



Annual Report

2019-20



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. Gaurav Gupta - *Independent Director*
Mr. Naveen Bansal - *Independent Director*
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*
Ms. Sreya Bose - *Company Secretary & Compliance Officer*

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. Ghanshyam Das Gupta
Mr. Naveen Bansal

AUDITORS

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

TEA ESTATE

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

ESTATE GENERAL MANAGER

Mr. Kartik Narayan Singh

BANKERS

PUNJAB NATIONAL BANK
(Formerly known as UNITED BANK OF INDIA)

COMPLIANCE COMMITTEE

Mr. Kartik Narayan Singh
Mr. Sunil Singhi
Ms. Sreya Bose
Mr. Jugal Kishore Bagri

43rd ANNUAL GENERAL MEETING

Date : **29th September, 2020**
Day : **Tuesday**
Time : **11.30 A.M.**
Book Closure : **23rd September, 2020 to
29th September, 2020**
(Both days inclusive)

REGISTERED OFFICE

1, Crooked Lane, Kolkata - 700 069
(CIN): L01132WB1977PLC031175
Phone: (033) 2248 7062
Email: scotishassam@gmail.com | Website: www.scotishassam.com

REGISTRAR

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

STOCK EXCHANGE WHERE SHARES ARE LISTED

The Calcutta Stock Exchange Ltd.

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NOTICE

NOTICE is hereby given that the **43rd Annual General Meeting** of the Members of **THE SCOTTISH ASSAM (INDIA) LIMITED** will be held on Tuesday, 29th day of September, 2020 at 11.30 a.m. IST through video conferencing ("VC")/ other Audio visual Means ("OAVM") to transact the following businesses:-

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended as on 31st March, 2020 together with the reports of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr. Hemant Kumar Agrawal (DIN: 00355116), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS :

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

Re-appointment of Mr. Golam Momen (DIN: 00402662) as an Independent Director for a second term

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 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 of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended to date, Mr. Golam Momen (DIN: 00402662) who was appointed as an Independent Director at the 38th Annual General Meeting of the Company held on 27th July, 2015 and holds office till 26th July, 2020, consent of the members be and is hereby given for the re-appointment of Mr. Golam Momen as an Independent Director of the Company with effect from 27th July, 2020 for a period of five years or till such earlier date to conform with the policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines."

5. **Re-appointment of Mr. Ghanshyam Das Gupta (DIN: 00174114) as an Independent Director for a second term.**

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 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 of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended to date, Mr. Ghanshyam Das Gupta



(DIN: 00174114) who was appointed as an Independent Director at the 38th Annual General Meeting of the Company held on 27th July, 2015 and holds office till 26th July, 2020, consent of the members be and is hereby given for the reappointment of Mr. Ghanshyam Das Gupta as an Independent Director of the Company with effect from 27th July, 2020 for a period of five years or till such earlier date to conform with the policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines."

6. Re-appointment of Mr. Naveen Bansal (DIN: 00720211) as an Independent Director for a second term.

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 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) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended to date, Mr. Naveen Bansal (DIN: 00720211) who was appointed as an Independent Director at the 38th Annual General Meeting of the Company held on 27th July, 2015 and holds office till 26th July, 2020 be and is hereby re-appointed as an Independent Director of the Company with effect from 27th July, 2020, consent of the members be and is hereby given for the reappointment of Mr. Naveen Bansal as an Independent Director of the Company with effect from 27th July, 2020 for a period of five years or till such earlier date to conform with the policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines."

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

7. Re-appointment of Mr. Kartik Narayan Singh as Whole time director for a further period of 5 (five) years

"**RESOLVED THAT** pursuant to Section 196, 197, 198 and 203 read with Schedule V of Companies Act, 2013, and other applicable provisions and rules, if any, of the Companies Act, 2013 and in accordance with Article 80 of the Article of Association of the Company, Mr. Kartik Narayan Singh be and is hereby re-appointed as a Whole-time Director of the Company, designated as Chief Executive Officer (CEO) and General Manager of Heeleakah Tea Estate not liable to retire by rotation, for a further period of five years with effect from 11th February, 2020, or till such date to conform with the policy on retirement as determined by the Board of Directors of the Company and / or by any applicable statutes, rules, regulations or guidelines, on such remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting"

Registered Office:
1, Crooked Lane,
Kolkata - 700 069
Date : The 26th day of August, 2020

By order of the Board

(Dhirendra Kumar)
Director
DIN : 00153773



NOTES :

- i. Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 ('the Act'), relating to the Special Business to be transacted at this Annual General Meeting ('AGM'), is annexed.
- ii. Since this AGM will be held through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM'), Members will not be able to appoint proxies for this meeting. Further, Attendance Slip and Route Map are not being annexed to this Notice.
- iii. Corporate Members are requested to send a scanned copy (in PDF / JPG format) of the Board Resolution authorizing their representatives to attend the AGM, pursuant to Section 113 of the Act, through e-mail:- scotishassam@gmail.com
- iv. In terms of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Resolutions for consideration at this AGM will be transacted through remote e-voting (facility to cast vote prior to the AGM) and also e-voting during the AGM, for which purpose the Board of Directors of the Company ('the Board') have engaged the services of CDSL. The Board has appointed Mr. Pravin Kumar Drolia of M/s. Drolia & Co, as the Scrutinizer for this purpose.
- v. Remote e-voting will commence at 9.00 a.m. on 26th September, 2020 and will end at 5.00 p.m. on 28th September, 2020, when remote e-voting will be blocked by CDSL.
- vi. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members on 22nd September, 2020 (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.
- vii. Pursuant to the Income-tax Act, 1961 read with 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. A communication providing information and detailed instructions with respect to tax on dividend for the financial year ended 31st March, 2020 is being sent separately by the Company to the Members.
- viii. Pursuant to the provisions of Section 124 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 Investors Education and Protection Fund (IEPF) established by Central Government.
An amount of Rs. 0.78 lacs being unclaimed/unpaid dividend of the Company for the financial year ended on 31st March, 2012 were transferred in 14th October, 2019 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 IEPF
2012-2013	31.07.2013	07.09.2020
2013-2014	29.08.2014	06.10.2021
2014-2015	27.07.2015	03.09.2022
2015-2016	22.07.2016	29.08.2023
2016-2017	04.09.2017	11.10.2024
2017-2018	28.08.2018	04.09.2025
2018-2019	30.08.2019	06.09.2026



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 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 2011-2012 may claim their dividend and shares from the Investor Education and Protection Fund, by submitting an application in the prescribed format.

- ix. In conformity with the applicable regulatory requirements, the Notice of this AGM and the Report and Accounts 2020 are being sent only through electronic mode to those Members who have registered their e-mail addresses with the Company or with the Depositories. Members who have not registered their e-mail addresses with the Company or with the Depositories and wish to receive the aforesaid documents are required to register their e-mail addresses, Members may send an e-mail to scottishassam@gmail.com or to absconsultant99@gmail.com for registering their e-mail addresses.
- x. 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 FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

- (i) The voting period begins on **26/09/2020 at 09.00 a.m.** and ends on **28/09/2020 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 (record date) of **22/09/2020** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote in the AGM.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on "Shareholders" module.
- (v) 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.

OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - My easi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

- (vi) Next enter the Image Verification as displayed and Click on Login.



- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below :

	For Shareholders holding shares in Demat Form and Physical Form
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">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.
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">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 as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) 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.
- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) 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.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

- 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.
- For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID +



CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Company/RTA email id.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Shareholder will be provided with a facility to attend the EGM/AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops/I-Pads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. 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 scotishassam@gmail.com. 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 scotishassam@gmail.com. These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM 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 AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

(xix) Note for Non - Individual Shareholders and Custodians

- 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 should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts



they would be able to cast their vote.

- 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 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 viz; **scotishassam@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.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, 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 on 022-23058542/43.

ANNEXURE I TO THE NOTICE

Explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of resolutions at items no 4, 5, 6 and 7.

Item no 4 :

The Members of the Company at the 38th Annual General Meeting held on 27th July, 2015 approved the appointment of Mr. Golam Momen (DIN:00402662) as an Independent Director of the Company for a period of five years with effect from 27th July, 2015.

The Board of Directors of the Company ('the Board') at the meeting held on 27th July, 2020, on the recommendation of the Nomination & Remuneration Committee ('the Committee'), recommended for the approval of the Members, the re-appointment of Mr. Golam Momen as an Independent Director of the Company with effect from 27th July, 2020 as set out in the Resolution relating to his re-appointment.

The Committee and the Board are of the view that, given the contribution to Board processes by Mr. Golam Momen and his knowledge, experience and performance, his continued association would benefit the Company. Declaration has been received from Mr. Golam Momen that he meets the criteria of independence prescribed under Section 149 of the Companies Act, 2013 ('the Act') read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). In the opinion of the Board, Mr. Golam Momen fulfils the conditions specified in the Act & the Rules thereunder and the Listing Regulations for re-appointment as an Independent Director and he is independent of the management of the Company. Mr. Golam Momen only gets sitting fees for attending the meetings of the Board & its Committees, the sitting fees will be determined by the Board.

Consent of the Members by way of Special Resolution is required for re-appointment of Mr. Golam Momen in terms of Section 149 of the Act. Further, pursuant to Regulation 17 of the Listing Regulations, consent of the Members by way of Special Resolution is also required for continuation of a Non-Executive Director beyond the age of seventy five years.

Requisite Notice under Section 160 of the Act proposing the re-appointment of Mr. Golam Momen has been received by the Company, and consent has been filed by Mr. Momen pursuant to Section 152 of the Act.

Mr. Golam Momen and his relatives are interested in this Special Resolution. None of the other Directors and Key Managerial Personnel



of the Company, or their relatives, is interested in this Special Resolution.

The Board recommends this Special Resolution for your approval.

Item no 5 :

The Members of the Company at the 38th Annual General Meeting held on 27th July, 2015 approved the appointment of Mr. Ghanshyam Das Gupta (DIN: 00174114) as an Independent Director of the Company for a period of five years with effect from 27th July 2015.

The Board of Directors of the Company ('the Board') at the meeting held on 27th July, 2020, on the recommendation of the Nomination & Remuneration Committee ('the Committee'), recommended for the approval of the Members, the re-appointment of Mr. Ghanshyam Das Gupta as an Independent Director of the Company with effect from 27th July, 2020 as set out in the Resolution relating to his re-appointment.

The Committee and the Board are of the view that, given the contribution to Board processes by Mr. Ghanshyam Das Gupta and his knowledge, experience and performance, his continued association would benefit the Company. Declaration has been received from Mr. Ghanshyam Das Gupta that he meets the criteria of independence prescribed under Section 149 of the Companies Act, 2013 ('the Act') read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). In the opinion of the Board, Mr. Ghanshyam Das Gupta fulfils the conditions specified in the Act & the Rules thereunder and the Listing Regulations for re-appointment as an Independent Director and he is independent of the management of the Company. Mr. Ghanshyam Das Gupta only gets sitting fees for attending the meetings of the Board & its Committees, the sitting fees will be determined by the Board.

Consent of the Members by way of Special Resolution is required for re-appointment of Mr. Ghanshyam Das Gupta in terms of Section 149 of the Act. Further, pursuant to Regulation 17 of the Listing Regulations, consent of the Members by way of Special Resolution is also required for continuation of a Non-Executive Director beyond the age of seventy five years Mr. Ghanshyam Das Gupta will attain the age of seventy five years on 11th November, 2022. This Special Resolution, once passed, shall also be deemed as your approval under the Listing Regulations, for continuation of Mr. Ghanshyam Das Gupta as an Independent Director beyond the age of seventy five years.

Mr. Ghanshyam Das Gupta and his relatives are interested in this Special Resolution. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Special Resolution.

The Board recommends this Special Resolution for your approval.

Item no 6 :

The Members of the Company at the 38th Annual General Meeting held on 27th July, 2015 approved the appointment of Mr. Naveen Bansal (DIN: 00720211) as an Independent Director of the Company for a period of five years with effect from 27th July 2015.

The Board of Directors of the Company ('the Board') at the meeting held on 27th July, 2020, on the recommendation of the Nomination & Remuneration Committee ('the Committee'), recommended for the approval of the Members, the re-appointment of Mr. Naveen Bansal as an Independent Director of the Company with effect from 26th July, 2020, as stated in the Resolution relating to his re-appointment.

The Committee and the Board are of the view that, given the contribution to Board processes by Mr. Naveen Bansal and his knowledge, experience and performance, his continued association would benefit the Company. Declaration has been received from Mr. Naveen Bansal that he meets the criteria of independence prescribed under Section 149 of the Companies Act, 2013 ('the Act') read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). In the opinion of the Board, Mr. Naveen



Bansal fulfils the conditions specified in the Act & the Rules thereunder and the Listing Regulations for re-appointment as an Independent Director and he is independent of the management of the Company. Mr. Naveen Bansal only gets sitting fees for attending the meetings of the Board & its Committees, the sitting fees will be determined by the Board.

Mr. Naveen Bansal and his relatives are interested in this Special Resolution. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Special Resolution.

The Board recommends this Special Resolution for your approval.

Item no 7 :

The Members at the 40th Annual General Meeting held on 04th September, 2017 approved the appointment of Mr. Kartik Narayan Singh as Whole-time Directors of the Company for a period of three years with effect from 11th February, 2017. Mr. Kartik Narayan Singh completed his present terms on 10th February, 2020.

The Board of Directors of the Company ('the Board') at the meeting held on 03rd February, 2020, on the recommendation of the Nomination & Remuneration Committee, recommended for the approval of the Members, the re-appointment of Mr. Kartik Narayan Singh as Whole-time Directors of the Company, as set out in the Resolution relating to the re-appointment. The remuneration of Mr. Kartik Narayan Singh detailed below:-

SALARY

The remuneration of Rs.15.49 lacs per annum plus Leave Salary, will be payable to him during his tenure and which may be revised from time to time by the Board up to the limit prescribed in Schedule V of The Companies Act, 2013.

PERQUISITES

The above remuneration is inclusive of Bonus, Medical expenses and LTA. Mr. Kartik Narayan Singh shall also be entitled for 30 days leave per year. However, he may encash the leave as per the Company Policy.

Requisite Notices under Section 160 of the Act proposing the re-appointment of Mr. Kartik Narayan Singh has been received by the Company, and consents have been filed by Mr. Kartik Narayan Singh pursuant to Section 152 of the Act. Additional information in respect of Mr. Kartik Narayan Singh, pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings, is appearing in the Report and Accounts.



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]

Name	Mr. Golam Momen	Mr. Ghanshyam Das Gupta	Mr Naveen Bansal	Mr. Hemant Kumar Agrawal	Mr. Kartik Narayan Singh
DIN	00402662	00174114	00720211	00355116	07779482
Date of Birth	06/06/1933	28/11/1947	12/01/1965	04/06/1965	24/07/1958
Date of Appointment	27/07/2015	27/07/2015	13/02/2015	26/05/2015	11/02/2017
Experience in specific area	Extensive Knowledge & Experience as a Director for many years	Extensive Knowledge & Experience as a Director for many years	Extensive Knowledge & Experience as a Director for many years	Extensive Knowledge & Experience as a Director for many years	Tea estate management
Qualification	Graduation	Chartered Accountant	Graduation	Graduation	Graduation
Terms and condition of appointment/Re-appointment	Re-appointment as an Independent Directors	Re-appointment as an Independent Directors	Re-appointment as an Independent Directors	Re-appointment of Retiring by rotation	Re-appointment of Retiring by rotation
Last Drawn Remuneration	Not Applicable	Not Applicable	Not Applicable	Not Applicable	15.49 lacs
Relationship with other director and key managerial personnel	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Directorship in companies	Harrisons Malayalam Ltd Baghmari Tea Co Ltd Kanco Tea & Industries Ltd Digjam Ltd Bengal Tea & Fabrics Ltd Empire & Singlo Tea Ltd Apeejay Tea Ltd White Cliff Tea Pvt Ltd	Victor Properties (P) Ltd Nezone Estates Pvt. Ltd. Canning Mercantiles Pvt. Ltd. Martina Properties Pvt. Ltd Canning properties Pvt. Ltd	Amar Jyoti Products Pvt Ltd Shree Siddhi Silicones Pvt Ltd Nirvan Commercial Co Ltd Hopworkz Restaurants Pvt Ltd Supriya Finance Ltd Revel Solutions Pvt Ltd	Raman And Company Pvt Ltd Arvind And Company Pvt Ltd Aar Vee Trading Company Pvt Ltd Miracle Dealers Pvt Ltd Devbhumi Vanijya Pvt Ltd Rudrapriya Dealcom Pvt Ltd	Nil

**THE SCOTTISH ASSAM (INDIA) LIMITED**

Name	Mr. Golam Momen	Mr. Ghanshyam Das Gupta	Mr Naveen Bansal	Mr. Hemant Kumar Agrawal	Mr. Kartik Narayan Singh
			Seven Seas Port Pvt Ltd	Castleton Outsource Ltd Castleton Capital Pvt Ltd Vashulinga Finance Pv Ltd.	
Chairman/ Member in the Committees of the Boards of Companies	11	1	1	Nil	Nil
No of shares held in the Company	800	100	Nil	300	Nil
No. of meetings of the Board attended during the year.	4	4	4	1	1



REPORT OF THE DIRECTORS

For the financial year ended 31st March, 2020

Dear Shareholders,

Your Directors present the 43rd Annual Report of the Company together with the Audited Statements of Accounts for the year ended as on 31st March, 2020.

FINANCIAL PERFORMANCE

(Rs. in Lacs)

Particulars	For the Year ended	For the Year ended
	31.03.2020	31.03.2019
Net Sales Income From Operations	3148.00	2985.84
Operating Profit/(loss) before interest, Depreciation and Tax and other amortisations (EBIDTA)	(251.95)	693.29
Less: Depreciation & Amortisation Expenses	45.47	46.14
Less: Finance Cost	32.36	29.48
Tax Expense(Net)	86.48	127.59
Profit/(Loss) For the Year	(416.26)	490.08
Other Comprehensive Income (Net of tax)	(6.78)	(55.50)
Total Comprehensive Income (After Tax)	(423.04)	434.58

OVERVIEW OF COMPANY PERFORMANCE

It is gratifying to report that our own production for the financial year was 13.44 Lacs kgs. being 0.10 Lacs kgs. higher than the previous year's production of 13.34 Lacs kgs. showing an increase of 0.75% over the last year. Production from bought leaf was 2.52 Lacs kgs. showing a total production of 15.96 Lacs kgs. for the FY 2019-2020. Your Company's focus has always been to produce quality teas which command a premium.

The average price realisation for the year was same as the previous year. Tea Prices which opened with good demand during the current season & at the year end the prices were lower than the last year. The Company performed profitably in its tea operations; however the corporate loss reported is due to the drop in mark-to-market value of the company's large investments.

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.

EQUITY DIVIDEND

The Board is pleased to recommend the distribution of dividend of ₹ 4/- per share for the year ended 31st March, 2020.

PROSPECTS

Due to the recent situation of the Global Pandemic of the COVID-19 (Corona Virus) which has crippled the economy of the whole world has affected the profitability of the Company. The coming year appears to be very challenging for your company and crop may be substantially lower than that of last year. This was a result of lack of production during the lockdown period, and the field practices followed to repair the plantations due to the lack of field operations during that time As a result of the industry wise revision of staff salary from April, 2018 there has been substantial increase in the production cost. The overhead expenditure of the Company has also increased because of the various norms of social distancing imposed. The substantially lower production in the current season will increase the cost per kilogram of our tea produced.



Prices for teas in India, due to the drop in supply, have currently increased, post the lock-down opening. The prospects are encouraging. However, majority of the production for the current season is still to be sold, and the company's prospects for the year would be largely influenced by how the tea prices in the market behave for the remaining of the production season. The labour and the staff were unable to work on their full capacity as only 50 per cent of the staff worked during the lockdown period in the garden. The head office followed the work from home policy, intermittently policy.

SHARE CAPITAL

The paid-up Equity Share Capital of the Company as on 31st March, 2020 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 with differential voting rights nor has granted any stock options or sweat equity. The Company has paid Listing Fees for the Financial Year 2019-2020, to The Calcutta Stock Exchange, 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 Cr. to General Reserve from retained earnings of the Company & after such transfer Rs. 16.53 Cr. will remain in the Retained Earnings of the company.

CORPORATE GOVERNANCE

As per the Securities and Exchange Board of India SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (previously Listing Agreement) introduced a uniform code of corporate governance by executing uniform agreement for all types of securities listed on stock exchange. This becomes operational within the financial year ending 31st March, 2020. Your Company has executed the new uniform agreement with The Calcutta Stock Exchange (CSE) as shares of your Company are listed on CSE. Regulation 17(7), 17(8) and Regulation 27 of new SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (relates to Clause 49 of old Listing Agreement) is of Corporate Governance which is applicable on companies whose paid up share capital is Rs. 3.00 Cr. or above and Net worth is Rs. 25.00 Cr. or above. Since your Company is having paid up share capital of Rs. 80.00 Lacs, implementation and compliance of requirements as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Clause 49 of old Listing Agreement) with The Calcutta Stock Exchange has now become mandatory to provide the corporate governance report. The corporate governance report for financial year ended as on 31st March, 2020 is forming the part of the Annual Report 2019-2020.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per section 135 of Companies Act, 2013 a Company whose Net Worth is Rs. 500.00 Cr. or more or Turnover Rs.1000.00 Cr. or more or Net profit of Rs. 5.00 Cr. or more during any financial year shall have to abide by the rules of Corporate Social Responsibility. Since your company does not fall in the above mentioned category, hence your Company does not have to follow the rules of CSR.

DIRECTOR'S RESPONSIBILITY STATEMENT

Your Directors would like to inform members that the audited accounts containing the financial statements for the year 2019-2020 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 accounting policies selected by directors are consistently followed and applied and judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company.



- 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 were operating effectively.
- vi. That proper system has been devised to ensure compliance with the provisions of all applicable laws and such systems were 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

The Company has no public deposit during the year under review.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Pandemic COVID-19 (Corona Virus) has significantly impacted the economic activities in all major markets of the whole world and had also affected the share market. Company's investment in Mutual Funds has faced enormous amount of loss by Rs. 563.62 lacs as on 31st March, 2020.

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

The Related party transaction entered into by the Company during the year were on arm's length basis in the ordinary course of the business for Companies benefit. There was no Contract, arrangements with the related parties which could be considered as material and which may have potential conflict with the interest of the Company.

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 laid down the procedures to inform to the Board about the risk assessment and minimization procedures, which shall be responsible for framing, implementing and monitoring the risk management plan of the Company.

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. The Audit Committee has continued its monitoring role. During the year no major risks were noticed. The requirement of Risk Management Committee is not applicable for your Company. The management has to constantly monitor the risks and functions and systematically



address them through mitigating actions on a continuous basis. The audit committee has additional oversight in the area of financial risks and controls.

DISCLOSURE OF PARTICULARS WITH REGARD TO CONSERVATION OF ENERGY ETC.

Necessary information pursuant to sub-section (3) of section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is presented in **Annexure-2** to this Report.

ENVIRONMENT AND SAFETY

The Company is conscious of clean environment and safe operations. It ensures safety of all concerned, compliance with environmental regulations and preservation of natural resources.

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 the Company has an internal policy on prevention of sexual harassment at workplace with a mechanism of lodging complaints. During the year under review, no complaints were reported to the Board.

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 reputed firms of 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

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Pravin Kumar Drolia of M/s. Drolia & Co. Practicing Company Secretaries to undertake the Secretarial Audit of the Company. The report of the Secretarial Audit 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.

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.

DIRECTORS & KEY MANAGERIAL PERSONNEL

The Board condoned the untimely demise of our ex-director Mr. Sandeep Kumar Jalan the company conveyed their heartfelt condolences to the bereaved family. Mr. Sandeep Kumar Jalan had a very dynamic and futuristic thinking about business and had vast entrepreneurial skills. The directors deeply mourned his passing away and placed on records their appreciation for valuable services rendered by him during his tenure as a director, we will continue to work as per the high standard of philosophy and spirit set by him.

Pursuant to the provisions of Article 84 of the Articles of Association of the Company. Mr. Hemat Kumar Agrawal will retire by rotation and is liable to vacant his office at the forth coming Annual General Meeting and being eligible, offer himself for re-appointment.

The Board appointed Mr. Gaurav Gupta (DIN 00015692) as an Independent Director with effect from 30th of August, 2019, he shall hold the office till 47th Annual General Meeting. Based on the recommendation of Nomination and Remuneration Committee, the board desired that Mr. Gaurav Gupta having all round experience in various fields be appointed as an Independent Director.

The Company has received declarations from the Independent Director's of the Company confirming that they met the criteria of Independence as prescribed under the Companies Act, 2013.



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.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

There is a Vigil Mechanism or Whistle Blower policy as per section 177(9) of Companies Act, 2013 prevails as per the size and operations of the Company. Protected disclosures can be made by a whistle blower to the management of the Company.

OTHER DISCLOSURES

EXTRACT OF ANNUAL RETURN

The details for the financial year ended 31st March, 2020 forming part of the extract of the annual return is enclosed as **Annexure - 4**.

NUMBER OF BOARD MEETINGS

The Board of Directors met four times during the year ended 31st March, 2020. The details of the Board meetings and the attendance of Directors are provided in **Annexure-4 (VIII)**.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

As stipulated by the Code of Independent Directors under Companies Act, 2013 and the Listing Agreement, a separate meeting of the Independent Directors of the Company was held on 03rd February, 2020 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 DIRECTORS

The Board has constituted the following Committees of Directors:

(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, Ms. Sreya Bose and Mr. Jugal Kishore Bagri.

EVALUATION OF BOARD'S PERFORMANCE

The Company has a system of Formal Annual Evaluation of performance of Board, it's 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 2019-2020.

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 coordinated 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.

AUDITOR'S REPORT & ACCOUNTS

M/s. JKVS & Co, Chartered Accountants (Firm Registration No 318086E) .The Statutory Auditor has confirmed his eligibility under Section 141 of Companies Act, 2013 and the Rules framed thereunder. Further, the report of the Statutory Auditors alongwith notes to schedules is enclosed to this report. The directors are of the view that notes to the Accounts adequately provide the necessary information and answer to the observation of the Auditors in their report.

On behalf of the Board
(Dhirendra Kumar)

Director

DIN : 00153773

Place : Kolkata - 700 069

Date : The 26th day of August, 2020

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 2019-2020, ratio of the remuneration of each Director and the employees of the Company for the financial year 2019-2020 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:

Name of Director / KMP and Designation	Remuneration for the financial year 2019-2020 (Rs. in lacs)	Remuneration for the financial year 2018-2019 (Rs. in lacs)	% Change
Mr. Kathie Aryan Singh	15.49	15.49	-
Mr. Yugal Kosher Chaudhary	8.29	7.91	4.85
Ms. Sreya Bose	5.07	4.52	12.15

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 31st MARCH, 2020 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 31st March, 2020. 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 :

A) POWER AND FUEL CONSUMPTION

Particulars	Current Year 2019-2020 (Rs. in lacs)	Previous Year 2018-2019 (Rs. in lacs)
1. Electricity		
a) Purchased (Unit)	1029116	1094800
Total Amount	89.30	92.77
Rate/Unit (Rs.)	8.68	8.47
b) Own Generation		
i) Through Diesel (Unit)	179966	131641
Units per ltrs. of Diesel	2.29	2.35
Cost/Unit (Rs.)	29.63	30.49
2 Gas		
Quantity (Scum)	789597	699443
Total Amount	119.37	94.60
Rate per 1000Scum	15117	13525
B) CONSUMPTION PER UNIT OF PRODUCTION STANDARDS (if any)		
Products -Made Tea (Kgs.)	1596805	1545898
Electricity (in units) /per Kg	0.76	0.79
Gas (in Scum)/per Kg	0.49	0.45

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



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 |

Place : Kolkata - 700 069

Date : The 26th day of August, 2020

On behalf of the Board

(Dhirendra Kumar)

Director

DIN : 00153773



ANNEXURE-3 TO THE DIRECTOR'S REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

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

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

We 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 Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers and authorised representatives during the conduct of **Secretarial Audit**, whereby report that in our opinion the Company has, during the audit period covering the financial year ended 31st March, 2020 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 :

We 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, 2020 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 (Depository and Participant) Regulations, 2018; and Bye- laws framed thereunder;
- 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements <LODR>) Regulations, 2015;

[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 31-03-2019, as the Company did not undertake any activities under the said Regulations :-

- (a) The Securities and Exchange Board of India (Share based employee benefit) Regulations, 2014;
- (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, 2009, as amended till date;



- (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (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) Guideline and Notification on Secretarial Standards (SS-1 & SS-2) 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.

We 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 atleast 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.

We 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.

We 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 Secretaries)

Pravin Kumar Drolia
Proprietor
FCS : 2366
CP No. 1362
UDIN : F002366B000611238

Place : 9, Crooked Lane, Kolkata – 700 069
Date : The 26th day of August, 2020



ANNEXURE 3 TO THE DIRECTORS' REPORT (CONT.)

To,
The Members,
The Scottish Assam (India) Limited,
1, Crooked Lane, Kolkata 700069

Our 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 our audit.
- 2) We 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- 3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) Wherever required we 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.
- 7) We have not carried out the Physical verification of any records due to prevailing condition of COVID-2019 in the Country. We have relied on the records as made available by the company through digital mode as well as we have also relied on the management representation made by the company.

For DROLIA & COMPANY
(Company Secretaries)

Pravin Kumar Drolia
Proprietor
FCS : 2366

CP No. 1362

UDIN : F002366B000611238

Place : 9, Crooked Lane, Kolkata – 700 069

Date : The 26th day of August, 2020



ANNEXURE 4 TO THE DIRECTOR'S REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

[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 th September, 1977
(iii)	Name of the Company	THE SCOTTISH ASSAM (INDIA) LIMITED
(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, 6 th Floor 4, B.B.D. Bagh (East) Kolkata – 700 001 Tel : (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) Table I - Category-wise Share Holding

Category of Shareholding	No. of Share held as on 31.03.2020				No. of Share held as on 31.03.2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A Promoters & Promoter Group	600000	--	600000	75%	600000	--	600000	75%	--
B Public	134708	65292	200000	25%	123962	76038	200000	25%	--
C Non Promoter - Non Public									
i) Shares Underlying DRs	--	--	--	--	--	--	--	--	--
ii) Shares held by Employee Trusts	--	--	--	--	--	--	--	--	--
Total	734708	65292	800000	100%	723962	76038	800000	100%	--



(ii) Table II - Statement showing shareholding pattern of the Promoter and Promoter Group and changes during the period 2019-2020

Name	No. of Shares held as on 31.03.2020		No. of Shares held as on 31.03.2019		% Change during the year	Shares held in physical	Shares in Demat
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares			
1) INDIAN							
a) Individual/HUF							
Hemant Kumar Agrawal	300	0.04	300	0.04	--	--	300
Smita Agarwal	500	0.06	500	0.06	--	--	500
Alaka Jalan	1300	0.16	500	0.06	(0.10)	--	1300
Sandhya Agarwal	800	0.10	800	0.10	--	--	800
Smita Saraf	--	--	800	0.10	(0.10)	--	800
Pramod Rani	800	0.10	800	0.10	--	--	800
Ila Rani Agrawal	1951	0.24	1951	0.24	--	--	1951
Prabha Rani Agarwal	819	0.10	819	0.10	--	--	819
Arvind Kumar Agrawal	900	0.11	900	0.11	--	--	900
Mudit Kumar	1000	0.12	1000	0.12	--	--	1000
Divya Jalan	10802	1.35	10802	1.35	--	--	10802
Sandeep Kumar Jalan	11925	1.49	11925	1.49	--	--	11925
Divyaa Kumar	6350	0.79	6350	0.79	--	--	6350
Devang Kumar	9475	1.18	9475	1.18	--	--	9475
Shashi Kumar	13288	1.66	13288	1.66	--	--	13288
Pradip Kumar Khaitan (In the capacity of trustee of Tea Trust created by existing promoters)	120000	15.00	120000	15.00	--	--	120000
Total	180210	22.50	180210	22.50	--	--	180210
b) Central Govt./State Govt	--	--	--	--	--	--	--
c) Financial Institution/ Banks	--	--	--	--	--	--	--
d) Anyother (specify) Bodies Corporate							
Supriya Finance Ltd	300	0.04	300	0.04	--	--	300
Sandeep Investments Ltd	400	0.05	400	0.05	--	--	400
Purushottam Invest Pvt Ltd	22447	2.81	22447	2.81	--	--	22447
Arohi Holdings Pvt Ltd	15800	1.98	15800	1.98	--	--	15800
Shree Durga Agencies Ltd	83020	10.38	83020	10.38	--	--	83020
Innovation Handicrafts (India) Pvt Ltd	22765	2.85	22765	2.85	--	--	22765
SPBP Invest Pvt Ltd	45000	5.63	45000	5.63	--	--	45000
Nirvan Commercial Co Ltd	86963	10.87	86963	10.87	--	--	86963
Shwetambra Invest and Trading Pvt. Ltd.	13130	1.64	13130	1.64	--	--	13130
Aryavrat Trading Pvt Ltd	10075	1.26	10075	1.26	--	--	10075
SPBP Tea Plantation Ltd	34600	4.33	34600	4.33	--	--	34600
Maryada Advisory Services Pvt Ltd	45290	5.66	45290	5.66	--	--	45290
Aarvee Trading Co Pvt Ltd	40000	5.00	40000	5.00	--	--	40000
Total	419790	52.50	419790	52.50	--	--	419790



Name	No. of Shares held as on 31.03.2020		No. of Shares held as on 31.03.2019		% Change during the year	Shares held in physical	Shares in Demat
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares			
Mutual Fund	--	--	--	--	--	--	--
Trust	--	--	--	--	--	--	--
Others	--	--	--	--	--	--	--
Sub Total (A)(1)	600000	75%	600000	75%	--	--	600000
2) FOREIGN							
a) NRI/ Foreign Individuals	--	--	--	--	--	--	--
b) Foreign. Govt. Promoter	--	--	--	--	--	--	--
c) Foreign Inst. Invst. (FIIs)	--	--	--	--	--	--	--
d) Foreign Portfolio Investor	--	--	--	--	--	--	--
e) Any Other (specify) Foreign	--	--	--	--	--	--	--
Company Overseas Corporate Bodies	--	--	--	--	--	--	--
Foreign Bank	--	--	--	--	--	--	--
Sub Total (A)(2)	--	--	--	--	--	--	--
Total Shareholding of Promoter and Promoter Group (A) = (A)(1) + (A)(2)	600000	75%	600000	75%	--	--	600000

(iii) Table III - Statement showing shareholding pattern of the Public Shareholder

Name	No. of Share held as on 31.03.2020				No. of Share held as on 31.03.2019			
	Physical	Demat	No. of Total Shares	% of Total Shares	Physical	Demat	No. of Total Shares	% of Total Shares
1) Institutions								
a) Mutual Funds / UTI	--	--	--	--	--	--	--	--
b) Venture Capital Funds	--	--	--	--	--	--	--	--
c) Alternate Invest Fund	--	--	--	--	--	--	--	--
d) Foreign Venture Capital Investor	--	--	--	--	--	--	--	--
e) Foreign Portfolio Investor	--	--	--	--	--	--	--	--
f) Financial Institution/ Banks	--	--	--	--	--	--	--	--
g) Insurance Companies	--	--	--	--	--	--	--	--
h) Provident Fund/ Pension Funds	--	--	--	--	--	--	--	--
i) Any other (specify) Foreign Inst. Invst. (FIIs)	--	--	--	--	--	--	--	--
Sub Total (B)(1)	--	--	--	--	--	--	--	--
2) Central Govt./ State Govt./ President of India	--	15626	15626	1.95	--	11415	11415	1.43
Sub Total (B)(2)	--	--	--	--	--	--	--	--
3) Non-Institutions:								
a) Individuals-								
i) Indv. Shareholders holding nominal share capital upto ₹ 2 lakh	65292	72535	137827	17.23	73188	66300	139488	17.44



Name	No. of Share held as on 31.03.2020				No. of Share held as on 31.03.2019			
	Physical	Demat	No. of Total Shares	% of Total Shares	Physical	Demat	No. of Total Shares	% of Total Shares
ii) Indv. Shareholders holding nominal share capital in excess of ₹ 2 lakh	--	--	--	--	--	--	--	--
b) NBFC registered with RBI	--	--	--	--	--	--	--	--
c) Employees Trust	--	--	--	--	--	--	--	--
d) Overseas Depositories (holding DRs) (balancing figure)	--	--	--	--	--	--	--	--
e) Any Other (specify)								
Bodies Corporate								
i) Holding 1% and above :								
1) Octal Credit Capital Limited	--	21398	21398	2.67	--	21398	21398	2.67
2) Mittal Sales Private Limited	--	21399	21399	2.68	--	21399	21399	2.68
ii) Holding less than 1%	--	2680	2680	0.34	2850	2680	5530	0.69
Non Resident Indian								
i) Holding 1% and above	--	670	670	0.08	--	670	670	0.08
ii) Holding less than 1%	--	--	--	--	--	--	--	--
Foreign National	--	--	--	--	--	--	--	--
Overseas Corporate Bodies								
Foreign Banks	--	--	--	--	--	--	--	--
Trust	--	--	--	--	--	--	--	--
Custodian A/c								
1. Jagdish P Gandhi	--	100	100	0.01	--	100	100	0.01
2. Estate of Mehraj Kothari	--	300	300	0.04	--	--	--	--
Total	65292	134708	200000	25%	76038	123962	200000	25%

IV Shareholding of Directors and Key Managerial Personnel :

Name	No. of Shares held as on 31.03.2020		No. of Shares held as on 31.03.2019		% Change during the year
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
Mrs. Divya Jalan	10802	1.35	10802	1.35	--
Mr. Hemant Kumar Agrawal	300	0.04	300	0.04	--
Mr. Ghanshyam Das Gupta	100	0.01	100	0.01	--
Mr. Golam Momen	800	0.10	800	0.10	--
Mrs. Shashi Kumar	13288	1.66	13288	1.66	--
Total	25290	3.16	25290	3.16	--

V Indebtedness of the Company including interest outstanding / accrued but not due for payment : N.A.



VI Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) :

Name	No. of Shares held as on 31.03.2020		No. of Shares held as on 31.03.2019		% Change during the year
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
Mittal Sales Pvt Ltd	21399	2.68	21399	2.68	--
Octal Credit Capital Ltd	21398	2.67	21398	2.67	--
Investors Education and Protection Fund	15626	1.95	--	--	1.95
Mahendra Girdharilal	2100	0.26	2100	0.26	--
Pareshkumar Chimanlal Shah	2070	0.26	--	--	0.26
Prahlad Rai Jain	1900	0.24	1900	0.24	--
Nivedita Malvi	1800	0.23	--	--	0.23
Thakar Sureshkumar Naranbhai HUF	1400	0.18	--	--	0.18
Prabir Kumar Dutta	1300	0.16	1300	0.16	--
3A Financial Services LTD	1300	0.16	--	--	0.16

VII Remuneration of directors and Key Managerial Personnel

Name	Designation	Details of Remuneration	Current Financial Year (Rs. in lacs)
Mr. Kartik Narayan Singh	Whole-time Director	Salary as per Income Tax	15.49
Mr. Yugal Keshor Chaudhary	Chief Financial Officer		8.29
Ms. Sreya Bose	Company Secretary		5.07



VIII Meetings of the Board & Remuneration to the Directors :

Name of the Directors	No. of Board Meetings		Attended Last AGM held on 30.08.2019	Remuneration paid as sitting fees (Rs. in lacs)
	Held	Attended		
Mr. Dharendra Kumar	4	4	YES	0.20
Mrs. Divya Jalan	4	4	YES	0.20
Mr. Golam Momen	4	4	NO	0.20
Mr. Ghanshyam Das Gupta	4	4	YES	0.20
Mr. Naveen Bansal	4	4	YES	0.20
Mr. Hemant Kumar Agrawal	4	1	NO	0.05
Mrs. Shashi Kumar	4	4	NO	0.20
Mr. Gaurav Gupta	4	4	NO	0.20
Mr. Kartik Narayan Singh	4	1	YES	N.A

IX 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 lacs)
	Held	Attended	Held	Attended	Held	Attended	
Mr. Golam Momen	4	4	4	4	3	3	0.55
Mr. Ghanshyam Das Gupta	4	4	4	4	3	3	0.55
Mr. Naveen Bansal	4	4	4	4	3	3	0.55

X Remuneration to other directors:

I. Independent Directors :

The Independent Directors of your Company are not entitled to any other kind or type of remuneration except sitting fees.

XI Penalties / Punishment / Compounding of Offences : None

Place : Kolkata - 700 069

Date : The 26th day of August, 2020

On behalf of the Board
(Dhirendra Kumar)

Director

DIN : 00153773



CORPORATE GOVERNANCE REPORT

INTRODUCTION

Your Company has complied with the provisions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations, 2015"). A Report on the implementation of Corporate Governance by the Company as per the Listing Regulations, 2015 is given below.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes that good Corporate Governance is a pre-requisite for achieving sustainable corporate growth and enhancing value for all stakeholders in the business. Good Corporate Governance emerges from transparency in business dealings and having in place robust systems and processes defining accountability, integrity, fairness and ethics in business practices, thereby fulfilling the responsibilities of corporate citizenship.

A Report on compliance with the Corporate Governance provisions as prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 ("Listing Regulations" or "SEBI (LODR) Regulations, 2015") is given herein below:

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 wellinformed 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, 2020 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, 2020 is given in the table below:-

Categories	Names of Directors	No of Directors	% of total strength of the Board
Non-Executive, Non Independent Directors	Mr. Dharendra Kumar Mrs. Shashi Kumar Mrs. Divya Jalan Mr. Hemant Kumar Agrawal	4	44.45
Non-Executive, Independent Directors	Mr. Golam Momen Mr. Ghanshyam Das Gupta Mr. Naveen Bansal Mr. Gaurav Gupta	4	44.45
Managing & Executive Directors / Whole-time Directors	Mr. Kartik Narayan Singh	1	11.00
	Total	9	100



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

No of Directors	AGM	Board Meeting			
	30/08/2019	20/05/2019	09/08/2019	04/11/2019	03/02/2020
Mr. Dharendra Kumar	Yes	Yes	Yes	Yes	Yes
Mrs. Shashi Kumar	No	Yes	Yes	Yes	Yes
Mrs. Divya Jalan	No	Yes	Yes	Yes	Yes
Mr. Hemant Kumar Agrawal	No	No	Yes	No	No
Mr. Golam Momen	Yes	Yes	Yes	Yes	Yes
Mr. Ghansyam Das Gupta	Yes	Yes	Yes	Yes	Yes
Mr. Naveen Bansal	Yes	Yes	Yes	Yes	Yes
Mr. Gaurav Gupta	No	Yes	Yes	Yes	Yes
Mr. Kartik Narayan Singh	Yes	No	No	No	Yes

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, 2020:

Name of Director	Category of Director	Directorship in other companies (Excluding TSAIL)	No. of Chairpersonship/ Membership of Board Committees in Companies
Mr. Dharendra Kumar	Director	JK Paper Ltd Bengal Tea & Fabrics Ltd S P B P Tea Plantation Ltd Rukong Tea Estate Pvt Ltd R D Tea Ltd Contemporary Polysacks Ltd Rosebud Commercial Co.Pvt Ltd SIVPL Products Pvt Ltd Shwetambra Investment & Trading Pvt Ltd	1
Mrs. Shashi Kumar	Director	Newera Dealers Pvt Ltd Adhunik Commosales Pvt Ltd Poters Creation Pvt Ltd Purushottam Investments Pvt.Ltd.	Nil
Mrs. Divya Jalan	Director	Just Desserts Ltd Kilburn Pigments Ltd Nirvan Commercial Co Ltd Hopworkz Restaurants Pvt Ltd Supriya Finance Ltd. Shree Durga Agencies Ltd Maryada Advisory Services Pvt Ltd	Nil



Name of Director	Category of Director	Directorship in other companies (Excluding TSAIL)	No. of Chairpersonship/ Membership of Board Committees in Companies
Mr. Hemant Kumar Agrawal	Director	Raman and Company Pvt Ltd Arvind and Company Pvt Ltd Aar Vee Trading Company Pvt Ltd Miracle Dealers Pvt Ltd Devbhumi Vanijya Pvt Ltd Rudrapriya Dealcom Pvt Ltd Castleton Outsource Ltd Castleton Capital Pvt Ltd Vashulinga Finance Pvt Ltd.	Nil
Mr. Golam Momen	Independent Director	Harrisons Malayalam Ltd Baghmari Tea Co Ltd Kanco Tea & Industries Ltd Digjam Ltd Bengal Tea & Fabrics Ltd Empire & Singlo Tea Ltd Apeejay Tea Ltd White Cliff Tea Pvt Ltd	11
Mr. Ghanshyam Das Gupta	Independent Director	Victor Properties (P) Ltd Nezone Estates Pvt. Ltd. Canning Mercantiles Pvt.Ltd. Martina Properties Pvt Ltd Canning Properties Pvt Ltd	1
Mr. Naveen Bansal	Independent Director	Amar Jyoti Products Pvt Ltd Shree Siddhi Silicones Pvt Ltd Nirvan Commercial Co Ltd Hopworkz Restaurants Pvt Ltd Supriya Finance Ltd Revel Solutions Pvt Ltd Seven Seas Port Pvt Ltd	1
Mr. Gaurav Gupta	Independent Director	Kolony Tea Estate Pvt Limited Akshit Nirman Pvt Limited Pranav Commercial Pvt Ltd Gomti Products Limited Fresco Earth Products Pvt Limited Harit Properties Pvt. Ltd. Ashray Real Estates Pvt.Ltd. SPMK Estates Pvt Limited Nilaya Properties Pvt Limited	Nil
Mr. Kartik Narayan Singh	Wholetime Director	Nil	Nil



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. Kartik Narayan Singh	✓	✓	✓	✓	✓	✓

- a) None of the above directors of your Company are inter-se related to each other.
- b) During FY 2019-2020 Mr. Dharendra Kumar (DIN:00153773) was given approval by the members of the Company to continue as a non-executive director after attaining the age of 75 years, Mr. Golam Momen (DIN:00402662) was given approval by the members of the Company to continue as an Independent director after attaining the age of 75 years, Mrs. Shashi Kumar (DIN:00199961) was given approval by the members of the Company to continue as a non-executive director after attaining the age of 75 years and Mr. Gaurav Gupta was appointed as an independent Director of the company with effect from 28th August, 2019.

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.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

During FY 2019-2020, the Independent Directors met separately on 03rd February, 2020 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. Due to transition period we will conduct the Familiarisation from the next Financial Year 2020-2021.

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.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board and on due assessment, the Independent Directors, fulfills the conditions of independence as specified in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In the opinion of the Board of Directors, the Independent Directors, fulfill the conditions of independence as specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

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.



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 composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 177 of the Companies Act, 2013 read with the rules made thereunder and Regulation 18 and 21 read with Part C of Schedule II of 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 includes:

- 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.

Composition, name of members, Chairman and Attendance of the Committee as on 31st March, 2020, 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 20th May, 2019, 09th August, 2019, 04th November, 2019 and 03rd February, 2020. The maximum gap between any two meeting 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 2019-2020 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	4
Mr. Naveen Bansal	Non executive, Independent	4	4

NOMINATION AND REMUNERATION COMMITTEE

The composition, powers, role and terms of reference of the Nomination and Remuneration Committee are in accordance with the requirements mandated under Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations, 2015. 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 includes:

- 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, 2020, 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 3 (Three) Nomination and Remuneration Committee meeting were held, the dates being 09th August, 2019, 04th November, 2019 and 03rd February, 2020. The composition of the Committee and particulars of attendance by the members at the meetings of the Committee held in FY 2019-2020 are given below:

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

5. Remuneration of Directors

- a) 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.
- b) 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, Nomination and Remuneration and Stakeholders Relationship Committee.

Meetings of the Board

Name Of The Directors	No. of Board Meetings		Attended Last AGM held on 30.08.2019	Remuneration paid as sitting fees (Rs. In Lacs)
	Held	Attended		
Mr. Dharendra Kumar	4	4	YES	0.20
Mrs. Divya Jalan	4	4	YES	0.20
Mr. Golam Momen	4	4	NO	0.20
Mr. Ghanshyam Das Gupta	4	4	YES	0.20
Mr. Naveen Bansal	4	4	YES	0.20
Mr. Hemant Kumar Agrawal	4	1	NO	0.05
Mrs. Shashi Kumar	4	4	NO	0.20
Mr. Gaurav Gupta	4	4	NO	0.20
Mr. Kartik Narayan Singh	4	1	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 Lacs)
	Held	Attended	Held	Attended	Held	Attended	
Mr. Golam Momen	4	4	4	4	3	3	0.55
Mr. Ghanshyam Das Gupta	4	4	4	4	3	3	0.55
Mr. Naveen Bansal	4	4	4	4	3	3	0.55

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, 2020, 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 20th May, 2019, 09th August, 2019, 04th November, 2019 and 03rd February, 2020. Particulars of attendance by the members at the meetings of the Committee held in FY 2019-2020 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	4
Mr. Ghanshyam Das Gupta	Non executive, Independent	4	4

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, 2020, 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 and Mr. Jugal Kishore Bagri Accounts Manager. During the year under review 4 (Four) Compliance Committee meeting were held, the dates being 20th May, 2019, 09th August, 2019, 04th November, 2019 and 03rd February, 2020. The composition of the Committee and particulars of attendance by the members at the meetings of the Committee held in FY 2019-2020 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	4
Mr. Jugal Kishore Bagri	Accounts Manager	4	4

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 2020 are Mrs. Divya Jalan (10802), Mr. Hemant Kumar Agrawal (300), Mr. Ghanshyam 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
2016-2017	04 th September, 2017	Gyan Manch, 11 Pretoria	11.30 a.m.	2
2017-2018	28 th August, 2018	Street Kolkata-700071,	11.30 a.m.	Nil
2018-2019	30 th August, 2019	West Bengal	11.30 a.m.	3



Consolidated Voting Pattern of Postal Ballot forms/e-voting

Promoter/ Public	No. of shares held	No. of votes polled	% of votes polled on outstanding shares	No. of votes in favour	No. of votes in against	% of votes in favour on votes polled	% of votes against on votes polled
	1	2	(3)=[(2)/ (1)]*100	(4)	(5)	(6)=[(4)/ (2)]*100	(7)=[(5)/ (2)]*100
Continuation of Mr. Golam Momen as an Independent Director							
Promoter & Promoter Group	620299	620299	100%	620299	Nil	100%	Nil
Public - Institutional Holders	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Public - Non Institution	65	63	96.92%	63	Nil	100%	Nil
Total	620364	620362	100%	620364	Nil	100%	Nil
Continuation of Mr. Dharendra Kumar as an Non-Executive Director							
Promoter & Promoter Group	620299	620299	100%	620299	Nil	100%	Nil
Public - Institutional Holders	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Public - Non Institution	65	63	96.92%	63	Nil	100%	Nil
Total	620364	620362	100%	620364	Nil	100%	Nil
Continuation of Mrs. Shashi Kumar as an Non-Executive Director							
Promoter & Promoter Group	620299	620299	100%	620299	Nil	100%	Nil
Public - Institutional Holders	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Public - Non Institution	65	63	96.92%	63	Nil	100%	Nil
Total	620364	620362	100%	620364	Nil	100%	Nil



No business is proposed to be transacted in the ensuing Annual General Meeting which requires passing of a special resolution through postal ballot in terms of Section 110 of the Companies Act, 2013 and Rules made there under.

OTHER DISCLOSURES

RELATED PARTY TRANSACTION

There were no material related party transactions during the year that have conflict with the interest of the Corporation. 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. Requisite disclosure as required under the Indian Accounting Standards (Ind AS 24) has been made in the notes to the Financial Statements.

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.

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 Corporation 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 thereunder for prevention and redressal of complaints of sexual harassment at workplace. The Corporation has not received any complaint on sexual harassment in FY 2019-2020.



MEANS OF COMMUNICATION

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 'Arthik Lipi' (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.

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

Date, time and venue of the Annual General Meeting	Tuesday, the 29 th September, 2020, at 11:30 A.M. through Video Conferencing / Other Audio Visual Means deemed to be held at the Registered Office of the Company.
Financial Year	1 st April, 2019 to 31 st March 2020
Book Closure Period (for share transfer & AGM)	23 rd September, 2020 to 29 th September, 2020
Dividend Payment Date	On or After 01 st October, 2020
Listing on Stock Exchanges	The Calcutta Stock Exchange Limited (CSE), 7 Lyons Range, Kolkata -700 001. The Company has paid listing fees for the period 1 st April, 2019 to 31 st March, 2020.
Stock code at Stock Exchange	029847
Demat ISIN number for NSDL & CDSL for Equity Shares	INE010G01018

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) 22301043 Fax: (033) 22430153 Email: 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 31st March, 2020

Sl. No.	Range of nominal value of equity shares held	No. of shareholders	% to Total shareholders	Total Shareholding (Amount)	% of Total Shareholding (Rs. in lacs)
1	1 - 5000	1005	94.54	11.17	13.96
2	5001- 10000	24	2.26	01.87	2.34
3	10001- 20000	12	1.13	01.61	2.02
4	20001- 30000	2	0.19	00.42	0.52
5	30001- 40000	Nil	Nil	Nil	Nil
6	40001- 50000	Nil	Nil	Nil	Nil
7	50001- 100000	2	0.19	01.58	1.98
8	100001 & Above	18	1.69	63.35	79.19
	Total	1063	100.00	80.00	100.00

Shareholding pattern of the Company as on 31st March, 2020

Sl. No	Category	No. of Shareholders	Shareholders %	Total no. of Shares	% To Shares
1	Promoter & Promoter Group	28	2.63	600000	75.00
2	Bodies Corporate	2	0.19	42797	5.35
3	Resident Individuals	1021	96.05	140507	17.57
4	Trusts	2	0.19	400	0.05
5	NRIs	9	0.85	670	0.08
6	Central/State Govt./ President of India	1	0.09	15626	1.95
	Total	1063	100.00	800000	100.00

Top 10 Shareholder of the Company

Sl No	Name of the Shareholder	No. of Shares	Percentage of Holding
1	Pradip Kumar Khaitan	120000	15.00
2.	Nirvan Commercial Co Ltd	86963	10.87
3.	Shree Durga Agencies Ltd	83020	10.38
4.	Maryada Advisory Services Pvt Ltd	45290	5.66
5.	SPBP Invst. Pvt Ltd	45000	5.63
6.	Aarvee Trading Co Pvt Ltd	40000	5.00
7.	SPBP Tea Plantation Ltd	34600	4.33
8.	Innovation Handicrafts (India) Pvt Ltd	22765	2.85
9.	PurushottamInvst. Pvt Ltd	22447	2.81
10	Mittal Sales Pvt Ltd	21399	2.67



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 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 Investors Education and Protection Fund (IEPF) established by Central Government.

An amount of Rs. 0.78 lacs being unclaimed/ unpaid dividend of the Company for the financial year ended on 31st March, 2012 were transferred in 14th October, 2019 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
2012-2013	31.07.2013	07.09.2020
2013-2014	29.08.2014	06.10.2021
2014-2015	27.07.2015	03.09.2022
2015-2016	22.07.2016	29.08.2023
2016-2017	04.09.2017	11.10.2024
2017-2018	28.08.2018	04.09.2025
2018-2019	30.08.2019	06.09.2026

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 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 2011-2012 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.

CEO 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.



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+ 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.

WHISTLE BLOWER POLICY:

In compliance with provisions of Section 177(9) of the Companies Act, 2013 and the Listing Regulations, 2015, the Company has in place a Whistle Blower Policy for its Directors, employees and any other stakeholder to report concerns about unethical behavior, actual or suspected fraud or violation of applicable laws and regulations and the Company's Codes of Conduct or policies and leak or suspected leak of unpublished price sensitive information of the Company. The concerns may be reported to the Audit Committee through the Nodal Officer and, in exceptional cases, may also be reported to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

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. 4.25 lacs. 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 being 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.



GLOBAL & INDIAN TEA INDUSTRY & DEVELOPMENTS

Global Trends

The global tea market reached a volume of 6.4 Million Tons in 2019. Currently, Asia-Pacific is the largest market for tea consumption, with robust economic growth in a number of developing countries such as China, India, and Russia, which has created a large middle class with a preference for premium tea blends and brands, often upgrading their purchases from unpackaged tea to packed and bagged specialty varieties. Global Tea market size is estimated to grow at CAGR of 5% with Revenue USD 13.24 BN during the forecast period 2020-2025. On the production front, overall global tea production witnessed a marginal de-growth primarily due to a fall in Kenyan production which offset the increase in Indian production to a large extent.

Indian Tea Industry

India is one of the several major tea producing centres of the world with tea produced in the country being one of the finest in the world. The tea market in India is being driven by the healthy production and consumption of the beverage. In 2019, nearly 1.10 million tons of tea was consumed in the country. The market in the country is projected to witness a further growth in the forecast period of 2020-2025. The tea industry generates income and livelihood directly and indirectly, for more than 10 million people, over and above its own workforce. Women constitute 50% of the workforce. Every three years workers' wages are increased through bilateral/tripartite negotiation. Wages & associated welfare costs constitute around 65% of COP.

The tea industry's continued viability is, therefore of paramount importance in order to sustain the survival of the large rural population it supports, and its role in the economic development of the areas which encompass its operations.

Tea production in India

Production of tea was 1389.70 million kg (MKg) in 2019 showing an increase of 51.07 Mkg over 2018. Assam contribute to top the country's production at 715.79 Mkg up 23.88 Mkg from last year.

Tea cultivation is one of the premier industries of Assam. It plays a vital role in the economy of the state. Large numbers of workers of Assam are engaged in the tea industry. The total area under tea cultivation in Assam accounts for more than half of the country's total area under tea.

Source: Business Line

Consumption of Tea in India

Presently India is estimated to consume approximately 1000 million kgs which is significant in terms of volume, yet the per capita consumption at 733 gms is considered low while compared to neighbouring countries like Pakistan where per capita consumption is 1.3 kilos.

Exports and Imports of Tea in India

India is one of the leading country in terms of tea exports and it has achieved the highest tea exports during the calendar year 2019 (Jan-Dec), pegged at 248.29 MKg. The exports by India decreased by 7.77 MKg (3%) during 2019 compared to 2018. The total value of the exports during 2019 stood at Rs. 5610.65 crores, increasing by Rs. 275.32 crores (5.16%). Similarly, the total value of the exports in US\$ was 796.36 million, an increase of 16.02 million US\$ (2.05%) as compared to last year.

The major importing Countries of Indian teas are CIS - 59.13 MKg, Middle East Countries - 71.20 MKg, UK - 11.74 MKg, and USA 12.22 MKg approximately. Company is also seeking for good opportunity to increase its revenue by exporting tea in global market.

Source: ITA Website



COMPETITION

Tea continues to be perceived as a common man's beverage and will continue to face competition from coffee and other modern beverages amongst youth and urban population. Competition from Kenya will be stronger in years to come as plantations in these regions are comparatively young, hence yield is much higher. Moreover Kenya enjoys round the year favourable growing conditions whereas tea production in India is highly seasonal. Two other African countries such as Rwanda and Burundi are capable of producing very good tea throughout the year. Such round the year availability of quality teas helps the global packers to manage the inventories efficiently. Sri Lanka, on the other hand has emerged as the largest producer of orthodox teas. Domestic consumption in this country being negligible, Sri Lanka has been aggressively promoting their teas predominantly in the high consuming Middle East markets backed by the strong support from their Government.

OPPORTUNITIES AND THREATS

India is the biggest consumer of tea, but has more potential, as per capita consumption of tea is still lower than other tea consuming countries. Thus there is an opportunity for the tea industry to exploit a huge domestic market. The key challenges facing the industry are the pricing not keeping pace with rising costs, climate change and outdated legislative frameworks. Climate changes such as ill-timed rainfall, low rainfall, no rainfall in the crop season, prolonged dry spell, floods, increase in temperature are the major challenges in all the tea gardens. The wages and the salary component constitutes over 65% of the total cost of production. The escalation of wages and salary and other input costs such as electricity, pesticides, fuel and fertilizer makes Indian tea uncompetitive in the International market.

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 21.9% 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 2020-2021 than the previous year. However, the unprecedented COVID-19 pandemic, and the subsequent nationwide lock down by the Government, along with other necessary measures to contain the pandemic, have made experts revise their forecasts significantly, with possible contraction of the Indian GDP in Q1 FY 2020-2021. In the short term, the lockdown could also potentially lead to a financial distress, both for consumers and companies, including disruptions in money supply and general liquidity.

Internal Control Systems and Their Adequacy

The Company has in place adequate systems of internal control commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use or losses, executing transactions with proper authorization and ensuring compliance of corporate policies. 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. Suggestions for improvement are considered and the Audit Committee follows up the implementation of corrective actions. 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.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

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

Details of Significant Changes (i.e. Change of 25% or more as compared to the immediately previous Financial Year) in key Financial Ratios, along with detailed explanations:-

Ratio	2019-2020	2018-2019	Change (%)	Reason
Debtors Turnover Ratio (number of times)	97.57	46.20	111.19	Increase in sales and decrease in Debtors
Inventory Turnover Ratio (number of times)	29.77	23.47	26.85	Increase in sales and decrease in inventory
Interest Coverage Ratio (number of times)	-9.80	31.76	(130.86)	Due to loss in mark to market Gain
Current Ratio (number of times)	0.43	0.43	0	No Change
Debt Equity Ratio (number of times)	0.05	0.06	(29.15)	Decrease in debts
Operating profit margin	18.67	21.92	(4.23)	Due to increase in Direct Expenses
Net Profit Margin	-10.5%	20.69%	(150.64)	Due to loss of Mark to Market Gain
Return on Net Worth	-8.19%	13.76%	(159.51)	Due to loss of Mark to Market Gain

Human Resources

Tea Industry is highly labour intensive. The Company employs around 2300 (permanent & casual) at our Tea Estate. Employee relations remained satisfactory during the period under review. The Company would like to record appreciation of the whole hearted support and dedication from employees at all levels in maintaining smooth production and manufacture of tea from all the Tea Estates during the year.

Cautionary Statement

Statements in the Management Discussion and Analysis Reporting regard to projections, estimates and expectations have been made in good faith. Many unforeseen factors may come into play and affect the actual results, which could be different from what the Directors envisage in terms of future performance and outlook. Market data and product information contained in this Report have been based on information gathered from various published and unpublished reports, and their accuracy, reliability and completeness cannot be assured.



THE SCOTTISH ASSAM (INDIA) LIMITED

**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

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 31st March, 2020.

**On behalf of the Board
Dhirendra Kumar
Director
(DIN: 00016102)**

Place: Kolkata

Date: The 26th day of August, 2020



INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

The Members of The Scottish Assam (India) Limited

1. The Corporate Governance Report prepared by The Scottish Assam (India) Limited (hereinafter the "Company"), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') with respect to Corporate Governance for the year ended 31st March, 2020. This report is required by the Company for annual submission to the Stock exchange and to be sent to the Shareholders of the Company.

Management's 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. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the Listing Regulations referred to in paragraph 3 above.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised) and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes (Revised) requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
6. 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.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of key procedures performed include-
 - i. Reading and understanding of the information prepared by the Company and included in its Corporate Governance Report;
 - ii. Obtained and verified that the composition of the Board of Directors w.r.t executive and non-executive directors has been met throughout the reporting period;
 - iii. Obtained and read the Directors Register as on 31st March, 2020 and verified that at least one women director was on the Board during the year;
 - iv. Obtained and read the minutes of the following committee meetings held from 1st April, 2019 to 31st March, 2020:
(a) Board of Directors meeting; (b) Audit committee; (c) Annual General meeting; (d) Nomination and remuneration committee; (e) Stakeholders Relationship Committee, (f) Compliance Committee;



8. Obtained necessary representations and declarations from directors of the Company including the independent directors; and
9. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

10. Based on the procedures performed by us as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended 31st March, 2020, referred to in paragraph 1 above.

Other matters and Restriction on Use

11. This report 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.
12. 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 with reference to compliance with the relevant regulation of Corporate Governance 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: 20306932AAAABH5110

Place : Kolkata

Date : The 26th day of August, 2020



INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS

TO THE MEMBERS OF THE SCOTTISH ASSAM (INDIA) LIMITED

Report on the Audit of the Financial Statement

OPINION

We have audited the accompanying Financial Statements of The Scottish Assam (India) Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, 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 31st March, 2020, and its loss, 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 the matters described below as Key audit matters and for each matter, our description of how our audit addressed the matter is provided in that context.

Key audit matters	How our audit addressed the key audit matters
<p>Recognition of deferred tax assets on Minimum Alternate tax</p> <p>As indicated in note "7 - Deferred Tax Assets" to the financial statements, the deferred tax assets consists of Minimum Alternate Tax ("MAT") Credit Entitlement amounting to Rs 158.91 lacs as at 31st March, 2020 (Opening MAT Credit Entitlement was Rs. 200.58 lacs out of which Rs. 41.67 lacs was avail during the year).</p> <p>MAT Credit Entitlement is only recognized if it is likely that the company will have taxable future profits over the next 15 years on which this asset may</p>	<p>We have reviewed the evaluation process of deferred tax assets on MAT Credit Entitlement implemented by Company's Management. We assessed the permanence of methods used, the relevance and consistency of underlying assumptions (budget including earnings growth and applicable tax rates) and tested the arithmetic accuracy. We assessed the probability that the company may use in the future its deferred tax assets, particularly with regard to:</p>



Key audit matters	How our audit addressed the key audit matters
be used. The company's ability to recover deferred tax assets is assessed by management at the close of each financial year taking into account forecasts of future taxable results. The management estimates that on sale of its investments in future year the management shall be able to utilize the MAT Credit Entitlement. We have considered the recoverability of such deferred tax assets on unutilized tax credits carried forward as a key audit matter due to the importance of management's estimation and judgment and the materiality of amounts at stake.	<ul style="list-style-type: none">● the review of deferred tax liabilities existing in the same tax jurisdiction, that may be charged against existing tax losses carried forward before they expire;● the ability of company to generate sufficient future taxable profits in a foreseeable future allowing the use of existing MAT Credit Entitlement carried forward.

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 31st March, 2020 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, 2016 ("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 31st March, 2020 taken on record by the Board of Directors, none of the directors' is disqualified as on 31st March, 2020 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 over 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 35.1 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

(Utsav Saraf)
Partner
Membership No. 306932
UDIN : 20306932AAAABC9873

Place : Kolkata

Date : The 27th day of July, 2020



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, 2020)

We report that :

- i. In respect of its fixed assets :
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) According to information and explanation given to us, fixed assets have been physically verified during the year by the management at reasonable intervals and no material discrepancies have been noticed on such physical verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - 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.
- ii. 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. In respect of inventory lying with third parties, these have been substantially confirmed by them. 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.
- iii. In our opinion and according to information and explanation given to us, the Company has not granted any loan to parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraph 3(iii) of the Order is not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has not given any loans, issued any guarantee or provided any security on behalf of any parties or made any investment in parties covered under Section 185 and Section 186 of the Act.
- v. According to information and explanations given to us, the Company has not accepted any deposits within the meaning of Sections 73 to Sections 76 of the Act during the year.
- 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 records of the Company, the Company is regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income tax, duty of customs, goods & service tax, cess and other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at 31st March, 2020 for a period of more than six months from the date they became payable.
 - (b) According to the information and explanation 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 31st March, 2020 which have not been deposited on account of any dispute.



- viii. Based on our audit procedures and on the basis of information and explanations given by the management, the Company has not defaulted in repayment of dues to Banks during the year. The company does not have any outstanding dues to debenture holders or financial institutions during the year.
- ix. Based on information and explanations given to us and records of the Company examined by us, the company did not raise any money by way of initial public offer or further public offer (including debt instruments) and the term loans during the year hence the clause (ix) of the Order is not applicable.
- x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration during the financial year in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

(Utsav Saraf)
Partner

Membership No. 306932
UDIN : 20306932AAAABC9873

Place : Kolkata

Date : The 27th day of July, 2020



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 over financial reporting of The Scottish Assam (India) Limited ("the Company") as of 31st March, 2020 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 OVER FINANCIAL REPORTING

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.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the 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 judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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



or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Financial Statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020 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 ICAI.

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

(Utsav Saraf)
Partner
Membership No. 306932
UDIN : 20306932AAAABC9873

Place : Kolkata

Date : The 27th day of July, 2020



THE SCOTTISH ASSAM (INDIA) LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2020

	Note No.	As at 31st March, 2020 (Rs. in Lacs)	As at 31st March, 2019 (Rs. in Lacs)
ASSETS			
1 NON-CURRENT ASSETS			
a Property, Plant and Equipment	4	216.15	239.80
b Capital Work-In-Progress	4	159.89	130.66
c Other Intangible Assets	4	1.22	0.01
d Financial Assets			
i Investments	5	3,892.84	4,449.32
ii Loans	6	7.50	10.50
e Deferred Tax Assets (Net)	7	58.39	113.34
f Non-Current Tax Assets	8	87.52	39.98
		4,046.25	4,613.14
2 CURRENT ASSETS			
a Inventories	9	148.50	208.99
b Biological Asset other than Bearer Plants	10	-	11.05
c Financial Assets			
i Trade Receivables	11	13.27	51.26
ii Cash and Cash Equivalents	12	47.59	12.41
iii Bank balances other than Note ii above	13	8.24	7.88
iv Loans	6	31.92	31.60
v Other Financial Assets	14	0.95	1.23
d Other Current Assets	15	51.74	42.39
		302.21	366.81
Total Assets		4,725.72	5,350.42
EQUITY AND LIABILITIES			
1 EQUITY			
a Equity Share Capital	16	80.00	80.00
b Other Equity	17	3,948.14	4,409.76
		4,028.14	4,489.76
LIABILITIES			
2 CURRENT LIABILITIES			
a Financial Liabilities			
i Borrowings	18	183.86	289.24
ii Trade Payables	19		
Total outstanding dues of creditors to micro enterprises & small enterprises		4.98	2.02
Total outstanding dues of creditors to other than micro enterprises & small enterprises		203.16	132.83
iii Other Financial Liabilities	20	231.81	261.85
b Provisions	21	41.62	107.01
c Other Current Liabilities	22	32.13	40.38
d Current Tax Liabilities	23	0.02	27.33
		697.58	860.66
Total Equity and Liabilities		4,725.72	5,350.42
Significant Accounting Policies	1		

The accompanying notes 2 to 54 are an integral part of the Financial Statements

For and on behalf of the Board of Directors

As per our report of even date annexed

For **JKVS & CO.**

Chartered Accountants

Firm Registration No. 318086E

UTSAV SARAF

Partner

Membership No. : 306932

Place : Kolkata

Date : The 27th day of July, 2020

Mr. DHIRENDRA KUMAR (DIN : 00153773)

Ms. DIVYA JALAN (DIN : 00016102)

Ms. SHASHI KUMAR (DIN : 00199961)

Mr. GHANSHYAM DAS GUPTA (DIN : 00174114)

Mr. NAVEEN BANSAL (DIN : 00720211)

Mr. GAURAV GUPTA (DIN : 00015692)

Director

Mr. KARTIK NARAYAN SINGH (DIN : 07779482)

Ms. SREYA BOSE -

Mr. YUGAL KESHOR CHAUDHARY -

Wholtime Director

Company Secretary

Chief Financial Officer



STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

	Note No.	For the Year ended 31st March, 2020 (Rs. in lacs)	For the Year ended 31st March, 2019 (Rs. in lacs)
INCOME			
Revenue from Operations	24	3,148.00	2,985.84
Other Income	25	9.38	6.39
Total Income		3,157.38	2,992.23
EXPENSES			
Cost of Materials Consumed	26	226.98	198.00
Changes in Inventories of Finished Goods	27	57.88	(14.92)
Employee Benefits Expenses	28	1,488.77	1,425.18
Finance Costs	29	32.36	29.48
Depreciation and Amortisation Expenses	30	45.47	46.15
Other Expenses	31	1,635.70	690.67
Total Expenses		3,487.16	2,374.56
Profit before Exceptional Items and Tax		(329.78)	617.67
Exceptional Items		-	-
Profit before Tax		(329.78)	617.67
Tax Expense :	32		
Current Tax		32.63	191.94
Tax for Earlier Year		(1.09)	-
Deferred Tax		54.94	(64.36)
Profit for the year		(416.26)	490.09
Other Comprehensive Income			
Items that will not be reclassified to profit or loss	33	(9.39)	(76.61)
Income tax relating to these items		2.61	21.11
Other Comprehensive Income for the Year (Net of Tax)		(6.78)	(55.50)
Total Comprehensive Income for the period		(423.04)	434.58
Earnings Per Share of Rs. 10/- each			
Basic & Diluted	34	(52.03)	61.26

Significant Accounting Policies 1

The accompanying notes 2 to 54 are an integral part of the Financial Statements

For and on behalf of the Board of Directors

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 : The 27th day of July, 2020

Mr. DHIRENDRA KUMAR (DIN : 00153773)

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Ms. SREYA BOSE -

Mr. YUGAL KESHOR CHAUDHARY -

Wholetime Director

Company Secretary

Chief Financial Officer



NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31ST MARCH, 2020

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2020

		(Rs. in lacs)
a Equity Share Capital		
Balance as at 1st April, 2018	80.00	
Add/(Less): Changes in Equity Share Capital during the year	-	
Balance as at 31st March, 2019	80.00	
Add/(Less): Changes in Equity Share Capital during the year	-	
Balance as at 31st March, 2020	<u>80.00</u>	

b Other Equity

	Capital Reserve	General Reserve	Retained Earnings	Total
Balance as at 31st March, 2019	30.62	2,164.29	2,214.85	4,409.76
Profit for the Year	-	-	(416.26)	(416.26)
Remeasurement Gain/(Loss)	-	-	(6.78)	(6.78)
Total Comprehensive Income	30.62	2,164.29	1,791.81	3,986.72
Final Dividend Paid	-	-	(32.00)	(32.00)
Dividend Distribution Tax on Final Dividend	-	-	(6.58)	(6.58)
Transfer to General Reserve	-	100.00	(100.00)	-
Balance as at 31st March, 2020	30.62	2,264.29	1,653.23	3,948.14

	Capital Reserve	General Reserve	Retained Earnings	Total
Balance as at 31st March, 2018	30.62	2,064.29	1,918.85	4,013.76
Profit for the Year	-	-	490.08	490.08
Remeasurement Gain/(Loss)	-	-	(55.50)	(55.50)
Total Comprehensive Income	30.62	2,064.29	2,353.43	4,448.34
Final Dividend Paid	-	-	(32.00)	(32.00)
Dividend Distribution Tax on Final Dividend	-	-	(6.58)	(6.58)
Transfer to General Reserve	-	100.00	(100.00)	-
Balance as at 31st March, 2019	30.62	2,164.29	2,214.85	4,409.76

Significant Accounting Policies - 1

The accompanying notes 2 to 54 are an integral part of the Financial Statements

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 : The 27th day of July, 2020

For and on behalf of the Board of Directors

Mr. DHIRENDRA KUMAR (DIN : 00153773)

Ms. DIVYA JALAN (DIN : 00016102)

Ms. SHASHI KUMAR (DIN : 00199961)

Mr. GHANSHYAM DAS GUPTA (DIN : 00174114)

Mr. NAVEEN BANSAL (DIN : 00720211)

Mr. GAURAV GUPTA (DIN : 00015692)

Director

Mr. KARTIK NARAYAN SINGH (DIN : 07779482)

Ms. SREYA BOSE

Mr. YUGAL KESHOR CHAUDHARY

Wholetime Director

Company Secretary

Chief Financial Officer



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

	For the year ended 31 st March, 2020 (Rs. in Lacs)	For the year ended 31 st March, 2019 (Rs. in Lacs)
A. Cash flow from operating activities :		
Net Profit before tax and extraordinary items	(329.78)	617.67
Adjustments for -		
Depreciation	45.47	46.15
Finance Cost	32.36	29.48
Interest Received	(0.51)	(0.56)
Unclaimed balances written back	(1.27)	(5.83)
(Profit)/ Loss on Sale of Fixed Asset	0.25	0.01
Net gain arising on Employee Benefit Obligations mandatorily measured at OCI	(9.39)	(76.61)
Change in fair value of biological assets - Non Current	11.05	(4.37)
Net (Gain)/Loss arising on financial assets mandatorily measured at FVTPL	563.62	(269.84)
Gain on disposal of investments carried at fair value through profit or loss	(7.14)	-
	<u>634.44</u>	<u>(281.57)</u>
Operating profit before working capital changes	<u>304.66</u>	<u>336.10</u>
Adjustments for -		
Trade Receivables, Loans & Other Receivables	31.24	21.97
Trade Payables, Other financial Liabilities, Other Liabilities and Provisions	(29.12)	149.48
Inventories	60.49	(18.43)
	<u>62.61</u>	<u>153.02</u>
Cash generated from / (used in) operations	<u>367.27</u>	<u>489.12</u>
Direct taxes (paid) / net of refund	(103.78)	(146.90)
Net cash from / (used in) operating activities	<u>263.49</u>	<u>342.22</u>
B. Cash flow from investing activities :		
Purchase for Fixed Assets/ Capital work in Progress	(52.77)	(105.27)
Sale of Fixed Assets	0.28	-
(Purchase) / sale of Non Current investments (net)	-	(155.00)
Interest Received	0.50	0.56
Net cash from / (used in) investing activities	<u>(51.99)</u>	<u>(259.71)</u>



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

	For the year ended 31 st March, 2020 (Rs. in Lacs)	For the year ended 31 st March, 2019 (Rs. in Lacs)
C. Cash Flow from Financing activities :		
Proceeds from Working capital borrowings (net)	(105.38)	(8.52)
Dividend including dividend tax paid	(38.58)	(38.58)
Finance Cost paid	(32.36)	(29.48)
Net cash from / (used in) financing activities	(176.32)	(76.58)
Net change in cash and cash equivalent (A+B+C)	35.18	5.93
Cash and cash equivalents as at beginning of year	12.41	6.48
Cash and cash equivalents as at end of year	47.59	12.41
	35.18	5.93
	As at	As at
	31.03.2020	31.03.2019
*Cash and cash equivalent consist of :-		
Cash, Cheques, Drafts in hand etc.	37.21	10.48
Balance and Fixed deposits with Banks	10.38	1.93
Cash and Cash equivalent	47.59	12.41

The aforesaid statement is prepared on indirect method.

The figures of the previous year have been reclassified to conform to current year 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 : The 27th day of July, 2020

For and on behalf of the Board of Directors

Mr. DHIRENDRA KUMAR (DIN : 00153773)

Ms. DIVYA JALAN (DIN : 00016102)

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Director

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Ms. SREYA BOSE

Mr. YUGAL KESHOR CHAUDHARY

Wholtime Director

Company Secretary

Chief Financial Officer



NOTES TO THE FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31ST MARCH, 2020

1. CORPORATE AND GENERAL INFORMATION

The Scottish Assam (India) Limited was incorporated as a Limited Company in India under the Companies Act, 1956 and has its listing on the CSE Limited. 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 have been prepared and approved on **27th day of July, 2020** in accordance with the Indian Accounting Standards ("Ind AS") as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), other relevant provisions of the Act and other accounting principles generally accepted in India.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The company has applied the following accounting standards and its amendment for the first time for annual reporting period commencing 1st April, 2019.

- i) Ind AS 116, Leases
- ii) Amendment to Ind AS 12, Income Taxes and Ind AS 12 Appendix 'C', Uncertainty over Income Tax Treatments
- iii) Amendment to Ind AS 23, Borrowing Cost
- iv) Amendment to Ind AS 103, Business Combination and Ind AS 111 - Joint Arrangements
- v) Ind AS 109 - Prepayment Features with Negative Compensation.

The amendments listed above did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current and future periods.

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; and
- 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 rupees 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

A number of the Company's accounting policies and disclosures require the measurement of fair values, 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 and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

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

Inventories are valued at the lower of cost and net realizable value (NRV). Cost is measured by including, unless specifically mentioned below, cost of purchase and other costs incurred in bringing the inventories to their present location and condition. 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 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 and 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

3.5.1 The Company as lessor

Leases for which the Company is a lesser is classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

3.5.2 The Company as lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

3.5.3 Lease Liability

The lease payments that are not paid at the commencement date are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.



Lease payments included in the measurement of the lease liability comprise:

- o Fixed lease payments (including in-substance fixed payments) payable during the lease term and under reasonably certain extension options, less any lease incentives;
- o Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- o The amount expected to be payable by the lessee under residual value guarantees;
- o The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- o Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the Balance Sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company re-measures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- o The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is re-measured by discounting the revised lease payments using a revised discount rate.
- o A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is re-measured by discounting the revised lease payments using a revised discount rate.

3.5.4 Right of Use (ROU) Assets

The ROU assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under Ind AS 37- Provisions, Contingent Liabilities and Contingent Assets. The costs are included in the related right-of-use asset.

ROU assets are depreciated over the shorter period of the lease term and useful life of the underlying asset. If the company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. The depreciation starts at the commencement date of the lease

3.6. REVENUE FROM CONTRACTS FROM 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 and services are 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 or services to the customer and payment by the customer exceeds one year. As a consequence, 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 of time 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 statement of profit and loss. Equity instruments which 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.

➤ **Derecognition**

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 are 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 in so 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 as a result 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 as a result 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".

3.20. Recent Accounting Pronouncement

New Standards / Amendments to Existing Standard issued but not yet effective upto the date of issuance of the Company's Financial Statement are disclosed below :

The ministry of Corporate Affairs has not notified new standards or amendments to the existing standards which would have been applicable from April 1, 2020.

3A. 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.



NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31ST MARCH, 2020

5. INVESTMENTS

	Face Value	As at 31st March, 2020		As at 31st March, 2019	
		No. of Shares	Amount (Rs. in Lacs)	No. of Shares	Amount (Rs. in Lacs)
INVESTMENTS AT FAIR VALUE THROUGH PROFIT & LOSS					
Investments in Unquoted Equity Instruments					
Woodlands Multispeciality Hospital Limited.	10	200	0.02	200	0.02
ABC Tea Workers Welfare Service	10	100	0.01	100	0.01
Total			0.03		0.03

	No. of Units	Amount (Rs. in Lacs)	No. of Units	Amount (Rs. in Lacs)
Investment in Unquoted Mutual Fund				
ABSL Dynamic Bond Fund - Growth (Seg Portfolio)	679,329	9.91	679,329	214.74
ABSL Equity Saving Fund - Gr. Regular	-	-	753,580	100.30
ABSL Frontline Equity Fund - Growth	49,200	81.20	49,200	111.55
ABSL Liquid Fund - Growth Regular Plan	52,556	167.00	52,556	157.15
ABSL '95 Fund - Growth	19,897	114.02	19,897	151.30
ABSL Income Fund - Growth	123,705	111.44	-	-
ABSL Overnight Regular - Growth	19,534	210.62	-	-
DSP Blackrock India T.I.G.E.R. Fund Growth	-	-	33,896	31.28
DSP Blackrock Income Opportunities Fund - RPG	-	-	354,762	99.57
Franklin India Prima plus Growth	17,816	74.05	17,816	107.36
Franklin India Short Term Income Plan - RPG	-	-	2,777	111.01
Franklin India Banking & PSU Debt Fund Growth	747,544	123.20	-	-
HDFC Hybrid Equity Fund-Growth	787,059	334.13	787,059	428.51
HDFC Equity Saving Fund Growth	-	-	283,110	104.17
HDFC Midcap Opportunities Fund Growth	87,933	34.31	87,933	49.49
HDFC Balance Advantage Fund - Growth	201,913	303.37	201,913	405.97
HDFC Credit Risk Debt Fund - Reg - Growth	608,116	101.23	608,116	92.77
HDFC Top 100 Fund Growth	21,085	72.69	21,085	105.99
HDFC Index Fund - Nifty - 50 Plan - Regular Plan	83,591	65.59	-	-
HDFC Liquid Fund	4,073	158.20	-	-
HDFC Short Term Debt Fund	503,159	113.91	-	-



5. INVESTMENTS contd... NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31ST MARCH, 2020

	As at 31st March, 2020		As at 31st March, 2019	
	No. of units	Amount (Rs. in Lacs)	No. of units	Amount (Rs. in Lacs)
ICICI Prudential Balance Advantage Fund Regular (G)	798,293	244.04	798,293	282.12
ICICI Prudential Flexible Income Plan Growth	20,297	78.62	20,297	72.81
ICICI Prudential Regular Saving Fund Growth	-	-	548,300	108.94
ICICI Prudential value Discovery Fund Growth	67,956	71.84	67,956	99.41
ICICI Prudential Long Term Bond Fund - Growth	185,615	124.87	-	-
IDFC Dynamic Bond Fund	906,490	228.23	906,490	202.50
Kotak Bond Fund	243,208	137.38	243,208	123.61
L & T Prudence Fund Growth	482,238	103.18	482,238	125.95
Nippon India Multi Cap Fund - Growth Plan Growth Option - (Formerly Reliance Equity Opportunities Growth)	92,860	60.09	92,860	92.53
Nippon India Income Fund - Growth Plan Growth Option - (Formerly Reliance Income Fund Growth Plan)	267,758	178.70	267,758	158.74
Nippon India Equity Hybrid Fund - Growth Plan Growth Option - (Formerly Reliance Regular Savings Balance Fund)	694,541	246.02	694,541	382.78
Nippon India Credit Risk Fund - Growth Plan Growth Option - (Formerly Reliance Regular Savings Fund Debt Plan Growth)	397,845	91.58	397,845	102.56
TATA Balance Fund Growth	56,926	97.74	56,926	120.25
SBI Blue Chip Fund	246,242	73.26	246,242	96.54
UTI Equity Fund Growth	70,953	82.39	70,953	102.21
UTI Income Opportunities Fund - Growth Plan	-	-	640,746	107.18
Total		3,892.81		4,449.29
Grand Total		3,892.84		4,449.32
Aggregate Amount of Unquoted Investments (Equity Share)		0.03		0.03
Aggregate Amount of Book Value of Unquoted Investments (Mutual Fund)		3,073.62		2,819.21



NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31ST MARCH, 2020

(Rs. in lacs)

	Non Current		Current	
	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
6 LOANS				
Security Deposit				
Secured, considered good	-	-	28.59	28.48
	-	-	28.59	28.48
Other Loans and Advances, unsecured, considered good unless otherwise mentioned				
Loan to Employees	7.50	10.50	3.33	3.12
	7.50	10.50	3.33	3.12
Total Loans	7.50	10.50	31.92	31.60

6.1 No Loans and advances were given to any Directors and other officer's of the Company except Rs. 10,50,000/- (Previous Year 13,50,000/-) to Mr. Kartick Narayan Singh - Whole time Director which was approved by the Board under a policy for loan / advances for every permanent employees on 27/05/2017.

6.2 No Loans was given to related parties as specified in Section 188 of the Companies Act, 2013

	As at 31st March, 2020	As at 31st March, 2019
7 DEFERRED TAX ASSETS (NET)		
Deferred Tax Assets		
Arising on account of :		
MAT Credit Entitlement	158.91	200.58
	158.91	200.58
Deferred Tax Liabilities		
Arising on account of :		
Carrying value of Investments	46.34	39.20
Inventory & Biological Assets	5.16	9.75
Property, Plant & Equipments	49.02	38.29
	100.52	87.24
Deferred Tax Assets (Net)	58.39	113.34

7.1 Movement in Deferred Tax Asset and Deferred Tax Liabilities.

Particulars	As at 1st April, 18	Recognized in Statement of Profit & Loss	As at 31st March,19	Recognized in Statement of Profit & Loss	As at 31st March,20
Deferred Tax Assets					
MAT Credit Entitlement	92.71	107.87	200.58	(41.67)	158.91
Others	0.35	(0.35)	-	-	-
	93.06	107.52	200.58	(41.67)	158.91



NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31ST MARCH, 2020

(Rs. in lacs)

Particulars	As at 1st April, 18	Recognized in Statement of Profit & Loss	As at 31st March,19	Recognized in Statement of Profit & Loss	As at 31st March,20
Deferred Tax Liabilities					
Carrying value of Investments	27.91	11.29	39.20	7.14	46.34
Inventory & Biological Assets	(1.78)	11.53	9.75	(4.59)	5.16
Property, Plant & Equipments	17.95	20.34	38.29	10.72	49.02
	44.08	43.16	87.24	13.27	100.52

7.2 Deferred Tax Assets and Deferred Tax Liabilities have been offset wherever the Company has a legally enforceable right to sell 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 31st March, 2020	As at 31st March, 2019
8 NON -CURRENT TAX ASSETS		
Advance Income Tax & TDS	87.52	39.98
	87.52	39.98

	As at 31st March, 2020	As at 31st March, 2019
9 INVENTORIES		
(At lower of cost or net realisable value)		
Finished Goods	76.79	122.49
Stock in Transit (Tea)	-	12.18
Stock in Transit (Store)	10.45	-
Stores and Spares (net of obsolesce)	61.26	74.32
	148.50	208.99

9.1 Details of Inventories - Finished Goods :	As at 31st March, 2020	As at 31st March, 2019
Tea	76.79	134.67
	76.79	134.67

9.2 The above includes goods-in-transit as under :	As at 31st March, 2020	As at 31st March, 2019
Finished goods / Machinery / Stores and Spares etc	10.45	12.18
	10.45	12.18

9.3 Refer note no. 36 for information on inventories pledged as securities by the Company.

10 BIOLOGICAL ASSET OTHER THAN BEARER PLANT	As at 31st March, 2020	As at 31st March, 2019
At the Opening Date	(11.05)	5.07
Increase due to purchase / physical changes	-	11.05
Decrease due to harvest / physical changes	(11.05)	5.07
Decrease due to sales / writte off	-	-
Net change in fair value less estimated costs to sell	-	11.05

11 TRADE RECEIVABLES	As at 31st March, 2020	As at 31st March, 2019
Trade Receivables considered good-Secured	-	-
Trade Receivables considered good-Unsecured	13.27	51.26
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - Credit impaired	-	-
Total Trade receivables	13.27	51.26



NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31ST MARCH, 2020

(Rs. in lacs)

	As at 31st March, 2020	As at 31st March, 2019
11.1 No trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.		
12 CASH AND CASH EQUIVALENTS		
Balances With Banks :		
In Current Account	10.38	1.93
Cash in Hand	37.21	10.48
	47.59	12.41
13 BANK BALANCES (OTHER THAN NOTE: 12)		
Balance in Unpaid Dividend Account	8.24	7.88
	8.24	7.88
14 OTHERS FINANCIAL ASSETS		
Deposit with NABARD	0.01	0.01
Other Advance - The Scottish Assam Gratuity Fund	0.94	1.22
	0.95	1.23
15 OTHER CURRENT ASSETS		
Advances other than Capital Advances		
Advances to Suppliers & Service Providers	0.28	0.66
Balances with Government & Statutory Authorities	42.68	36.58
Prepaid Expenses	8.78	5.15
Total Other Assets	51.74	42.39

	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares	Amount	No. of Shares	Amount
16 EQUITY SHARE CAPITAL				
16.1 Authorised Share Capital				
Equity Shares :				
Ordinary Shares of Rs. 10/- each	2,000,000	200.00	2,000,000	200.00
	2,000,000	200.00	2,000,000	200.00
16.2 Issued Share Capital				
Ordinary Shares of Rs.10/- each	800,000	80.00	800,000	80.00
	800,000	80.00	800,000	80.00
16.3 Subscribed and Paid-up Share Capital				
Ordinary Shares of Rs.10/- each fully paid-up	800,000	80.00	800,000	80.00
	800,000	80.00	800,000	80.00

16.4 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.

16.5 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



NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31ST MARCH, 2020

(Rs. in lacs)

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.

16.6 Shareholding Pattern with respect of Holding or Ultimate Holding Company

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

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

As at 31st March, 2020		As at 31st March, 2019	
No. of Shares	Holding	No. of Shares	Holding

Ordinary Shares of Rs. 10/- each fully paid

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	10.38%	83,020	10.38%
Maryada Advisory Services Pvt. Ltd.	45,290	5.66%	45,290	5.66%
SPBP Investments Ltd.	45,000	5.63%	45,000	5.63%
Aarvee Trading Co Pvt Ltd	40,000	5.00%	40,000	5.00%

16.8 Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash for the period of five years immediately preceding the date as at which the Balance Sheet is prepared - Nil.

16.9 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.

16.10 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.

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

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

17 OTHER EQUITY

		As at 31st March, 2020	As at 31st March, 2019
Capital Reserve	17.1	30.62	30.62
General Reserve	17.2	2,264.29	2,164.29
Retained Earnings	17.3	1,653.23	2,214.85
		3,948.14	4,409.76

17.1 Capital Reserve

Balance at the beginning and at the end of the year		30.62	30.62
		30.62	30.62



NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31ST MARCH, 2020

(Rs. in lacs)

	As at 31st March, 2020	As at 31st March, 2019
17.2 General Reserve		
Balance at the beginning of the year	2,164.29	2,064.29
Transfer from Retained Earnings	100.00	100.00
Balance at the at the end of the year	<u>2,264.29</u>	<u>2,164.29</u>
17.3 Retained Earnings		
Balance at the beginning of the year	2,214.85	1,918.85
Add: Profit/(Loss) for the year	(416.26)	490.08
Less: Transfer from Other Comprehensive Income	6.78	55.50
Less: Dividend	32.00	32.00
Less: Dividend Distribution Tax	6.58	6.58
Less: Transfer to General Reserve	100.00	100.00
Balance at the end of the year	<u>1,653.23</u>	<u>2,214.85</u>
Total Reserve & Surplus	<u>3,948.14</u>	<u>4,409.76</u>
18 BORROWINGS		
Secured		
Loan from Banks		
Working Capital loans repayable on demand	183.86	289.24
	<u>183.86</u>	<u>289.24</u>
18.1 Details of Security Given for Loan		
a. i) Working Capital Loan is Secured by way of hypothecation of current assets including stock of finished goods, green leafs related to Heeleakah Tea Estate and also by way of hypothecation of all movable plant & machinery & other movable fixed assets, all present and future. The loan is further secured by way of deposit of title deeds of Heeleakah Tea Estate. Interest is payable on quarterly basis at 8.8%.		
19 TRADE PAYABLES		
Trade Payables for goods & services		
Total outstanding dues of creditors to micro enterprises and small enterprises	4.98	2.02
Total outstanding dues of creditors to other than micro enterprises and small enterprises	203.16	132.83
	<u>208.14</u>	<u>134.85</u>
19.1 Refer Note No. 37 for information on micro, small & medium enterprises Development Act, 2006.		
20 OTHER FINANCIAL LIABILITIES		
Employee Related Liability	214.55	249.58
Other Misc. Liability	9.02	4.39
Unpaid and unclaimed dividends 20.1	8.24	7.88
	<u>231.81</u>	<u>261.85</u>
20.1 There are no amounts due for payment to the Investor Education and Protection Fund (IEPF) at the end of the year.		
21 PROVISIONS		
Provision for Employee Benefits		
Gratuity	41.62	107.01
	<u>41.62</u>	<u>107.01</u>



NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31ST MARCH, 2020

(Rs. in lacs)

	As at 31st March, 2020	As at 31st March, 2019
22 OTHER CURRENT LIABILITIES		
Statutory Dues Payable	30.29	38.55
Advances Received from Customers	1.84	1.83
	32.13	40.38
23 CURRENT TAX LIABILITY		
Provision for tax (Net of Advance Tax)	0.02	27.33
	0.02	27.33
	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
24 REVENUE FROM OPERATIONS		
Sale of Finished Goods	3,148.00	2,985.59
Made Tea	3,148.00	2,985.59
Other Operating Revenues		
Insurance and Other Claims (Net)	-	0.25
	-	0.25
	3,148.00	2,985.84
25 OTHER INCOME		
Interest Income at amortised cost		
On Others	0.49	0.56
On Income Tax	0.42	-
Other Non Operating Income		
Profit on Sale of Investments (Net)	7.14	-
Excess Liabilities and Unclaimed Balances written back	1.27	5.83
Miscellaneous Income	0.06	-
	9.38	6.39
26 COST OF MATERIALS CONSUMED		
Purchase of Green Leaf	226.98	193.79
Consumption of green leaf in hand - raw material	-	4.21
	226.98	198.00
27 (INCREASE)/DECREASE IN INVENTORIES OF FINISHED GOODS		
Inventories at the beginning of the year – Tea	134.67	119.75
	134.67	119.75
Inventories at the end of the year – Tea	76.79	134.67
	76.79	134.67
Total changes in inventories of finished goods	57.88	(14.92)

**NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31ST MARCH, 2020**

	(Rs. in lacs)	
	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
28 EMPLOYEE BENEFITS EXPENSE		
Salaries & Wages	1,252.50	1,209.26
Contribution to Provident & Gratuity Funds	144.78	144.76
Staff Welfare Expenses	117.46	118.98
	1,514.74	1,473.00
Less :- Transferred to CWIP	25.97	47.82
	1,488.77	1,425.18
29 FINANCE COST		
Interest Expenses		
To Banks On Working Capital Loans	30.53	20.08
On Other		
Interest Paid - Others	0.81	5.22
Other Borrowing Costs		
Other Financial Charges	1.02	4.18
	32.36	29.48
30 DEPRECIATION AND AMORTIZATION EXPENSES		
On Tangible Assets	43.64	46.14
On Intangible Assets	1.83	0.01
	45.47	46.15
31 OTHER EXPENSES		
(A) Manufacturing Expenses		
Stores, Spare Parts & Packing Materials Consumed	398.55	252.47
Power & Fuel	262.02	236.31
Repairs to Buildings	20.17	57.11
Repairs to Machinery	53.24	63.32
	733.98	609.21
Less :- Transferred to CWIP	6.20	7.87
TOTAL - A	727.78	601.34



NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31ST MARCH, 2020

	(Rs. in lacs)	
	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
(B) Selling and Administration Expenses		
Freight & Cartage	21.47	23.10
Running & Maintenance Expenses to Vehicles	47.41	46.94
Repairs to Other Assets	19.62	13.51
Commission, Brokerage & Discount	31.42	29.89
Warehousing & Other Selling Expenses	23.93	22.57
Rates & Taxes	5.62	29.87
Insurance	5.91	5.33
Auditors' Remuneration - Statutory Auditors -		
Audit Fees	1.95	1.50
Tax Audit Fees	0.50	0.30
Certificate & Other Fees	1.80	1.30
Loss on MTM Gain on Investments (Net)	563.62	(269.84)
Loss on sale of Fixed Assets	0.25	0.01
Change in fair Value of biological assets	11.05	(4.35)
Professional Fees	52.52	51.63
Rent	32.33	32.44
Service Charges	23.94	27.09
Travelling Expenses	14.35	27.16
Director Sitting Fees	3.10	3.45
Other Miscellaneous Expenses	47.13	47.43
Total - B	907.92	89.33
Total - (A + B)	1,635.70	690.67
32 TAX EXPENSE		
Current Tax	32.63	191.94
Tax for Earlier Year	(1.09)	-
Deferred Tax	54.95	(64.35)
	86.49	127.59
32.1 Reconciliation of estimated Income Tax expense at Indian statutory Income Tax rate to income Tax expense reported in statement of Total Comprehensive Income.		
Profit/(Loss) before Income Tax expense	(329.78)	617.67
Indian Statutory Income Tax rate	27.82%	27.82%
Estimated Income Tax Expense	(91.74)	171.84
<i>Tax effect of adjustments to reconcile expected Income Tax expense to reported Income Tax expense</i>		
Tax payable at different rates	13.30	2.54
Tax payable at Earlier Year	(1.09)	-
Tax payable on others	166.02	44.71
	178.23	44.25
Income Tax Expense in Statement of Profit & Loss	86.49	127.59



NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31ST MARCH, 2020

(Rs. in lacs)

	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
33 OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified to profit or loss		
Remeasurement of the defined benefit plans	9.39	76.61
Less: Tax expense on the above	2.61	21.11
	6.78	55.50
34 Earning per Shares		
Nominal Value of Equity Shares (Rs.)	10.00	10.00
Profit attributed to the Equity shareholders of the Company	(416.26)	490.08
Weighted average number of equity shares	8.00	8.00
Basis and diluted earning per shares (Rs.)	(52.03)	61.26

There are no dilutive equity shares in the Company.

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

35.1 Contingent Liabilities

Sl. No	Particulars	As at 31st March, 2020 (Rs. in Lacs)	As at 31st March, 2019 (Rs. in Lacs)
A	Claims/Disputes/Demands not acknowledged as debts -		
i.	Surcharge on Electricity levied by the Assam State Electricity Board	1.68	1.68

Note : In respect of above, future cash flows are determinable only on receipt of judgements pending at various forums/authorities which in the opinion of the Company is not tenable and there is no possibility of any future cash outflow in case of above.

35.2 Contingent Assets

There are no contingent assets.

35.3 Commitments

Sl. No	Particulars	As at 31st March, 2020 (Rs. in Lacs)	As at 31st March, 2019 (Rs. in Lacs)
i.	Estimated amount of contracts remaining to be executed on Capital Account (net of advances)	-	-

35.4 Trade Receivables

Trade Receivables, Loans & Advances and Deposits 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.

**NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31ST MARCH, 2020****36 Assets pledged as security**

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

Particulars	As at 31 st March, 2020 (Rs. in lacs)	As at 31 st March, 2019 (Rs. in lacs)
Current		
Other Current assets	51.74	42.39
First charge		
Trade Receivables	13.27	51.26
Floating charge		
Cash and Cash equivalents	47.59	12.41
Receivables	32.87	32.83
	145.47	138.89
Non-Financial Assets		
First charge		
Inventories	148.50	208.99
Biological Assets	-	11.05
	148.50	220.04
Total current assets pledged as security	293.97	358.93
Non-Current		
First charge		
Buildings	69.77	75.14
Plant & Machinery	122.50	132.66
Vehicles	17.48	24.36
Furniture & Fitting	0.73	0.91
Office Equipment	2.49	3.40
Bearer Plant	3.18	3.33
Capital work in Progress	159.89	130.66
Financial Assets	7.50	10.50
Total Non-Currents Assets pledged as security	383.54	380.96
Total Assets pledged as security	677.51	739.89



NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31ST MARCH, 2020

37 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 4th September, 2015

Sl. No	Particulars	As at 31st March, 2020 (Rs. in Lacs)	As at 31st March, 2019 (Rs. in Lacs)
i	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each Financial Year.	4.98	2.02
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.

38 Leases

38.1 Finance Lease

The Company has no assets under finance lease.

38.2 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.

38.2.1 Future Minimum Lease Payments

At 31st March, 2020 the future minimum lease payments to be made under non-cancellable operating leases are as follows :

Particulars	As at 31st March, 2020 (Rs. in Lacs)	As at 31st March, 2019 (Rs. in Lacs)
Payables within one year	-	-

38.2.2 Amounts recognized in Profit or Loss

Particulars	For the year ended 31st March, 2020 (Rs. in Lacs)	For the year ended 31st March, 2019 (Rs. in Lacs)
Total rental expense relating to operating leases	32.33	32.44



NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31ST MARCH, 2020

39 Effective from April 1, 2019, the company has adopted Ind AS 116 'Leases' and applied the same to lease contracts existing on 1st April, 2019 by using modified retrospective approach. Adoption of this standard does not have any impact on the financial statements for the year ended 31 March, 2020

40 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)

40.1 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 : (Rs. in Lacs)

Sl. No.	Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
a	Provident Fund	110.49	110.59

40.2 Defined Benefit Plan :

The following are the types of defined benefit plans

40.2.1 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.

40.2.2 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.



NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31ST MARCH, 2020

(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/-).

(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.

40.2.3 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:

(Rs. in Lacs)

Particulars	Gratuity	
	2019-2020	2018-2019
Balance at the beginning of the year	439.39	348.24
Current Service Cost	27.75	23.65
Interest Cost on Defined Benefit Obligation	33.91	27.14
Actuarial Gain and Losses arising from		
Changes in demographic assumptions	(0.32)	-
Changes in financial assumptions	13.22	30.43
Experience Adjustment	(18.19)	52.65
Benefits Paid from the Plan Assets	(7.12)	(42.72)
Balance at the end of the year	488.62	439.39

40.2.4 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 :

(Rs. in Lacs)

Particulars	Gratuity	
	2019-2020	2018-2019
Balance at the beginning of the year	381.28	261.73
Interest Income on Plan Assets	29.42	20.40
Remeasurement of Defined Benefit Obligation :		
Return on plan assets greater/ (lesser) than discount rate	(14.69)	6.46
Employer Contributions to the Plan	107.01	135.41
Benefits Paid from the Plan Assets	(7.12)	(42.72)
Balance at the end of the year	495.90	381.28

**NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31ST MARCH, 2020****40.2.5 Expenses recognized in profit or loss (Rs. in Lacs)**

Particulars	Gratuity	
	2019-2020	2018-2019
Current Service Cost	27.75	23.65
Interest Income on Plan Assets	4.48	6.74

40.2.6 Remeasurements recognized in other comprehensive income (Rs. in Lacs)

Particulars	Gratuity	
	2019-2020	2018-2019
Actuarial (gain)/ Loss on defined benefit obligation	(5.30)	83.07
Return on plan assets greater/ (lesser) than discount rate	14.69	(6.46)

40.2.7 Major Categories of Plan Assets (Rs. in Lacs)

Particulars	Gratuity	
	2019-2020	2018-2019
Qualified Insurance Policy 100%	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.

40.2.8 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).

40.2.9 Actuarial Assumptions (Rs. in Lacs)

Particulars	Gratuity	
	2019-2020	2018-2019
Financial Assumptions		
Discount Rate	6.85%	7.70%
Salary Escalation Rate	5% for the first two years and 4% thereafter	5% for the first two years and 4% thereafter
Demographic Assumptions		
Mortality Rate	100.00%	100.00%
Withdrawal Rate	1 %	1 %



NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31ST MARCH, 2020

40.2.10 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.

40.2.11 At 31st March 2020, 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 Lacs)**

Particulars	Gratuity	
	2019-2020	2018-2019
Expected benefits payment (valued on undiscounted basis)		
Within next 12 months (next annual reporting period)	57.88	46.87
Between 2 and 5 years	152.53	141.37
Between 6 and 10 years	189.74	182.71
Beyond 10 years	689.42	755.25

40.2.12 The Company expects to contribute Rs. 41.62/- lakh (Previous year Rs. 107.01/- lakh) to its gratuity fund in 2020-2021.

40.2.13 The following payments are expected contributions to the defined benefit plan in future years: **(Rs. in Lacs)**

Particulars	Gratuity	
	2019-2020	2018-2019
Expected contributions		
Within next 12 months (next annual reporting period)	41.62	107.01

40.2.14 Employee Benefit Expense also includes provident funds in the nature of defined benefit plans contribution amounting to Rs. 110.49/- lakh (Previous year Rs. 110.59/- lakh).

40.2.15 Sensitivity Analysis

The sensitivity analysis 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 :

(Rs. in Lacs)

Particulars	Gratuity	
	2019-2020	2018-2019
Effect on DBO due to 1% increase in Discount Rate	446.50	401.05
Effect on DBO due to 1% decrease in Discount Rate	537.91	484.31
Effect on DBO due to 1% increase in Salary Escalation Rate	538.76	485.21
Effect on DBO due to 1% decrease in Salary Escalation Rate	445.13	399.71
Effect on DBO due to 1% increase in Attrition Rate	494.27	445.12
Effect on DBO due to 1% decrease in Attrition Rate	482.61	433.30
Effect on DBO due to 1% increase in Mortality Rate	488.98	439.79
Effect on DBO due to 1% decrease in Mortality Rate	488.26	438.99

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.



NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31ST MARCH, 2020

41 Related Party Disclosures

41.1 Name of the related parties and description of relationship

A Subsidiaries of the Company - NIL

B Enterprises/Individual having control over the Company - NIL

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) Ms. Sreya Bose - Company Secretary
- xi) Mr. Yugal Keshor Chaudhary - Chief Financial Officer

D Entities over which Key Management Personnels are able to exercise control/joint control

01. SPBP TEA PLANTATION LTD	15. KILBURN SOFTWARE TECHNOLOGIES INDIA LTD
02. R D TEA LTD	16. ANA VINCOM PVT LTD
03. CONTEMPORARY POLYSACKS LTD	17. MAHAVIR HOLDING & FINANCE PVT LTD
04. ROSEBUD COMMERCIAL CO. PVT LTD	18. CASTLETON CAPITAL LTD
05. SHWETAMBRA INVESTMENT & TRADING PVT LTD	19. CASTLETON OUTSOURCE LTD
06. PARK TOWERS INVESTMENTS AND SERVICES PVT LTD	20. VASHULINGA FINANCE PVT LTD
07. JUST DESSERTS LTD	21. RAMAN AND COMPANY LTD
08. MARYADA ADVISORY SERVICES PVT LTD	22. AAR VEE TRADING COMPANY PVT LTD
09. NIRVAN COMMERCIAL CO. LTD	23. MIRACLE DEALERS PVT LTD
10. SHREE DURGA AGENCIES LTD	24. DEVBHUMI VANIJYA PVT LTD
11. HOPWORKZ RESTAURANTS PVT LTD	25. RUDRAPRIYA DEALCOM PVT LTD
12. SUPRIYA FINANCE LTD	26. ARVIND AND COMPANY PVT LTD
13. SAKET FISCAL SERVICES PVT LTD	27. POTERS CREATION PVT LTD
14. SANDEEP INVESTMENTS LTD	28. PURUSHOTTAM INVESTMENTS PVT LTD



NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31ST MARCH, 2020

E Post Employment Benefit Plan

THE SCOTTISH ASSAM EMPLOYEES GRATUITY FUND

41.2 Summary of transactions with the related parties

(Rs. in Lacs)

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	(-) (-)	3.00/- (3.00/-)	(-) (-)
Rent Paid	9.99/- (9.99/-)	19.80/- (19.80/-)	(-) (-)
Sales of Goods	0.09/- (0.13/-)	(-) (-)	(-) (-)
Sitting Fees	(-) (-)	3.10/- (3.45/-)	(-) (-)
Salary / Remuneration	7.51/- (7.51/-)	28.86/- (27.99/-)	(-) (-)
Professional Charges	14.60/- (12.60/-)	(-) (-)	(-) (-)
Provision towards post employment benefit plan	(-) (-)	(-) (-)	41.62/- (107.01/-)

41.3 Summary of Closing Balance Outstanding with the related parties

(Rs. in Lacs)

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	(-) (-)	10.50/- (13.50/-)	(-) (-)
Outstanding for Services	(-) (-)	3.02/- (-)	(-) (-)



NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31ST MARCH, 2020

41.4 Key Management Personnel compensation (Rs. in Lacs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Short-term employee benefits	0.51	0.71
Post-employment benefits	7.92	7.50
Total compensation	8.43	8.20

41.5 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.

42 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.

43 Fair Value Measurement

Categories of Financial Assets & Financial Liabilities as at 31st March, 2020 and 31st March, 2019 (Rs. in Lacs)

Particulars	31st March, 2020			31st March, 2019		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
Financial Assets						
Investment						
- Equity Instruments	.03	-	-	.03	-	-
Mutual Fund	3,892.81	-	-	4,449.29	-	-
Trade Receivables	-	-	13.27	-	-	51.26
Cash and Cash Equivalents	-	-	47.59	-	-	12.41
Bank balances other than above	-	-	8.24	-	-	7.88
Loans	-	-	39.42	-	-	42.10
Other Financial Assets	-	-	0.95	-	-	1.23
Total Financial Assets	3,892.84	-	109.47	4,449.32	-	114.87
Financial Liabilities						
Borrowings	-	-	183.86	-	-	289.24
Trade Payables	-	-	208.14	-	-	134.85
Other Financial Liabilities	-	-	231.81	-	-	261.85
Total Financial Liabilities	-	-	623.81	-	-	685.94

44 Fair Values of Financial Assets and Financial Liabilities measured at Amortised Cost



NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31ST MARCH, 2020

- 44.1 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.
- 44.2 For Financial assets and liabilities that are measured at fair value, the carrying amounts are equal to their fair values.
- 44.3 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.
- 44.4 The following methods and assumptions were used to estimate the fair values :
- 44.4.1 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.

45 Fair Value Hierarchy

45.1 Financial Instrument

The following are the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and 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 three levels of fair value measurement as prescribed under the IndAS 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 31st March, 2020 and 31st March, 2019

(Rs. in Lacs)

Particulars	31st March, 2020			31st March, 2019		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets						
Investment						
- Equity Instruments	-	-	0.03	-	0.03	-
- Mutual Funds	3,892.81	-	-	4,449.29	-	-
Total Financial Assets	3,892.81	-	0.03	4,449.29	0.03	-

45.1.1 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.

45.2 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.



NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31ST MARCH, 2020

Biological Assets measured at Fair Value less cost to sell

As at 31st March, 2020 and 31st March, 2019

(Rs. in Lacs)

Particulars	31st March, 2020			31st March, 2019		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Non Financial Assets						
Biological Assets other than Bearer Plant						
- Unharvested Tea Leaf	-	-	-	-	11.05	-
Total Non Financial Assets	-	-	-	-	11.05	-

45.2.1 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.

45.3 During the year ended March 31, 2020 and March 31, 2019. There are no transfers between level 1, level 2 and level 3.

45.3.1 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.

45.3.2 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.

45.3.3 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.

45.4 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:

46 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:



NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31ST MARCH, 2020

46.1 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.

46.2 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.

46.2.1 Maturity Analysis for financial liabilities

The following are the remaining contractual maturities of financial liabilities as at 31st March, 2020 (Rs. in Lacs)

a	Particulars	On Demand	Less than 6 months	6 months to 1 year	1 years to 5 years	More than 5 years	Total
	Borrowings						
	Working Capital loans repayable on demand	183.86	-	-	-	-	183.86
	Trade payables	208.14	-	-	-	-	208.14
	Other financial liabilities	231.81	-	-	-	-	231.81
	Total	623.81	-	-	-	-	623.81

b The following are the remaining contractual maturities of financial liabilities as at 31st March, 2019 (Rs. in Lacs)

b	Particulars	On Demand	Less than 6 months	6 months to 1 year	1 years to 5 years	More than 5 years	Total
	Borrowings						
	Working Capital loans repayable on demand	289.24	-	-	-	-	289.24
	Trade payables	134.85	-	-	-	-	134.85
	Other financial liabilities	261.85	-	-	-	-	261.85
	Total	685.94	-	-	-	-	685.94

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 31ST MARCH, 2020

46.3 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.

46.3.1 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 finished goods viz. tea, coffee and rubber 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, coal 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.

46.3.2 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 (Rs. in Lacs)

Particulars	31st March, 2020	31st March, 2019
Fixed Rate Instruments		
Financial Assets	-	-
Financial Liabilities	-	-
Variable Rate Instruments		
Financial Assets	-	-
Financial Liabilities	183.86	289.24

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.

(Rs. in Lacs)

Particulars	31st March, 2020			31st March, 2019		
	Sensitivity Analysis	Impact on		Sensitivity Analysis	Impact on	
		Profit before tax	Other Equity		Profit before tax	Other Equity
Interest Rate Increase by	1 %	(1.84)	(1.33)	1 %	(2.89)	(2.09)
Interest Rate Decrease by	1 %	1.84	1.33	1 %	2.89	2.09



NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31ST MARCH, 2020

46.3.3 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.

a Exposure to other market price risk (Rs. in Lacs)

Particulars	31st March, 2020	31st March, 2019
Investment in Mutual Funds	3,892.81	4,449.29
Investment in Equity Shares	0.03	0.03
	3,892.84	4,449.32

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.

(Rs. in Lacs)

Particulars	31st March, 2020			31st March, 2019		
	Sensitivity Analysis	Impact on		Sensitivity Analysis	Impact on	
		Profit before tax	Other Equity		Profit before tax	Other Equity
Market rate Increase	5.00%	112.72	-	5.00%	(53.97)	-
Market rate Decrease	5.00%	(112.72)	-	5.00%	53.97	-

47 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.

(Rs. in Lacs)

Particulars	31st March, 2020	31st March, 2019
Net Debt	183.86	289.24
Total Equity	4,028.14	4,489.76
Net Debt to Equity Ratio	0.05	0.06

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



NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31ST MARCH, 2020

mitigate the risks.

- 48 The Board of Director's at its meeting held on 27th July, 2020 recommended final dividend of Rs.4 per equity share of face value of Rs.10/- each for the financial year ended 31st March, 2020. The same amounts to Rs. 32.00 lacs. The above is subject to approval at ensuing Annual General Meeting of the Company and hence not recognised as a liability.
- 49 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.
- 50 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 & supplier relationships & 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 & estimates may vary in future due to impact of pandemic.
- 51 The wage agreement with workers in Assam is under negotiation. Interim wage increase has been announced in Assam by which the basic wage has been increased by Rs 30. In absence of final agreement with workers the wages have been accounted for on the basis of interim order.
- 52 The Taxation Law (Amendments) Ordinance 2019 ('the Ordinance'), provides an option to domestic companies to pay income-tax at a lower rate of 22% (plus applicable surcharge and cess) instead of the normal rate of 25% (plus applicable surcharge and cess) depending on the conditions specified in this behalf under section 115 BA of the Income Tax Act, 1961. A domestic company can avail of the lower tax rate only if it opts for not availing of certain exemptions or incentives specified in this behalf in the Ordinance. There is no time limit prescribed under the above to choose the option of lower tax rate under section 115BAA, however, once chosen it is irreversible.
- Based on the Management estimates, the Company has determined that exercising the option of lower rate will not be beneficial at this point of time. Hence, the company has provided for Income tax as well as deferred tax at a normal rate applicable to company.
- 53 Miscellaneous Expenditure includes revenue expenditure on research and development Rs. 4.44/- Lakh (2019: Rs. 4.51/- Lakh) incurred towards subscription to Tea Research Association.
- 54 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 : The 27th day of July, 2020

For and on behalf of the Board of Directors

Mr. DHIRENDRA KUMAR (DIN : 00153773)
Ms. DIVYA JALAN (DIN : 00016102)
Ms. SHASHI KUMAR (DIN : 00199961)
Mr. GHANSHYAM DAS GUPTA (DIN : 00174114) *Director*
Mr. NAVEEN BANSAL (DIN : 00720211)
Mr. GAURAV GUPTA (DIN : 00015692)

Mr. KARTIK NARAYAN SINGH (DIN : 07779482) *Wholetime Director*
Ms. SREYA BOSE - *Company Secretary*
Mr. YUGAL KESHOR CHAUDHARY - *Chief Financial Officer*



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