup> day of May, 2022



## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS

### To the Members of The Scottish Assam (India) Limited

#### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying Financial Statements of The Scottish Assam (India) Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow Statement and the statement of Changes in Equity for the year then ended, and 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, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the 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 Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

#### Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including annexure to the Board's Report & other Shareholder's Information, but does not include the Financial Statements and our auditor's report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the 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 the 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, matters 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.





The Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, 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 Financial Statements.

As part of an 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 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 for 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 our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the 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 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 auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Refer to paragraph "material uncertainty related to going concern" above in respect to our reporting in respect to going concern appropriateness. Our conclusions are based on the audit evidence obtained up to the date of our auditor's 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 Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

We communicate with those charged with governance regarding, among 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 reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained 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, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time;
- (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to financial reporting of the Company with reference to these Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
- (g) In our opinion and to the best of our information and according to the explanation given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (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, as amended 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 Financial Statements – Refer Note 38.1 to the Financial Statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.
  - iv. (a) The management has represented to us that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries  
(b) The management has represented to us that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and  
(c) Based on our audit procedures that are considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under paragraph 2(h) (iv)(a) & (b) above, contain any material mis-statement.
- v. The dividend declared and paid during the year by the Company is in Compliance with section 123 of the Act.

**For JKVS & CO**  
**Chartered Accountants**  
**Firm's Registration No. 318086E**

**(Utsav Saraf)**  
**Partner**

**Place : Kolkata**  
**Date : 30<sup>th</sup> day of May, 2022**

**Membership No. 306932**  
**UDIN : 22306932ANUBZM9181**



**Annexure – A to the Independent Auditor’s Report**

(Referred to in paragraph 8 with the heading ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date in respect to statutory audit of The Scottish Assam (India) Limited for the year ended 31st March 2022)

We report that:

- i. In respect of the Company’s fixed assets:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
(B) The Company has maintained proper records showing full particulars of intangible assets
  - (b) The property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company
  - (d) The Company has not revalued its property, plant and equipment and intangible assets during the year.
  - (e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made there under, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its standalone financial statements does not arise.
- ii.
  - (a) According to information and explanation given to us, inventories (excluding stocks with third parties) were physically verified during the year by the management at reasonable intervals. The discrepancies noticed on verification between the physical stock and the book stocks, wherever ascertained were not significant and have been properly dealt in the books of accounts.
  - (b) As disclosed in Note 20.7 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.
- iii. The Company has not made any investment, provided any security and guarantee or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms and limited liability partnership or any other parties covered. Accordingly, report under clause (iii) (a) to (f) of the Order are not applicable to the company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not made any investment, provided any security and guarantee or granted any loans or advances in the nature of loans, secured or unsecured during the year in respect of which provision of section 185 and 186 are applicable and accordingly the requirement to report on clause 3 (iv) of the Order are not applicable to the company.
- v. The Company has not accepted deposits from public within the meaning of section 73,74, 75,76 of the Act and the Rules framed there under to the extent notified
- vi. The maintenance of cost records prescribed under sub-section (1) of Section 148 of the Act is not applicable to the Company during the year.
- vii. a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employee’s State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Goods and Services Tax, Excise Duty, Value Added Tax, Cess and other statutory dues with the appropriate authorities. According to the information and explanations given to us and the records of the Company examined by us, no undisputed statutory dues as above were outstanding as at 31st March, 2022 for a period of more than six months from the date they became payable.



Name of the statute	Nature of the dues	Amount (Rs.)	Period to which the amount relates	Due date	Date of payment
The Assam professions, Trades, Callings and Employment Taxation act, 1947	Professional tax	416.00	March 01, 2019 to March 31, 2019	April 30, 2019	June 07, 2022

- b) According to the information and explanations given to us and records of Company examined by us, there are no dues of sales tax, income tax, duty of customs, duty of excise, service tax and value added tax as at March 31, 2022 which have not been deposited on account of any dispute.
- viii. According to information and explanations given to us, Company has not surrendered or disclosed any transaction, previously unrecorded in the books of accounts, in the tax assessments under the Income Tax Act, 1961, as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable.
- ix. (a) According to the information and explanations given to us and as per the books and records examined by us, in our opinion, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender including the loans and interest are repayable on demand.
- (b) According to the information and explanations given to us and the records of the Company examined by us including representation received from the management, the Company has not been declared wilful defaulter by any bank, financial institution or other lenders or government or any Government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, the Company has not raised any term loans during the year. Accordingly, the requirement to report on clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, prima facie, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) & (f) of the Order is not applicable to the Company.
- x. (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and as per the books and records examined by us, the company has not made any preferential allotment or private placement of shares or convertible debentures during the year. Accordingly, reporting under clause (x) (b) of the Order is not applicable to the Company.
- xi. a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or any fraud on the company has been noticed or reported during the year. Accordingly reporting under clause 3 (xi) (a) of the order is not applicable to the company.
- b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. In our opinion, the company is not a Nidhi Company. Accordingly reporting under clause (xii) (a) to (c) of the order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.



- xvi. (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi) (a) of the Order is not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have more than one CIC.
- xvii. The Company has not incurred cash losses in the current financial year and immediate preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, provisions of clause (xviii) of the Order are not applicable to the Company
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx. As disclosed in Note 60 to the financial statements, the requirements as stipulated by the provisions of section 135 of the Companies Act is not applicable to the Company. Accordingly, the requirement to report on clause 3 (xx) (a) and (b) of the Order is not applicable to the Company.
- xxi. As explained by the management, the company does not have subsidiary, associate and Joint venture, accordingly, the requirement to report on clause 3 (xxi) of the Order is not applicable to the Company.

For JKVS & CO  
Chartered Accountants  
Firm's Registration No. 318086E

(Utsav Saraf)  
Partner

Membership No. 306932  
UDIN : 22306932ANUBZM9181

Place : Kolkata

Date : 30<sup>th</sup> day of May, 2022



## **ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 2 (f) under "Report on Other Legal and Regulatory Requirements" section of our Report to the members of The Scottish Assam (India) Limited of even date)

We have audited the internal financial controls with reference to financial reporting of The Scottish Assam (India) Limited ("the Company") as of 31st March 2022 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

### **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

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

### **AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on the Company internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

### **MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL REPORTING**

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

### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL REPORTING**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any



evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**OPINION**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial reporting and such internal financial controls with reference to financial reporting were operating effectively as at 31 March 2022, based on the internal control with reference 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 with reference to Financial Reporting issued by ICAI.

For JKVS & CO  
*Chartered Accountants*  
Firm's Registration No. 318086E

(Utsav Saraf)  
*Partner*  
Membership No. 306932  
UDIN : 22306932ANUBZM9181

Place : Kolkata

Date : 30<sup>th</sup> day of May, 2022



**THE SCOTTISH ASSAM (INDIA) LIMITED**

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2022**

	Note No.	As at 31 <sup>st</sup> March, 2022 (Rs. in Lakhs)		As at 31 <sup>st</sup> March, 2021 (Rs. in Lakhs)	
<b>ASSETS</b>					
<b>1 NON-CURRENT ASSETS</b>					
a	5	Property, Plant and Equipment	369.52	222.07	
b	6	Capital Work-In-Progress	44.75	165.90	
c	7	Other Intangible Assets	0.17	0.45	
<b>d FINANCIAL ASSETS</b>					
i	8	Investments	6,388.62	5,521.63	
ii	9	Loans	0.16	5.10	
iii	10	Other Financial Assets	27.88	28.53	
e	11	Non-Current Tax Assets[Net]	46.90	102.01	
f	12	Other Assets	74.73	0.13	6,045.82
<b>2 CURRENT ASSETS</b>					
a	13	Biological Asset other than Bearer Plant	28.56	10.32	
b	14	Inventories	305.71	175.55	
<b>c Financial Assets</b>					
i	15	Trade Receivables	27.84	51.83	
ii	16	Cash and Cash Equivalents	117.93	215.00	
iii	17	Bank balances other than Note ii above	8.87	8.80	
iv	9	Loans	3.00	3.00	
v	10	Other Financial Assets	18.97	1.78	
d	12	Other Assets	45.04	47.90	514.18
		<b>Total Assets</b>	<b>7,508.65</b>	<b>6,560.00</b>	
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
a	18	Equity Share Capital	80.00	80.00	
b	19	Other Equity	6,458.06	5,309.69	5,389.69
<b>LIABILITIES</b>					
<b>1 NON-CURRENT LIABILITIES</b>					
<b>a Financial Liabilities</b>					
i	20	Borrowings	10.98	74.47	
b	21	Deferred Tax Liabilities (Net)	171.54	135.68	210.15
<b>2 CURRENT LIABILITIES</b>					
<b>a Financial Liabilities</b>					
i	20	Borrowings	392.62	453.91	
ii	22	Trade Payables			
		Total outstanding dues of creditors to micro enterprises & small enterprises	-	0.13	
		Total outstanding dues of creditors to other than micro enterprises & small enterprises	71.81	148.29	
iii	23	Other Financial Liabilities	285.34	250.39	
b	24	Other Current Liabilities	26.90	38.47	
c	25	Provisions	-	68.97	
d	26	Current Tax Liabilities[Net]	11.40	-	960.16
		<b>Total Equity and Liabilities</b>	<b>7,508.65</b>	<b>6,560.00</b>	

Basis of preparation and presentation of Financial Statement 2  
Significant Accounting Policies 3  
Significant Judgements & Key Estimates 4  
The Notes are an integral part of the Financial Statement

**As per our report of even date annexed**

For **J K V S & CO.**

Chartered Accountants

Firm Registration No. 318086E

UTSAV SARAF

Partner

Membership No. : 306932

Place : Kolkata

Date : 30<sup>th</sup> day of May, 2022

For and on behalf of the Board of Directors

Mr. DHIRENDRA KUMAR (DIN : 00153773)

Ms. DIVYA JALAN (DIN : 00016102)

Mr. GHANSHYAM DAS GUPTA (DIN : 00174114)

Director

Mr. KARTIK NARAYAN SINGH

(DIN : 07779482)

Mrs. RITU BHATTER

Mr. MANOJ SUREKA

- Wholetime Director

- Company Secretary

- Chief Financial Officer





**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

	Note No.	For the Year ended 31 <sup>st</sup> March, 2022 (Rs. in lakhs)	For the Year ended 31 <sup>st</sup> March, 2021 (Rs. in lakhs)
i	27	3,542.41	3,150.74
ii	28	751.59	1,202.31
<b>iii</b>		<b>4,294.00</b>	<b>4,353.05</b>
<b>iv</b>			
(a)	29	124.36	72.68
(b)	30	(74.97)	(23.86)
(c)	31	1,848.44	1,567.16
(d)	32	29.91	28.70
(e)	33	38.87	38.02
(f)	34	1,066.14	964.53
		<b>3,032.75</b>	<b>2,647.23</b>
<b>v</b>		<b>1,261.25</b>	<b>1,705.82</b>
vi		-	-
<b>vii</b>		<b>1,261.25</b>	<b>1,705.82</b>
viii	35		
(a)		73.73	90.64
(b)		2.50	1.55
(c)		35.85	194.07
		<b>112.08</b>	<b>286.26</b>
<b>ix</b>		<b>1,149.17</b>	<b>1,419.56</b>
<b>x</b>			
(a)	36	63.06	(34.75)
(b)		(15.87)	8.74
<b>xi</b>		<b>47.19</b>	<b>(26.01)</b>
<b>xii</b>		<b>1,196.36</b>	<b>1,393.55</b>
<b>xiii</b>			
<b>Basic &amp; Diluted</b>	<b>37</b>	<b>143.65</b>	<b>177.45</b>
Basis of preparation and presentation of Financial Statement	2		
Significant Accounting Policies	3		
Significant Judgements & Key Estimates	4		
The Notes are an integral part of the Financial Statement			

**As per our report of even date annexed**

For **J K V S & CO.**

Chartered Accountants

Firm Registration No. 318086E

UTSAV SARAF

Partner

Membership No. : 306932

Place : Kolkata

Date : 30<sup>th</sup> day of May, 2022

For and on behalf of the Board of Directors

Mr. DHIRENDRA KUMAR (DIN : 00153773)

Ms. DIVYA JALAN (DIN : 00016102)

Mr. GHANSHYAM DAS GUPTA (DIN : 00174114)

Director

Mr. KARTIK NARAYAN SINGH  
(DIN : 07779482)

- Wholetime Director

Mrs. RITU BHATTER  
Mr. MANOJ SUREKA

- Company Secretary  
- Chief Financial Officer



NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

a Equity Share Capital

Balance as at 1 <sup>st</sup> April, 2020	80.00
Add/(Less): Changes in Equity Share Capital during the year	-
Balance as at 31 <sup>st</sup> March, 2021	80.00
Add/(Less): Changes in Equity Share Capital during the year	-
Balance as at 31 <sup>st</sup> March, 2022	<u>80.00</u>

b Other Equity

Particulars	Reserve & Surplus			Other Comprehensive Income	Total
	Capital Reserve	General Reserve	Retained Earnings	Remeasurement of Defined benefit obligation through Other Comprehensive Income	
<b>Balance as at April 1, 2021</b>	30.62	2,364.29	2,914.78	-	5,309.69
Profit/(Loss) for the year	-	-	1,149.17	-	1,149.17
Transfer to General Reserve	-	100.00	(100.00)	-	-
Dividend	-	-	(47.99)	-	(47.99)
Other comprehensive income/ (loss) for the year	-	-	-	47.19	47.19
Transfer of Remeasurement of Defined Benefit Obligation	-	-	47.19	(47.19)	-
<b>Balance as at March 31, 2022</b>	30.62	2,464.29	3,963.15	-	6,458.06
<b>Balance as at April 1, 2020</b>	30.62	2,264.29	1,653.23	-	3,948.14
Profit/(Loss) for the year	-	-	1,419.56	-	1,419.56
Transfer to General Reserve	-	100.00	(100.00)	-	-
Dividend	-	-	(32.00)	-	(32.00)
Other comprehensive income/ (loss) for the year	-	-	-	(26.01)	(26.01)
Transfer of Remeasurement of Defined Benefit Obligation	-	-	(26.01)	26.01	-
<b>Balance as at March 31, 2021</b>	30.62	2,364.29	2,914.78	-	5,309.69

As per our report of even date annexed

For J K V S & CO.

Chartered Accountants

Firm Registration No. 318086E

UTSAV SARAF

Partner

Membership No. : 306932

Place : Kolkata

Date : 30<sup>th</sup> day of May, 2022

For and on behalf of the Board of Directors

Mr. DHIRENDRA KUMAR (DIN : 00153773)

Ms. DIVYA JALAN (DIN : 00016102)

Mr. GHANSHYAM DAS GUPTA (DIN : 00174114)

Director

Mr. KARTIK NARAYAN SINGH  
(DIN : 07779482)

- Wholetime Director

Mrs. RITU BHATTER

- Company Secretary

Mr. MANOJ SUREKA

- Chief Financial Officer

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

	For the year ended 2021-2022	For the year ended 2020-2021
<b>A. Cash flow from operating activities :</b>		
Net Profit before tax and extraordinary items	1261.25	1705.82
<b>Adjustments for -</b>		
Depreciation	38.87	38.02
Finance Cost	29.91	28.70
Interest Received	(7.84)	(0.50)
Unclaimed balances written back	(1.73)	(0.36)
(Profit)/ Loss on Sale of Fixed Asset	(0.19)	0.05
Net gain arising on Employee Benefit Obligations mandatorily measured at OCI	63.06	(34.75)
Change in fair value of biological assets - Non Current	(18.23)	(10.33)
Net (Gain)/Loss arising on financial assets mandatorily measured at FVTPL	(662.86)	(1,161.39)
Gain on disposal of investments carried at fair value through profit or loss	(72.04)	(39.49)
<b>Operating profit before working capital changes</b>	<b>630.20</b>	<b>525.77</b>
<b>Adjustments for -</b>		
Trade receivables , Loans and Other Receivables	8.42	(33.45)
Loans receivable, and Other financial assets and Other Assets		
Trade Payables, Other financial Liabilities,	(136.59)	50.23
Other Liabilities and Provisions		
Inventories	(130.16)	(27.05)
<b>Cash generated from / (used in) operations</b>	<b>371.87</b>	<b>515.50</b>
Direct taxes (Paid) / Net of refund	(25.58)	(97.95)
<b>Net cash from / (used in ) operating activities</b>	<b>346.29</b>	<b>417.55</b>
<b>B. Cash flow from investing activities :</b>		
Purchase for Fixed Assets/ Capital work in Progress	(64.95)	(49.23)
Advance for Capital Assets	(51.00)	-
Sale of Fixed Assets	0.26	0.01
(Purchase) / sale of Non Current investments (net)	(132.09)	(427.90)
Interest Received	7.84	0.50
<b>Net cash from / (used in) investing activities</b>	<b>(239.94)</b>	<b>(476.62)</b>



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

	For the year ended 2021-2022 (Rs. in Lakhs)	For the year ended 2020-2021 (Rs. in Lakhs)
<b>C. Cash flow from financing activities :</b>		
Decrease in Long Term Borrowings	(63.49)	74.46
Decrease in Short Term Borrowings	(61.29)	212.72
Dividend including dividend tax paid	(47.93)	(32.00)
Finance Cost paid	(30.71)	(28.70)
<b>Net cash from / (used in) financing activities</b>	<b>(203.42)</b>	<b>226.48</b>
Net change in cash and cash equivalent (A+B+C)	<b>(97.07)</b>	<b>167.41</b>
Cash and cash equivalents as at beginning of year	<b>215.00</b>	<b>47.59</b>
Cash and cash equivalents as at end of year	<b>117.93</b>	<b>215.00</b>
	<b>(97.07)</b>	<b>167.41</b>
	<b>As at</b>	<b>As at</b>
	<b>31.03.2022</b>	<b>31.03.2021</b>
<b>*Cash and cash equivalent consist of :-</b>		
Cash , cheques, drafts in hand etc.	<b>37.45</b>	<b>18.67</b>
Balance and Fixed deposits with Banks	<b>80.48</b>	<b>196.33</b>
Cash and Cash equivalent	<b>117.93</b>	<b>215.00</b>

**As per our report of even date annexed**  
For **J K V S & CO.**  
Chartered Accountants  
Firm Registration No. 318086E

UTSAV SARAF  
Partner  
Membership No. : 306932  
Place : Kolkata  
Date : 30<sup>th</sup> day of May, 2022

For and on behalf of the Board of Directors

Mr. DHIRENDRA KUMAR (DIN : 00153773)  
Ms. DIVYA JALAN (DIN : 00016102)  
Mr. GHANSHYAM DAS GUPTA (DIN : 00174114) | Director

Mr. KARTIK NARAYAN SINGH - Wholetime Director  
(DIN : 07779482)  
Mrs. RITU BHATTER - Company Secretary  
Mr. MANOJ SUREKA - Chief Financial Officer



NOTES TO THE FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

**1. CORPORATE AND GENERAL INFORMATION**

The Scottish Assam (India) Limited was incorporated as a Limited Company in India under the Companies Act, 1956 & has its listing on the CSE Limited. The Registered office of the Company is at 1, Crooked Lane, Kolkata - 700 069. The Company's principal business is manufacturing of Tea.

**2. BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENT**

**2.1. Statement of Compliance**

These financial Statements relate to The Scottish Assam (India) Limited comply in all material aspects with Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act 2013 ("the Act"), read with the Companies (Indian Accounting Standard) Rules, as amended from time to time and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the Standalone Financial Statement and other relevant provisions of the Act and other accounting principles generally accepted in India.

The financial statements of the Company for the year ended 31<sup>st</sup> March 2022 has approved by the Board of Directors in their meeting held on 30<sup>th</sup> May 2022.

**2.2. Basis of Measurement**

The Company maintains accounts on accrual basis following the historical cost convention, except for the followings:

- Certain Financial Assets and Liabilities is measured at Fair value/ Amortised cost (refer accounting policy regarding financial instruments);
- Defined Benefit Plans - Plan assets measured at fair value; &
- Biological Assets - At fair value less cost to sell

**2.3. Functional and Presentation Currency**

The Financial Statements are presented in Indian Rupee (INR), which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates. All financial information presented in INR has been rounded off to the nearest two decimals of Lakhs as per the requirements of Schedule III, unless otherwise stated.

**2.4. Use of Estimates and Judgements**

The preparation of financial statements in conformity with Ind AS requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

**2.5. Presentation of Financial Statements**

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).

**2.6. Operating Cycle for current and non-current classification**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1. The Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.



An asset is classified as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All the other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

## **2.7. Measurement of Fair Values**

Some of the accounting policies and disclosures of the company require Fair Value measurement for both financial and non-financial assets and liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 - Inputs which are unobservable inputs for the asset or liability.

External valuers are involved for valuation of significant assets & liabilities. Involvement of external valuers is decided by the management of the company considering the requirements of Ind AS & selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.



## 2.8. Recent Accounting Pronouncement- Standard issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below-

- **Ind AS 16 - Property Plant and equipment** - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022.
- **Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets** - The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted.
- **Ind AS 103 - Reference to Conceptual Framework** The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103.
- **Ind AS 109 - Annual Improvements to Ind AS (2021)** The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.
- **Ind AS 106 - Annual Improvements to Ind AS (2021)** The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration.

The company has evaluated the above amendments and there is no material impact on its standalone financial statement.

## 3. ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

### 3.1. INVENTORIES

Raw materials (including purchased tea leaves), Stores & Spare parts, Finished Goods and Stock in trade are stated at the lower of cost and estimated net realisable value. Cost comprises of expenditure incurred in the normal course of business in bringing such inventories to their present location and condition and includes appropriate overheads (in case of Finished Goods). Cost is determined on weighted average basis. However, materials and other items held for use in the production of inventories are not written-down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. NRV is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

- **Raw Materials** : At Cost or Net Realizable Value whichever is lower. Cost of harvested tea leaves, produced from own garden, is measured at fair value less cost to sell at the point of harvest of tea leaves. Cost of other raw materials is measured on weighted average basis.
- **Stores and Spare Parts** : Stores and Spare Parts are measured at cost (measured at weighted average basis) or net realizable value whichever is lower.
- **Stock in Process** : Is valued with material at lower of weighted average cost and market rate and estimated conversion cost.



- **Finished Goods** : Finished goods produced from agricultural produce are valued at lower of cost and the net realizable value. Cost is arrived at by adding the cost of conversion to the fair value of agricultural produce. Other finished goods are measured at cost or NRV whichever is lower.
- **Waste/ Scrap** : Waste and Scrap (including tea waste) are valued at estimated realizable value.

### **3.2. CASH AND CASH EQUIVALENTS**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

For the purpose of the statement of cash flows, cash and cash equivalents includes cash on hand, term deposits and other short-term highly liquid investments, net of bank overdrafts as they are considered an integral part of the Company's cash management. Bank overdrafts are shown within short term borrowings in the balance sheet.

### **3.3. INCOME TAX**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Current and deferred tax is recognised in the statement of profit & loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

#### **3.3.1. Current Tax**

Current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities using the tax rates (and tax laws) that have been enacted or substantively enacted, at the end of the reporting period.

#### **3.3.2. Deferred Tax**

- Deferred Tax assets and liabilities is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
- Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.
- Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.
- Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.
- Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

### **3.4. PROPERTY, PLANT AND EQUIPMENT**

#### **3.4.1. Tangible Assets (Other than Bearer Plants)**

##### **3.4.1.1. Recognition and Measurement**





- Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any).
- Cost of an item of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting any trade discounts and rebates, any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.
- In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of directly attributable overheads, directly attributable borrowing costs incurred in bringing the item to working condition for its intended use, and estimated cost of dismantling and removing the item and restoring the site on which it is located. The costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling items produced while bringing the asset to that location and condition are also added to the cost of self-constructed assets.
- If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.
- Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

#### **3.4.1.2. Subsequent Measurement**

- Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.
- Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any Unamortized part of the previously recognized expenses of similar nature is derecognized.

#### **3.4.1.3. Depreciation and Amortization**

- Depreciation on Property, Plant & Equipment is provided under Written Down Method at rates determined based on the useful life of the respective assets and the residual values in accordance with Schedule II of the Companies Act, 2013 or as reassessed by the Company based on the technical evaluation.
- In case of asset "Fences, wells, tube wells "&" Carpeted Roads - Other than RCC", depreciation has been provided on written down value method at the rates determined considering the useful lives of 15 years which is based on assessment carried out by external valuers and the management believes that the useful lives as considered above best represent the period over which the respective assets shall be expected in use.
- In respect of spares for specific machinery, cost is amortized over the useful life of the related machinery as estimated by the management.
- Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed off).
- Depreciation method, useful lives and residual values are reviewed at each financial year-end & adjusted if appropriate.

#### **3.4.1.4. Disposal of Assets**

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

#### **3.4.1.5. Capital Work in Progress**

Capital work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production.



### **3.4.2. Bearer Plants**

#### **3.4.2.1. Recognition and Measurement**

- Bearer Plants, comprising of mature tea bushes and shade trees are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any).
- Cost of bearer plants includes the cost of uprooting, land development, rehabilitation, planting of Guatemala, planting of shade trees, cost of nursery, drainage, manual cultivation, fertilizers, agro-chemicals, pruning and infilling etc.

#### **3.4.2.2. Subsequent Measurement**

Costs incurred for infilling including block infilling are generally recognized in the Statement of Profit and Loss unless there is a significant increase in the yield of the sections, in which case such costs are capitalized and depreciated over the remaining useful life of the respective sections.

#### **3.4.2.3. Depreciation**

- Depreciation on bearer plants is recognised so as to write off its cost over useful lives, using the straight down value method.
- The estimated useful life, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.
- The residual value in case of Bearer Plants has been considered as nil. Estimated useful life of the bearer plants has been determined as 50 years.

#### **3.4.2.4. Capital Work in Progress**

Young tea bushes & shade trees, including the cost incurred for procurement of new seeds and maintenance of nurseries, are carried at cost less any recognized impairment losses under capital work-in-progress. Cost includes the cost of land preparation, new planting and maintenance of newly planted bushes until maturity. On maturity, these costs are classified under bearer plants. Depreciation of bearer plants commence on maturity.

### **3.5. LEASES**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### **3.5.1 Company as lessor**

- Finance Lease

Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease. Lease rental receipts are apportioned between the finance income and capital repayment based on the implicit rate of return. Contingent rents are recognized as revenue in the period in which they are earned.

- Operating Lease

Lease income from operating leases where the Company is a lessor is recognized in income on a straight line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

#### **3.5.2 Company as lessee**

- Finance Lease

Finance Leases, which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the



lease term and disclosed as leased assets. Lease Payments under such leases are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Other initial direct costs are capitalized.

If there is no reasonable certainty that the Company will obtain the ownership by the end of lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

➤ Operating Lease

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

### 3.5.3 Lease Liability

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

### 3.5.4 Right of Use (ROU) Assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment

### 3.5.5. Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of properties, machinery and equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

## 3.6. REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.



Revenue from sale of products is recognised at a time on which the performance obligation is satisfied. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment, and excludes taxes & duties collected on behalf of the Government and is reduced for estimated customer returns, rebates and other similar allowances.

The Company does not expect to have any contracts where the period between the transfer of the promised goods to the customer and payment by the customer exceeds one year. Consequently, it does not adjust any of the transaction prices for the time value of money.

**3.6.1. Other Income:**

**3.6.1.1. Interest Income :**

Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

**3.6.1.2. Dividend Income :**

Dividend income is accounted in the period in which the right to receive the same is established.

**3.6.1.3. Other Income :**

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

**3.7. EMPLOYEE BENEFITS**

**3.7.1. Short Term Benefits**

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period.

**3.7.2. Other Long Term Employee Benefits**

The liabilities for leaves that are not expected to be settled wholly within twelve months are measured as the present value of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation. Re-measurements as the result of experience adjustment and changes in actuarial assumptions are recognized in statement of profit and loss.

**3.7.3. Post Employment Benefits**

The Company operates the following post employment schemes:

➤ **Defined Contribution Plan**

Defined contribution plans such as Provident Fund etc. are charged to the statement of profit and loss as and when incurred.

➤ **Defined Benefit Plans**

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.



The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation.

Remeasurements of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in other comprehensive income. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss.

### 3.8. GOVERNMENT GRANTS

Government grants are recognised at their fair value, where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

The grant relating to the acquisition/ construction of an item of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on the same systematic basis as the respective assets are depreciated over their expected life and are presented within other operating income.

### 3.9. FOREIGN CURRENCY TRANSACTIONS

- Foreign currency (other than the functional currency) transactions are translated into the functional currency using the spot rates of exchanges at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchanges at the reporting date.
- Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are generally recognized in profit or loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those qualifying assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings, the balance is presented in the Statement of Profit and Loss within finance costs.
- Non monetary items are not retranslated at period end and are measured at historical cost (translated using the exchange rate at the transaction date).

### 3.10. BORROWING COSTS

- Borrowing Costs consists of interest and other costs that an entity incurs in connection with the borrowings of funds. Borrowing costs also includes foreign exchange difference to the extent regarded as an adjustment to the borrowing costs.
- Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalized as a part of the cost of that asset that necessarily takes a substantial period to complete and prepare the asset for its intended use or sale.
- Transaction costs in respect of long term borrowing are amortized over the tenure of respective loans using Effective Interest Rate (EIR) method. All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

### 3.11. INVESTMENT IN SUBSIDIARIES & ASSOCIATE

Investments in subsidiaries & associate are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

### 3.12. FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.



### 3.12.1. Financial Assets

#### ➤ **Recognition and Initial Measurement**

All financial assets are initially recognized when the company becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

#### ➤ **Classification and Subsequent Measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Measured at Amortized Cost;
- Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
- Measured at Fair Value Through Profit or Loss (FVTPL); and
- Equity Instruments designated at Fair Value Through Other Comprehensive Income (FVTOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

#### ○ **Measured at Amortized Cost :**

A debt instrument is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows; &
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
- After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition & fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade receivables, cash & bank balances, loans & other financial assets of the company.

#### ○ **Measured at FVTOCI :**

A debt instrument is measured at the FVTOCI if both the following conditions are met:

- The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; &
- The asset's contractual cash flows represent SPPI.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on re-measurement recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the statement of profit and loss in investment income.

#### ○ **Measured at FVTPL**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statements of Profit and Loss. Equity instruments that are, held for trading are classified as at FVTPL.



○ **Equity Instruments designated at FVTOCI :**

For equity instruments, which has not been classified as FVTPL as above, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. In case the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment.

➤ **De-recognition**

The Company derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

➤ **Impairment of Financial Assets**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS - 109 requires expected credit losses to be measured through a loss allowance. The company recognizes impairment loss for trade receivables that do not constitute a financing transaction using expected credit loss model, which involves use of a provision matrix constructed on the basis of historical credit loss experience. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

**3.12.2. Financial Liabilities**

➤ **Recognition and Initial Measurement**

Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings, payables or as derivatives, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

➤ **Subsequent Measurement :**

Financial liabilities are measured subsequently at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Interest expense is recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

➤ **Derecognition :**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

**3.12.3. Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

**3.13 Earnings Per Share**

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders adjusted for the effects of potential equity shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

**3.14. Impairment of Non-Financial Assets**



The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units - CGU).

An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

### **3.15. Provisions, Contingent Liabilities and Contingent Assets**

#### **3.15.1. Provisions**

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

#### **3.15.2. Contingent Liabilities**

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Company discloses the existence of contingent liabilities in Other Notes to Financial Statements.

#### **3.15.3. Contingent Assets**

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

### **3.16. Non-Current Assets held for sale**

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets are not depreciated or amortised.

### **3.17. Intangible Assets**

#### **3.17.1. Recognition and Measurement**

Software which is not an integral part of related hardware, is treated as intangible asset and is stated at cost on initial recognition and subsequently measured at cost less accumulated amortization and accumulated impairment loss, if any.

#### **3.17.2. Subsequent Expenditure**

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. All other expenditure is recognized in the Statement of Profit & Loss.

#### **3.17.3. Amortization**

- Intangible assets are amortized over a period of three years.





- The amortization period and the amortization method are reviewed at least at the end of each financial year. If the expected useful life of the assets is significantly different from previous estimates, the amortization period is changed accordingly.

#### **3.17.4. Intangible Assets under Development**

Intangible Assets under development is stated at cost which includes expenses incurred in connection with development of Intangible Assets as far as such expenses relate to the period prior to the getting the assets ready for use.

#### **3.18. Biological Assets and Agricultural Produce**

##### **3.18.1. Biological Assets**

Biological assets of the company comprise of un-harvested green tea leaves, is classified as current biological assets.

The Company recognizes biological assets when, and only when, the Company controls the assets because of past events, it is probable that future economic benefits associated with such assets will flow to the company and the fair value or cost of the assets can be measured reliably. Expenditure incurred on biological assets is measured on initial recognition and at the end of each reporting period at its fair value less costs to sell. The gain or loss arising from a change in fair value less cost to sell of biological assets is included in Statement of Profit and Loss for the period in which it arises.

##### **3.18.2. Agricultural Produce**

The Company recognizes agricultural produce when, and only when, the Company controls the assets because of past events, it is probable that future economic benefits associated with such assets will flow to the Company and the fair value or the cost of the assets can be measured reliably. Agricultural produce harvested from the Company's biological assets are valued at fair value less cost to sell at the point of harvest. A gain or loss arising on initial recognition of agricultural produce at fair value less cost to sell shall be included in Statement of Profit & Loss for the period in which it arises.

The Company's agricultural produce comprises of green leaves plucked from its tea estate.

#### **3.19. Operating Segment**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker of the Company is responsible for allocating resources and assessing performance of the operating segments and accordingly is identified as the chief operating decision maker.

The Company has identified single reportable segment "Tea".

#### **4. SIGNIFICANT JUDGEMENTS AND KEY SOURCES OF ESTIMATION IN APPLYING ACCOUNTING POLICIES**

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Information about Significant judgements and Key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- **Recognition of Deferred Tax Assets** : The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.
- **Useful lives of depreciable/ amortisable assets (tangible and intangible)** : Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.
- **Classification of Leases** : The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.



- **Defined Benefit Obligation (DBO)** : Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.
- **Provisions and Contingencies** : The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.
- **Impairment of Financial Assets** : The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.
- **Allowances for Doubtful Debts** : The Company makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.
- **Fair value measurement of financial Instruments** : When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The input to these models are taken from observable markets where possible, but where this not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.
- **Fair Value of Biological Assets and Agricultural Produce** : The fair value of Biological Assets and Agricultural Produce is determined based on recent transactions entered into with third parties or available market price. Fair valuation of Biological Asset and Agriculture Produce are based on the market rates published by the industrial body for various grades from which the fair value of Biological asset and Agriculture Produce are derived.
- **Uncertainties relating to the global health pandemic from COVID-19:**

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, projects work- in- progress and inventories including biological assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.



NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

5 PROPERTY, PLANT & EQUIPMENT

(Rs. in Lakhs)

	Year ended 31st March, 2022										NET CARRYING AMOUNT As at 31-3-2022	
	GROSS CARRYING AMOUNT			ACCUMULATED DEPRECIATION				Total As at 31/03/2022	On Assets Sold/ Adjusted	Total As at 31/03/2022		
	Cost as on 01-04-2021	Additions	Sold/ Adjusted	Total As at 31-3-2022	Upto 01-04-2021	For the Year	Upto 01-04-2021					
Buildings	89.07	-	-	89.07	28.53	4.15	-	28.53	4.15	-	32.68	56.39
Plant and Machinery	241.87	34.44	8.83	267.48	137.68	24.36	8.76	137.68	24.36	8.76	153.28	114.20
Furniture & Fitting	1.90	0.87	-	2.77	1.00	0.29	-	1.00	0.29	-	1.29	1.48
Vehicles	54.18	-	-	54.18	37.78	4.00	-	37.78	4.00	-	41.78	12.40
Office Equipment	8.61	3.44	-	12.05	6.43	2.14	-	6.43	2.14	-	8.57	3.48
Bearer Plant	39.25	147.36	-	186.61	1.39	3.65	-	1.39	3.65	-	5.04	181.57
<b>Total</b>	<b>434.88</b>	<b>186.11</b>	<b>8.83</b>	<b>612.16</b>	<b>212.81</b>	<b>38.59</b>	<b>8.76</b>	<b>212.81</b>	<b>38.59</b>	<b>8.76</b>	<b>242.64</b>	<b>369.52</b>
	Year ended 31st March, 2021										NET CARRYING AMOUNT As at 31-3-2021	
	GROSS CARRYING AMOUNT			ACCUMULATED DEPRECIATION				Total As at 31/03/2021	On Assets Sold/ Adjusted	Total As at 31/03/2021		
	Cost as on 01-04-2020	Additions	Sold/ Adjusted	Total As at 31-3-2021	Upto 01-04-2020	For the Year	Upto 01-04-2020					
Buildings	89.07	-	-	89.07	23.39	5.14	-	23.39	5.14	-	28.53	60.54
Plant and Machinery	239.92	1.95	-	241.87	113.33	24.35	-	113.33	24.35	-	137.68	104.19
Furniture & Fitting	1.58	0.32	-	1.90	0.85	0.15	-	0.85	0.15	-	1.00	0.90
Vehicles	49.80	4.38	-	54.18	32.32	5.46	-	32.32	5.46	-	37.78	16.40
Office Equipment	7.68	1.01	0.08	8.61	5.20	1.30	0.07	5.20	1.30	0.07	6.43	2.18
Bearer Plant	3.72	35.58	0.05	39.25	0.54	0.85	-	0.54	0.85	-	1.39	37.86
<b>Total</b>	<b>391.77</b>	<b>43.24</b>	<b>0.13</b>	<b>434.88</b>	<b>175.63</b>	<b>37.25</b>	<b>0.07</b>	<b>175.63</b>	<b>37.25</b>	<b>0.07</b>	<b>212.81</b>	<b>222.07</b>

- Note : 1) The Assam Government acquired approximately 412 Hectares of land of Tea Estate under Assam Fixation of Ceiling of Land Holding Act, 1956 in earlier years. As the amount of compensation has not been finalised, it will be accounted for as and when received.
- 2) The Company has not revalued its property, plant and equipment during the year ended March 31, 2022 and March 31, 2021.
- 3) Refer note no. 39 for information on the carrying amounts of financial and non-financial assets pledged as security for the current & non-current borrowings.
- 4) The Company does not have any immovable property, whose title deeds are not held in the name of the Company during the year ended March 31, 2022 and also as at March 31, 2021.



6. Capital Work In Progress (Rs. in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Capital Work In Progress	44.75	165.90
	44.75	165.90

Ageing of Capital Work -in - Progress as at March 31, 2022 is as follows :

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Project in Progress					-
Plant & Machinery	27.36	-	-	-	27.36
Bearer Plant	12.60	4.79	-	-	17.39
<b>Total</b>	<b>39.96</b>	<b>4.79</b>	<b>-</b>	<b>-</b>	<b>44.75</b>

Ageing of Capital Work -in - Progress as at March 31, 2021 is as follows :

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Project in Progress					-
Plant & Machinery	13.75	-	-	-	13.75
Bearer Plant	27.84	32.17	55.69	36.45	152.15
<b>Total</b>	<b>41.59</b>	<b>32.17</b>	<b>55.69</b>	<b>36.45</b>	<b>165.90</b>

Note : 1) Project execution plan are monitored on a periodic basis to determine whether the progress is as per plan. There are no project as on each reporting period where activity has been suspended. Also there are no projects as on the reporting period which has exceeded cost as compared to the original plan or where completion is over due.



7. Other Intangible Assets : (Rs. in Lakhs)

Particulars	Year Ended 31st March 2022				Accumulated Depreciation									
	Gross Carrying Amount		Total as at 31/03/2022		Upto 01/04/2021		For the Year		On Assets Sold /Adjusted		Total as at 31/03/2022		Net Carrying Amount As at 31/03/2022	
	Cost as on 01/04/2021	Additions	Sold /Adjusted											
Computer Software	3.15	-	-	3.15	2.70	0.28	-	2.98	0.17					
<b>Total</b>	<b>3.15</b>	<b>-</b>	<b>-</b>	<b>3.15</b>	<b>2.70</b>	<b>0.28</b>	<b>-</b>	<b>2.98</b>	<b>0.17</b>					

Other Intangible Assets :

Particulars	Year Ended 31st March 2021				Accumulated Depreciation									
	Gross Carrying Amount		Total as at 31/03/2021		Upto 01/04/2020		For the Year		On Assets Sold /Adjusted		Total as at 31/03/2021		Net Carrying Amount As at 31/03/2021	
	Cost as on 01/04/2020	Additions	Sold /Adjusted											
Computer Software	3.15	-	-	3.15	1.93	0.77	-	2.70	0.45					
<b>Total</b>	<b>3.15</b>	<b>-</b>	<b>-</b>	<b>3.15</b>	<b>1.93</b>	<b>0.77</b>	<b>-</b>	<b>2.70</b>	<b>0.45</b>					

Note : 1) The Company has not revalued its intangible assets during the year ended March 31, 2022 and March 31, 2021.



NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

(Rs. in Lakhs)

8. INVESTMENTS

	Face Value	No. of Shares		Amount	
		As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
<b>A. INVESTMENTS AT FAIR VALUE THROUGH PROFIT &amp; LOSS</b>					
<b>Investments in Unquoted Equity Instruments</b>					
Woodlands Multispeciality Hospital Limited.	10	200	200	0.02	0.02
ABC Tea Workers Welfare Service	10	100	100	0.01	0.01
				<b>0.03</b>	<b>0.03</b>

	As at 31.03.2022	As at 31.03.2021
<b>B. Investment in Unquoted Mutual Fund</b>		
ABSL Dynamic Bond Fund - Growth (Segregated Portfolio - 1)	3.88	9.50
ABSL Frontline Equity Fund - Growth	165.99	138.20
ABSL Frontline Equity Fund - Direct Growth	32.58	-
ABSL Liquid Fund - Growth	118.83	288.02
ABSL Liquid Fund - Direct Growth	177.41	181.39
ABSL Equity Hybrid '95 Fund - Growth	216.82	-
ABSL Banking & PSU Debt Fund	203.33	51.48
Canara Robeco Emerging Equities - Regular	63.07	-
Canara Robeco Emerging Equities - Direct Growth	12.57	-
DSP Mid Cap Fund - Regular Plan - Growth	58.54	51.80
HDFC Hybrid Equity Fund - Growth	318.59	530.12
HDFC Hybrid Equity Fund - Direct Growth	63.57	-
HDFC Mid-Cap Opportunities Fund - Growth	79.83	64.55
HDFC Mid-Cap Opportunities Fund - Direct Growth	15.67	-
HDFC Balance Advantage Fund - Growth	576.31	476.14
HDFC Balance Advantage Fund - Direct Growth	107.55	-
HDFC Top 100 Fund - Growth	-	121.08
HDFC Liquid Fund - Growth	395.47	382.70
HDFC Liquid Fund - Direct Growth	171.93	-
HDFC Index Fund - Nifty - 50 Plan - Regular Plan	134.63	112.51
HDFC Index Fund - Nifty - 50 Plan - Direct Growth	26.45	-
HDFC Corporate Bond Fund - Regular Plan - Growth	172.75	-
HDFC Corporate Bond Fund - Direct Growth	6.04	-
ICICI Prudential Balance Advantage Fund - Growth	395.55	353.16
ICICI Prudential Balance Advantage Fund - Direct Growth	75.51	-



8. INVESTMENTS contd... (Rs. in Lakhs) NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

	As at 31.03.2022	As at 31.03.2021
ICICI Prudential Saving Fund - Growth	87.96	84.44
ICICI Prudential Value Discovery Fund - Growth	172.29	130.90
ICICI Prudential Value Discovery Fund - Direct Growth	31.19	-
ICICI Prudential Corporate Bond Fund - Growth	172.56	-
ICICI Prudential Liquid Fund - Growth	199.63	339.50
ICICI Prudential Long Short Fund-Series 1 CL B38	102.92	-
IDFC Cash Fund-Growth (Regular Plan)	211.47	443.95
IDFC Corporate Bond Fund Regular Plan-Growth	202.93	-
Invesco India Contra Fund Growth	64.00	53.48
Kotak Small Cap Fund - Growth (Regular Plan)	78.53	57.56
Kotak Flexicap Fund - Growth (Regular Plan)	60.80	52.60
Kotak Liquid Fund Regular Plan - Growth	-	148.33
L&T Hybrid Equity Fund - Growth	177.89	155.16
L&T Hybrid Equity Fund - Direct Growth	35.13	-
Mirae Assets Large Cap Fund - Regular Growth Plan Growth	59.95	50.73
Mirae Asset Midcap Fund Regular Plan Growth	70.81	55.37
Mirae Asset Midcap Fund Direct Plan Growth	15.16	-
Motilal S&P 500 Index - Growth	30.86	25.76
Motilal Nasdaq 100	28.98	24.98
Nippon India Liquid Fund - Growth Plan - Growth Option	-	410.26
Nippon India Multi Cap - Growth Plan - Growth Option	140.54	104.59
Nippon India Equity Hybrid Fund - Growth Plan Growth Option - (Segregated Portfolio)	0.36	0.36
Nippon India Small Cap Fund - Growth Plan Growth Option	85.50	59.33
Nippon India Credit Risk Fund - (Segregated Portfolio - 1) - Growth Plan Growth Option	-	0.46
Nippon India Money Market Fund - Growth Plan	56.43	-
Nippon India Money Market Fund - Direct Growth	111.58	-
PGIM India Midcap	76.36	56.46
TATA Hybrid Equity Fund Regular Plan Growth	170.43	147.79
SBI Blue Chip Fund Regular Plan Growth	148.11	127.53
SBI Blue Chip Fund Direct Plan Growth	29.51	-
SBI Liquid Fund Regular Growth	-	30.15
UTI Equity Fund Regular Growth Plan	173.81	150.73
UTI Liquid Cash Plan - Regular Plan Growth	-	50.53
<b>Total</b>	<b>6,388.59</b>	<b>5,521.60</b>
<b>Grand Total</b>	<b>6,388.62</b>	<b>5,521.63</b>
<b>Aggregate Amount of Unquoted Investments</b>	<b>0.03</b>	<b>0.03</b>
<b>Aggregate Amount of Cost of Unquoted Investments</b>	<b>4,300.58</b>	<b>3,814.81</b>



**NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

Refer Note No.	Non Current		Current	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021

**9 LOANS**

**Other Loans and Advances,  
unsecured, considered good  
unless otherwise mentioned**

Loan to related Parties	9.1	0.16	4.5	3.00	3.00
Other Loans	9.2	-	0.60	-	-
		<b>0.16</b>	<b>5.10</b>	<b>3.00</b>	<b>3.00</b>

9.1 Loan to related parties represents loan given to whole time Director Rs.3,15,800/- (March, 31 2021 Rs.7,50,000/-), which was approved by the Board under a policy for loan/advances for every permanent employees on 27/05/2017

9.2 Other Loans primarily represent loans given to employees.

9.3 The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person or entity, including foreign entities ("Intermediaries") with the understanding (whether recorded in writing or otherwise) that the Intermediary shall, whether, directly or indirectly lend or invest in other persons/ entities identified in any manner whatsoever by or on behalf of the Company ('ultimate beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Accordingly, no further disclosures, in this regard, are required.

Refer Note No	Non Current		Current	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021

**10 OTHER FINANCIAL ASSETS**

**Unsecured & considered good**

Security Deposit	27.88	28.53	-	-
Deposit with NABARD	-	-	0.01	0.01
Other Advance -				
The Scottish Assam Gratuity Fund	-	-	11.70	1.77
Other Receivable	10.1	-	7.26	-
	<b>27.88</b>	<b>28.53</b>	<b>18.97</b>	<b>1.78</b>

10.1 It represent Rs.0.50 Lakh subsidy for manufacturing of Orthodox Tea and Rs.6.76 Lakh for interest subvention on working Capital.

As at  
31<sup>st</sup> March, 2022      As at  
31<sup>st</sup> March, 2021

**11 NON-CURRENT TAX ASSETS (NET)**

Income Tax Receivable[net of Provision]	46.90	102.01
	<b>46.90</b>	<b>102.01</b>





(Rs. in Lakhs)

**NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

Refer Note No	Non-Current		Current	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>12 OTHER ASSETS</b>				
<b>UNSECURED AND CONSIDERED GOOD</b>				
Capital Advance	51.00	-	-	-
<b>Advances other than Capital Advances</b>				
Gratuity	23.40	-	-	-
Advances to Suppliers & Service Providers	-	-	7.21	3.25
Balances with Government & Statutory Authorities	-	-	30.67	38.93
Prepaid Expenses	0.33	0.13	7.16	5.72
	<b>74.73</b>	<b>0.13</b>	<b>45.04</b>	<b>47.90</b>

As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
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**13 BIOLOGICAL ASSET OTHER THAN BEARER PLANT**

<b>Unharvested Tea Leaves as At the Opening Date</b>	10.32	-
Increase due to purchase / physical changes/Net Changes in Fare value less estimated cost to sell	28.56	10.32
Decrease due to harvest / physical changes/sales/write off	(10.32)	-
<b>Unharvested Tea Leaves as At the Closing Date</b>	<b>28.56</b>	<b>10.32</b>

13.1 Biological asset are hypothecated against working capital borrowings(Refer Note No.39)

13.2 Mode of Valuation(Refer Note No.3.18 of Significant Accounting Policies)

Refer Note No	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
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**14 INVENTORIES**

(As valued and certified by the Management)

Finished Goods	14.1	175.62	100.65
Stores and Spares (net of obsolesce)		129.85	69.83
Stock in Transit (Store)	14.2	0.24	5.07
<b>Total</b>		<b>305.71</b>	<b>175.55</b>

**14.1 Details of Inventories - Finished Goods :**

Finished Goods	175.62	100.65
	<b>175.62</b>	<b>100.65</b>

**14.2** The above includes goods-in-transit as under :

Stores and Spares etc	0.24	5.07
	<b>0.24</b>	<b>5.07</b>

14.3 Inventories are hypothecated against working capital borrowings(Refer Note No.39)

14.4 Mode of Valuation(Refer Note No.3.1 of Significant Accounting Policies)



(Rs. in Lakhs)

**NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>15 TRADE RECEIVABLES</b>		
Trade Receivables considered good-Secured	-	-
Trade Receivables considered good-Unsecured	27.84	51.83
Trade Receivables which have significant increase in credit Risk	-	-
Trade Receivables Credit Impaired	-	-
Less : Provision for Doubtful Debts	-	-
<b>Total Trade receivables</b>	<b>27.84</b>	<b>51.83</b>
<b>15.1 TRADE RECEIVABLES includes</b>		
Receivable from Related Party	-	-
Unbilled Receivables	-	-
Others	27.84	51.83
<b>Total</b>	<b>27.84</b>	<b>51.83</b>

15.2 Trade Receivable are hypothecated against working capital borrowings (Refer note no. 39)

15.3 There are no amount receivable from Directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

**Trade Receivables Ageing Schedule.**

Particulars	Outstanding as on March 31, 2022 from due date of payment						
	Not Due	Upto 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed- Considered good	27.18	0.04	0.56	0.06	-	-	27.84
Undisputed- Credit impaired	-	-	-	-	-	-	-
Disputed - Considered Good	-	-	-	-	-	-	-
Disputed - Credit Impaired	-	-	-	-	-	-	-
Less: Allowances for Credit losses	-	-	-	-	-	-	-
<b>Total Trade Receivable</b>	<b>27.18</b>	<b>0.04</b>	<b>0.56</b>	<b>0.06</b>	<b>-</b>	<b>-</b>	<b>27.84</b>

Particulars	Outstanding as on March 31, 2021 from due date of payment						
	Not Due	Upto 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed- Considered good	50.78	0.44	0.51	-	-	0.10	51.83
Undisputed- Credit impaired	-	-	-	-	-	-	-
Disputed - Considered Good	-	-	-	-	-	-	-
Disputed - Credit Impaired	-	-	-	-	-	-	-
Less: Allowances for Credit losses	-	-	-	-	-	-	-
<b>Total Trade Receivable</b>	<b>50.78</b>	<b>0.44</b>	<b>0.51</b>	<b>-</b>	<b>-</b>	<b>0.10</b>	<b>51.83</b>



(Rs. in Lakhs)

**NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

	Refer Note No	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>16 CASH AND CASH EQUIVALENTS</b>			
Balances With Banks :			
In Current Account	16.1	80.48	196.33
Cash in Hand		37.45	18.67
<b>Total</b>		<b>117.93</b>	<b>215.00</b>

16.1 Cash & Cash Equivalents are hypothecated against working Capital Borrowings[Refer Note No.39]

**Changes in liabilities arising from financing activities**

Particulars	April 1, 2021	Cash Flows	March 31 2022
Non Current Borrowings (including current maturities of long term debts)[Refer Note No.20]	131.80	(111.82)	19.98
Current Borrowings	396.58	(12.96)	383.62
<b>Total Liabilities from Financing Activities</b>	<b>528.38</b>	<b>(124.78)</b>	<b>403.60</b>

Particulars	April 1, 2020	Cash Flows	March 31 2021
Non Current Borrowings (including current maturities of long term debts)[Refer Note No.20]	-	131.80	131.80
Current Borrowings	183.86	212.72	396.58
<b>Total Liabilities from Financing Activities</b>	<b>183.86</b>	<b>344.52</b>	<b>528.38</b>

As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021

**17 BANK BALANCES (OTHER THAN NOTE: 16)**

Balance in Unpaid Dividend Account	8.87	8.80
<b>Total</b>	<b>8.87</b>	<b>8.80</b>

As at 31 <sup>st</sup> March 2022		As at 31 <sup>st</sup> March 2021	
No. of Shares	Amount	No. of Shares	Amount

**18 EQUITY SHARE CAPITAL**

**18.1 Authorised Share Capital**

**Equity Shares :**

Ordinary Shares of Rs. 10/- each	2,000,000	200.00	2,000,000	200.00
	<b>2,000,000</b>	<b>200.00</b>	<b>2,000,000</b>	<b>200.00</b>

As at 31 <sup>st</sup> March 2022		As at 31 <sup>st</sup> March 2021	
No. of Shares	Amount	No. of Shares	Amount

**18.2 Issued Share Capital**

Ordinary Shares of Rs.10/- each	8,00,000	80.00	8,00,000	80.00
	<b>8,00,000</b>	<b>80.00</b>	<b>8,00,000</b>	<b>80.00</b>

**18.3 Subscribed and Paid-up Share Capital**

Ordinary Shares of Rs.10/- each fully paid-up	8,00,000	80.00	8,00,000	80.00
	<b>8,00,000</b>	<b>80.00</b>	<b>8,00,000</b>	<b>80.00</b>



**NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

**18.4 Reconciliation of the number of shares at the beginning and at the end of the year**

There has been no change/movements in number of shares outstanding at the beginning and at the end of the year.

**18.5 Terms / Rights attached to Equity Shares :**

The Company has only one class of issued shares i.e. Ordinary Shares having par value of Rs. 10/- per share. Each holder of Ordinary Shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the ordinary shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

**18.6 Shareholding Pattern with respect of Holding or Ultimate Holding Company**

The Company does not have any Holding Company or Ultimate Holding Company.

**18.7 Details of Equity Shareholders holding more than 5% shares in the Company**

	As at 31 <sup>st</sup> March 2022		As at 31 <sup>st</sup> March 2021	
	No. of Shares	% Holding	No. of Shares	% Holding
<b>Ordinary Shares of Rs. 10/- each fully paid</b>				
Pradip Kumar Khaitan (in the capacity of Trustee of Tea Trust)	1,20,000	15.00%	1,20,000	15.00%
Nirvan Commercial Company Ltd.	86,963	10.87%	86,963	10.87%
Shree Durga Agencies Ltd.	83,020	10.37%	83,020	10.37%
Maryada Advisory Services Pvt. Ltd.	45,290	5.66%	45,290	5.66%
SPBP Investments Pvt. Ltd.	45,000	5.63%	45,000	5.63%
Aarvee Trading Co Pvt Ltd	40,000	5.00%	40,000	5.00%

**Details of Shareholding of Promoters and Promoter Group**

Sl. No.	Name of Promoter	As at 31 <sup>st</sup> March, 2022			As at 31 <sup>st</sup> March, 2021		
		No. of Shares	% of Total Shares	% Change during the year	No. of Shares	% of Total Shares	% Change during the year
1	Pradip Kumar Khaitan (in the capacity of Trustee of Tea Trust)	1,20,000	15.00	-	1,20,000	15.00	-
2	Devang Kumar	19,550	2.44	-	19,550	2.44	-
3	Shashi Kumar	13,288	1.66	-	13,288	1.66	-
4	Late Sandeep Kumar Jalan	11,925	1.49	-	11,925	1.49	-
5	Divya Jalan	10,802	1.35	-	10,802	1.35	-
6	Divyaa Kummar	6,350	0.79	-	6,350	0.79	-
7	ILa Rani Agarwal	1,951	0.24	-	1,951	0.24	-
8	Alaka Jalan	1,300	0.16	-	1,300	0.16	-
9	Mudit Kumar	1,000	0.13	-	1,000	0.13	-
10	Arvind Kumar Agarwal	900	0.11	-	900	0.11	-
11	Sandhya Agarwal	800	0.10	-	800	0.10	-
12	Pramod Rani	800	0.10	-	800	0.10	-
13	Prabha Rani Agarwal	819	0.10	-	819	0.10	-



(Rs. in Lakhs)

**NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

Sl. No.	Name of Promoter	As at 31st March, 2022			As at 31st March, 2021		
		No. of Shares	% of Total Shares	% Change during the year	No. of Shares	% of Total Shares	% Change during the year
14	Smita Agarwal	500	0.06	-	500	0.06	-
15	Hemant Kumar Agarwal	300	0.04	-	300	0.04	-
16	Nirvan Commercial Company Ltd	86,963	10.87	-	86,963	10.87	-
17	Shree Durga Agencies Ltd	83,020	10.37	-	83,020	10.37	-
18	Maryada Advisory Services Pvt Ltd	45,290	5.66	-	45,290	5.66	-
19	SPBP Investments Pvt Ltd	45,000	5.63	-	45,000	5.63	-
20	Aarvee Trading Company Private Limited	40,000	5.00	-	40,000	5.00	-
21	SPBP Tea Plantation Limited	34,600	4.33	-	34,600	4.33	-
22	Innovation Handicrafts (India) Private Limited	22,765	2.85	-	22,765	2.85	-
23	Purshottam Investments Pvt Ltd	22,447	2.81	-	22,447	2.81	-
24	Arohi Holdings Private Ltd	15,800	1.98	-	15,800	1.98	-
25	Shwetambra Investment and Trading Private Limited	13,130	1.64	-	13,130	1.64	-
26	Sandeep Investments Limited	400	0.05	-	400	0.05	-
27	Supriya Finance Limited	300	0.04	-	300	0.04	-

**18.8** No ordinary shares have been reserved for issue under options and contracts / commitments for the sale of shares/ disinvestment as at the Balance Sheet date.

**18.9** No Ordinary Shares have been bought back by the Company during the period of 5 years preceding the date as at which the Balance Sheet is prepared.

**18.10** No securities convertible into Equity/Preference shares have been issued by the Company during the year.

**18.11** No calls are unpaid by any Director or Officer of the Company during the year.

Refer Note No	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
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**19 OTHER EQUITY**

Capital Reserve	19.1	30.62	30.62
General Reserve	19.2	2,464.29	2,364.29
Retained Earnings	19.3	3,963.15	2,914.78
Other Comprehensive Income	19.4	-	-
		<b>6,458.06</b>	<b>5,309.69</b>

a) Capital Reserve & Capital Reserve in the nature of Security Premium: During amalgamation / merger / acquisition, the excess of net assets taken, over the consideration paid, if any, is treated as capital reserve.

b) General Reserve: The reserve arises on transfer portion of the net profit pursuant to the earlier provisions of Companies Act , 1956.

c) Retained Earnings: Retained earnings represent accumulated profits earned by the Company and remaining undistributed as on date.

d) Other Comprehensive Income (OCI) : Other Comprehensive Income (OCI) represent actuarial gains and losses arising on remeasurement of defined benefit obligations.



(Rs. in Lakhs)

**NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>19.1 Capital Reserve</b>		
Balance at the beginning and at the end of the year	30.62	30.62
	<b>30.62</b>	<b>30.62</b>
<b>19.2 General Reserve</b>		
Balance at the beginning of the year	2,364.29	2,264.29
Transfer from Retained Earnings	100.00	100.00
Balance at the end of the year	<b>2,464.29</b>	<b>2,364.29</b>
<b>19.3 Retained Earnings</b>		
Balance at the beginning of the year	2,914.78	1,653.23
Add: Profit/(Loss) for the year	1,149.17	1,419.56
Add/(Less): Transfer from Other Comprehensive Income	47.19	(26.01)
Less: Dividend (including dividend distribution tax) on Equity Shares	47.99	32.00
Less: Transfer to General Reserve	100.00	100.00
Balance at the end of the year	<b>3,963.15</b>	<b>2,914.78</b>
<b>19.4 Other Comprehensive Income</b>		
Balance at the beginning of the year	-	-
Add/(Less): Changes during the year ( Net of Tax)	47.19	(26.01)
Add/(Less): Transfer to retained Earnings	(47.19)	26.01
Balance at the end of the year	-	-
<b>Total Reserve &amp; Surplus</b>	<b>6,458.06</b>	<b>5,309.69</b>

Refer Note No	Non Current		Current	
	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>20 BORROWINGS</b>				
<b>Secured</b>				
a. Working capital Term Loan from Bank	20.1	10.98	74.47	-
b. Current Maturities of Long Term Borrowings	-	-	9.00	57.33
c. Working Capital loans from Bank repayable on demand	20.2	-	383.62	396.58
	<b>10.98</b>	<b>74.47</b>	<b>392.62</b>	<b>453.91</b>

**Details of Security Given for Loan**

- 20.1** Working Capital Term Loan(GECL)of Rs.19.98 Lakh from Punjab National Bank is Secured by way of hypothecation of current assets including stock of finished goods, green leaf's related to Heeleakah Tea Estate & also by way of hypothecation of all movable plant & machinery & other movable fixed assets, all present & future. The loan is further secured by way of deposit of title deeds of Heeleakah Tea Estate. The loan is repayable is payable in 27 Monthly instalment of Rs.0.75 Lakh. Interest is payable monthly @ 7.65% pa.
- 20.2** Working Capital Loan is Secured by way of hypothecation of current assets including stock of finished goods, green leaf's related to Heeleakah Tea Estate & also by way of hypothecation of all movable plant & machinery & other movable fixed assets, all present & future. The loan is further secured by way of deposit of title deeds of Heeleakah Tea Estate. Interest is payable on quarterly basis at 7.5%.



(Rs. in Lakhs)

**NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

- 20.3 Refer Note no 39 for information on Carrying Amount of Assets Pledged as Security for Current borrowings.
- 20.4 No Amount have been guaranteed by the Directors of the Company.
- 20.5 There is no default on Balance Sheet date in repayment of Borrowings & Interest thereon.
- 20.6 Term Loan were applied for the purpose for which the loans were obtained.
- 20.7 The Company has filed Monthly returns or Statements with the Banks in lieu of the sanctioned working Capital facilities, which are in agreement with the Books of Account.
- 20.8 The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>21 DEFERRED TAX LIABILITIES (NET)</b>		
<b>Deferred Tax Liabilities</b>		
Arising on account of :		
Property, Plant & Equipment's	17.70	46.36
Carrying value of Investments	148.41	86.71
Other Temporary Differences	5.43	2.61
	<b>171.54</b>	<b>135.68</b>
Deferred Tax Assets	-	-
Deferred Tax Liabilities (Net)	<b>171.54</b>	<b>135.68</b>

**21.1 Movement in deferred tax liabilities and deferred tax assets**

Particulars	As at 1 <sup>st</sup> April 2020	Recognized in Statement of P/L	As at 31 <sup>st</sup> March 2021	Recognized in Statement of P/L	As at 31 <sup>st</sup> March 2022
<b>Deferred Tax Liabilities</b>					
Property, Plant & Equipment's	49.02	(2.66)	46.36	(28.66)	17.70
Carrying value of Investments	46.35	40.36	86.71	61.69	148.40
Other Temporary Differences	5.15	(2.54)	2.61	2.82	5.44
	<b>100.52</b>	<b>35.16</b>	<b>135.68</b>	<b>35.85</b>	<b>171.54</b>
<b>Deferred Tax Assets</b>					
MAT Credit Entitlement	158.91	(158.91)	-	-	-
	<b>158.91</b>	<b>(158.91)</b>	-	-	-
<b>Net Deferred Tax (Assets)/Liabilities</b>	<b>(58.39)</b>	<b>194.07</b>	<b>135.68</b>	<b>35.85</b>	<b>171.54</b>

- 21.2 Deferred Tax Assets and Deferred Tax Liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the Deferred Tax Assets and Deferred Tax Liabilities relate to income tax levied by the same taxation authority.

	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>22 TRADE PAYABLES</b>		
<b>Trade Payables for goods &amp; services</b>		
Total outstanding dues of creditors to micro enterprises and small enterprises	-	0.13
Total outstanding dues of creditor to other than micro enterprises and small enterprises	71.81	148.29
	<b>71.81</b>	<b>148.42</b>



**NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

**Trade Payables Ageing Schedule**

Particulars	Outstanding as on March 31, 2022 from due date of payment					Total
	Not Due	Upto 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	55.21	8.43	2.09	1.20	4.88	71.81
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
<b>Total</b>	<b>55.21</b>	<b>8.43</b>	<b>2.09</b>	<b>1.20</b>	<b>4.88</b>	<b>71.81</b>

**Trade Payables Ageing Schedule**

Particulars	Outstanding as on March 31, 2021 from due date of payment					Total
	Not Due	Upto 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Total outstanding dues of micro enterprises and small enterprises	0.13	-	-	-	-	0.13
Total outstanding dues of creditors other than micro enterprises and small enterprises	94.18	46.24	1.62	3.69	2.56	148.29
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
<b>Total</b>	<b>94.31</b>	<b>46.24</b>	<b>1.62</b>	<b>3.69</b>	<b>2.56</b>	<b>148.42</b>

22.1 Refer note no. 40 for information on micro, small and medium enterprises development Act, 2006.

	Refer Note No	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>23 OTHER CURRENT FINANCIAL LIABILITIES</b>			
Employee Related Liability		270.94	236.30
Interest Accrued on borrowings		-	0.80
Unpaid and unclaimed dividends	23.1	8.87	8.80
Creditors for other liability	23.2	5.53	4.49
<b>Total</b>		<b>285.34</b>	<b>250.39</b>

23.1 There are no amounts due for payment to The Investor Education and Protection Fund at the end of the year.

23.2 This includes Land Revenue, House rent etc

	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>24 OTHER CURRENT LIABILITIES</b>		
Statutory Dues Payable	26.90	38.41
Advances Received from Customers	-	0.06
<b>Total</b>	<b>26.90</b>	<b>38.47</b>





(Rs. in Lakhs)

**NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

	Refer Note No	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>25 PROVISIONS</b>			
Provision for Employee Benefits			
Gratuity		-	68.97
		-	<b>68.97</b>
<b>26 CURRENT TAX LIABILITY</b>			
Provision for tax (Net of Advance Tax)		11.40	-
<b>Total</b>		<b>11.40</b>	-
<b>27 REVENUE FROM OPERATIONS</b>			
Sale of Finished Goods		3,523.68	3,140.42
		<b>3,523.68</b>	<b>3,140.42</b>
Other Operating Revenues			
Incentive & Subsidy	27.1	0.50	-
Change in fair Value of biological assets		18.23	10.32
		18.73	10.32
<b>Total</b>		<b>3,542.41</b>	<b>3,150.74</b>
<b>27.1 Grant Sanctioned by the Government of Assam for manufacturing of Orthodox Tea</b>			
<b>Details of Sale of Finished Goods</b>			
Tea		3,523.68	3,140.42
Geographical Sales			
In India		3,523.68	3,140.42
Outside India		-	-
		<b>3,523.68</b>	<b>3,140.42</b>
<b>28 OTHER INCOME</b>			
<b>Interest Income at amortised cost</b>			
On Security Deposits		0.42	0.42
On Income Tax Refund		7.39	-
On Others		0.03	0.08
<b>Other Non Operating Income</b>			
Profit on MTM Gain on Investment (Net)		662.86	1,161.39
Profit on sale on Investments (Net)		72.04	39.49
Interest Subvention on Working Capital	28.1	6.76	-
Excess Liabilities and Unclaimed Balances written back		1.73	0.36
Profit on Sale of Fixed Assets		0.19	-
Miscellaneous Income		0.17	0.57
<b>Total</b>		<b>751.59</b>	<b>1,202.31</b>
<b>28.1 Interest subvention on Working Capital from The Government of Assam as per Notification dated 6th November, 2020.</b>			
<b>29 COST OF MATERIALS CONSUMED</b>			
Purchase of Green Leaf		124.36	72.68
		<b>124.36</b>	<b>72.68</b>
<b>30 (INCREASE)/DECREASE IN INVENTORIES OF FINISHED GOODS</b>			
<b>Inventories at the beginning of the year – Tea</b>		100.65	76.79
		<b>100.65</b>	<b>76.79</b>
<b>Inventories at the end of the year – Tea</b>		175.62	100.65
		<b>175.62</b>	<b>100.65</b>
<b>Total changes in inventories of finished goods</b>		<b>(74.97)</b>	<b>(23.86)</b>



(Rs. in Lakhs)

**NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>31 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries & Wages	1,559.21	1,325.34
Contribution to Provident and Gratuity Funds	167.59	179.60
Staff Welfare Expenses	130.28	121.77
	<b>1,857.08</b>	<b>1,626.71</b>
<b>Less :- Transferred to CWIP</b>	<b>8.64</b>	59.55
	<b>1,848.44</b>	<b>1,567.16</b>
<b>32 FINANCE COST</b>		
Interest Expenses		
To Banks on Working Capital Loans	26.71	25.57
To Others	0.05	0.05
<b>Other Borrowing Costs</b>		
Other Financial Charges	3.15	3.08
	<b>29.91</b>	<b>28.70</b>
<b>33 DEPRECIATION AND AMORTIZATION EXPENSES</b>		
On Property Plant & Equipment	38.59	37.25
On other Intangible Assets	0.28	0.77
<b>Total</b>	<b>38.87</b>	<b>38.02</b>
<b>34 OTHER EXPENSES</b>		
<b>(A) Manufacturing Expenses</b>		
Stores, Spare Parts & Packing Materials Consumed	495.57	465.98
Power & Fuel	202.56	142.89
Repairs to Buildings	17.14	13.04
Repairs to Machinery	41.85	45.96
	<b>757.12</b>	<b>667.87</b>
Less :- Transferred to CWIP	3.97	3.02
<b>TOTAL - A</b>	<b>753.15</b>	<b>664.85</b>
<b>(B) Selling and Administration Expenses</b>		
Freight & Cartage	18.05	23.49
Running & Maintenance Expenses to Vehicles	61.20	44.78
Repairs to Other Assets	13.02	11.21
Commission, Brokerage & Discount	33.17	31.00
Warehousing & Other Selling Expenses	20.28	21.31
Rates & Taxes	4.01	4.63
Insurance	7.31	7.13



(Rs. in Lakhs)

**NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Auditors' Remuneration -</b>		
<b>Statutory Auditors -</b>		
Audit Fees	2.45	1.95
Certificate & Tax Audit Fees	2.30	2.30
Loss on Sale of Fixed Assets	-	0.05
Professional Fees	48.37	48.62
Rent	32.15	32.37
Service Charges	15.99	23.94
Travelling Expenses	7.28	6.43
Director Sitting Fees	3.35	2.95
Other Miscellaneous Expenses	44.06	37.52
<b>TOTAL - B</b>	<b>312.99</b>	<b>299.68</b>
<b>TOTAL - A + B</b>	<b>1,066.14</b>	<b>964.53</b>
<b>35 TAX EXPENSE</b>		
Current Tax	73.73	90.64
Provision for Earlier Year	2.50	1.55
Deferred Tax	35.85	194.07
	<b>112.08</b>	<b>286.26</b>
<b>35.1 Reconciliation of estimated Income Tax expense at Indian statutory Income Tax rate to income Tax expense reported in statement of Profit &amp; Loss</b>		
Profit / (Loss) before income tax expense	1,261.25	1,705.82
Indian Statutory Income Tax rate	25.17%	25.17%
<b>Estimated Income Tax Expense</b>	<b>317.43</b>	<b>429.32</b>
<i>Tax effect of adjustments to reconcile expected Income Tax expense to reported Income Tax expense</i>		
Tax payable at different rates	13.86	2.76
Tax payable at Earlier Year	2.50	1.55
Deferred Tax on tax holiday reversed	(7.64)	(4.60)
Deferred Tax assets reversal due to obtaining of Sec. 115BAA of I. Tax Act., 1960	-	158.91
Tax payable on others	(214.07)	(301.68)
<b>Total</b>	<b>(205.35)</b>	<b>(143.06)</b>
<b>Income Tax Expense in Statement of Profit &amp; Loss</b>	<b>112.08</b>	<b>286.26</b>



**NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>36 OTHER COMPREHENSIVE INCOME</b>		
<b>Items that will not be reclassified to profit or loss</b>		
Remeasurement of the defined benefit plans	63.06	(34.75)
Add/(Less): Tax expense on the above	(15.87)	8.74
	<b>47.19</b>	<b>(26.01)</b>
<b>37 Earning per Shares</b>		
Nominal Value of Equity Shares (Rs.)	10.00	10.00
Profit attributed to the Equity shareholders of the Company	1,149.17	1,419.56
Weighted average number of equity shares	8,00,000	8,00,000
Basis and diluted earning per shares (Rs.)	<b>143.65</b>	<b>177.45</b>

There are no dilutive equity shares in the Company.

**38** Contingent Liabilities, Contingent Assets & Commitment to the extent not provided for :

**38.1 Contingent Liabilities**

There are no contingent liabilities.

**38.2 Contingent Assets**

There are no contingent assets.

**38.3 Commitments**

Sl. No	Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
i.	Estimated amount of contracts remaining to be executed on Capital Account (net of advances)	12.60	-

**NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022****39 Assets pledged as security**

The carrying amounts of assets pledged as security for current are:

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Current</b>		
<b>Other Current assets</b>	45.04	47.90
<b>First charge</b>		
Trade Receivables	27.84	51.83
<b>Floating charge</b>		
Cash and Cash equivalents	117.93	215.00
Receivables	21.97	4.78
	<b>212.78</b>	<b>319.51</b>
<b>Non-Financial Assets</b>		
<b>First charge</b>		
Inventories	305.71	175.55
Biological Assets	28.56	10.32
	<b>334.27</b>	<b>185.87</b>
<b>Total Current Assets pledged as security</b>	<b>547.05</b>	<b>505.38</b>
<b>Non-Current</b>		
<b>First charge</b>		
Property, Plant & Equipment	369.52	222.07
Intangible Assets	0.17	0.45
Capital work in Progress	-	-
Other	74.73	0.13
Financial Assets	0.16	33.63
<b>Total Non-Currents Assets pledged as security</b>	<b>444.58</b>	<b>256.28</b>
<b>Total Assets pledged as security</b>	<b>991.62</b>	<b>761.66</b>



**NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

**40 Disclosure as required under the micro, small and medium enterprises development act, 2006, to the extent ascertained, and as per notification number GSR 679 (E) dated 4<sup>th</sup> September, 2015**

Sl. No	Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
i	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each F.Y.	-	0.13
ii	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii	The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
iv	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
v	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

The above information has been determined to the extent such parties identified on the basis of information available with the Company.

**41 Leases**

**41.1 As Lessee**

The Company has no assets under finance lease.

**41.2 Operating Lease as lessee**

The Company's significant leasing arrangements are in respect of operating leases for premises and tea estates. These leasing arrangements include both cancellable and non-cancellable terms range between 11 months and 5 years generally, or longer, and are usually renewable by statute or mutual consent on mutually agreeable terms as applicable. The aggregate lease rentals payable are charged as 'Rent' under Note 31. With respect to non-cancellable operating lease, the future minimum lease payment at the balance sheet date is as under.

**41.2.1 Future Minimum Lease Payments**

At 31<sup>st</sup> March, 2022 the future minimum lease payments to be made under non-cancellable operating leases are as follows :

Particulars	For the year ended 31 <sup>st</sup> March, 2022	For the year ended 31 <sup>st</sup> March, 2021
Payables within one year	-	-

**41.2.2 Amounts recognized in Profit or Loss**

Particulars	For the year ended 31 <sup>st</sup> March, 2022	For the year ended 31 <sup>st</sup> March, 2021
Total rental expense relating to operating leases	32.15	32.37



**NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

42 Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits' as notified u/s 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014 (As identified & certified by the Management)

**42.1 Defined Contribution Plan :**

The Company makes contribution towards provident fund to a defined contribution retirement plan for qualifying employees. The Provident fund plan is operated by statutory authorities. Under the said scheme the company is required to contribute a specific percentage of pay roll costs in respect of eligible employees to the retirement benefit scheme to fund the benefits.

The amount recognized as an expense for the Defined Contribution Plans are as under :

Sl. No.	Particulars	For the year ended 31 <sup>st</sup> March, 2022	For the year ended 31 <sup>st</sup> March, 2021
a	Provident Fund	127.25	108.67

**42.2 Defined Benefit Plan :**

The following are the types of defined benefit plans

**42.2.1 Gratuity Plan**

The Company makes annual contribution of gratuity to gratuity funds duly constituted and administered by independent trustees and funded with M/s Reliance Nippon Life Insurance Company Limited / independent trust for the qualifying employees. The scheme provides for a lump sum payment to vested employees upon retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service upto maximum limit of Rs. 20,00,000/-. Vesting occurs upon completion of 5 years of continuous service.

The present value of defined obligation and related current cost are measured using the projected unit credit method with actuarial valuation being carried out at each balance sheet date.

**42.2.2 Risk Exposure**

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below :

**(A) Interest Rate risk :**

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

**(B) Liquidity Risk :**

This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash / cash equivalent to meet the liabilities or holding of liquid assets not being sold in time.

**(C) Salary Escalation Risk :**

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

**(D) Demographic Risk :**

The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

**(E) Regulatory Risk :**

Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of Rs. 20,00,000/-).



**NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

**(F) Asset Liability Mismatching or Market Risk :**

The duration of the liability is longer compared to duration of assets, exposing the Company to market risk for volatilities/fall in interest rate.

**(G) Investment Risk :**

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

**42.2.3 Reconciliation of the net defined benefit (asset)/ liability**

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset)/ liability and its components:

Particulars	Gratuity	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Net Defined Benefit (Asset)/Liability at the beginning of the year</b>	<b>627.68</b>	<b>488.62</b>
Current Service Cost	36.46	34.72
Interest Cost on Defined Benefit Obligation	42.65	33.45
<b>Actuarial Gain and Losses arising from</b>		
Changes in demographic assumptions	-	-
Changes in financial assumptions	(19.83)	7.78
Experience Adjustment	(21.79)	63.11
Benefits Paid from the Plan Assets	(38.74)	-
<b>Net Defined Benefit (Asset)/Liability at the end of the year</b>	<b>626.43</b>	<b>627.68</b>

**42.2.4 Reconciliation of the Plan Assets**

The following table shows a reconciliation from the opening balances to the closing balances for the Plan Assets and its components :

Particulars	Gratuity	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Fair Value of Plan Assets at the beginning of the year</b>	<b>580.56</b>	<b>495.90</b>
Interest Income on Plan Assets	39.45	33.94
<b>Remeasurement of Defined Benefit Obligation:</b>		
Return on plan assets greater/ (lesser) than discount rate	(0.42)	36.14
Employer Contributions to the Plan	68.97	41.62
Benefits Paid from the Plan Assets	(38.74)	(27.04)
<b>Fair Value of Plan Assets at the end of the year</b>	<b>649.82</b>	<b>580.56</b>

**42.2.5 Expenses recognized in profit or loss**

Particulars	Gratuity	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Current Service Cost	36.46	34.72
Interest Income on Plan Assets	3.20	(0.50)





(Rs. in Lakhs)

**NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022****42.2.6 Remeasurements recognized in other comprehensive income**

Particulars	Gratuity	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Actuarial (gain)/ Loss on defined benefit obligation	(41.62)	70.89
Return on plan assets greater/ (lesser) than discount rate	0.42	(36.14)

**42.2.7 Major Categories of Plan Assets**

Particulars	Gratuity	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Qualified Insurance Policy	100%	100%

The Gratuity Scheme is invested in a Defined Benefit Gratuity Plan managed by M/s Reliance Nippon Life Insurance Company Ltd and the Independent Administered Gratuity Fund. The information on the allocations of fund managed by M/s Reliance Nippon Life Insurance Company Ltd into major assets classes and expected return on each major classes are not readily available. The expected rate of return on plan assets is based on the assumed rate of return provided by Company's actuary.

**42.2.8 Asset-Liability Matching Strategy**

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis & is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the assets).

**42.2.9 Actuarial Assumptions**

Particulars	Gratuity	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Financial Assumptions</b>		
Discount Rate	7.25%	6.80%
Salary Escalation Rate	5% for the first two years and 4% thereafter	5% for the first two years and 4% thereafter
<b>Demographic Assumptions</b>		
Mortality Rate	100.00%	100.00%
Withdrawal Rate	1%	1%

**42.2.10** The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

**42.2.11** At 31<sup>st</sup> March, 2022, the weighted average duration of the defined benefit obligation was 9 years (previous year 9 years). The distribution of the timing of benefits payment i.e., the maturity analysis of the benefit payments is as follows:



(Rs. in Lakhs)

**NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

Particulars	Gratuity	Gratuity
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Expected benefits payment (valued on undiscounted basis)</b>		
Within next 12 months (next annual reporting period)	96.10	103.51
Between 2 and 5 years	196.07	174.53
Between 6 and 10 years	252.66	233.40
Beyond 10 years	845.05	846.65

42.2.12 The Company expects to contribute Rs. Nil (Previous year Rs. 68.97/- lakh) to its gratuity fund in 2021-2022.

42.2.13 The following payments are expected contributions to the defined benefit plan in future years:

Particulars	Gratuity	Gratuity
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Expected contributions</b>		
Within next 12 months (next annual reporting period)	-	68.97

42.2.14 Employee Benefit Expense also includes provident funds in the nature of defined benefit plans contribution amounting to Rs. 127.25/- lakh (Previous year Rs. 108.67/- lakh)

**42.2.15 Sensitivity Analysis**

The sensitivity analyses below have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	Gratuity	Gratuity
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Effect on DBO due to 1% increase in Discount Rate	576.44	575.46
Effect on DBO due to 1% decrease in Discount Rate	684.59	688.76
Effect on DBO due to 1% increase in Salary Escalation Rate	685.82	689.78
Effect on DBO due to 1% decrease in Salary Escalation Rate	574.63	573.78
Effect on DBO due to 1% increase in Attrition Rate	634.00	634.52
Effect on DBO due to 1% decrease in Attrition Rate	618.41	620.42
Effect on DBO due to 1% increase in Mortality Rate	626.92	628.11
Effect on DBO due to 1% decrease in Mortality Rate	625.94	627.24

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

**43 Related Party Disclosures**

**43.1 Name of the related parties and description of relationship**

- A Subsidiaries of the Company - NIL
- B Enterprises/Individual having control over the Company - NIL



**NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

**C Key Management Personnel**

- i) Mr. Dharendra Kumar - Director
- ii) Mrs. Divya Jalan - Director
- iii) Mrs. Shashi Kumar - Director
- iv) Mr. Hemant Kumar Agrawal - Director
- v) Mr. Golam Momen - Independent Director
- vi) Mr. Ghanshyam Das Gupta - Independent Director
- vii) Mr. Gaurav Gupta - Independent Director
- viii) Mr. Naveen Bansal - Independent Director
- ix) Mr. Kartik Narayan Singh - Whole-time Director & CEO
- x) Mrs. Ritu Bhattar - Company Secretary
- xi) Mr. Manoj Sureka - Chief Financial Officer

**D Entities over which Key Management Personnels are able to exercise control/joint control**

01. SPBP TEA PLANTATION LTD	16. KILBURN SOFTWARE TECHNOLOGIES INDIA LTD
02. R D TEA LTD	17. ANA VINCOM PVT LTD
03. CONTEMPORARY POLYSACKS LTD	18. ARHAM VYAPAAR PVT LTD (FROM 28TH JULY 2020)
04. ROSEBUD COMMERCIAL CO. PVT LTD	19. PUSHPDANT VYAPAAR PVT LTD (FROM 28TH JULY 2020)
05. SHWETAMBRA INVESTMENT & TRADING PVT LTD	20. VASHULINGA FINANCE PVT LTD
06. PARK TOWERS INVESTMENTS AND SERVICES PVT LTD	21. RAMAN AND COMPANY PVT LTD
07. J K PAPER LTD.	22. AAR VEE TRADING COMPANY PVT LTD
08. JUST DESSERTS LTD	23. MIRACLE DEALERS PVT LTD
09. MARYADA ADVISORY SERVICES PVT LTD	24. RUDRAPRIYA DEALCOM PVT LTD
10. NIRVAN COMMERCIAL CO. LTD	25. CASTLETON CAPITAL PVT LTD
11. SHREE DURGA AGENCIES LTD	26. CASTLETON OUTSOURCE LTD
12. GOLDEN SLIPPERS SPIRITS PVT. LTD. (FORMALY HOPWORKZ RESTAURANTS PVT LTD.)	27. POTERS CREATION PVT LTD
13. SUPRIYA FINANCE LTD	28. PURUSHOTTAM INVESTMENTS PVT LTD
14. SAKET FISCAL SERVICES PVT LTD	29. DEVBHUMI VANIJYA PVT LTD
15. SANDEEP INVESTMENTS LTD	30. ARVIND AND COMPANY PVT LTD

**E Post Employment Benefit Plan**

THE SCOTTISH ASSAM (INDIA) LIMITED GRATUITY FUND

**NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022****43.2 Summary of transactions with the related parties**

Particulats	Entitles in which Individual/ relatives having control is/are key management personnel or have significant influence	Key Management Personnel	Post Employment Benefit Plan
Loan Repayment	- (-)	4.34 (3.00)	- (-)
Rent Paid	9.99 (9.99)	19.80 19.80	- (-)
Sales of Goods	0.93 (0.16)	- (-)	- (-)
Sitting Fees	- (-)	3.35 (2.95)	- (-)
Salary / Remuneration	11.76 (9.51)	40.48 (29.61)	- (-)
Professional Charges	24.75 (16.00)	- (-)	- (-)
Outstanding for Services	- (-)	- (3.02)	- (-)
Provision towards post employment benefit plan	- (-)	- (-)	- (68.97)

**43.3 Summary of Closing Balance Outstanding with the related parties**

Particulats	Entitles in which Individual/ relatives having control is/are key management personnel or have significant influence	Key Management Personnel	Post Employment Benefit Plan
Loan Outstanding	- (-)	3.16 (7.50)	- (-)
Outstanding for Services	- (-)	- (3.02)	- (-)

**NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022****43.4 Key Management Personnel compensation**

Particulars	For the year ended 31 <sup>st</sup> March, 2022	For the year ended 31 <sup>st</sup> March, 2021
Short-term employee benefits	-	-
Post-employment benefits	8.34	8.68
<b>Total compensation</b>	<b>8.34</b>	<b>8.68</b>

**43.5 Major terms and conditions of transactions with related parties**

Transactions with related parties are carried out in the normal course of business and are made on terms equivalent to those that prevail in arm's length transactions. Loans to related parties which are generally for a period of one to three years. Loans paid to Director's are at terms as extended to all employees of the company.

**44 Segment Reporting**

Based on the guiding principles given in the Ind As 108 on operating segment the Company is a single segment company engaged in the manufacture of tea and the company does not have any secondary / geographical segments.

**45 Ratio Analysis and Its Elements**

Ratio Type	Numerator	Denominator	March 31, 2022	March 31, 2021	Variance %	Reasons for Variance
			Ratio	Ratio		
Current Ratio	Current Assets	Current Liabilities	0.71	0.54	31.73%	Due to decrease in trade payables and repayment of borrowings.
Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.06	0.10	-37.03%	Due to repayment of borrowings.
Debt Service Coverage Ratio	Earning before interest, depreciation & Taxes (Profit after Tax + Interest + Depreciation + other Adjustment like loss on sale of Fixed Assets etc)	Debt service = Interest & Lease Payments + Principal Repayments	9.40	61.87	-84.81%	Due to repayment of borrowings & decrease in earning before interest and Taxes.
Return on equity ratio	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	0.19	0.30	-36.08%	Due to decrease in Net profit after Tax.
Inventory Turnover Ratio	Cost of goods sold OR sales	Average inventory = (Opening + Closing balance / 2)	25.51	35.40	-27.94%	Due to increase in sales & average inventory.



**NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

Ratio Type	Numerator	Denominator	March 31, 2022	March 31, 2021	Variance %	Reasons for Variance
			Ratio	Ratio		
Trade Receivables turnover ratio	Net Credit Sales=Net credit sales consist of gross credit sales minus sales return. Trade receivables includes sundry debtors and bill's receivables.	Average trade debtors = (Opening + Closing balance / 2)	88.45	96.48	-8.32%	
Trade Payables turnover Ratio	Net Credit Purchases =Net credit purchases consist of gross credit purchases minus purchase return	Average Trade Payables	5.63	3.02	86.33%	Due to decrease in trade payables.
Net Capital turnover ratio	Net Sales=Net sales shall be calculated as total sales minus sales returns.	Working Capital =Working capital shall be calculated as current assets minus current liabilities.	-15.18	-7.04	115.56%	Due to increase in working Capital
Net Profit Ratio	Net profit shall be after tax	Net Sales =Net sales shall be calculated as total sales minus sales returns.	0.33	0.45	-27.85%	Due to decrease in net profit.
Return on Capital Employed	Earning before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.18	0.29	-36.65%	Due to decrease in earning before interest and tax.
Return on Investments	Interest (Finance Income)	Investment	0.12	0.26	-51.63%	Due to decrease in MTM gain on Investment based on market returns.

**NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022****46 Fair Value Measurement**Categories of Financial Assets & Financial Liabilities as at 31<sup>st</sup> March, 2022 and 31<sup>st</sup> March, 2021

Particulars	As at 31 <sup>st</sup> March, 2022			As at 31 <sup>st</sup> March, 2021		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
<b>Financial Assets</b>						
Investment						
- Equity Instruments	0.03	-	-	0.03	-	-
- Mutual Fund	6,388.59	-	-	5,521.60	-	-
Trade Receivables	-	-	27.84	-	-	51.83
Cash and Cash Equivalents	-	-	117.93	-	-	215.00
Bank balances other than above	-	-	8.87	-	-	8.80
Loans	-	-	3.16	-	-	8.10
Other Financial Assets	-	-	46.85	-	-	30.31
<b>Total Financial Assets</b>	<b>6,388.62</b>	<b>-</b>	<b>204.65</b>	<b>5,521.63</b>	<b>-</b>	<b>314.04</b>
<b>Financial Liabilities</b>						
Borrowings	-	-	403.60	-	-	528.38
Trade Payables	-	-	71.81	-	-	148.42
Other Financial Liabilities	-	-	285.34	-	-	250.39
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>760.75</b>	<b>-</b>	<b>-</b>	<b>927.19</b>

**47 Fair Values of Financial Assets and Financial Liabilities measured at Amortised Cost**

47.1 The management assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, short term borrowings, and other financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

47.2 For Financial assets and liabilities that are measured at fair value, the carrying amounts are equal to their fair values.

47.3 The fair value of the financial assets and financial liabilities is included at the amount at which the instruments could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

47.4 The following methods and assumptions were used to estimate the fair values :

47.4.1 The fair values of non-current borrowing are based on the discounted cash flows using a current borrowing rate. They are classified as Level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own credit risks, which was assessed as on the balance sheet date to be insignificant.

**48 Fair Value Hierarchy****48.1 Financial Instrument**

The following are the judgements & estimates made in determining the fair values of the financial instruments that are (a) recognized & measured at fair value and (b) measured at amortized cost & for which fair value are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the 3 levels of fair value measurement as prescribed under the Ind AS 113 "Fair Value Measurement". An explanation of each level follows underneath the tables.

**Assets and Liabilities measured at Fair Value - recurring fair value measurements as at 31<sup>st</sup> March, 2022 & 31<sup>st</sup> March, 2021**

**NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

Particulars	As at 31st March, 2022			As at 31st March, 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial Assets</b>						
Investment						
- Equity Instruments	-	0.03	-	-	0.03	-
- Mutual Funds	6,388.59	-	-	5,521.60	-	-
<b>Total Financial Assets</b>	<b>6,388.59</b>	<b>0.03</b>	<b>-</b>	<b>5,521.60</b>	<b>0.03</b>	<b>-</b>

**48.1.1 Valuation Technique**

Specific valuation techniques used to value financial instruments include:

- the level 1 Financial assets has been valued by use of quoted market prices or dealer quotes for similar instruments.
- the fair value of level 2 instruments consist of the unquoted equity instruments. They have been carried at carrying value as reliable valuation of these instruments was not possible.

There were no transfer between Level 1 and Level 2 during the year.

The Equity instruments has been consider at their book value due to immaterial of investment and unavailability of sufficient data to value those instruments. Hence, same has been classified as level 3.

**48.2 Biological assets other than bearer plants**

This section explains the judgements and estimates made in determining the fair values of the biological assets other than bearer plants that are recognised and measured at fair value in the financial statements. The Company uses a Valuation technique that is appropriate in the circumstances and for which sufficient data are available to measure the fair value, maximising the use of relevant observable inputs.

**Biological Assets measured at Fair Value less cost to sell as at 31<sup>st</sup> March, 2022 and 31<sup>st</sup> March, 2021**

Particulars	As at 31 <sup>st</sup> March, 2022			As at 31 <sup>st</sup> March, 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Non Financial Assets</b>						
Biological Assets other than Bearer						
Plant	-	-	-	-	-	-
- Unharvested Tea Leaf	-	28.56	-	-	10.32	-
<b>Total Non Financial Assets</b>	<b>-</b>	<b>28.56</b>	<b>-</b>	<b>-</b>	<b>10.32</b>	<b>-</b>





**NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

**48.2.1 Valuation Technique**

Fair value is being arrived at based on the observable market prices of made tea adjusted for manufacturing costs. The same is applied on quantity of the tea leaves unharvested using plucking averages of various fields.

**48.3** During the year ended March 31, 2022 and March 31, 2021. There are no transfers between level 1, level 2 and level 3.

**48.3.1 Level 1** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

**48.3.2 Level 2** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**48.3.3 Level 3** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration included in level 3.

**48.4 Explanation to the fair value hierarchy**

The Company measures financial instruments, such as, quoted investments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

**49 Financial Risk Management**

Financial management of the Company has been receiving attention of the top management of the Company. The management considers finance as the lifeline of the business and therefore, financial management is carried out meticulously on the basis of detailed management information systems and reports at periodical intervals extending from daily reports to long-term plans. Importance is laid on liquidity and working capital management with a view to reduce over-dependence on borrowings and reduction in interest cost. Various kinds of financial risks and their mitigation plans are as follows:

**49.1 Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations leading to financial loss. The Company has an established credit policy and a credit review mechanism. Credit exposure is undertaken only with large reputed business houses and with no history of default against payments. Based on the business model, macro economic environment of the business and past trends, the management has determined nil percentage for any class of financial asset under expected credit loss.



**NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

**49.2 Liquidity Risk**

The Company determines its liquidity requirement in the short, medium and long term. This is done by drawings up cash forecast for short term and long term needs. The Company manage its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity monitoring future cash flow and liquidity on a regular basis. Surplus funds not immediately required are invested in certain mutual funds and fixed deposit which provide flexibility to liquidate. Besides, it generally has certain undrawn credit facilities which can be assessed as and when required; such credit facilities are reviewed at regular basis.

**49.2.1 Maturity Analysis for financial liabilities**

a The following are the remaining contractual maturities of financial liabilities as at 31<sup>st</sup> March, 2022

Particulars	On Demand	Less than 6 months	6 months to 1 year	1 years to 5 years	More than 5 years	Total
<b>Borrowings</b>						
Working Capital loans repayable on demand	383.62	-	-	-	-	383.62
Working Capital Loan from Bank		4.50	4.50	10.98		19.98
Trade payables	-	71.81	-	-	-	71.81
Other financial liabilities	285.34	-	-	-	-	285.34
<b>Total</b>	<b>668.96</b>	<b>76.31</b>	<b>4.50</b>	<b>10.98</b>	<b>-</b>	<b>760.75</b>

b The following are the remaining contractual maturities of financial liabilities as at 31<sup>st</sup> March, 2021

Particulars	On Demand	Less than 6 months	6 months to 1 year	1 years to 5 years	More than 5 years	Total
<b>Borrowings</b>						
Working Capital loans repayable on demand	396.58	-	-	-	-	396.58
Working Capital Loan from Bank		37.25	39.50	55.05		131.80
Trade payables	-	148.42	-	-	-	148.42
Other financial liabilities	250.39	-	-	-	-	250.39
<b>Total</b>	<b>646.97</b>	<b>185.67</b>	<b>39.50</b>	<b>55.05</b>	<b>-</b>	<b>927.19</b>

c The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements (if any). The interest payments on variable interest rate loans in the tables above reflect market forward interest rates at the respective reporting dates and these amounts may change as market interest rates change. Except for these financial liabilities, it is not expected that cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts. When the amount payable is not fixed, the amount disclosed has been determined with reference to conditions existing at the reporting date.

**NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022****49.3 Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three type of risks: Commodity Risk, Interest Rate Risk and Other Price Risk.

**49.3.1 Commodity Risk**

Cultivation of tea being an agricultural activity, there are certain specific financial risks. These financial risks arise mainly due to adverse weather conditions, logistic problems inherent to remote areas, and fluctuation of selling price of tea due to increase in supply/availability.

The Company manages the above financial risks in the following manner:

- i) Sufficient inventory levels of chemicals, fertilisers and other inputs are maintained so that timely corrective action can be taken in case of adverse weather conditions.
- ii) Slightly higher level of consumable stores viz. packing materials and HSD are maintained in order to mitigate financial risk arising from logistics problems.
- iii) Sufficient working-capital-facility is obtained from banks in such a way that cultivation, manufacture and sale of tea is not adversely affected even in times of adverse conditions.

**49.3.2 Interest Rate Risk**

The Company is exposed to risk due to interest rate fluctuation on long term borrowings. Such borrowings are based on fixed as well as floating interest rate. Interest rate risk is determined by current market interest rates, projected debt servicing capability and view on future interest rate.

The Company is also exposed to interest rate risk on surplus funds parked in fixed deposits and loans. To manage such risks, such investments are done mainly for short durations, in line with the expected business requirements for such funds.

**a Exposure to interest rate risk**

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Fixed Rate Instruments</b>		
Borrowing at Floating Rate	403.60	528.38
Borrowing at Fixed Rate	-	-

**b Sensitivity Analysis**

Profit or loss is sensitive to higher/ lower interest expense from borrowings as a result of changes in interest rates. This analysis assumes that all other variables, in particular exchange rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	As at 31 <sup>st</sup> March, 2022			As at 31 <sup>st</sup> March, 2021		
	Sensitivity Analysis	Impact on		Sensitivity Analysis	Impact on	
		Profit before tax	Other Equity		Profit before tax	Other Equity
Interest Rate Increase by	1%	(4.04)	(3.02)	1%	(5.28)	(3.95)
Interest Rate Decrease by	1%	4.04	3.02	1%	5.28	3.95

**49.3.3 Other Price Risk**

The Company is exposed to equity price risk, which arises from equity instruments measured at fair value through other comprehensive income. The entity's equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. Reports on the equity portfolio are submitted to the entity's senior management on a regular basis. The entity's Board of Directors reviews and approves all equity investment decisions.



**NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

**a Exposure to other market price risk**

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Investment in Mutual Funds	6,388.59	5,521.60
Investment in Equity Shares	0.03	0.03
	<b>6,388.62</b>	<b>5,521.63</b>

**b Sensitivity Analysis**

The table below summarise the impact of increases/decreases of the share/unit price on the Company's equity investment and profit for the period. The analysis is based on the assumption that the share/unit price had increased by 5% or decreased by 5% with all other variables held constant, and that all the company's equity instruments moved in line with the index.

Particulars	As at 31 <sup>st</sup> March, 2022			As at 31 <sup>st</sup> March, 2021		
	Sensitivity Analysis	Impact on		Sensitivity Analysis	Impact on	
		Profit before tax	Other Equity		Profit before tax	Other Equity
Market rate Increase	5.00%	(132.57)	-	5.00%	(232.28)	-
Market rate Decrease	5.00%	132.57	-	5.00%	232.28	-

**49.3.4 Foreign currency risk**

The company has no exposure to foreign exchange currency during the financial year. There were no foreign exchange derivative contracts dealt by the company.

**50 Capital Management**

The Company objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic Investments. Sourcing of capital is done through judicious combination of equity/internal accruals and borrowings, both short term and long term. Net debt (total borrowings less investments and cash and cash equivalents) to equity ratio is used to monitor capital.

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Net Debt	403.60	528.38
Total Equity	6,538.06	5,389.69
Net Debt to Equity Ratio	0.06	0.10

The financial risk associated to agriculture would include climate change, price fluctuation, currency fluctuation & input cost increase. Being dependent on rainfall, any shortfall would directly impact the production. The sale of tea being largely through the auction system, any price fluctuation would impact profitability. Increase wages also has a direct impact on the cost of production because of labour intensive nature of the business operations.

Management is continuously monitoring all the above factors. Investment in irrigation, a planned replanting programme to ensure higher yields and improving efficiency of labour and modernisation are some of the measures taken by the managements to mitigate the risks.



**NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

- 51 Information pursuant to Regulation 34(3) of SEBI(Listing obligation and disclosure requirements) Regulation, 2015  
The company does not have any subsidiary/ associate company.Hence, regulation 34(3) is not applicable to the company.
- 52 **Loans or advances (repayable on demand or without specifying any terms or period of repayment) to specified persons**  
During the year ended March 31, 2022 the Company did not provide any Loans or advances which remains outstanding (repayable on demand or without specifying any terms or period of repayment) to specified persons (Nil as on March 31, 2021).
- 53 **Relationship with Struck off Companies**  
The Company did not have any transaction with companies struck off during the year ended March 31, 2022 and also for the year ended March 31, 2021.
- 54 **Benami Property held**  
No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 55 **Disclosure in relation to undisclosed income**  
The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year ended March 31, 2022 and March 31, 2021 in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
- 56 **Wilful Defaulter**  
Company is not a declared wilful defaulter by any bank or financial institution or other lender.
- 57 **Utilisation of Borrowed funds and share premium**  
The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries. The Company has not advanced or lent or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 58 **Crypto Currency**  
The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended March 31, 2022 and March 31, 2021
- 59 The company has complied with the provisions of number of layers prescribed under clause 87 of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017
- 60 **Applicability of CSR**  
As per the Opinion of Secreterial Auditor and Management, The Company is not getting covered under Sec 135 of the Companies Act 2013 and as such the provisions of CSR are not applicable for the Company.



**NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

- 61 The Board of Director's at its meeting held on 30th May, 2022 recommended final dividend of Rs.6.00 per equity share of face value of Rs.10/- each for the financial year ended 31st March, 2022. The same amounts to Rs. 48.00 lacs. The above is subject to approval at ensuing Annual General Meeting of the Company and hence not recognised as a liability.
- 62 Trade Receivables, Loans, Other Financial Assets and Other Assets include certain overdue and unconfirmed balances. However, in the opinion of the management, these current assets would, in the ordinary course of business, realize the value stated in the accounts.
- 63 Miscellaneous Expenditure includes revenue expenditure on research and development Rs.4.84 lacs (2021: Rs.4.58 lacs) incurred towards subscription to Tea Research Association, UPASI.
- 64 On the basis of notification dated 6th November, 2020 by Govt. of Assam providing tax holiday from the FY2020-21 to FY2022-23 on Agricultural Income Tax, no provision on Agricultural Income Tax has been created for the year ended 31st March, 2022. Further, existing provision of deferred tax in respect of tax holiday period has been reversed.
- 65 The Company's management believes that it has taken into consideration all the possible impact of known events till the date of approval of its financial statements arising from COVID-19 pandemic in the preparation of the financial results. Management is of the view that considering the nature of its business operations, existing customer and supplier relationships and its market position, impact on its business operation, if any, arising from COVID-19 pandemic is not expected to be significant in relation to financial statements prepared. The actual outcome of these assumptions and estimates may vary in future due to impact of pandemic.
- 66 Previous year's figures have been regrouped / rearranged wherever necessary to confirm to the current period's classification.

**As per our report of even date annexed**

For **J K V S & CO.**

Chartered Accountants

Firm Registration No. 318086E

UTSAV SARAF

Partner

Membership No. : 306932

Place : Kolkata

Date : 30<sup>th</sup> day of May, 2022

For and on behalf of the Board of Directors

Mr. DHIRENDRA KUMAR (DIN : 00153773)

Ms. DIVYA JALAN (DIN : 00016102)

Mr. GHANSHYAM DAS GUPTA (DIN : 00174114)

Director

Mr. KARTIK NARAYAN SINGH

(DIN : 07779482)

Mrs. RITU BHATTER

Mr. MANOJ SUREKA

- Wholetime Director

- Company Secretary

- Chief Financial Officer





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